

## 9. INFORMATION ON MAJOR SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT

### 9.1 Major Shareholders

#### 9.1.1 Major Shareholders and their Shareholdings

The major shareholders (holding 5% or more of the issued and paid-up share capital of ULC) of ULC and their respective shareholdings, according to the Register of Substantial Shareholders and the Register of Members, before and after the Public Issue and Offer, are as follows:-

Shareholders	Designation	Nationality/ Country of Incorporation	—Before the Public Issue and Offer—				—After the Public Issue and Offer—			
			No. of ordinary shares of RM1.00 each held		No. of ordinary shares RM1.00 each held		No. of ordinary shares RM1.00 each held		No. of ordinary shares RM1.00 each held	
			Direct	%	Indirect	%	Direct	%	Indirect	%
PDSB <sup>1</sup>	-	Malaysia	18,000,000	49.05	-	-	18,000,000	45.00	-	-
Kasuria <sup>2</sup>	-	Malaysia	7,485,252	20.40	-	-	7,485,252	18.71	-	-
Lee Yoon Wah	Group Managing Director* Chief Executive Officer	Malaysian	2,903,082	7.91	18,000,000 <sup>#</sup>	49.05	1,236,416	3.09	18,000,000 <sup>#</sup>	45.00
Lee Yoon Fook	Executive Director	Malaysian	2,903,082	7.91	18,000,000 <sup>#</sup>	49.05	1,236,415	3.09	18,000,000 <sup>#</sup>	45.00
Lee Yoon Kong	Executive Director	Malaysian	2,903,082	7.91	18,000,000 <sup>#</sup>	49.05	1,236,415	3.09	18,000,000 <sup>#</sup>	45.00
Dato' Abd Rahman bin Ismail	Chairman	Malaysian	-	-	7,485,252*	20.40	-	-	7,485,252*	18.71
Mohd. Haniff bin Hashim	-	Malaysian	-	-	7,485,252*	20.40	-	-	7,485,252*	18.71

**Notes:-**

The shareholdings disclosed above do not include allocations of the Issue Shares reserved for allocation to eligible Directors and employees of the ULC Group pursuant to the Public Issue.

# Deemed interested through PDSB.

\* Deemed interested through Kasuria.

1 PDSB was incorporated in Malaysia under the Companies Act, 1965 on 4 May 2000 as a private limited company. It is principally an investment holding company.

The Directors who will be the major shareholders of PDSB and their respective shareholdings therein pursuant to the Arrangement will be as follows:-

Shareholders	No. of shares held	% of issued and paid-up share capital
Lee Yoon Wah	1,001	33.35*
Lee Yoon Kong	1,001	33.34
Lee Yoon Fook	1,000	33.31

**Note:-**

\* Rounded-up to add to a total of 100%.

The Lee Brothers will transfer the ULC shares to PDSB after issuance of this Prospectus but prior to the Listing pursuant to the Arrangement.

## 9. INFORMATION ON MAJOR SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

2 Kasuria was incorporated in Malaysia under the Companies Act, 1965 on 30 May 1985 as a private limited company. It is principally an investment holding company.

The Directors, who are also the major shareholders of Kasuria, and their respective shareholdings according to the Register of Directors and Directors' Shareholdings as at the date hereof are as follows:-

Shareholders	No. of shares held	% of issued and paid-up share capital
Dato' Abd Rahman bin Ismail	150,000	50.00
Mohd. Haniff bin Hashim	150,000	50.00

### 9.1.2 Changes in Major Shareholders and their Shareholdings

Shareholders	As at date of incorporation			
	No. of ordinary shares of RM1.00 each held			
	Direct	%	Indirect	%
Wong Chow Lan	1	50.0	-	-
Leng Wai Kheng	1	50.0	-	-

*Note:-*

On 12 April 2000, Wong Chow Lan and Leng Wai Kheng increased their shareholding in ULC to 5,000 ordinary shares respectively.

Shareholders	---After the Acquisitions and Dividend Capitalisation---			
	No. of ordinary shares of RM1.00 each held			
	Direct	%	Indirect	%
Kasuria	7,185,950	20.40	-	-
Lee Yoon Wah	8,547,088	24.26	-	-
Lee Yoon Fook	8,547,088	24.26	-	-
Lee Yoon Kong	8,547,088	24.26	-	-
Dato' Abd Rahman bin Ismail	-	-	7,185,950*	20.40
Mohd. Haniff bin Hashim	-	-	7,185,950*	20.40

Shareholders	After the Acquisitions and Rights Issue but before Arrangements			
	No. of ordinary shares of RM1.00 each held			
	Direct	%	Indirect	%
Kasuria	7,485,252	20.40	-	-
Lee Yoon Wah	8,903,082	24.26	-	-
Lee Yoon Fook	8,903,082	24.26	-	-
Lee Yoon Kong	8,903,082	24.26	-	-
Dato' Abd Rahman bin Ismail	-	-	7,485,252*	20.40
Mohd. Haniff bin Hashim	-	-	7,485,252*	20.40

Shareholders	---After the Acquisitions Rights Issue and Arrangement---			
	No. of ordinary shares of RM1.00 each held			
	Direct	%	Indirect	%
PDSB	18,000,000	49.05	-	-
Kasuria	7,485,252	20.40	-	-
Lee Yoon Wah	2,903,082	7.91	18,000,000 <sup>#</sup>	49.05
Lee Yoon Fook	2,903,082	7.91	18,000,000 <sup>#</sup>	49.05
Lee Yoon Kong	2,903,082	7.91	18,000,000 <sup>#</sup>	49.05
Dato' Abd Rahman bin Ismail	-	-	7,485,252*	20.40
Mohd. Haniff bin Hashim	-	-	7,485,252*	20.40

*Notes:-*

# Deemed interested through PDSB

\* Deemed interested through Kasuria

## 9. INFORMATION ON MAJOR SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

### 9.1.3 Other Directorships and Major Shareholdings

None of the major shareholders of ULC hold other directorships and has major shareholdings in other public companies incorporated in Malaysia for the past two (2) years as at the date hereof save for Dato' Abd Rahman bin Ismail, details of which are set out in Section 9.3.2 of this Prospectus.

### 9.2 Promoters

Lee Yoon Wah, Lee Yoon Fook and Lee Yoon Kong, who are Directors of the Company, individually and collectively are promoters of the Company. Their details are set out in Sections 9.1.1 and 9.3.1 of this Prospectus. The profiles of the respective promoters are set out in Section 9.3.3 of this Prospectus. None of the promoters of ULC hold other directorships and has major shareholdings in other public companies incorporated in Malaysia for the past two (2) years as at the date hereof.

### 9.3 Directors

#### 9.3.1 Shareholdings

The Directors of ULC and their shareholdings, according to the Register of Directors and Directors' Shareholdings, before and after the Public Issue and Offer, are as follows:-

Directors	Designation	Before the Public Issue and Offer				After the Public Issue and Offer			
		No. of ordinary shares of RM1.00 each held		%		No. of ordinary shares of RM1.00 each held		%	
		Direct	%	Indirect	%	Direct	%	Indirect	%
Dato' Abd Rahman bin Ismail	Chairman	-	-	7,485,252*	20.40	-	-	7,485,252*	18.71
Lee Yoon Wah	Group Managing Director/Chief Executive Officer	2,903,082	7.91	18,000,000 <sup>#</sup>	49.05	1,236,416	3.09	18,000,000 <sup>#</sup>	45.00
Lee Yoon Fook	Executive Director	2,903,082	7.91	18,000,000 <sup>#</sup>	49.05	1,236,415	3.09	18,000,000 <sup>#</sup>	45.00
Lee Yoon Kong	Executive Director	2,903,082	7.91	18,000,000 <sup>#</sup>	49.05	1,236,415	3.09	18,000,000 <sup>#</sup>	45.00
Toow Lai Seng	Executive Director	-	-	-	-	-	-	-	-
Wong Chow Lan	Non-Executive Director	5,208	0.01	-	-	5,208	0.01	-	-
Chim Wai Khuan	Non-Executive Director	-	-	-	-	-	-	-	-
Rosly bin Talib	Non-Executive Director	-	-	-	-	-	-	-	-
Lokman bin Mansor	Non-Executive Director	-	-	-	-	-	-	-	-

**Notes:-**

The shareholdings disclosed above do not include allocations of the Issue Shares reserved for allocation to eligible Directors of the ULC Group pursuant to the Public Issue.

\* Deemed interested through Kasuria.

# Deemed interested through PDSB.

## 9. INFORMATION ON MAJOR SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

### 9.3.2 Other Directorships and Major Shareholdings

Other than the Directors set out below, none of the other Directors of ULC hold other directorships and has major shareholdings in other public companies incorporated in Malaysia, for the past two (2) years, as at 28 February 2002:-

Names	Company	---Directorship---		-----Shareholding-----			
		Date appointed	Date resigned	Direct	Percentage of issued and paid-up share capital %	Indirect	Percentage of issued and paid-up share capital %
Dato' Abd Rahman bin Ismail	Technology Resources Industries Bhd.	05.02.91	-	-	-	-	-
	KYM Holdings Bhd.	08.01.96	-	-	-	-	-
Chim Wai Khuan	Ganad Corporation Berhad	01.04.96	-	-	-	-	-
	United Merchant Group Berhad	10.07.01	-	-	-	-	-
	Advance Synergy Berhad	12.12.01	-	-	-	-	-
Wong Chow Lan	Ganad Corporation Berhad	01.06.96	31.05.00	-	-	-	-

### 9.3.3 Profiles

The details of the Directors of ULC are as follows:-

**Dato' Abd Rahman bin Ismail**, aged 73, was appointed Chairman of ULC on 21 February 2002. He completed his secondary education at Sultan Abdul Hamid College, Alor Star, Kedah Darul Aman in 1949. He served in the Royal Malaysian Police Force since 1950, holding various posts until 1985 when he retired as the Deputy Inspector General of Police. During his tenure of service, he represented Malaysia in various Interpol and drug enforcement/conferences/seminars/committees at international and regional levels. From 1979 to 1982, he was elected as an Executive Committee Member of Interpol and was subsequently elected as Vice President of Interpol from 1984 up to 1985. He tendered his resignation due to his retirement from the Royal Malaysian Police Force. He also sits on the Board of Technology Resources Industries Bhd. and KYM Holdings Bhd., both of which are companies listed on the KLSE and several private limited companies.

**Lee Yoon Wah**, aged 43, was appointed Group Managing Director/Chief Executive Officer of ULC on 21 February 2002. He completed his secondary education in 1975 and is one of the founder members of the ULC Group. Presently, he is in charge of the overall management and growth of the Group. He has more than 20 years' working experience in the electrical industry. He is credited for charting the growth of the Group since its inception from a small operation to an industrial concern as it is today. As the driving force behind the Group's growth, he is also responsible for the overall business development, strategic planning as well as the business and corporate development of the Group. He also sits on the Board of all subsidiaries of the Group.

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**9. INFORMATION ON MAJOR SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)**

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*Lee Yoon Fook*, aged 44, was appointed Executive Director of ULC on 21 February 2002. He completed his secondary education in 1976 and is one of the founder members of the ULC Group. Presently, he is in charge of the sales and marketing functions of the Group. He has 20 years' experience in the electrical industry. He has contributed significantly to the growth of the Group and is presently responsible for formulating strategies for sales and marketing of the Group's products in addition to seeking and developing new markets. He also sits on the Board of all subsidiaries of the Group.

*Lee Yoon Kong*, aged 42, was appointed Executive Director of ULC on 21 February 2002. He is one of the founder members of the ULC Group. He holds a Diploma in Electrical Engineering from Siong Fong Institute of Electronics, Malaysia. Prior to joining ULSB, he was the Electronics Technician with Amateur Photo Store Sdn. Bhd., the locally appointed agent for AKAI products, from 1979 to 1983. He has more than 20 years' working experience in the electrical industry and has contributed significantly towards the growth of the Group. Presently, he is responsible for the technical, production and manufacturing functions of the Group. He also sits on the Board of all the subsidiaries of the Group.

*Teow Lai Seng*, aged 40, was appointed Executive Director of ULC on 21 February 2002. He has 18 years of experience in the electrical industry. He holds a Diploma in Electronics Engineering from Siong Fong Institute of Electronics, Malaysia and was the Technical and Service Technician with Amateur Photo Store Sdn. Bhd. prior to joining ULSB as a Factory Supervisor in 1982. He was subsequently promoted to Factory Manager in 1990 and is responsible for the overall management and production operations of the factory.

*Wong Chow Lan*, aged 40, was appointed Director of ULC on 11 April 2000. She holds a Diploma in Business Management from Kolej Tunku Abdul Rahman and is a qualified Chartered Secretary of the Institute of Chartered Secretaries and Administrators since 1992. At present, she is an associate member of the Malaysian Association of The Institute of Chartered Secretaries and Administrators. Upon graduation in 1987, she was attached with various secretarial firms, namely Corpserve Sdn. Bhd. and Davenport Sdn. Bhd. specialising in secretarial and corporate matters. Subsequently in 1997 she started her own corporate secretarial and consultancy company, Genesis Corporate Services Sdn. Bhd. and has held the position of Managing Director since then. In 1996, she was appointed Independent Director of Ganad Corporation Bhd. ("Ganad"), a company listed on the Second Board of KLSE and was a member of Ganad's Audit Committee until her resignation as Independent Director in 2000. At present, she also sits on the Board of several private limited companies.

*Chim Wai Khuan*, aged 51, was appointed as Director of ULC on 21 February 2002. He completed the Association of Chartered Certified Accountant examinations in 1978. He is an accountant by training and is currently a member of the Malaysian Institute of Accountants. He practised as a Public Accountant from 1983 to 2000 and has vast experience in the areas of accounting, audit, tax, and corporate secretarial and consultancy matters, having served in various capacities both in the United Kingdom and in Malaysia. Currently, he is practising as a Corporate and Management Consultant and is also an Independent Director and Chairman of the Audit Committee of Ganad Corporation Berhad, a company listed on the Second Board of KLSE. He is also the Independent Director and Audit Committee Member of United Merchant Group Berhad and Advance Synergy Berhad, both also companies listed on the Main Board of KLSE. He also sits on the Board of several private limited companies.

## 9. INFORMATION ON MAJOR SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

**Rosly bin Talib**, aged 41, was appointed Director of ULC on 21 February 2002. He graduated with a Bachelor of Science degree in Electronic and Electrical Engineering from Loughborough University of Technology, United Kingdom in 1983 and has been a registered Professional Electrical Engineer with Lembaga Jurutera Malaysia since 1992. Upon graduation, he was attached with Tenaga Nasional Berhad from 1983 to 1997 in various capacities, the highest position held being Manager of its procurement department. Subsequently, he was appointed as an Executive Director of Endau Cable Works Sdn. Bhd. from 1997 to 2000. Presently, he is a Director of Sungai Pelangi Sdn. Bhd., the directorship of which he has held since 1997.

**Lokman bin Mansor**, aged 42, was appointed as Director of ULC on 21 February 2002. He graduated with a Bachelor of Architecture from Adelaide University, Australia in 1984 and is presently a corporate member of Pertubuhan Akitek Malaysia and a registered architect with Lembaga Akitek Malaysia. From 1981 to 1982, he was attached with CSL & Associates in the capacity of Architectural Assistant. In 1984, he joined Pakatan Reka Architects as an Assistant Architect before taking up a lecturing position with Institut Teknologi Mara in 1986. From 1987 to 1991, he was appointed as a Director of Binateras-DEG Arkitek Sdn. Bhd. In 1991, he founded Advocad Architect and he is currently the senior partner of the firm. He has gained vast experience in the area of development and project management in implementation of projects and is also well versed in the various aspects related to property investment, financing and market assessment.

### 9.4 Key Management

#### 9.4.1 Shareholdings

The key management personnel of ULC and their shareholdings after the Public Issue and Offer are as follows:-

Name	Designation	-----After the Public Issue and Offer-----			
		No. of ordinary shares of RM1.00 each held			
		Direct	%	Indirect	%
Lee Yoon Wah	Group Managing Director/Chief Executive Officer	1,236,416	3.09	18,000,000 <sup>#</sup>	45.00
Lee Yoon Fook	Executive Director	1,236,415	3.09	18,000,000 <sup>#</sup>	45.00
Lee Yoon Kong	Executive Director	1,236,415	3.09	18,000,000 <sup>#</sup>	45.00
Teow Lai Seng	Executive Director	-	-	-	-
Chan Yew Kong	Research and Development Manager	-	-	-	-
Chen Hoi Sow	Production Manager	-	-	-	-
Chen Chee Keng @ Chen Hoy Hong	General Sales Manager	-	-	-	-
Tan See Meng	Financial Controller	-	-	-	-
Chin Sook Fah	Senior Finance and Administration Executive	-	-	-	-

**Notes:-**

The shareholdings disclosed above do not include allocations of the Issue Shares reserved for eligible Directors and employees of the ULC Group pursuant to the Public Issue.

# Deemed interested through PDSB.

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**9. INFORMATION ON MAJOR SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)**

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**9.4.2 Profiles**

The management team of the ULC Group is headed by Lee Yoon Wah. The profiles of Lee Yoon Wah, Lee Yoon Fook, Lee Yoon Kong and Teow Lai Seng were set out in Section 9.3.3 of this Prospectus. The profiles of other members of the senior management team are as follows:-

**Chan Yew Kong**, aged 58, is the Research and Development Manager of the ULC Group. He graduated from College de Warve, Belgium in 1969 with a Diploma in Mechanical Engineering and was an Instructor at the Faculty of Engineering, University of Malaya until 1977 when he joined a metal printing company as Factory Manager. In 1989, he started and managed his own industrial packaging company until 1999, when he joined ULSB in his current capacity. He is responsible for the product development, and research and development activities of the Group.

**Chen Hoi Sow**, aged 47 is the Production Manager of the ULC Group. He graduated in 1973 with a Diploma in Material Engineering from the Industrial Technology Institute, Malaysia. He began his career with Teknicon Engineering Sdn. Bhd. in 1974 as a Technician. In 1979, he joined Prefab Engineering Sdn. Bhd. as Production Supervisor until 1988. In 1989, he joined ULSB as Factory Supervisor and was promoted to Production Manager in 1996, and his current responsibilities include overseeing the overall project scheduling and production process as well as maintaining strict quality control.

**Chen Chee Keng @ Chen Hoy Hong**, aged 53, is the General Sales Manager of Exports and Projects. He holds a Diploma in Electronics from the Nanyang Institute of Electronics, Malaysia and was attached with Malayan Thung Pau prior to the joining ULSB as a Marketing Executive in 1984. He was subsequently promoted to Sales and Marketing Manager in 1988 and to Sales and Technical Support Manager in 1992, being responsible for sales management and technical support. In 1995, he was promoted to Senior Sales and Marketing Manager and was appointed as General Sales Manager of Exports and Projects in 1998, being responsible for projects and export sales. He has over 17 years' of experience in the electrical related industry.

**Tan See Meng**, aged 37, is the Financial Controller of the Group. He is currently a member of the Malaysian Institute of Accountants and fellow member of the Association of Chartered Certified Accountants. He has vast experience in the field of accountancy, having worked in various capacities with several firms of public accountants, including, Hanafiah Raslan & Mohamed in 1985, Boughton, Tuite Tan & Co., a firm of public accountants based in London from 1991 to 1993 and KPMG Desa Megat in 1993. From 1994 to 1995, he was attached with Petmal Oil (M) Sdn. Bhd. and performed the functions of Internal Audit Manager, Accountant and Group Company Secretary. Subsequently, from 1995 to 2001, he was the General Manager (Finance & Administration) of Superior Engineering Sdn. Bhd.. He joined the ULC Group in 2001 in his current position and is in charge of financial management, budgetary controls and implementation of accounting and internal control procedures.

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9. **INFORMATION ON MAJOR SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)**

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*Chin Sook Fah*, aged 38, is the Senior Finance and Administration Executive of the Group. She holds a London Chamber of Commerce and Industry ("LCCI") second level certificate from Evergreen Commercial Institution in 1993. She commenced her career with the ULSB in 1995 as an Accounts Executive and was promoted to Senior Finance and Administration Executive in 1998. Prior to joining ULSB, she was attached to a firm of Public Accountants where she gained experience in the areas of accounting, auditing and taxation and subsequently held the position of Accounts Executive in a company involved in the manufacturing of motor vehicle spare parts. Her current responsibilities include overseeing the general, accounting and administration functions of the Group.

**9.5 Employees**

As at 28 February 2002, the Group has a total workforce of 170 employees. The employees do not belong to any union and enjoy a cordial relationship with the management.

**9.6 Family Relationship**

Lee Yoon Fook, Lee Yoon Wah and Lee Yoon Kong are brothers while Chen Chee Keng @ Chen Hoy Hong and Chen Hoi Sow are brothers-in-law of Lee Yoon Kong. Save as disclosed, none of the Directors, major shareholders and key management personnel of the Group are related to each other.

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## 10. INFORMATION ON SUBSIDIARIES

Details of the wholly-owned subsidiaries of ULC are as follows:-

### 10.1 ULSB

#### 10.1.1 History and Business

ULSB was incorporated in Malaysia under the Companies Act, 1965 on 12 October 1983 as a private limited company. It is principally engaged in the manufacturing of and dealing in cable support systems, integrated ceiling systems, steel roof battens and related industrial metal products.

#### 10.1.2 Share Capital

Its present authorised and paid-up share capital are as follows:-

Type	No. of ordinary shares	Par Value RM	Issued and paid-up share capital RM
Authorised	5,000,000	1.00	5,000,000
Issued and paid-up	4,700,000	1.00	4,700,000

Changes in the issued and paid-up share capital of ULSB since its incorporation are as follows:-

Date of allotment	No. of ordinary shares allotted	Par Value RM	Consideration	Issued and paid-up share capital RM
12.10.83	3	1.00	Cash; Subscribers' shares	3
29.11.83	99,997	1.00	Purchase of asset & liabilities of U-Lee Trading	100,000
19.01.92	100,000	1.00	Cash	200,000
01.08.97	100,000	1.00	Cash	300,000
08.08.97	1,350,000	1.00	Bonus issue on the basis of nine (9) new ordinary shares for every two (2) existing ordinary shares held	1,650,000
18.08.97	1,650,000	1.00	Bonus issue on the basis of one (1) new ordinary share for every existing ordinary share held	3,300,000
18.05.99	1,400,000	1.00	Cash	4,700,000

#### 10.1.3 Subsidiary and Associated Company

As at the date hereof, ULSB does not have any subsidiary or associated company.

## 10. INFORMATION ON SUBSIDIARIES (Cont'd)

## 10.1.4 Profit and Dividend Records

The following is a summary of the audited results of ULSB for the three (3) financial years ended 31 October 1996 to 1998, fourteen (14) months ended 31 December 1999, the financial year ended 31 December 2000 and nine (9) months ended 30 September 2001:-

	-----Financial year ended 31 October-----			14 months	Financial	9 months
	1996	1997	1998	ended 31 December 1999	year ended 31 December 2000	ended 30 September 2001
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	18,913	24,767	28,263	39,924	33,840	30,979
Profit before depreciation, amortisation and interest	3,925	3,966	6,889	11,120	11,500	8,547
Depreciation	(468)	(736)	(1,012)	(1,779)	(1,872)	(1,512)
Amortisation	-	-	-	(11)	(10)	(7)
Interest expense	(135)	(193)	(264)	(224)	(320)	(311)
Interest income	11	20	71	49	20	9
Profit before exceptional item	3,333	3,057	5,684	9,155	9,318	6,726
Exceptional item	-	-	-	-	(436)	-
Profit before taxation	3,333	3,057	5,684	9,155	8,882	6,726
Taxation	(1,005)	(807)	(1,508)	(433)	(2,752)	(1,961)
Profit after taxation but before extraordinary item	2,328	2,250	4,176	8,722	6,130	4,765
Extraordinary item	5	-	-	-	-	-
Profit after taxation and extraordinary item	2,333	2,250	4,176	8,722	6,130	4,765
Weighted average number of ordinary shares in issue	3,200,000*	3,225,205*	3,300,000	4,049,296	4,700,000	4,700,000
Basic net EPS (RM)	0.73	0.70	1.27	1.85 <sup>#</sup>	1.30	1.35 <sup>#</sup>
Gross dividend rate (%)	-	-	-	-	181.85	-

**Notes:-**

\* After adjusting for the bonus issues implemented on 8 August 1997 and 18 August 1997.

# Annualised.

(i) In the financial year ended 31 October 1996, the extraordinary item was in relation to gain on disposal of property.

(ii) Profit before taxation for the financial year ended 31 October 1997 declined by 8.28% despite an increase in revenue due to the increase in cost of its imported raw materials as a result of adverse exchange rate fluctuations as well as higher depreciation charges arising from additional machinery acquired.

(iii) For the financial year ended 31 October 1998, profit before taxation improved significantly as it was able to transfer the increase in cost of raw materials associated with adverse exchange rate movements to its ultimate buyers. Furthermore, the availability of raw materials at competitive prices due to stiff competition amongst local suppliers also contributed to the improved profit margin.

(iv) For the financial period ended 31 December 1999, the company recorded an increase in annualised revenue with the recovery of the regional economies and the company's diversification into integrated ceiling systems. The increase in annualised profit before taxation is mainly attributable to higher profit margin generated from supply of cable support system to parties involved in the petrochemical industry. The depreciation rate of plant and machinery was reduced from 20% to 15% during the financial period so as to reflect a more accurate estimated useful life of the assets. The annualised profit after taxation is also higher due to the twelve (12) months ended 31 December 1999 being a tax waiver year.

(v) For the financial year ended 31 December 2000, the company recorded an increase in profit before taxation compared to the annualised profit before taxation of the previous financial year despite a decrease in revenue due mainly to the reduction in the price of steel, being the main raw material use by the company. The lower profit after taxation is mainly due to tax waiver for the twelve (12) months' profit earned in the previous financial period. The exceptional item was in respect of deficit arising from revaluation of land and buildings in compliance with the Malaysian Accounting Standards Board Standard No. 15 which came into effect on 1 July 2000.

(vi) For the nine (9) months ended 30 September 2001, the company's annualised profit before exceptional item decreased by 3.76% despite an increase in annualised revenue, due mainly to higher interest expense and depreciation resulting from the acquisition of new machinery.

## 10. INFORMATION ON SUBSIDIARIES (Cont'd)

### 10.2 ULSS

#### 10.2.1 History and Business

ULSS was incorporated in Malaysia under the Companies Act, 1965 on 20 December 1996 as a private limited company. It commenced operations in March 1997 and is principally engaged in the provision of slitting and shearing services and trading of industrial hardware.

#### 10.2.2 Share Capital

Its present authorised and paid-up share capital are as follows:-

Type	No. of ordinary shares	Par Value RM	Issued and paid-up share capital RM
Authorised	100,000	1.00	100,000
Issued and paid-up	3	1.00	3

There is no change in the issued and paid-up share capital of ULSS since its incorporation.

#### 10.2.3 Subsidiary and Associated Company

As at the date hereof, ULSS does not have any subsidiary or associated company.

#### 10.2.4 Profit and Dividend Records

The following is a summary of the audited results of ULSS for the period from 20 December 1996 (date of incorporation) to 30 April 1998, eight (8) months ended 31 December 1998, the two (2) financial years ended 31 December 1999 and 2000, and nine (9) months ended 30 September 2001:-

	Period from 20 December 1996 to 30 April 1998 RM'000	8 months ended 31 December 1998 RM'000	Financial year ended -----31 December----- 1999                      2000 RM'000                      RM'000		9 months ended 30 September 2001 RM'000
Revenue	2,046	857	4,290	3,458	2,915
Profit before depreciation and interest	143	152	702	786	808
Depreciation	(86)	(72)	(109)	(109)	(97)
Interest expense	-	-	-	-	-
Interest income	-	-	-	-	-
Profit before taxation	57	80	593	677	711
Taxation	-	(13)	-	(204)	(221)
Profit after taxation	57	67	593	473	490
Number of ordinary shares in issue	3	3	3	3	3
Basic net EPS (RM)	13,953.72*	33,272.11*	197,666.67	157,666.67	217,777.78*
Gross dividend rate ('000 %)	-	-	-	16,000.00	-

Notes:-

\* Annualised.

## 10. INFORMATION ON SUBSIDIARIES (Cont'd)

- (i) Revenue of the company for the eight (8) months ended 31 December 1998 was derived mainly from sales to related companies which was adversely affected by the regional economic crisis. However, profit before taxation increased due to an improvement in the operating efficiency of its plant and machinery as well as the expansion of its slitting and shearing services which generated a relatively higher margin.
- (ii) The company recorded a significant improvement in revenue and profit before taxation for the financial year ended 31 December 1999 as it expanded its market to external parties. The higher profit after taxation is mainly due to financial year 1999 being a tax waiver year.
- (iii) During the financial year ended 31 December 2000, the company recorded a higher profit before taxation despite the decrease in revenue mainly as a result of higher profit margin derived from the provision of slitting and shearing services to its related companies. The lower profit after taxation is mainly due to financial year 1999 being a tax waiver year.
- (iv) During the financial period ended 30 September 2001, the company achieved an increase in annualised revenue mainly due to sales of goods and services to its related companies. As a result of the above, the company's profit after taxation increased by 38.1% as compared to the financial year ended 2000.
- (v) There was no extraordinary or exceptional item in respect of the financial periods/years under review.

### 10.3 CTSB

#### 10.3.1 History and Business

CTSB was incorporated in Malaysia under the Companies Act, 1965 on 12 October 1983 as a private limited company. It commenced operations in January 1998 and is principally engaged in the manufacturing of and dealing in all types of cable trunking and related industrial metal products.

#### 10.3.2 Share Capital

Its present authorised and paid-up share capital are as follows:-

Type	No. of ordinary shares	Par Value RM	Issued and paid-up share capital RM
Authorised	500,000	1.00	500,000
Issued and paid-up	200,000	1.00	200,000

Changes in the issued and paid-up share capital of CTSB since its incorporation are as follows:-

Date of allotment	No. of ordinary shares allotted	Par Value RM	Consideration	Issued and paid-up share capital RM
12.10.83	3	1.00	Cash; Subscribers' shares	3
30.04.99	49,995	1.00	Cash	49,998
22.03.00	150,002	1.00	Cash	200,000

#### 10.3.3 Subsidiary and Associated Company

As at the date hereof, CTSB does not have any subsidiary or associated company.

## 10. INFORMATION ON SUBSIDIARIES (Cont'd)

### 10.3.4 Profit and Dividend Records

The following is a summary of the audited results of CTSB for the three (3) financial years ended 31 October 1996 to 1998, fourteen (14) months ended 31 December 1999, the financial year ended 31 December 2000 and nine (9) months ended 30 September 2001:-

	--Financial year ended 31 October--			14 months	Financial	9 months
	1996	1997	1998	ended 31	year	ended 30
	RM'000	RM'000	RM'000	December	December	September
				1999	2000	2001
				RM'000	RM'000	RM'000
Revenue	-	-	1,304	2,157	2,407	2,640
Profit before depreciation and interest	-	-	115	260	549	685
Depreciation	-	-	(73)	(203)	(432)	(745)
Interest expense	-	-	-	-	(93)	(148)
Interest income	-	-	-	-	-	-
Profit/(Loss) before taxation	-	-	42	57	24	(208)
Taxation	-	-	-	-	-	-
Profit/(Loss) after taxation	-	-	42	57	24	(208)
Weighted average number of ordinary shares in issue	3	3	3	28,873	166,803	200,000
Basic net earnings/(loss) per share (RM)	N/A	N/A	14,000.00	1.69*	0.14	(1.39)*
Gross dividend rate (%)	-	-	-	-	-	-

**Notes:-**

N/A Not applicable.

\* Annualised.

(i) The company commenced business operations in January 1998.

(ii) For the financial period ended 31 December 1999, the company recorded an increase in revenue and profit before taxation as a result of increase in production through higher degree of automation in its production processes.

(iii) For the financial year ended 31 December 2000, the company recorded a higher revenue and profit before depreciation and interest due to further increase in production from its existing as well as additional production capacity. However, a reduction in profit before taxation was reported due to incurrence of interest expense and higher depreciation charges arising from capital expansion financed by borrowings.

(iv) For the financial period ended 30 September 2001, the company recorded a higher revenue and profit before depreciation and interest due to further increase in production from its existing as well as additional production capacity.

(v) There was no extraordinary or exceptional item in respect of the financial years/periods under review.

**10. INFORMATION ON SUBSIDIARIES (Cont'd)****10.4 GMSB****10.4.1 History and Business**

GMSB was incorporated in Malaysia under the Companies Act, 1965 on 28 March 1989 as a private limited company. It is principally engaged in investment holding.

**10.4.2 Share Capital**

Its present authorised and paid-up share capital are as follows:-

Type	No. of ordinary shares	Par Value RM	Issued and paid-up share capital RM
Authorised	500,000	1.00	500,000
Issued and paid-up	120,000	1.00	120,000

Changes in the issued and paid-up share capital of GMSB since its incorporation are as follows:-

Date of allotment	No. of ordinary shares allotted	Par Value RM	Consideration	Issued and paid-up share capital RM
28.03.89	2	1.00	Cash; Subscribers' shares	2
23.06.89	4,999	1.00	Cash	5,001
31.10.96	94,999	1.00	Bonus issue on the basis of approximately 19 new ordinary shares for every existing ordinary share held	100,000
18.08.97	20,000	1.00	Cash	120,000

**10.4.3 Subsidiary and Associated Company**

As at the date hereof, GMSB does not have any subsidiary or associated company.

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## 10. INFORMATION ON SUBSIDIARIES (Cont'd)

## 10.4.4 Profit and Dividend Records

The following is a summary of the audited results of GMSB for the four (4) financial years ended 30 June 1996 to 1999, six (6) months ended 31 December 1999, the financial year ended 31 December 2000 and nine (9) months ended 30 September 2001:-

	-----Financial year ended 30 June-----				6 months	Financial	9 months
	1996	1997	1998	1999	ended 31	year	ended 30
	RM'000	RM'000	RM'000	RM'000	December	ended 31	September
	1999	2000	2001	2001	1999	2000	2001
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	-	-	-	-	-	319	239
(Loss)/Profit before depreciation, amortisation and interest	(11)	(2)	(3)	(5)	(2)	298	214
Depreciation	-	-	-	-	-	(12)	(16)
Amortisation	-	-	-	-	(9)	(17)	(12)
Interest expense	-	-	-	-	-	(56)	(54)
Interest income	-	-	-	2	-	-	-
(Loss)/Profit before taxation	(11)	(2)	(3)	(3)	(11)	213	132
Taxation	-	-	-	-	-	(64)	(57)
(Loss)/Profit after taxation	(11)	(2)	(3)	(3)	(11)	149	75
Weighted average number of ordinary shares in issue	100,000 <sup>#</sup>	100,000 <sup>#</sup>	117,370	120,000	120,000	120,000	120,000
Basic net (loss)/earnings per share (RM)	(0.11)	(0.02)	(0.03)	(0.03)	(0.18)*	1.24	0.83*
Gross dividend rate (%)	-	-	-	-	-	-	-

**Notes:-**

\* Annualised.

# After adjusting for the bonus issue implemented on 31 October 1996.

(i) The higher loss before taxation recorded in the financial year ended 30 June 1996 was due to the writing-off of preliminary and pre-operation expenses.

(ii) The increase in loss before amortisation and interest for the financial year ended 30 June 1999 was mainly due to underprovision of certain expenses in the previous financial year. However, the loss was mitigated by interest income arising from placement of fixed deposits.

(iii) For the financial period ended 31 December 1999, the increase in loss before taxation was mainly as a result of the leasehold land held by the company being amortised over the remaining lease period of approximately 93 years with effect from July 1999. No amortisation has been provided prior to July 1999 as the directors did not segregate the costs and this represents a departure from International Accounting Standards 4.

(iv) During the financial year ended 31 December 2000, GMSB began to generate revenue by renting its factory building to a related company, ULSB. The completion of this factory building previously under construction had also caused higher depreciation charged during the year. A higher interest expense was incurred during the financial year due to the utilisation of overdraft facility to fully settle the interest-free loan granted by ULSB to finance the construction of this factory building.

(v) During the financial period ended 30 September 2001, the annualised profit before taxation decreased by 17.37% due to additional expenses incurred for the purposes of obtaining the certificate of fitness for its factory and interest expense incurred due to the utilisation of overdraft facility.

(vi) There was no extraordinary or exceptional item in respect of the financial years/periods under review.

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**11. OTHER INFORMATION ON THE ULC GROUP**


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**11.1 Approvals and Conditions**

The FIC, MITI and the SC approved the Restructuring and Listing Exercise as set out in Section 8.3 of this Prospectus on 11 July 2000 and 21 January 2002; 18 July 2000 and 11 December 2001; and 13 December 2000 and 27 December 2001 respectively.

The conditions imposed by all the authorities and the status of compliance are set out as follows:-

<b>Authority</b>	<b>Details of Conditions Imposed</b>	<b>Status of Compliance</b>
<b>FIC</b>	i) ULC should have at least 30.0% direct Bumiputera equity interest upon listing	Will be complied upon listing and quotation of the ULC shares on the Second Board of KLSE. ULC will have at least 30.0% direct Bumiputera equity participation upon its Listing.
	ii) ULC is to obtain the approvals of the MITI	ULC obtained the approvals of the MITI on 18 July 2000 and 11 December 2001.
<b>MITI</b>	i) ULC should have at least 30.0% Bumiputera equity interest upon listing.	Will be complied upon listing and quotation of the ULC shares on the Second Board of the KLSE. ULC will have at least 30.0% Bumiputera equity participation upon its Listing.
	ii) ULC is to obtain the approvals of the FIC and SC	ULC obtained the approvals of the FIC and SC on 11 July 2000 and 21 January 2002; and 13 December 2000 and 27 December 2001 respectively.
<b>SC</b>	i) The utilisation of proceeds raised from the Rights Issue and Public Issue are subject to the following:-	
	a) Approval from the SC should be sought for any changes to the utilisation of proceeds other than for the core business of ULC;	Will comply if applicable.
	b) Shareholders' approval is required for any deviation by twenty five percent (25.0%) or more from the utilisation as determined. If the deviation is less than twenty five percent (25.0%), appropriate disclosure should be made to the shareholders of ULC;	Will comply if applicable.
	c) Any extension of time on the period of utilisation already determined by ULC should be approved by the Board of Directors of ULC through resolution and communicated to the KLSE; and	Will comply if applicable
d) Appropriate disclosure on the status of utilisation is required to be made in the quarterly and annual report of ULC until all the proceeds have been fully utilised.	Will comply if applicable.	



## 11. OTHER INFORMATION ON THE ULC GROUP (Cont'd)

Authority	Details of Conditions Imposed	Status of Compliance
	<p>ii) A moratorium on sale of shares is imposed on 18,000,000 ordinary shares of RM1.00 each, representing 45% of the enlarged issued and paid-up share capital of ULC after the Public Issue, held by PDSB, being a substantial shareholder of ULC, where it is not allowed to sell, transfer or assign the moratorium shares within one year from the date of admission of the Company's shares on the KLSE. Thereafter, PDSB is allowed to sell, transfer or assign up to a maximum of one-third of its shareholding under moratorium per year.</p>	<p>Complied as detailed in Section 11.4 of this Prospectus.</p>
	<p>iii) Any transactions between the ULC Group and any persons or companies connected with the promoters/Directors/major shareholders of ULC must be on terms that are at arms-length and on commercial terms not detrimental to the ULC Group. Such transactions, if any, should be fully disclosed in ULC's Prospectus. The Audit Committee of ULC is required to monitor and the Board of Directors of ULC is required to report such transactions, if any, in the annual report of ULC every year.</p>	<p>The Promoters, Directors and major shareholders of ULC have taken note of the condition and will comply with this condition if applicable.</p>
	<p>iv) ULC is to rectify the unapproved extensions and structures constructed on the factories at P.T. 17044 and P.T. 17045, Mukim and District of Petaling, Selangor prior to the issuance of ULC's Prospectus.</p>	<p>Complied.</p>
	<p>v) ULC is to obtain the Certificate of Fitness for Occupation ("CF") for the factory at P.T. 17045, Mukim and District of Petaling, Selangor prior to the issuance of ULC's Prospectus.</p>	<p>ULC obtained a waiver from the SC on 26 February 2002, in which ULC is allowed to issue its Prospectus on the following conditions:-</p> <ul style="list-style-type: none"> <li data-bbox="970 1543 1415 1677">(i) ULC is required to give a undertaking letter that it will endeavour to obtain the CF within a period of six (6) months from the date of the Prospectus;</li> <li data-bbox="970 1706 1415 1785">(ii) ULC must report to the SC every month on the status of the application of the CF; and</li> <li data-bbox="970 1814 1415 1921">(iii) Appropriate disclosure on the status of the CF must be set out in the Prospectus and quarterly report until the CF is obtained.</li> </ul>
		<p>The letter of undertaking mentioned in (i) above was forwarded to the SC on 5 March 2002.</p>

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**11. OTHER INFORMATION ON THE ULC GROUP (Cont'd)**


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Authority	Details of Conditions Imposed	Status of Compliance
		<p>The building plans for the factory had been submitted to Majlis Perbandaran Subang Jaya ("MPSJ") and as at 28 February 2002, the following approvals and recommendations from the relevant authorities were obtained:-</p> <p>(i) The sewage treatment plant had been approved by Jabatan Perkhidmatan dan Pembetulan, which has recommended issuance of the CF;</p> <p>(ii) The water supply plans, water connection and installation of water meter have been approved by Jabatan Bekalan Air;</p> <p>(iii) Jabatan Bomba Malaysia has approved the fire-fighting installations and have recommended issuance of the CF;</p> <p>(iv) Infrastructure plans have been approved by MPSJ, which has recommended issuance of the CF; and</p> <p>(v) Landscape plans have been approved by MPSJ but it has yet to recommend issuance of the CF.</p> <p>The Directors of ULC has taken note of the other conditions and will comply with them, if applicable.</p>
	vi) In line with the objectives of the National Development Policy that at least 30% equity interest in the Company be held by Bumiputera investors, ULC must ensure that the number of Bumiputera Directors reflects the percentage of Bumiputera equity participation in the Company upon listing.	Complied.
	vii) ULC must have a succession plan in place to reduce over reliance on Lee Yoon Wah, Lee Yoon Fook and Lee Yoon Kong.	Complied. The succession plan was forwarded to the SC on 18 May 2001.
	viii) ULC is to comply fully with the applicable guidelines in relation to companies' listing as stated in the SC's Policies and Guidelines on Issue/Offer of Securities ("Guidelines"), particularly that as provided under Chapters 7, 10 and 25 of the Guidelines.	Complied / to be complied by the Company.

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**11. OTHER INFORMATION ON THE ULC GROUP (Cont'd)**


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Authority	Details of Conditions Imposed	Status of Compliance
	ix) CIMB/ULC must comply fully with the provisions set out in the revised paragraphs 10.06 and 10.07 of Chapter 10 of the Guidelines in relation to the allocation of shares through placement.	To be complied.

**11.2 Related Party Transactions**

Save as disclosed in Section 20.3(x) of this Prospectus, there are no transactions, existing or potential, entered or to be entered by ULC or its subsidiaries as at the date hereof, which involved the interest, direct or indirect, of the Directors, major shareholders and/or persons connected to them as defined under Section 122A of the Companies Act, 1965.

There are no transactions, existing or potential, entered or to be entered by ULC or its subsidiaries as at the date hereof which involved the interest, direct or indirect, of its key management personnel.

**11.3 Conflict of Interest**

There is no conflict of interest between the Group and its Adviser, Reporting Accountants, Solicitors and Valuers. The Adviser, Reporting Accountants, Solicitors and Valuers are paid a fee for their professional services.

**11.4 Moratorium on Shares**

Under the SC's Policies and Guidelines on Issue of Securities ("Guidelines") and as a condition of the SC's approval for the Listing, PDSB will not be allowed to sell, transfer or assign 18,000,000 ordinary shares of RM1.00 each, representing 45% of the enlarged issued and paid-up share capital of ULC after the Public Issue for one (1) year from the date of admission of ULC to the Official List of the Second Board of KLSE. Thereafter, it is permitted to sell, transfer or assign only up to a maximum of one-third per annum (on a straight-line basis) of its shareholding in the Company which is under moratorium.

PDSB will holds a total of 18,000,000 ordinary shares of RM1.00 each in ULC, representing 45.00% of the enlarged issued and paid-up share capital of ULC after the Public Issue pursuant to the Arrangement.

The restriction, which is fully accepted by the aforesaid shareholder, is specifically endorsed on the share certificates representing the shareholding of the aforesaid shareholder which are under moratorium to ensure that the Company's registrar do not register any transfer not in compliance with the restriction imposed by the SC and KLSE.

The remarks to be endorsed on these share certificates are as follows:-

*"The shares comprised herein are not capable of being sold, transferred or assigned for a period as determined by the SC ("Moratorium Period"). Accordingly, the shares comprised herein will not constitute good delivery pursuant to the Rules of the Exchange during the Moratorium Period. No share certificate will be issued to replace this certificate unless the same shall be endorsed with this restriction."*

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11. **OTHER INFORMATION ON THE ULC GROUP (Cont'd)**

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Pursuant to the Guidelines, where the affected shareholder is a private holding company, every shareholder of the private holding company (if an individual) or ultimate individual shareholders (if the shareholder of the private holding company is another holding company) is required to, pursuant to Section 10.12 of the Guidelines, give an undertaking that he/she will not sell, transfer or assign his/her shareholding in the related private holding company for the Moratorium Period imposed by the SC on the sale of shares in ULC. Accordingly, Lee Yoon Wah, Lee Yoon Fook and Lee Yoon Kong, being the eventual shareholders of PDSB had, on via their respective undertaking letters dated 5 February 2002, given their respective undertaking to the SC that they will not sell, transfer or assign their respective shareholdings in PDSB during the Moratorium Period.

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## 12. CONSOLIDATED PROFIT ESTIMATE AND FORECAST TOGETHER WITH THE ASSUMPTIONS THEREON

### 12.1 Consolidated Profit Estimate and Forecast of ULC

The Directors of ULC estimate and forecast that, barring unforeseen circumstances, the consolidated profit after taxation of ULC for the financial year ended 31 December 2001 and financial year ending 31 December 2002 will be as follows:-

Financial year ended/ending 31 December	Estimate 2001 RM'000	Forecast 2002 RM'000
Revenue	40,743	51,343
Consolidated profit before taxation and pre-acquisition profit	10,253	11,955
Taxation	(3,106)	(3,418)
Consolidated profit after taxation but before pre-acquisition profit	7,147	8,537
Pre-acquisition profit	-	(960)
Consolidated profit after taxation and pre-acquisition profit	7,147	7,577
Net EPS (sen)	20.29 <sup>(i)</sup>	22.38 <sup>(ii)</sup>
Net PE multiple based on the Issue/Offer price of RM1.80 per share (times)	8.87 <sup>(i)</sup>	8.04 <sup>(ii)</sup>

**Notes:-**

- (i) Computed based on profit after taxation and pre-acquisition profit, and the number of shares assumed in issue after the Acquisitions and Dividend Capitalisation of 35,232,532 ordinary shares of RM1.00 each.
- (ii) Computed based on profit after taxation and pre-acquisition profit, and the weighted average number of shares in issue of 33,856,153 ordinary shares of RM1.00 each calculated on the assumption that the Public Issue will be completed on 30 April 2002.

### 12.2 Principal Bases and Assumptions

The principal bases and assumptions upon which the estimate and forecast have been made are as follows:-

- (a) There will be no material changes in the principal activities and structure of the Group other than those taken into consideration in the estimate and forecast which includes the Acquisitions.
- (b) There will be no significant changes to the present legislation or regulations, bases and rates of duties, levies and taxes of the industries in which the Group is related to which will affect the Group's activities.
- (c) There will be no significant changes to the prevailing economic and political conditions in Malaysia, and elsewhere which will adversely affect the activities or performance of the Group and the business of its major customers and suppliers.
- (d) There will be no major breakdown or disruption in the manufacturing facilities, disruption in supply of material or other abnormal factors or changes both domestic and overseas which may materially affect the Group's production or sales at the estimate and forecast level.

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12. **CONSOLIDATED PROFIT ESTIMATE AND FORECAST TOGETHER WITH THE ASSUMPTIONS THEREON (Cont'd)**

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- (e) The prevailing market conditions for the Group's products will not change materially and the average prices of the Group's products will not fluctuate significantly from the estimate and forecast level.
- (f) There will be no significant fluctuations in foreign currency rates, specifically the Malaysian currency will continue to be fixed at USD1.00 : RM3.80.
- (g) Existing financing facilities will remain available and the level of interest rate will not change materially from those prevailing.
- (h) There will be no material changes in inflation rates which will force wages, raw materials and other operating costs to fluctuate substantially.
- (i) The average steel and powder coating paints prices will not fluctuate significantly from estimate and forecast levels.
- (j) There will be no material changes in the management, accounting and operating policies currently adopted by the Group.
- (k) There will be no significant changes in the planned capital expenditure programme of the Group other than those included in the estimate and forecast and the programme will be implemented as scheduled.
- (l) There will be no major changes in the existing key personnel and management of the Group which will affect the marketing capability and level of activities of the Group.
- (m) The proceeds from the Rights Issue of RM1,467,468 and Public Issue of RM5,940,000 are expected to be received by 28 February 2002 and 30 April 2002 respectively.

The consolidated profit estimate and forecast had been prepared based on bases and accounting policies consistent with those previously adopted in the preparation of the audited financial statements of ULC and its subsidiaries.

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**12. CONSOLIDATED PROFIT ESTIMATE AND FORECAST TOGETHER WITH THE ASSUMPTIONS THEREON (Cont'd)**

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**12.3 Directors' Analysis**

The Directors of ULC have reviewed and analysed the bases and assumptions used in arriving at the consolidated profit estimate and forecast of the ULC Group for the financial year ended 31 December 2001 and financial year ending 31 December 2002 and are of the opinion that the consolidated profit estimate and forecast is fair and reasonable in light of the future plans, strategies and prospects of the ULC Group as set out in Section 7 of this Prospectus and after taking into consideration the estimate and forecast gearing level and the liquidity and working capital requirements of the Group.

**(a) Profit estimate for the financial year ended 31 December 2001**

Revenue for the financial year ended 31 December 2001 is estimated at RM40.743 million, representing an increase of RM5.747 million or 16.42% compared to the Group's proforma revenue of RM34.996 million for the financial year ended 31 December 2000. The increase was mainly due to the increase in sales as the Group expanded its production capacity for its cable support systems with the acquisition of four (4) units of new computerised numerical control turret punch press machines during the financial years ended 31 December 2000 and 2001. The said new machinery also improved the Group's production efficiency.

The Group's profit after taxation is estimated to increase by RM565,000 or 8.58% compared to the previous year's proforma profit after taxation of RM6.582 million. The increase is in line with the expected increase in revenue as mentioned above. Profit after taxation is not estimated to increase significantly in line with the increase in revenue due mainly to the slight reduction in selling prices of the Group's products to gain a larger market share, higher depreciation due to the acquisition of new machinery as mentioned above and the increase in finance cost.

**(b) Profit forecast for the financial year ending 31 December 2002**

The Group forecasts an increase in revenue of RM10.600 million or 26.02%, in line with the expected increase in demand for the Group's existing products as well as the introduction of a new division in the manufacturing of steel roof battens. Commercial production of the steel roof battens is projected to commence during the first quarter of 2002. The forecast increase in the Group's production capacities with the new machinery acquired during the financial years ended 31 December 2000 and 2001 will also contribute to the increase in revenue as the Group will be able to meet the forecast increase in demand as mentioned above.

The Group's forecast profit after taxation but before pre-acquisition profit is forecast to increase by RM1.390 million or 19.45% in line with the forecast increase in the Group's revenue. The improvement in forecast profit after taxation is also due to projected interest income arising from the proceeds from the Rights Issue and Public Issue.

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13. **REPORTING ACCOUNTANTS' LETTER ON THE CONSOLIDATED PROFIT ESTIMATE AND FORECAST**

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(Prepared for inclusion in this Prospectus)

## **ROGER YUE, TAN & ASSOCIATES**

**CHARTERED ACCOUNTANTS (FIRM NO: AF : 0134)**

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**WISMA TAI YOON, NO. 9, LORONG MEDAN TUANKU SATU, MEDAN TUANKU, 50300 KUALA LUMPUR, MALAYSIA.  
TEL: (603) 26920722 (14 LINES) FACSIMILE: (603) 26916569, 26946643 E-mail:ryt@tm.net.my**

8 March 2002

The Board of Directors  
**UNITED U-LI CORPORATION BERHAD**  
62C, Jalan SS21/62  
Damansara Utama  
47400 Petaling Jaya  
Selangor Darul Ehsan

Dear Sirs,

**UNITED U-LI CORPORATION BERHAD  
CONSOLIDATED PROFIT ESTIMATE AND FORECAST FOR THE FINANCIAL YEAR ENDED 31  
DECEMBER 2001 AND FINANCIAL YEAR ENDING 31 DECEMBER 2002**

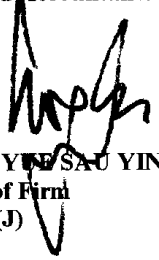
We have reviewed the accounting policies and calculations for the consolidated profit estimate and forecast of United U-LI Corporation Berhad ("ULC") and its subsidiaries ("ULC Group") for the financial year ended 31 December 2001 and for the financial year ending 31 December 2002, for which the Directors are solely responsible, as set out in the Prospectus to be dated 19 March 2002 issued in connection with the public issue of 3,300,000 new ordinary shares of RM1.00 each at an issue price of RM1.80 per ordinary share and offer for sale of 5,000,000 ordinary shares of RM1.00 each at an offer price of RM1.80 per ordinary share pursuant to the listing of and quotation for its entire issued and fully paid-up share capital on the Second Board of Kuala Lumpur Stock Exchange.

In our opinion, the consolidated profit estimate and forecast, so far as the accounting policies and calculations are concerned, have been properly compiled on the basis of the assumptions made by the Directors as set out in the Prospectus and are presented on a basis consistent with the accounting policies normally adopted by the ULC Group.

Yours faithfully,



**ROGER YUE, TAN & ASSOCIATES**  
AF : 0134  
Chartered Accountants



**ROGER YUE SAU YIN**  
Partner of Firm  
838/3/02(J)



**14. DIVIDEND FORECAST**

It is the policy of the Directors of ULC to recommend dividends to allow shareholders to participate in the profits of the Company as well as leaving adequate reserves for the future growth of the Group.

Based on the forecast profit after taxation and pre-acquisition profit of RM7.577 million for the financial year ending 31 December 2002, the Directors of ULC anticipate that, in the absence of unforeseen circumstances, the Company will be in a position to propose a gross dividend of 5.0 sen per share for the financial year ending 31 December 2002 based on its enlarged issued and paid-up share capital of 40,000,000 ordinary shares of RM1.00 each.

The intended appropriation of the forecast profit after taxation for the financial year ending 31 December 2002 will be as follows:-

<b>Financial year ending 31 December</b>	<b>Forecast 2002 RM'000</b>
Consolidated profit after taxation and pre-acquisition profit	7,577
Less: Proposed dividend of 5.0 sen per share (less 28% taxation)	(1,440)
Profit retained for the financial year	<u>6,137</u>
Gross dividend per ordinary share (sen)	5.00
Gross dividend yield based on the Issue/Offer price of RM1.80 per share (%)	2.78
Net dividend yield based on the Issue/Offer price of RM1.80 per share (%)	2.00
Net dividend cover based on dividend of 5.0 sen per share (times)	5.26

Future dividends may not be paid if:-

- (a) the Group is in a loss position for the relevant financial period; or
- (b) the Group has insufficient cash flows to meet any dividend payments.

Notwithstanding the above, the Directors of ULC have full discretion not to propose any future dividend payment as and when deemed necessary, if it is in the best interest of the Company.

The Directors of the Company do not intend to declare any dividend for the financial year ended 31 December 2001.

## 15. PROFORMA CONSOLIDATED BALANCE SHEETS AND THE NOTES THEREON

The Proforma Consolidated Balance Sheets of ULC as at 30 September 2001 set out below are prepared for illustrative purposes only to show the effects of the Acquisitions, Dividend Capitalisation, Rights Issue, Public Issue and proposed utilisation of proceeds from the Rights Issue and Public Issue in conjunction with the Listing, on the assumption that these transactions were completed on 30 September 2001.

	Audited as at 30 September 2001 RM'000	Proforma (I) After the Acquisitions RM'000	Proforma (II) After Proforma (I) and the Dividend Capitalisation RM'000	Proforma (III) After Proforma (II) and the Rights Issue RM'000	Proforma (IV) After Proforma (III), and the Public Issue and the proposed utilisation of proceeds RM'000
PROPERTY, PLANT AND EQUIPMENT	-	21,066	21,066	21,066	21,066
CURRENT ASSETS					
Inventories	-	11,367	11,367	11,367	11,367
Trade receivables	-	16,938	16,938	16,938	16,938
Other receivables	-	1,288	1,288	1,288	1,288
Fixed deposits with licensed banks	-	207	207	207	207
Bank and cash balances	10	3,008	3,008	4,476	7,390
	10	32,808	32,808	34,276	37,190
CURRENT LIABILITIES					
Trade payables	-	3,826	3,826	3,826	3,826
Other payables	58	903	903	903	903
Proposed dividend	-	6,499	-	-	-
Hire purchase creditors	-	35	35	35	35
Amount due to directors	-	785	785	785	785
Trust receipts and bankers' acceptance	-	3,627	3,627	3,627	3,627
Bank overdrafts	-	794	794	794	32
Term loans	-	897	897	897	897
Taxation	-	2,826	2,826	2,826	2,826
	58	20,192	13,693	13,693	12,931
NET CURRENT (LIABILITIES)/ASSETS	(48)	12,616	19,115	20,583	24,259
	(48)	33,682	40,181	41,649	45,325
Financed by:-					
Share capital	10	28,733	35,232	36,700	40,000
Share premium	-	1,710	1,710	1,710	2,700
Accumulated loss	(58)	(58)	(58)	(58)	(58)
(Capital deficiency)/Shareholders' equity	(48)	30,385	36,884	38,352	42,642
Deferred taxation	-	331	331	331	331
Term loans	-	2,966	2,966	2,966	2,352
	(48)	33,682	40,181	41,649	45,325
(Net liabilities)/NTA per share (RM)	(4.80)	1.06	1.05	1.05	1.07

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**15. PROFORMA CONSOLIDATED BALANCE SHEETS AND THE NOTES THEREON (Cont'd)**

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**Notes to the Proforma Consolidated Balance Sheets****1. Basis of Preparation**

**1.1** The Proforma Consolidated Balance Sheets of ULC have been prepared for illustrative purposes only based on accounting principles and bases consistent with those previously adopted in the preparation of the audited financial statements and are based on the audited balance sheets of ULC, ULSS, ULSS, CTSS and GMSB as at 30 September 2001.

**1.2 Proforma Balance Sheets**

(a) The Proforma Balance Sheets have been prepared for illustrative purposes only to show the effects on the proforma consolidated balance sheets of ULC as at 30 September 2001 had the following proposals been effected on that date:-

**(i) Proforma (I)**

Proforma (I) incorporates on the proforma basis the Acquisition of ULSS, Acquisition of ULSS, Acquisition of CTSS and Acquisition of GMSB, the details of which are set out below:-

**Acquisition of ULSS**

The acquisition of 4,700,000 ordinary shares of RM1.00 each in ULSS, representing the entire equity interest therein for a total purchase consideration of RM27,560,429, satisfied wholly by the issuance of 26,011,841 new ULC ordinary shares of RM1.00 each, credited as fully paid-up, at an issue price of approximately RM1.06 per new ULC share.

**Acquisition of ULSS**

The acquisition of 3 ordinary shares of RM1.00 each in ULSS, representing the entire equity interest therein for a total purchase consideration of RM1,334,555, satisfied wholly by the issuance of 1,259,568 new ULC ordinary shares of RM1.00 each, credited as fully paid-up, at an issue price of approximately RM1.06 per new ULC share.

**Acquisition of CTSS**

The acquisition of 200,000 ordinary shares of RM1.00 each in CTSS, representing the entire equity interest therein for a total purchase consideration of RM115,199, satisfied wholly by the issuance of 108,726 new ULC ordinary shares of RM1.00 each, credited as fully paid-up, at an issue price of approximately RM1.06 per new ULC share.

**Acquisition of GMSB**

The acquisition of 120,000 ordinary shares of RM1.00 each in GMSB, representing the entire equity interest therein for a total purchase consideration of RM1,422,909, satisfied wholly by the issuance of 1,342,957 new ULC ordinary shares of RM1.00 each, credited as fully paid-up, at an issue price of approximately RM1.06 per new ULC share.

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**15. PROFORMA CONSOLIDATED BALANCE SHEETS AND THE NOTES THEREON (Cont'd)**


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**(ii) Proforma (II)**

Proforma (II) incorporates on a proforma basis the transactions in Proforma (I) and the capitalisation of dividends owing to the vendors of ULSB and ULSS amounting to RM6,499,440 by the issuance of 6,499,440 new ULC ordinary shares of RM1.00 each at an issue price of RM1.00 per new ULC share.

**(iii) Proforma (III)**

Proforma (III) incorporates on a proforma basis the transactions in Proforma (II) and the rights issue of 1,467,468 new ULC ordinary shares of RM1.00 each at an issue price of RM1.00 per ordinary share ("Rights Issue") on the basis of approximately one (1) new ordinary share for approximately 24 ordinary shares of RM1.00 each held after the acquisitions as set out in Proforma (I) and the capitalisation of dividends as set out in Proforma (II).

**(iv) Proforma (IV)**

Proforma (IV) incorporates on a proforma basis the transactions in Proforma (III) and the public issue of 3,300,000 new ULC ordinary shares of RM1.00 each at the issue price of RM1.80 ("Public Issue") in conjunction with its flotation on the Second Board of KLSE and the proposed utilisation of proceeds from the Rights Issue and Public Issue are as follows:-

- (a) Repayment of bank borrowings of RM1.376 million;
  - (b) Working capital requirement of RM4.381 million; and
  - (c) Payment of estimated listing expenses of RM1.650 million.
- (b) The proforma consolidated balance sheets have been presented on a basis consistent with the accounting policies normally adopted in the preparation of the statutory accounts of the ULC Group.
- (c) The total estimated listing expenses of RM1.650 million is charged to the share premium account.

**2. Share Capital**

	<b>RM'000</b>
Audited as at 30 September 2001	10
Issue of shares pursuant to the Acquisitions	28,723
As per Proforma (I)	28,733
Issue of shares pursuant to the Dividend Capitalisation	6,499
As per Proforma (II)	35,232
Issue of shares pursuant to the Rights Issue	1,468
As per Proforma (III)	36,700
Issue of shares pursuant to Public Issue	3,300
As per Proforma (IV)	<u>40,000</u>

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**15. PROFORMA CONSOLIDATED BALANCE SHEETS AND THE NOTES THEREON (Cont'd)**

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**3. Share Premium**

	<b>RM'000</b>
Audited as at 30 September 2001	-
Pursuant to the Acquisitions	1,710
As per Proforma (I), (II) and (III)	1,710
Pursuant to the Public Issue as per Proforma (IV)	2,640
Estimated listing expenses incurred	(1,650)
As per Proforma (IV)	<u>2,700</u>

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16. REPORTING ACCOUNTANTS' LETTER ON THE PROFORMA CONSOLIDATED BALANCE SHEETS

(Prepared for inclusion in this Prospectus)

## ROGER YUE, TAN & ASSOCIATES

CHARTERED ACCOUNTANTS (FIRM NO: AF : 0134)

WISMA TAI YOON, NO. 9, LORONG MEDAN TUANKU SATU, MEDAN TUANKU, 50300 KUALA LUMPUR, MALAYSIA.  
TEL: (603) 26920722 (14 LINES) FACSIMILE: (603) 26916569, 26946643 E-mail:ryt@tm.net.my

8 March 2002

The Board of Directors  
**UNITED U-LI CORPORATION BERHAD**  
62C, Jalan SS21/62  
Damansara Utama  
47400 Petaling Jaya  
Selangor Darul Ehsan

Dear Sirs,


**UNITED U-LI CORPORATION BERHAD**  
**PROFORMA CONSOLIDATED BALANCE SHEETS AS AT 30 SEPTEMBER 2001**

We have reviewed the presentation of the Proforma Consolidated Balance Sheets of United U-LI Corporation Berhad ("ULC") as at 30 September 2001, together with the accompanying notes thereon, for which the Directors are solely responsible, as set out in the accompanying statement prepared for purposes of inclusion in the Prospectus to be dated 19 March 2002 issued in connection with the public issue of 3,300,000 new ordinary shares of RM1.00 each at an issue price of RM1.80 per ordinary share and offer for sale of 5,000,000 ordinary shares of RM1.00 each at an offer price of RM1.80 per ordinary share pursuant to the listing of and quotation for its entire issued and fully paid-up share capital on the Second Board of Kuala Lumpur Stock Exchange.

In our opinion, the Proforma Consolidated Balance Sheets of ULC as at 30 September 2001 together with the notes thereto, which are provided for illustrative purposes only, have been properly compiled on a basis consistent with the accounting policies normally adopted by the Group and are presented in a form suitable for inclusion in the Prospectus.

Yours faithfully,

  
**ROGER YUE, TAN & ASSOCIATES**  
AF : 0134  
Chartered Accountants

  
**ROGER YUE TAN YIN**  
Partner of Firm  
838/3/02(J)