

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTERS OF UNITED U-LI CORPORATION BERHAD (510737-H) ("ULC") AND THE OFFERORS AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION GIVEN AND CONFIRM THAT, AFTER HAVING MADE ALL REASONABLE ENQUIRIES, AND 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.

COMMERCE INTERNATIONAL MERCHANT BANKERS BERHAD (18417-M), THE ADVISER, MANAGING UNDERWRITER AND PLACEMENT AGENT, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE PUBLIC ISSUE AND OFFER FOR SALE AND IS SATISFIED THAT THE CONSOLIDATED PROFIT ESTIMATE AND FORECAST (FOR WHICH THE DIRECTORS OF ULC ARE SOLELY RESPONSIBLE) PREPARED FOR INCLUSION IN THIS PROSPECTUS HAS BEEN STATED BY THE DIRECTORS AFTER DUE AND CAREFUL ENQUIRY AND HAVE BEEN DULY REVIEWED BY THE REPORTING ACCOUNTANTS.

THE SECURITIES COMMISSION ("SC") HAS APPROVED THIS PUBLIC ISSUE AND OFFER FOR SALE BUT THAT APPROVAL SHALL NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THIS PUBLIC ISSUE OR OFFER FOR SALE, WHICH ARE THE SUBJECT OF THIS PROSPECTUS. THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF ULC AND ASSUMES NO RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENTS MADE OR OPINIONS OR REPORTS EXPRESSED IN THIS PROSPECTUS. **INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT.**

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

THE KUALA LUMPUR STOCK EXCHANGE ("KLSE") ASSUMES NO RESPONSIBILITY FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS PROSPECTUS. ADMISSION TO THE OFFICIAL LIST OF THE SECOND BOARD OF KLSE IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF ULC OR OF ITS ORDINARY SHARES.

A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED BY THE SC AND LODGED WITH THE REGISTRAR OF COMPANIES, MALAYSIA WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

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**INDICATIVE TIMETABLE**

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The indicative timing of events leading up to the listing of and quotation for ULC's entire enlarged issued and paid-up share capital on the Second Board of KLSE is set out below:-

<b>EVENT</b>	<b>DATE</b>
OPENING OF APPLICATION FOR THE ISSUE SHARES AND OFFER SHARES	19 March 2002
CLOSING OF APPLICATION FOR THE ISSUE SHARES AND OFFER SHARES	1 April 2002*
TENTATIVE BALLOTING DATE FOR APPLICATIONS FOR THE ISSUE SHARES	April 2002
TENTATIVE ALLOTMENT DATE OF THE ISSUE SHARES AND OFFER SHARES	April 2002
TENTATIVE LISTING DATE	April 2002

**Note:-**

- \* *Or such further date or dates as the Directors of ULC and the Offerors in their absolute discretion may decide.*

Further information on the indicative time-table is set out in Sections 4.1 and 4.2 of this Prospectus.

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## DEFINITIONS

In this Prospectus, unless otherwise stated, the following abbreviations shall have the following meanings:-

Acquisition of CTSB	- Acquisition of 200,000 ordinary shares of RM1.00 each in CTSB, representing the entire equity interest therein, for a 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	- Acquisition of 120,000 ordinary shares of RM1.00 each in GMSB, representing the entire equity interest therein, for a 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
Acquisition of ULSB	- Acquisition of 4,700,000 ordinary shares of RM1.00 each in ULSB, representing the entire equity interest therein, for a 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	- Acquisition of 3 ordinary shares of RM1.00 each in ULSS, representing the entire equity interest therein, for a 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
Acquisitions	- Acquisition of CTSB, Acquisition of GMSB, Acquisition of ULSB and Acquisition of ULSS collectively
ADA	- Authorised Depository Agent
ADA Code	- ADA (Broker) Code
Arrangement	- Arrangement by certain substantial shareholders of ULC, namely the Lee Brothers whereby they will transfer a total of 18,000,000 ordinary shares of RM1.00 each in ULC to PDSB, following the Acquisitions and Dividend Capitalisation but prior to the Listing
ATM	- Automated Teller Machine
CDS	- Central Depository System
CIMB	- Commerce International Merchant Bankers Berhad (18417-M)
CTSB	- Cable-Tray Industries (Malaysia) Sdn. Bhd. (107907-H), a wholly-owned subsidiary of ULC
Dividend Capitalisation	- Capitalisation of dividends owing to the shareholders of ULSB and ULSS amounting to RM6,153,840 and RM345,600 respectively by the issuance of a total of 6,499,440 new ULC ordinary shares of RM1.00 each, credited as fully paid-up, at an issue price of RM1.00 per new ULC share
Electronic Share Application	- The application for the Issue Shares through a Participating Financial Institution's ATM
EPS	- Earnings per share
FIC	- Foreign Investment Committee

## DEFINITIONS (Cont'd)

GMSB	-	Gabung Mekar Sdn. Bhd. (180268-A), a wholly-owned subsidiary of ULC										
Issue Shares	-	3,300,000 new in ULC ordinary shares of RM1.00 each to be issued at RM1.80 per share pursuant to the Public Issue										
Kasuria	-	Kasuria Sdn. Bhd. (140491-W)										
KLSE	-	Kuala Lumpur Stock Exchange (30632-P)										
Lee Brothers	-	Lee Yoon Wah, Lee Yoon Fook and Lee Yoon Kong, all of whom are brothers										
Listing	-	Listing of and quotation for the entire issued and paid-up capital of ULC on the Second Board of KLSE										
MAICSA	-	Malaysian Association of the Institute of Chartered Secretaries and Administrators										
MCD	-	Malaysian Central Depository Sdn. Bhd. (165570-W), a subsidiary of KLSE										
MIH	-	Malaysian Issuing House Sdn. Bhd. (258345-X)										
MITI	-	Ministry of International Trade and Industry										
NTA	-	Net tangible assets										
Offer for Sale or Offer	-	Offer for sale of the Offer Shares to Bumiputera investors approved by MITI and identified investors										
Offer Shares	-	5,000,000 ordinary shares of RM1.00 each in ULC to be offered for sale by the Offerors at an offer price of RM1.80 per ordinary share										
Offerors	-	Shareholders of ULC making the Offer for Sale and the number of ULC ordinary shares to be offered pursuant thereto are as follows:-										
		<table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Shareholders</th> <th style="text-align: right;">No. of shares offered</th> </tr> </thead> <tbody> <tr> <td>Lee Yoon Wah</td> <td style="text-align: right;">1,666,666</td> </tr> <tr> <td>Lee Yoon Fook</td> <td style="text-align: right;">1,666,667</td> </tr> <tr> <td>Lee Yoon Kong</td> <td style="text-align: right;">1,666,667</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">5,000,000</td> </tr> </tbody> </table>	Shareholders	No. of shares offered	Lee Yoon Wah	1,666,666	Lee Yoon Fook	1,666,667	Lee Yoon Kong	1,666,667		5,000,000
Shareholders	No. of shares offered											
Lee Yoon Wah	1,666,666											
Lee Yoon Fook	1,666,667											
Lee Yoon Kong	1,666,667											
	5,000,000											
Participating Financial Institution(s)	-	Participating financial institutions for Electronic Share Application as listed in Section 21.5 (ii)(o) of this Prospectus										
PDSB	-	Pearl Deal (M) Sdn. Bhd. (513311-D)										
PE multiple	-	Price earnings multiple										
Public Issue	-	Public issue of the Issue Shares to eligible Directors and employees of the ULC Group, the Malaysian public and identified investors										
Rights Issue	-	Rights issue of 1,467,468 new ULC ordinary shares of RM1.00 each at par on the basis of approximately one (1) new ordinary share for every twenty four (24) ordinary shares held in ULC after the Acquisitions and Dividend Capitalisation										

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**DEFINITIONS (Cont'd)**

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SC	-	Securities Commission
ULC or Company	-	United U-LI Corporation Berhad (510737-H)
ULC Group or Group	-	ULC and its wholly-owned subsidiaries, namely CTSB, GMSB, ULSB and ULSS
ULSB	-	United U-LI (M) Sdn. Bhd. (107902-V), a wholly-owned subsidiary of ULC
ULSS	-	United U-LI Steel Service Centre Sdn. Bhd. (414454-V), a wholly-owned subsidiary of ULC
US	-	United States of America
RM and sen	-	Ringgit Malaysia and sen respectively
USD	-	United States of America Dollar

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**1. CORPORATE DIRECTORY**


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***Directors***

<b>Name</b>	<b>Address</b>	<b>Occupation</b>	<b>Nationality</b>
Dato' Abd Rahman bin Ismail <i>(Chairman)</i>	7, Jalan Pantai Seksyen 9/7 46000 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian
Lee Yoon Wah <i>(Group Managing Director/Chief Executive Officer)</i>	23, Jalan USJ 3/3N 47600 Subang Jaya Selangor Darul Ehsan	Company Director	Malaysian
Lee Yoon Fook <i>(Executive Director)</i>	23, Jalan USJ 3/3N 47600 Subang Jaya Selangor Darul Ehsan	Company Director	Malaysian
Lee Yoon Kong <i>(Executive Director)</i>	23, Jalan USJ 3/3N 47600 Subang Jaya Selangor Darul Ehsan	Company Director	Malaysian
Teow Lai Seng <i>(Executive Director)</i>	11, Jalan TK 5/10 Taman Mawar Batu 8 47100 Puchong Selangor Darul Ehsan	Company Director	Malaysian
Wong Chow Lan <i>(Independent Non-Executive Director)</i>	322, Bukit Lemon 70200 Seremban Negeri Sembilan Darul Khusus	Consultant	Malaysian
Chim Wai Khuan <i>(Independent Non-Executive Director)</i>	23, Jalan SS18/5G 47500 Subang Jaya Selangor Darul Ehsan	Accountant	Malaysian
Rosly bin Talib <i>(Independent Non-Executive Director)</i>	30, Jalan SS7/6 Kelana Jaya 47301 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian
Lokman bin Mansor <i>(Independent Non-Executive Director)</i>	30, Jalan Margosa SD10/2 Sri Damansara 52200 Petaling Jaya Selangor Darul Ehsan	Architect	Malaysian

***Audit Committee***

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Chim Wai Khuan	Chairman of the Committee	Independent Non-Executive Director
Wong Chow Lan	Member of the Committee	Independent Non-Executive Director
Lee Yoon Wah	Member of the Committee	Group Managing Director/Chief Executive Officer

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

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<b><i>Company Secretaries</i></b>	:	Ng Gek Heng (MAICSA 7011018) 10-3-3A, Petaling Indah Condominium Jalan 1C/149 Off Jalan Sungai Besi 57100 Kuala Lumpur
		Koay Soo Ngoh (MAICSA 0856746) Unit 705, Block B Shang Villa Condominium Jalan 7/15 47301 Kelana Jaya Selangor Darul Ehsan
<b><i>Registered Office</i></b>	:	62C, Jalan SS21/62 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan
		Telephone no.: 03 – 7727 2806 E-mail: taxnetkl@tm.net.my
<b><i>Head/Management Office</i></b>		33, Jalan Kartunis U1/47 Temasya Industrial Park Seksyen U1 40150 Shah Alam Selangor Darul Ehsan
		Telephone no.: 03 – 5569 5999 E-mail: uulisb@po.jaring.my
<b><i>Auditors and Reporting Accountants</i></b>	:	Roger Yue, Tan & Associates Wisma Tai Yoon No. 9, Lorong Medan Tuanku Satu Medan Tuanku 50300 Kuala Lumpur
<b><i>Solicitors for the Public Issue and Offer for Sale</i></b>	:	Cheang & Ariff Advocates & Solicitors 39 COURT 39, Jalan Yap Kwan Seng 50450 Kuala Lumpur
<b><i>Valuers</i></b>	:	Regroup Associates Sdn. Bhd. Lot 9-1, Level 9 Menara Millenium Jalan Damanlela Bukit Damansara 50490 Kuala Lumpur

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

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<b><i>Principal Bankers</i></b>	:	United Overseas Bank (Malaysia) Berhad 43-45, Jalan Othman 46000 Petaling Jaya Selangor Darul Ehsan
		Southern Bank Berhad 3, Jalan Barat 46200 Petaling Jaya Selangor Darul Ehsan
<b><i>Issuing House</i></b>	:	Malaysian Issuing House Sdn. Bhd. 27th Floor, Menara Multi-Purpose Capital Square 8, Jalan Munshi Abdullah 50100 Kuala Lumpur
<b><i>Registrar</i></b>	:	Signet Share Registration Services Sdn. Bhd. 11th Floor, Tower Block Kompleks Antarabangsa Jalan Sultan Ismail 50250 Kuala Lumpur
		Telephone no.: 03-2145 4337
<b><i>Adviser, Managing Underwriter and Placement Agent</i></b>	:	Commerce International Merchant Bankers Berhad 8th Floor, Bangunan CIMB Jalan Semantan, Damansara Heights 50490 Kuala Lumpur
<b><i>Underwriters</i></b>	:	Commerce International Merchant Bankers Berhad 8th Floor, Bangunan CIMB Jalan Semantan, Damansara Heights 50490 Kuala Lumpur
		OSK Securities Berhad 20th Floor, Plaza OSK Jalan Ampang 50450 Kuala Lumpur
<b><i>Listing Sought</i></b>	:	Second Board of KLSE

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## 2. INTRODUCTION

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This Prospectus is dated 19 March 2002.

A copy of this Prospectus has been registered by the SC and lodged with the Registrar of Companies, Malaysia who takes no responsibility for its contents.

An application will be made to the KLSE within three (3) market days of the issuance of this Prospectus for admission to the Official List of the Second Board of KLSE and for permission to deal in and quotation for the entire issued and fully paid-up ordinary shares of the Company, including the Issue Shares and Offer Shares, which are the subject of this Prospectus. These ordinary shares will be admitted to the Official List of the Second Board of KLSE and official quotation will commence after receipt of confirmation from MCD that all CDS accounts of the successful applicants have been duly credited and notices of allotment have been despatched to all successful applicants.

Acceptance of applications will be conditional upon permission being granted by the KLSE to deal in and quotation for the entire issued and fully paid-up ordinary shares of the Company, including the Issue Shares and Offer Shares within six (6) weeks from the date of this Prospectus or such longer period as may be specified by the SC, provided the Company is notified by or on behalf of KLSE within the six (6) weeks or such longer period as may be specified by the SC. Accordingly, monies paid in respect of any application accepted will be returned without interest if the said permission from the KLSE is not granted.

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991, the KLSE has prescribed ULC as a CDS counter. In consequence thereof, the shares issued and offered through this Prospectus will be deposited directly with MCD and any dealings in these shares will be carried out in accordance with the aforesaid Acts and the Rules of MCD.

Pursuant to the SC's Policies and Guidelines on Issue/Offer of Securities, the Company needs to have at least 25% of the enlarged issued and paid-up share capital in the hands of public shareholders and a minimum number of 750 public shareholders (of which at least 500 shareholders are members of the public who are not employees of the Company) holding not less than 1,000 shares each upon completion of the Public Issue and Offer for Sale. The Company is expected to achieve this at the point of listing. In the event that the above requirement is not met pursuant to the Public Issue and Offer for Sale, the Company may not be allowed to proceed with the Listing. In the event thereof, monies paid in respect of all applications will be returned without interest if the said permission is not granted.

An applicant should state his/her CDS account number in the space provided in the Application Form if the applicant presently has such an account. Where an applicant does not presently have a CDS account, the applicant should state in the Application Form his or her preferred ADA Code. Where an applicant already has a CDS account, he or she should not complete the preferred ADA Code. For application using the Electronic Share Application, an applicant must have a CDS account.

No person is authorised to give any information or to make any representation not contained herein in connection with the Public Issue and/or the Offer for Sale and if given or made, such information or representation must not be relied upon as having been authorised by ULC and/or CIMB. Neither the delivery of this Prospectus nor any Public Issue and/or Offer for Sale made in connection with this Prospectus shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the ULC Group since the date hereof.

The distribution of this Prospectus and the sale of the Issue Shares and/or Offer Shares are subject to Malaysian law and the Company takes no responsibility for the distribution of this Prospectus and/or sale of the Issue Shares and/or Offer Shares outside Malaysia. Persons who may be in possession of this Prospectus are required to inform themselves of and to observe such restrictions. This Prospectus does not constitute and may not be used for the purpose of an offer to sell or invitation of an offer to buy any Issue Shares and/or Offer Shares in any jurisdiction in which such offer is not authorised or lawful or to any person to whom it is unlawful to make such offer.

**If you are in doubt about this Prospectus, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser immediately.**

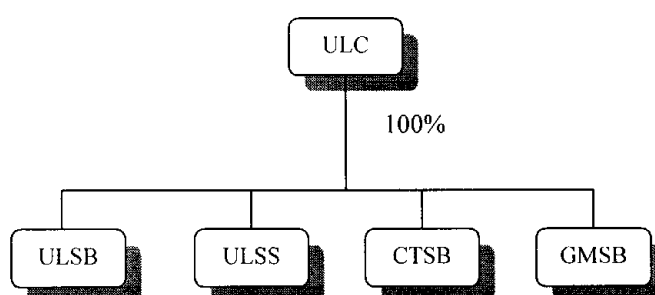
### 3. INFORMATION SUMMARY

The following is only a summary of the salient information about the ULC Group and of the Public Issue and Offer for Sale. Investors should read and understand the whole Prospectus prior to deciding whether to invest in the Issue/Offer Shares. The following information is derived from, and should be read in conjunction with, the full text of this Prospectus.

#### 3.1 History and Business

ULC was incorporated in Malaysia under the Companies Act, 1965 on 11 April 2000 as a private limited company under the name of United U-LI Corporation Sdn. Bhd.. Subsequently, it was converted to a public company on 18 April 2000 and adopted its present name.

The current structure of the ULC Group is as follows:-



ULC is principally an investment holding company while the principal activities of its wholly-owned subsidiaries, all of which were incorporated in Malaysia, are as follows:-

Subsidiaries	Principal activities
ULSB	Manufacturing of and dealing in cable support systems, integrated ceiling systems, steel roof battens and related industrial metal products
ULSS	Provision of slitting and shearing services and trading of industrial hardware
CTSB	Manufacturing of and dealing in all types of cable trunking and related industrial metal products
GMSB	Investment holding

As at the date hereof, ULC does not have any associated company. Further information on ULC and its subsidiaries are set out in Sections 8 and 10 of this Prospectus respectively.

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### 3. INFORMATION SUMMARY (Cont'd)

#### 3.2 Major Shareholders, Promoters, Directors and Key Management

##### 3.2.1 Major Shareholders

The major shareholders (holding 5% or more of the issued and paid-up share capital) of ULC and their respective shareholdings after the Public Issue and Offer are as follows:-

Shareholders	Designation	-----After the Public Issue and Offer-----			
		No. of ordinary shares of RM1.00 each held			
		Direct	%	Indirect	%
PDSB	-	18,000,000	45.00	-	-
Kasuria	-	7,485,252	18.71	-	-
Lee Yoon Wah	Group Managing Director/Chief Executive Officer	1,236,416	3.09	18,000,000#	45.00
Lee Yoon Fook	Executive Director	1,236,415	3.09	18,000,000#	45.00
Lee Yoon Kong	Executive Director	1,236,415	3.09	18,000,000#	45.00
Dato' Abd Rahman bin Ismail	Chairman	-	-	7,485,252*	18.71
Mohd. Haniff bin Hashim	-	-	-	7,485,252*	18.71

**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.

\* Deemed interested through Kasuria.

##### 3.2.2 Promoters

Lee Yoon Wah, Lee Yoon Fook and Lee Yoon Kong individually and collectively are the promoters of the Company, details of which are as set out in Section 3.2.1 above.

##### 3.2.3 Directors

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

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

### 3. INFORMATION SUMMARY (Cont'd)

**Notes:-**

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

\* Deemed interested through Kasuria.

# Deemed interested through PDSB.

#### 3.2.4 Key Management

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#	45.00
Lee Yoon Fook	Executive Director	1,236,415	3.09	18,000,000#	45.00
Lee Yoon Kong	Executive Director	1,236,415	3.09	18,000,000#	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.

Detailed information on the major shareholders, promoters, Directors and key management of ULC is set out in Section 9 of this Prospectus.

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### 3. INFORMATION SUMMARY (Cont'd)

#### 3.3 Financial Highlights

##### 3.3.1 Proforma Consolidated Income Statements

The following is a summary of the proforma audited consolidated income statements of the ULC Group for the past five (5) financial years ended 31 December 1996 to 2000 and nine (9) months ended 30 September 2001, prepared for illustrative purpose only, on the assumption that the current structure of the Group has been in existence throughout the financial years and period under review:-

	Financial year ended 31 December					9 months ended 30 September
	1996 RM'000	1997 RM'000	1998 RM'000	1999 RM'000	2000 RM'000	2001 RM'000
Revenue	19,888	25,350	30,441	38,749	34,996	29,807
Profit before depreciation, amortisation and interest	3,925	4,427	7,669	10,505	12,937	10,467
Depreciation	(513)	(839)	(1,302)	(1,808)	(2,424)	(2,370)
Amortisation	-	-	-	(18)	(27)	(19)
Interest expense	(144)	(205)	(252)	(192)	(469)	(514)
Interest income	12	28	67	43	20	9
Profit before exceptional item	3,280	3,411	6,182	8,530	10,037	7,573
Exceptional item	-	-	-	-	(436)	-
Profit before taxation	3,280	3,411	6,182	8,530	9,601	7,573
Taxation	(972)	(924)	(1,270)	(433)	(3,019)	(2,239)
Profit after taxation before extraordinary item	2,308	2,487	4,912	8,097	6,582	5,334
Extraordinary item	5	-	-	-	-	-
Profit after taxation and extraordinary item	2,313	2,487	4,912	8,097	6,582	5,334
Number of ordinary shares assumed in issue*	35,232,532	35,232,532	35,232,532	35,232,532	35,232,532	35,232,532
Basic net EPS (RM)	0.07	0.07	0.14	0.23	0.19	0.20 <sup>^</sup>
Gross dividend rate (%)	-	-	-	-	25.62	-

**Notes:-**

\* The assumed issued and paid-up share capital of 35,232,532 ordinary shares of RM1.00 each is based on the issued and paid-up share capital of ULC after the Acquisitions and Dividend Capitalisation.

<sup>^</sup> Annualised.

Further details on the proforma consolidated income statements are set out in Section 8.6 of this Prospectus.

### 3. INFORMATION SUMMARY (Cont'd)

#### 3.3.2 Proforma Consolidated Balance Sheets

The following is a summary of the proforma consolidated balance sheets of ULC as at 30 September 2001, prepared for illustrative purposes only, to show the effects of the Acquisitions, Dividend Capitalisation, Rights Issue and Public Issue, and to reflect the proposed utilisation of proceeds from the Rights Issue and Public Issue, 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	10	32,808	32,808	34,276	37,190
Current liabilities	(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
<b>Financed by:-</b>					
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

Further details on the proforma consolidated balance sheets of ULC as at 30 September 2001 are set out in Section 15 of this Prospectus. The above summary should be read with the notes and assumptions to the proforma consolidated balance sheets as set out in Section 15 of this Prospectus.

#### 3.4 Principal Statistics Relating to the Public Issue and Offer for Sale

##### (i) Share Capital

	RM
<i>Authorised</i>	
50,000,000 ordinary shares of RM1.00 each	50,000,000
<i>Issued and fully paid-up as at the date of this Prospectus</i>	
36,700,000 ordinary shares of RM1.00 each	36,700,000
<i>To be issued pursuant to the Public Issue</i>	
3,300,000 ordinary shares of RM1.00 each	3,300,000
	40,000,000
<i>To be offered pursuant to the Offer for Sale</i>	
5,000,000 ordinary shares of RM1.00 each	5,000,000

### 3. INFORMATION SUMMARY (Cont'd)

#### (ii) Classes of Shares and Rights

There is only one class of shares in ULC, being ordinary shares of RM1.00 each. The Issue/Offer Shares will rank pari passu in all respects with the existing issued and paid-up ordinary shares of RM1.00 each of ULC.

Subject to any special rights attaching to any shares that may be issued by the Company in the future, the shareholders of ordinary shares in the Company shall be entitled to share in the whole of the profits paid out by the Company as dividends and other distributions and the whole of any surplus in the event of liquidation of the Company.

At every general meeting of ULC, each shareholder shall be entitled to vote in person or by proxy or by attorney, and on a show of hands, every person present who is a shareholder or representative or proxy or attorney to a shareholder shall have one vote and on a poll, every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one vote for each ordinary share held. A proxy may but need not be a member of the Company.

#### (iii) Issue/Offer price of RM1.80 per ordinary share of RM1.00 each

The factors taken into consideration in the pricing of the Issue/Offer Shares are set out in Section 4.7 of this Prospectus.

#### (iv) Proforma Group NTA

	<b>RM</b>
Proforma Group NTA as at 30 September 2001 ( <i>after the Acquisitions, Dividend Capitalisation, Rights Issue, Public Issue and utilisation of proceeds arising from the Rights Issue and Public Issue</i> )	42,642,000
Proforma Group NTA per share ( <i>based on the enlarged share capital of 40,000,000 ordinary shares of RM1.00 each</i> )	1.07

#### (v) Consolidated Profit Estimate and Forecast

The consolidated profit estimate and forecast for the financial year ended 31 December 2001 and financial year ending 31 December 2002 are as follows:-

Financial year ended/ending 31 December	Estimate 2001 RM'000	Forecast 2002 RM'000
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>

### 3. INFORMATION SUMMARY (Cont'd)

**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.

The principal bases and assumptions upon which the consolidated profit estimate and forecast of ULC have been made are set out in Section 12 of this Prospectus.

**(vi) Dividend Forecast**

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

The dividend forecast for the financial year ending 31 December 2002 is as follows:-

<b>Financial year ending 31 December</b>	<b>Forecast 2002</b>
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 (times)	5.26

Further information on the dividend forecast of ULC is set out in Section 14 of this Prospectus.

#### 3.5 Risk Factors

An investment in shares listed/to be listed on KLSE involves a number of risks. Investors should rely on their own evaluations and to carefully consider the investment considerations, together with other information contained in this Prospectus before subscribing to any of the Issue/Offer Shares, which are the subject of this Prospectus.

The following are some of the main risk factors (which may not be exhaustive), as extracted from Section 5 of this Prospectus, which applicants for the Issue/Offer Shares should carefully consider, in addition to other information contained elsewhere in this Prospectus, before applying for the Issue/Offer Shares:-

**(i) No prior market for ULC's shares**

Prior to this Public Issue and Offer for Sale, there was no public market for ULC's shares. There can be no assurance that an active market for ULC's shares will develop upon the Listing or, if developed, that such market will be sustained.

**(ii) Delay in or abortion of the Listing**

The occurrence of certain events may cause a delay in or the abortion of the Listing. Although the Directors will endeavour to secure the Listing, there can be no assurance that the aforementioned events will not cause a delay in or abortion of the Listing.

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

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**(iii) Control by substantial shareholders**

Following the Public Issue and Offer for Sale, the Lee Brothers will be able to control the outcome of certain matters as they will collectively own 54.27% (of which 45.00% are held through PDSB) of the Company's issued and paid-up share capital.

**(iv) Supply and cost of raw materials**

The long term viability of the ULC Group depends significantly on the long term sustainable supply and cost of steel and powder coating paints, being the main raw materials used for the production of the Group's products.

**(v) Dependence on a small number of suppliers**

At present, the Group sources its powder coating paints, being one (1) of the raw materials used for the production of the Group's products, from three (3) local suppliers.

**(vi) Competition**

The ULC Group faces competition from various quarters from sourcing of its raw materials to marketing of its products.

**(vii) Business risks**

The Group is not insulated from general business risks as well as certain risks inherent in the manufacturing industry.

**(viii) Foreign exchange risk**

No assurance can be given that the peg of RM to USD will be maintained in the future, and that if the peg is removed, it will not have an adverse material effect on the performance of the ULC Group. The Group is also exposed to fluctuations of the Singapore Dollar.

**(ix) Dependence on key personnel**

The Group believes that its continued success will depend, to a significant extent, upon the abilities and continued efforts of its existing Directors and senior management. The loss of any of the Group's Directors or key members of its senior management may affect the Group's performance.

**(x) Profit estimate and forecast**

This Prospectus contains certain estimates and forecasts that are based on reasonable assumptions that are nevertheless subject to uncertainties and contingencies.

**(xi) Limit on operating and financial flexibility**

The covenants set out in the credit facility agreements entered into by the subsidiaries of ULC may limit the ULC Group's operating and financial flexibility.

**(xii) Technological change and process development**

The Group faces the risks of obsolescence of current technology, the requirement of new technology not matched by existing technical staff and that the operations of the Group are not ready for new methods.

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


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**(xiii) Absence of long term contractual agreement with customers and/or suppliers**

There are no long term contractual agreements between the ULC Group and its customers and/or suppliers.

**(xiv) Political, economic and regulatory considerations**

Like all other business entities, changes in political, economic and regulatory conditions in Malaysia and elsewhere could materially and adversely affect the financial and business prospects of the Group and the markets of its end products.

**(xv) Future prospects**

Certain statements in this Prospectus are based on historical data which may not be reflective of the future results, and others are forward-looking in nature which are subject to uncertainties and contingencies.

The above risk factors are elaborated in Section 5 of this Prospectus.

**3.6 Future Prospects of the ULC Group**

The Directors believe that the Group will be able to retain its market share and sustain its present growth as one of the established suppliers providing quality cable support systems and integrated ceiling systems in the domestic market. The Directors also believe that the Group's steel roof battens will have tremendous potential in view of, amongst others, the steel roof batten being still in the infant stage, its competitive pricing, quality products, the expected growth of the construction sector and the change in preference as mentioned above. The Group has the business expertise, technical skills, and high quality product standards to maintain its existing as well as to capture new market share. Together with its established management practices and continual quality improvement regime, the Group is in a sound strategic position to fully satisfy the demand of its customers.

Details of the Group's future prospects are set out in Section 7.2 of this Prospectus.

**3.7 Utilisation of Proceeds**

The total gross proceeds of RM7,407,468 from the Rights Issue and Public Issue will be utilised in the following manner:-

	<b>RM'000</b>
Repayment of bank borrowings	1,376
Working capital	4,381
Estimated listing expenses	1,650
	<u>7,407</u>

The estimated expenses and fees, including brokerage, underwriting commission and management fee relating to the Issue Shares, incidental to the Listing amounting to approximately RM1.65 million will be borne by the Company.

The total gross proceeds from the Offer for Sale of RM9.00 million shall accrue entirely to the Offerors and no part of the proceeds of the Offer is receivable by ULC. All expenses, including brokerage and placement fees relating to the Offer Shares, shall be borne by the Offerors.

Details of the utilisation of proceeds are set out in Section 4.8 of this Prospectus.

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

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**3.8 Material Litigation, Material Commitments and Contingent Liabilities**

**(i) Material Litigation**

ULC and its subsidiaries are not engaged in any material litigation, either as plaintiff or defendant which has a material effect on the financial position of ULC or its subsidiaries, and the Directors do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of the Company or its subsidiaries.

**(ii) Material Commitments for Capital Expenditure**

There are no material commitments for capital expenditure contracted or known to be contracted by ULC or its subsidiaries, which may have a substantial impact on the financial position of the Group as at 28 February 2002 (being the latest practicable date at which such amounts could be calculated prior to the printing of this Prospectus).

**(iii) Contingent Liabilities**

There are no material contingent liabilities incurred by ULC and its subsidiaries as at 28 February 2002 (being the latest practicable date at which such amounts could be calculated prior to the printing of this Prospectus), other than those incurred in the ordinary course of business.

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