

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTERS OF DOMINANT ENTERPRISE BERHAD ("DEB" OR "COMPANY") 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. THE DIRECTORS HEREBY ACCEPT FULL RESPONSIBILITY FOR THE CONSOLIDATED PROFIT FORECAST INCLUDED IN THIS PROSPECTUS AND CONFIRM THAT THE CONSOLIDATED PROFIT FORECAST HAS BEEN PREPARED BASED ON THE ASSUMPTIONS MADE.

COMMERCE INTERNATIONAL MERCHANT BANKERS BERHAD, AS THE ADVISER, 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 AND IS SATISFIED THAT THE CONSOLIDATED PROFIT FORECAST (FOR WHICH THE DIRECTORS OF THE COMPANY ARE FULLY RESPONSIBLE), PREPARED FOR INCLUSION IN THIS PROSPECTUS HAS BEEN STATED BY THE DIRECTORS OF THE COMPANY AFTER DUE AND CAREFUL ENQUIRY AND HAS BEEN DULY REVIEWED BY THE REPORTING ACCOUNTANTS.

THE SECURITIES COMMISSION ("SC") HAS APPROVED THE PUBLIC ISSUE AND OFFER. HOWEVER, THE APPROVAL OF THE SC SHALL NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE PUBLIC ISSUE AND OFFER.

THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND ASSUME NO RESPONSIBILITY FOR THE CONTENTS OF THIS DOCUMENT, MAKE NO REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIM ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. **INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT.** IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

THE VALUATIONS OF THE PROPERTIES APPROVED OR ACCEPTED BY THE SC SHALL ONLY BE UTILISED FOR THE PURPOSE OF THE CORPORATE PROPOSALS 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") SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS CORRECTNESS OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. ADMISSION TO THE OFFICIAL LIST OF THE KLSE IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE COMPANY OR OF ITS SECURITIES.

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

INDICATIVE TIMETABLE

Event	Dates
Issue of Prospectus / Opening date for the Public Issue/Offer	: 22 September 2003
Last date and time for acceptance and payment / Closing date for the Public Issue/Offer	: 2 October 2003
The tentative date for balloting of applications	: 7 October 2003
The tentative date for despatch of notices of allotment to successful applicants	: 15 October 2003
The tentative date of listing	: 20 October 2003

Note:

This timetable is tentative and is subject to changes which may be necessary to facilitate implementation procedures. The application period will remain open until 8.00 p.m. on 2 October 2003 or such further date or dates as the Directors of DEB, Underwriter and/or the Offerors may mutually decide. Should the closing date of the application be extended, the dates for the balloting, despatch of notices of allotment and the listing of and quotation for the entire enlarged issued and paid-up share capital of DEB on the Second Board of the KLSE would be extended accordingly. Any changes to the above tentative dates will be published in a widely circulated daily newspaper within Malaysia.

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INDICATIVE TIMETABLE

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

“Act”	: The Companies Act, 1965 or any statutory modification, amendment or re-enactment thereof for the time being in force
“ADA”	: Authorised Depository Agent
“ADA Code”	: ADA (Broker) Code
“AFTA”	: ASEAN Free Trade Area
“AIPL”	: Akati Impex Pte Ltd (199206293-E), a wholly-owned subsidiary of DEB
“ASEAN”	: Association of South-East Asian Nations
“ATM”	: Autoteller Machine
“BISB”	: Bripanel Industries Sdn Bhd (261106-V), a wholly-owned subsidiary of DEB
“BLR”	: Base lending rate
“BNM”	: Bank Negara Malaysia
“Board”	: Board of Directors of DEB
“CDS”	: Central Depository System
“CIMB”	: Commerce International Merchant Bankers Berhad (18417-M)
“CTSB”	: Combi Trading Sdn Bhd (239418-M), a wholly-owned subsidiary of DEB
“DEB Group” or “Group”	: DEB and its subsidiaries
“DEB” or “Company”	: Dominant Enterprise Berhad (221206-D)
“DEB Share(s)”	: Ordinary share(s) of RM0.50 each in DEB
“EBIDTA”	: Earnings before interest, depreciation, taxation and amortisation
“Electronic ShareApplication”	: Application for the Issue Shares through a Participating Financial Institution’s ATM
“EPS”	: Earnings per share
“FIC”	: Foreign Investment Committee
“GDP”	: Gross domestic product
“ISB”	: Ikta Sdn Bhd (133586-X), a wholly-owned subsidiary of DEB
“Issue Shares”	: The 8,600,000 new DEB Shares to be issued by the Company pursuant to the Public Issue
“Issue/Offer Price”	: RM0.65 for each Issue Share and Offer Share
“ISO”	: International Organisation for Standardisation
“JSB”	: Jurihan Sdn Bhd (517837-W), a wholly-owned subsidiary of DEB
“KGV (Johor)”	: KGV-Lambert Smith Hampton (Johor) Sdn Bhd (214438-H)
“KLSE”	: Kuala Lumpur Stock Exchange (30632-P)

DEFINITIONS (*Cont'd*)

“Listing”	: The listing of and quotation for the entire enlarged issued and paid-up share capital of DEB of RM43,000,000 comprising 86,000,000 DEB Shares on the Second Board of the KLSE
“LMW”	: License Manufacturing Warehouse
“MCD or Central Depository”	: Malaysian Central Depository Sdn Bhd (165570-W)
“MDF”	: Medium-density fibreboard
“MI”	: Minority interest
“MIDFCCS”	: MIDF Consultancy And Corporate Services Sendirian Berhad (11324-H)
“MITI”	: Ministry of International Trade and Industry
“NBV”	: Net book value
“NIR”	: Near Infra Red
“NSPSB”	: NS Pacific Sdn Bhd (587612-T), the holding company of DEB which holds 51.0% of the enlarged issued and paid-up share capital of DEB upon completion of the Listing
“NTA”	: Net tangible assets
“Offer”	: The offer for sale of 17,200,000 DEB Shares by the Offerors at the Offer Price payable in full on application subject to the terms and conditions of this Prospectus
“Offer Shares”	: The 17,200,000 DEB Shares to be offered by the Offerors pursuant to the Offer
“Offerors”	: Cha Aku Wai @ Sia Ah Kow, Low Chwee Tian, Teo Chiew Peng, Teo Ah Tee @ Teo Chuan How, Teo Ah Bah @ Teo Chuang Kwee, Teo Choon Kiat @ Teo Chuan Kit, Teo Chiew Luan @ Teo Chiew Ngoh, Teo Kee Tai, Kuah Kwai Yoke @ Kuah Boo Cheng, Ong Teng Ser, Chai Soon Too, Liaw Siang Ming, Teo Chuan Soon, Dju Dian Hong, Tan Hon Kiat @ Tan Hoon Siong, Tan Ah Sim @ Tan Siew Wah, Owee Geok Choon, Chung Ek Fong, Er Lee Keng, Sim Lai Soon, Teo Chuan Geo, Tan Ah Liang and Heng Yik Poh, collectively
“PAT”	: Profit after taxation
“PBT”	: Profit before taxation
“PE Multiple”	: Price earnings multiple
“Placement Agent”	: CIMB
“PRC”	: People’s Republic of China
“Pre-listing Dividend”	: The tax-exempt dividend amounting to RM1,935,000 declared by DEB with respect to the financial year ended 31 March 2003 to the shareholders who were registered as members of DEB as at 31 March 2003 and which was fully paid on 9 September 2003
“Public Issue”	: The public issue of 8,600,000 new DEB Shares at the Issue Price payable in full on application subject to the terms and conditions of this Prospectus
“PWSB”	: Premier Woodprofile Sdn Bhd (234186-H), a wholly-owned subsidiary of DEB

DEFINITIONS (Cont'd)

“ROC”	: Registrar of Companies
“R&D”	: Research and development
“Renounceable Bonus Issue”	: The renounceable bonus issue of 67,172,748 new DEB Shares on the basis of approximately 6,568 new DEB Shares for every 1,000 DEB Shares held on 31 March 2003
“RM”	: Ringgit Malaysia
“RPGT”	: Real Property Gains Tax
“S\$”	: Singapore Dollars
“SC”	: Securities Commission
“Share Split”	: The division of the ordinary share capital of DEB comprising 5,113,626 ordinary shares of RM1.00 each into 10,227,252 DEB Shares
“Sq.ft.”	: Square feet
“Sq.m.”	: Square metres
“Substantial Shareholder(s)”	: A person who has an interest or interests of not less than 5.0% of the enlarged voting share capital of DEB
“Surplus Incorporation”	: The incorporation of the revaluation surplus arising from the revaluation of the investments in subsidiaries of DEB amounting to RM36,891,298 after taking into consideration the revaluation of the landed properties of the DEB Group
“Underwriter”	: CIMB
“Underwriting Agreement”	: The underwriting agreement dated 2 September 2003 entered into between the Company and the Underwriter with respect to the underwriting of 600,000 Issue Shares
“US”	: United States of America

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I. CORPORATE DIRECTORY**DIRECTORS**

Name/Designation	Address	Profession	Nationality
Teo Ah Bah @ Teo Chuang Kwee Executive Chairman	7, Jalan Kelewang Taman Sri Tebrau 80050 Johor Bahru Johor Darul Takzim	Businessman	Malaysian
Cha Aku Wai @ Sia Ah Kow Managing Director	7, Jalan Kelewang Taman Sri Tebrau 80050 Johor Bahru Johor Darul Takzim	Businessman	Malaysian
Kuah Kwai Yoke @ Kuah Boo Cheng Director	Block 342 Woodlands Avenue 1 #07-465 Singapore 730342	Manager	Malaysian
Teo Kee Tai Director	No. 2, Jalan Nyereh Taman Melodies 80250 Johor Bahru Johor Darul Takzim	Manager	Malaysian
Chai Soon Too Director	No. 24, Jalan BK 3/3B Bandar Kinrara 58200 Kuala Lumpur	Manager	Malaysian
Owee Geok Choon Director	55, Jalan Cendana 11 Taman Rinting 81750 Johor Darul Takzim	Manager	Malaysian
Tan Meng Poo Independent Non-Executive Director	No. 8, Jalan Baldu 4 Taman Sentosa 80150 Johor Bahru Johor Darul Takzim	Advocate and Solicitor	Malaysian
Mohd Khalid Bin Idris Independent Non-Executive Director	457, Jalan Hang Tuah Taman Khalidi Baru 84000 Muar Johor Darul Takzim	Management Consultant	Malaysian
Tan Chia Hon Independent Non-Executive Director	2A, Lorong Gereja 75000 Melaka	Chartered Accountant	Malaysian

AUDIT COMMITTEE

Name	Responsibility	Directorship
Mohd Khalid Bin Idris	Chairman of the Committee	Independent Non-Executive Director
Cha Aku Wai @ Sia Ah Kow	Member of the Committee	Non-Independent Executive Director
Tan Chia Hon	Member of the Committee	Independent Non-Executive Director

I. CORPORATE DIRECTORY (Cont'd)

COMPANY SECRETARY	Yong May Li (LS No. 000295) 16, Jalan Songkit Lima Taman Sentosa 80150 Johor Bahru Johor Darul Takzim Tel : 07-3560342
REGISTERED OFFICE	No. 19, Jalan Tun Abdul Razak Susur 1/1 80000 Johor Bahru Johor Darul Takzim Tel: 07-222 5905
HEAD OFFICE	No. 18, Jalan Belati 1 Off Jalan Kempas Lama Taman Perindustrian Maju Jaya 81330 Skudai Johor Darul Takzim Tel : 07-558 8318
E-MAIL	debgroup@dominant.com.my
WEBSITE	http://premwood.com
PRINCIPAL BANKERS	<p>Malayan Banking Berhad Permas Jaya Business Centre No.51-53, Jalan Permas Jaya 4/4 Bandar Baru Permas Jaya 81750 Masai Johor Darul Takzim Tel: 07-386 9579</p> <p>Citibank Berhad Level P1, City Plaza 21, Jalan Tebrau 80300 Johor Bahru Johor Darul Takzim Tel: 07-279 1111</p> <p>Affin Bank Berhad 130 & 132, Jalan Ros Merah 2/17 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel: 07-351 8596</p> <p>RHB Bank Berhad 1st Floor, 35 & 37, Jalan Permas 10/2 Bandar Baru Permas Jaya 81750 Masai Johor Bahru Johor Darul Takzim Tel: 07-388 4941</p>
AUDITORS & REPORTING ACCOUNTANTS	Deloitte KassimChan Chartered Accountants 21, Jalan Tun Abdul Razak Susur 1/1 80000 Johor Bahru Johor Darul Takzim Tel: 07-222 5988

I. CORPORATE DIRECTORY (Cont'd)

REGISTRAR	PFA Registration Services Sdn Bhd Level 13, Uptown 1 No. 1, Jalan SS21/58 Damansara Uptown 47400 Petaling Jaya Selangor Darul Ehsan Tel: 03-7725 4888
SOLICITORS FOR THE LISTING EXERCISE	Jeff Leong, Poon & Wong A-11-3A, Level 11 Megan Avenue II Jalan Yap Kwan Seng 50450 Kuala Lumpur Tel: 03-2166 3225
VALUERS	<p> KGV-Lambert Smith Hampton (Johor) Sdn Bhd Unit 9-01, Level 9, Johor Bahru City Square (Office Tower) No. 106-108, Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel: 07-224 2022 </p> <p> KGV-Lambert Smith Hampton (M) Sdn Bhd B-9-9, Blok B, Megan Avenue II 12, Jalan Yap Kwan Seng 50450 Kuala Lumpur Tel: 03-2161 5355 </p> <p> CKS Property Consultants Pte Ltd 250, North Bridge Road #09-02 Raffles City Tower Singapore 179101 Tel: 02-6533 0220 </p>
ISSUING HOUSE	MIDF Consultancy And Corporate Services Sendirian Berhad 12 th Floor, Bangunan MIDF 195A, Jalan Tun Razak 50400 Kuala Lumpur Tel: 03-2161 3355
ADVISER, UNDERWRITER AND PLACEMENT AGENT	Commerce International Merchant Bankers Berhad 7 th Floor, Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur Tel: 03-2084 8888
LISTING SOUGHT	Second Board of the KLSE

II. PROSPECTUS SUMMARY

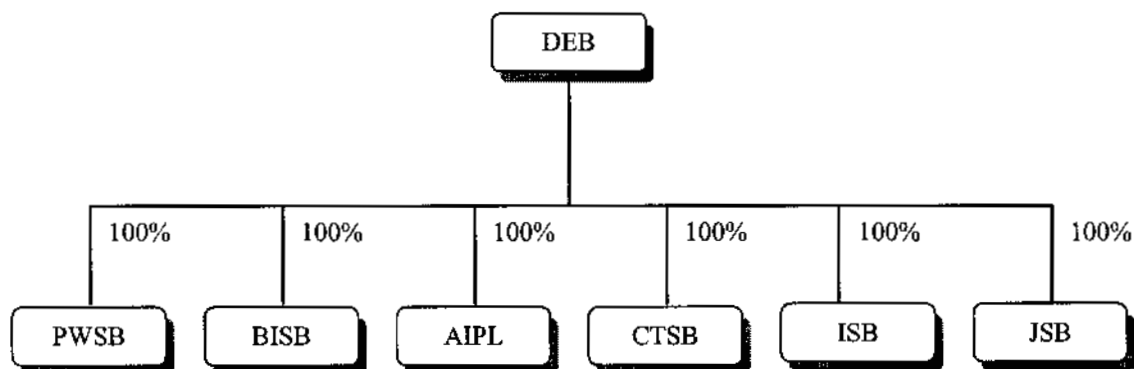
THIS SECTION IS ONLY A SUMMARY OF THE SALIENT INFORMATION ABOUT THE GROUP. INVESTORS SHOULD READ AND UNDERSTAND THE WHOLE PROSPECTUS PRIOR TO MAKING THEIR DECISION TO INVEST IN THE COMPANY.

The following information is derived from this Prospectus and should be read in conjunction with the full text of this Prospectus.

1. History and Business

DEB was incorporated in Malaysia on 19 July 1991 under the Act as a private limited company under the name of Dominant Enterprise Sdn Bhd. The Company was subsequently converted into a public limited company on 7 August 2002 and adopted its present name. The authorised share capital of the Company is RM100,000,000 comprising 200,000,000 DEB Shares. The existing issued and paid-up share capital of the Company is RM38,700,000 comprising 77,400,000 DEB Shares.

The present corporate structure of the DEB Group as well as the principal activities of the individual companies in the DEB Group are as set out below:



As at the date of this Prospectus, the Company does not have any associated companies.

Company	Principal Activities
DEB	Investment holding
PWSB	Manufacturing of primed MDF mouldings, wrapped mouldings and furniture components
BISB	Manufacturing of laminated wood panel products
AIPL	Importer, distributor and exporter of all types of wood products
CTSB	Distribution of wood products
ISB	Distribution of wood products
JSB	Distribution of wood products

Detailed information on the DEB Group is disclosed in Section VII of this Prospectus.

II. PROSPECTUS SUMMARY (Cont'd)

2. Risk Factors

Applicants for the Issue Shares and Offer Shares should carefully consider the following risk factors (which may not be exhaustive and which are elaborated in Section IV of this Prospectus) in addition to the other information contained elsewhere in this Prospectus before applying for the Issue Shares and Offer Shares:

- (i) No prior market for the DEB Shares;
- (ii) Profit forecast;
- (iii) Business risks;
- (iv) Operational risks;
- (v) Foreign market risk and foreign currency fluctuation risk;
- (vi) Absence of long term sales contracts;
- (vii) Technological change and process development;
- (viii) Future expansion plans;
- (ix) Seasonality;
- (x) Political, economic and regulatory factors;
- (xi) Influence by certain shareholders;
- (xii) Dependence on key personnel;
- (xiii) Environmental concerns;
- (xiv) Forward-looking statements;
- (xv) Financial risks;
- (xvi) Limit on operating and financial flexibility;
- (xvii) Underwriting risks; and
- (xviii) Delay in or abortion of the Listing.

A detailed discussion of the risk factors (which may not be exhaustive) which need to be considered by investors are disclosed in Section IV of this Prospectus.

3. Shareholdings of Promoters, Substantial Shareholders, Directors and Key Management

Cha Aku Wai @ Sia Ah Kow and Teo Ah Bah @ Teo Chuang Kwee are the key driving force for the growth of the DEB Group. They have more than twenty four (24) years of experience each in the wood products and related industries. The key management team of the DEB Group comprises people with proven capabilities in their respective fields including production, quality control, finance, marketing, human resource and business development.

II. PROSPECTUS SUMMARY (Cont'd)

Save as disclosed below, none of the promoters, Substantial Shareholders, Directors and key management has any shareholdings, direct or indirect, in DEB after the Public Issue and Offer:

		<----- After the Public Issue and Offer ----->			
Promoters		<-----Direct----->		<-----Indirect----->	
Name	Nationality	No. of DEB Shares held	%	No. of DEB Shares held	%
Cha Aku Wai @ Sia Ah Kow	Malaysian	538,132	0.62	⁽¹⁾ 44,223,456	51.42
Teo Ah Bah @ Teo Chuang Kwcc	Malaysian	343,365	0.40	⁽⁴⁾ 15,110	0.02

		<----- After the Public Issue and Offer ----->			
Substantial Shareholders		<-----Direct----->		<-----Indirect----->	
Name	Country of Incorporation /Nationality	No. of DEB Shares held	%	No. of DEB Shares held	%
NSPSB	Malaysia	43,860,000	51.00	-	-
Cha Aku Wai @ Sia Ah Kow	Malaysian	538,132	0.62	⁽¹⁾ 44,223,456	51.42
Teo Chiew Peng	Malaysian	363,456	0.42	⁽²⁾ 44,398,132	51.62

		<----- After the Public Issue and Offer ----->			
Directors		<-----Direct----->		<-----Indirect----->	
Name	Designation	No. of DEB Shares held	%	No. of DEB Shares held	%
Teo Ah Bah @ Teo Chuang Kwee	Executive Chairman	343,365	0.40	⁽⁴⁾ 15,110	0.02
Cha Aku Wai @ Sia Ah Kow	Managing Director	538,132	0.62	⁽¹⁾ 44,223,456	51.42
Kuah Kwai Yoke @ Kuah Boo Cheng	Director	129,983	0.15	-	-
Teo Kee Tai	Director	176,399	0.21	-	-
Chai Soon Too	Director	116,064	0.13	-	-
Owee Geok Choon	Director	20,181	0.02	-	-
Tan Meng Poo	Independent Non-Executive Director	-	-	-	-
Mohd Khalid Bin Idris	Independent Non-Executive Director	2,408,006	2.80	-	-
Tan Chia Hon	Independent Non-Executive Director	-	-	-	-

II. PROSPECTUS SUMMARY (Cont'd)

Key Management		<----- After the Public Issue and Offer ----->			
		<-----Direct----->		<-----Indirect----->	
Name	Designation	No. of DEB Shares held	%	No. of DEB Shares held	%
Teo Choon Kiat @ Teo Chuan Kit	Director of AIPL	335,259	0.38	⁽⁵⁾ 30,203	0.04
Teo Ah Tee @ Teo Chuan How	Director of all subsidiaries of DEB	350,242	0.41	⁽³⁾ 30,203	0.04
Ong Teng Ser	Director of AIPL	126,614	0.15	-	-
Heng Yik Poh	Director and Branch Manager of ISB (Butterworth)	6,722	0.01	-	-
Er Lee Keng	Director of CTSB, JSB and BISB, Finance and Administration Manager of DEB Group	15,110	0.02	-	-
Teo Chiew Peng	Accounts, Finance and Administration Manager of AIPL	363,456	0.42	⁽²⁾ 44,398,132	51.62
Chin Ing Yen	Accounts Manager of DEB Group	*25,000	0.03	-	-
Chan Han Ching	Manager of BISB and Branch Manager of CTSB (Muar)	*25,000	0.03	-	-
Chin King Fook	Production Manager of PWSB	*25,000	0.03	-	-
A.Manan Bin Abdullah @ Abdul Hamid	Quality Assurance, R&D and Production Process Executive of PWSB	*25,000	0.03	-	-
Ahmad Faris Bin Mohamed	Human Resource Executive of PWSB	*25,000	0.03	-	-

Notes:

* Assuming full subscription of their respective allocation of shares to eligible employees pursuant to the Public Issue.

⁽¹⁾ Deemed interest by virtue of his interest in NSPSB and through his spouse, Teo Chiew Peng.

⁽²⁾ Deemed interest through her spouse, Cha Aku Wai @ Sia Ah Kow.

⁽³⁾ Deemed interest through his spouse, Tan Ah Sim @ Tan Siew Wah.

⁽⁴⁾ Deemed interest through his spouse, Chung Ek Fong.

⁽⁵⁾ Deemed interest through his spouse, Diu Dian Hong.

All the promoters, Substantial Shareholders, Directors and Key Management of DEB are Malaysians, save for Ong Teng Ser who is a Singaporean. Detailed information on the Promoters, Substantial Shareholders, Directors and Key Management of the Company are disclosed in Sections VII.6 and VII.7 of this Prospectus.

4. Prospects and Future Plans of the DEB Group

The Group will continue to capitalise on its established presence in the primed and wrapped mouldings market in Malaysia and overseas and seek to further expand its market reach to certain overseas markets such as the PRC and the US which will potentially propel the Group into a prominent player in primed and wrapped mouldings in those markets. The Group will be adopting the strategy of establishing liaison offices in its foray into the PRC and US markets.

II. PROSPECTUS SUMMARY (Cont'd)

This is expected to provide a two-pronged advantage to the Group to better service its customers as well as to keep the Group abreast of the latest developments in those markets. In light of the potential contribution from the aforesaid overseas markets and the growth in demand within the Asia region following the recent economic recovery in Asia, the Group plans to increase its production capacity by way of acquiring additional machinery and a factory. To further enhance the Group's earning performance, the Group plans to re-focus its sales mix with more emphasis being placed on high margin yielding products such as primed and wrapped mouldings.

The Directors of DEB foresee that in the post-AFTA era, the Group will be in a better position to leverage on its overseas business network. For the sourcing of timber and wood products, the Group will be increasing its import from Indonesia which supplies relatively cheaper timber materials compared to other countries in the region. At the same time, with the removal of trade restrictions in the post-AFTA era, Philippines, Thailand and Vietnam will become more accessible markets to the DEB Group.

Further details of the prospects and future plans of the DEB Group are disclosed in Section VII.3.15 of this Prospectus.

5. Financial Highlights

The following is a summary of the financial performance of the DEB Group for the past five (5) financial years ended 31 March 2003. The consolidated profit and dividend records should be read in conjunction with the accompanying notes and assumptions included in the Accountants' Report set out in Section XII of this Prospectus:

	-----Year ended 31 March----->				
	1999 RM 000	2000 RM 000	2001 RM 000	2002 RM 000	2003 RM 000
Revenue	70,861	107,073	115,538	125,088	143,907
EBIDTA	7,239	11,061	8,618	9,589	11,874
Interest	(876)	(1,063)	(1,491)	(1,207)	(1,031)
Depreciation	(682)	(1,037)	(1,439)	(1,611)	(1,728)
Amortisation	(7)	(7)	(31)	(31)	(31)
Income from other investment	79	49	48	45	63
PBT	5,753	9,003	5,705	6,785	9,147
Taxation	(715)	(700)	(996)	(944)	(1,641)
PAT	5,038	8,303	4,709	5,841	7,506
MI	(39)	(316)	-	-	-
PAT and MI	4,999	7,987	4,709	5,841	7,506
No. of DEB Shares in issue (000)	*77,400	*77,400	*77,400	*77,400	77,400
Gross EPS (sen)	7.4	11.6	7.4	8.8	11.8
Net EPS (sen)	6.5	10.3	6.1	7.5	9.7
Dividend rate (%)	-	-	-	-	5.0

Note:

* Being the number of shares assumed in issue before the Public Issue

The audited financial statements of DEB and its subsidiaries for the past five (5) financial years have not been subjected to any audit qualifications.

Detailed information on the financial performance of the Group is set out in Section XI of this Prospectus.

II. PROSPECTUS SUMMARY (Cont'd)**6. Proforma Consolidated Balance Sheets**

The summary proforma consolidated balance sheets of DEB as at 31 March 2003 set out below have been prepared solely to illustrate the proforma effects of the payment of the Pre-listing Dividend, the Public Issue and utilisation of proceeds from the Public Issue on the assumption that these events were effected on the date and should be read with notes and assumptions to the proforma consolidated balance sheets set out in Section XI.7 of this Prospectus.

	Audited as of 31 March 2003 RM 000	Proforma I upon declaration and payment of Pre-listing Dividend RM 000	Proforma II after Proforma I and Public Issue RM 000	Proforma III after proforma II and utilisation of proceeds RM 000
ASSETS				
Property, plant and equipment	27,165	27,165	27,165	33,171
Goodwill on consolidation	668	668	668	668
Current Assets				
Inventories	18,782	18,782	18,782	18,782
Trade receivables	22,807	22,807	22,807	22,807
Other receivables and prepaid expenses	1,611	1,611	1,611	961
Cash and bank balances	9,373	7,438	13,028	6,172
	52,573	50,638	56,228	48,722
Current Liabilities				
Trade payables	6,657	6,657	6,657	6,657
Other payables and accrued expenses	1,053	1,053	1,053	1,053
Hirepurchase payables	53	53	53	53
Borrowings	19,885	19,885	19,885	19,885
Income tax liabilities	249	249	249	249
	27,897	27,897	27,897	27,897
Net Current Assets	24,676	22,741	28,331	20,825
Long-term and Deferred Liabilities				
Hire-purchase payables - non current portion	44	44	44	44
Borrowings - non current portion	151	151	151	151
Deferred tax liabilities	653	653	653	653
	(848)	(848)	(848)	(848)
Net Assets	51,661	49,726	55,316	53,816
Represented by:				
Share capital	38,700	38,700	43,000	43,000
Reserves				
Share premium	277	277	1,567	67
Translation reserve	281	281	281	281
Revaluation reserve	4,331	4,331	4,331	4,331
Unappropriated profit	8,072	6,137	6,137	6,137
	12,961	11,026	12,316	10,816
Shareholders' Equity	51,661	49,726	55,316	53,816
NTA (RM 000)	50,993	49,058	54,648	53,148
NTA per share (RM)	0.66	0.63	0.64	0.62

II. PROSPECTUS SUMMARY (Cont'd)**7. Principal Statistics Relating to the Public Issue and Offer****(i) Share Capital****RM****Authorised:**200,000,000 ordinary shares of RM0.50 each 100,000,000**Issued and fully paid-up:**

77,400,000 ordinary shares of RM0.50 each 38,700,000

To be issued pursuant to the Public Issue:8,600,000 new ordinary shares of RM0.50 each 4,300,000**Enlarged share capital** 43,000,000**To be offered pursuant to the Offer:**

17,200,000 ordinary shares of RM0.50 each 8,600,000

There is only one (1) class of shares in the Company, namely DEB Shares. The Issue Shares, upon allotment and issue, will rank pari passu in all respects with the other existing issued and paid-up ordinary shares of the Company.

(ii) Issue/Offer Price per DEB Share (RM) 0.65**(iii) Proforma Group NTA**

Proforma Group NTA as at 31 March 2003 (RM 000) 53,148
(after payment of Pre-listing Dividend, the Public Issue and deducting estimated listing expenses of RM1.5 million)

Proforma Group NTA per DEB Share as at 31 March 2003 (RM) 0.62
(based on the enlarged share capital of 86,000,000 DEB Shares)

(iv) Consolidated Profit Forecast

The consolidated profit forecast for the financial year ending 31 March 2004 is as follows:

Year Ending 31 March 2004	RM 000
Consolidated PBT	10,160
Less : Taxation	(1,754)
Consolidated PAT	<u>8,406</u>
Weighted average number of DEB Shares in issue (000) ⁽¹⁾	80,983
Gross EPS (sen)	
- Based on the weighted average number of shares	12.5
- Based on the enlarged share capital of 86,000,000 DEB Shares	11.8
Net EPS (sen)	
- Based on the weighted average number of shares	10.4
- Based on the enlarged share capital of 86,000,000 DEB Shares	9.8
Gross PE Multiple based on the Issue/Offer Price of RM0.65 per DEB Share (times)	
- Based on the weighted average number of shares	5.2
- Based on the enlarged share capital of 86,000,000 DEB Shares	5.5
Net PE Multiple based on the Issue/Offer Price of RM0.65 per DEB Share (times)	
- Based on the weighted average number of shares	6.3
- Based on the enlarged share capital of 86,000,000 DEB Shares	6.6

II. PROSPECTUS SUMMARY (Cont'd)*Note:*

⁽¹⁾ The weighted average number of DEB Shares in issue is calculated based on the assumption that the Public Issue would be completed by 1 November 2003.

For further details, please refer to the Section XI.2 of this Prospectus.

(v) Dividend Forecast

The dividend forecast for the financial year ending 31 March 2004 is as follows:

Tax-exempt dividend per DEB Share (sen)	2.5
Dividend yield (based on the Issue/Offer Price of RM0.65 per DEB Share) (%)	3.8
Dividend cover (times)	4.1

For further details, please refer to Section XI.3 of this Prospectus.

8. Utilisation of Proceeds

No part of the gross proceeds which amounts to approximately RM11.18 million arising from the Offer is receivable by DEB. The Offerors shall bear the stamp duty and other charges relating to the Offer.

The gross proceeds of RM5,590,000 from the Public Issue will be utilised in the following manner:

	RM 000
Purchase of machinery	1,500
Part finance the purchase of factory cum warehouse	2,590
Estimated expenses for the listing exercise	1,500
	<u>5,590</u>

Details of the utilisation of proceeds are set out in Section V.7 of this Prospectus.

9. Working Capital, Borrowings, Contingent Liabilities, Material Capital Commitments and Material Litigation**(i) Working Capital**

The Directors of DEB are of the opinion that after taking into account the cashflow forecast of the DEB Group, banking facilities available and the gross proceeds from the Public Issue, the DEB Group will have adequate working capital for a period of (12) twelve months from the date of this Prospectus for its foreseeable requirements.

(ii) Borrowings

As at 31 August 2003, the total outstanding bank borrowings of the DEB Group amounted to RM18.3 million. Details of the DEB Group's outstanding bank borrowings, all of which are interest-bearing, are as follows:

II. PROSPECTUS SUMMARY (Cont'd)

	RM 000
Long-term borrowings	43
Short-term borrowings	18,295
Total borrowings	<u>18,338</u>

There has not been any default on payments of either interest or principal sums in respect of any borrowings throughout the financial year ended 31 March 2003 and subsequent financial period immediately preceding the date of this Prospectus.

(iii) Contingent Liabilities

As of 31 August 2003, the Group (all pertaining to the subsidiaries) has credit facilities from licensed banks and a financial institution totaling RM34.9 million which are guaranteed by DEB. Accordingly, the Company is contingently liable to the extent of credit facilities utilised by the said subsidiaries as of 31 August 2003 amounting to about RM18.3 million.

(iv) Material Capital Commitments

Save as disclosed below and in Section XI of this Prospectus, as at the date hereof, the Directors of DEB are not aware of any capital commitments which, upon becoming enforceable, may have a material impact on the profit or net assets value of the Group.

	RM million
Authorised but not contracted	⁽¹⁾ 1.5
Authorised and contracted	⁽²⁾ 4.4
	<u>5.9</u>

Notes:

⁽¹⁾ Relating to the purchase of moulding and wrapping machinery.

⁽²⁾ Comprising RM4.0 million for the purchase of a factory cum warehouse located in Kulai, Johor and RM0.4 million for the purchase of a factory located in Kuantan for which the sale and purchase agreements have been executed on 25 September 2002 and 2 September 2002 respectively.

(v) Material Litigation

The Company and its subsidiaries are not engaged in any material litigation, either as plaintiff or defendant, and the Directors of the Company 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 DEB Group.

III. INTRODUCTION

This Prospectus is dated 22 September 2003.

A copy of this prospectus has been registered with the SC. A copy of this prospectus, together with the form of application, have been lodged with the ROC who takes no responsibility for its contents.

An application will be made to the KLSE within three (3) market days from the date of this Prospectus for admission to the Official List of the Second Board of the KLSE and for the listing of 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. The DEB Shares will be admitted to the Official List of the Second Board of the 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.

The approval of the SC through its letters dated 11 March 2003, 25 August 2003 and 11 September 2003 shall not be taken to indicate that the SC recommends the Public Issue and Offer, and that investors should rely on their own evaluation to assess the merits and risks of the Public Issue and Offer.

The KLSE assumes no responsibility for the correctness of any statements made or opinions or report expressed in this Prospectus. Admission to the Official List of the Second Board of the KLSE is not to be taken as an indication of the merits of the Company or of its shares.

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 the 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 applications accepted will be returned without interest if the application in respect of paragraph 3 above is not made or the said permission from the KLSE is not granted.

Pursuant to the Listing Requirements issued by the KLSE, at least 25% of the issued and paid-up share capital of the Company must be held by a minimum number of 1,000 public shareholders holding not less than 100 shares each. 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, the Company may not be allowed to proceed with its listing on the Second Board of the KLSE. In the event thereof, monies paid in respect of all applications will be returned without interest if the said permission is not granted.

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991, the KLSE has prescribed DEB Shares as securities which are required to be deposited into the CDS. In consequence thereof, the Issue Shares issued through this Prospectus will be deposited directly with MCD and any dealings in DEB Shares will be carried out in accordance with the aforesaid Act and the Rules of MCD.

An applicant should state his or her CDS account number in the space provided in the Application Form if the applicant presently has such an account and should not complete the preferred ADA code. Where an applicant does not presently have a CDS account, the applicant should state in the Application Form his or her preferred ADA Code. In the case of an application by way of Electronic Share Application, only an applicant who is an individual and has a CDS account can make an Electronic Share Application and the applicant shall furnish his CDS account number to the Participating Financial Institution by way of keying in his CDS account number if the instructions on the ATM screen at which he enters his Electronic Share Application requires him to do so. A corporation or institution cannot apply for the Issue Shares by way of Electronic Share Application.

III. INTRODUCTION (Cont'd)

No person is authorised to give any information or to make any representation not contained herein in connection with the Public Issue and Offer and if given or made, such information or representation must not be relied upon as having been authorised by DEB and/or CIMB. Neither the delivery of this Prospectus nor any issue 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 DEB or the Group since the date hereof.

The distribution of this Prospectus and the sale of the Issue Shares and Offer Shares are subject to Malaysian laws and the Company and/or CIMB take no responsibility for the distribution of this Prospectus and/or sale of the Issue Shares and 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 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.

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