

# PROSPECTUS



## CENTURY BOND BHD

(Company No. 228669-V)  
(Incorporated in Malaysia under the Companies Act, 1965)



PUBLIC ISSUE OF 6,517,000 NEW ORDINARY SHARES OF RM1.00 EACH COMPRISING:-

- (1) 1,500,000 ORDINARY SHARES OF RM1.00 EACH AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- (2) 2,000,000 ORDINARY SHARES OF RM1.00 EACH AVAILABLE FOR APPLICATION BY ELIGIBLE EMPLOYEES, DIRECTORS AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF CENTURY BOND BHD AND ITS SUBSIDIARIES;
- (3) 1,381,000 ORDINARY SHARES OF RM1.00 EACH BY WAY OF PRIVATE PLACEMENT; AND
- (4) 1,636,000 ORDINARY SHARES OF RM1.00 EACH BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY;

AND

OFFER FOR SALE OF 10,364,000 ORDINARY SHARES OF RM1.00 EACH BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

AT AN ISSUE/OFFER PRICE OF RM1.70 PER ORDINARY SHARE PAYABLE IN FULL ON APPLICATION IN CONJUNCTION WITH ITS LISTING ON THE SECOND BOARD OF THE KUALA LUMPUR STOCK EXCHANGE

*Merchant Bank Adviser, Managing Underwriter and Placement Agent*



**MALAYSIAN INTERNATIONAL MERCHANT BANKERS BERHAD**  
(Company No. 10209-W)  
(A member of ISON Bank Group)

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 25 HEREOF

LISTING SOUGHT: SECOND BOARD OF THE KUALA LUMPUR STOCK EXCHANGE

**This Prospectus is dated 30 September 2003**

This Prospectus has been seen and approved by the Directors and Promoters of Century Bond Bhd (“CBB”) and the Offerors (as hereinafter defined), and they collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, having made all reasonable enquiries, to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement herein false or misleading. The Directors of CBB hereby accept full responsibility for the consolidated profit forecast for the financial year ending 31 March 2004 included in this Prospectus and confirm that the consolidated profit forecast has been prepared based on assumptions made.

Malaysian International Merchant Bankers Berhad, being 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 / Offer for Sale, and is satisfied that the consolidated profit forecast for the financial year ending 31 March 2004 (for which the Directors of CBB are fully responsible), prepared for inclusion in this Prospectus, have been stated by the said Directors after due and careful enquiry, and have been duly reviewed by the Reporting Accountants.

The Securities Commission (“SC”) has approved the Public Issue / Offer for Sale, and that the approval shall not be taken to indicate that the SC recommends the Public Issue and Offer for Sale, which are the subject of this Prospectus.

The SC shall not be liable for any non-disclosure on the part of CBB or the Offerors and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss 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 Kuala Lumpur Stock Exchange (“KLSE”) shall not be liable for any non-disclosure on the part of CBB or the Offerors and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss 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 Second Board of the KLSE is not to be taken as an indication of the merits of the Public Issue / Offer for Sale, the Offerors, CBB or shares of CBB.

The valuation 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.

A copy of this Prospectus has been registered with the SC. A copy of this Prospectus, together with the form of application, has been lodged with the Registrar of Companies, who take no responsibility for its contents.

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<b>Indicative Timetable</b>		<b>Tentative Date</b>
Opening Date of Public Issue	:	30 September 2003
Closing Date of Public Issue	:	8 October 2003*
Tentative Balloting Date	:	13 October 2003
Tentative Allotment Date	:	20 October 2003
Tentative Listing Date	:	23 October 2003

\* *The Directors of CBB and the Managing Underwriter may in their absolute discretion mutually decide to extend the closing date of the application to a further date or dates. Should the closing date of the application be extended, the dates for the balloting and allotment of the Issue Shares, and the listing of and quotation for the entire enlarged issued and paid-up share capital of CBB on the Second Board of the KLSE would be extended accordingly. Any change to the closing date of the application will be published in a widely circulated daily newspaper within Malaysia.*

Information on other advisers involved in the Public Issue and Offer for Sale and/or the preparation of this Prospectus or the provision of information for the preparation of this Prospectus, are contained in Sections 1 and 12.2 of this Prospectus.

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**DEFINITIONS**


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

“ADA”	:	Authorised Depository Agent
“ADA Code”	:	ADA (Broker) Code
“Bonus Issue”	:	Bonus issue of 22,867,022 new shares in CBB to the existing shareholders of the Company on the basis of 2.154 new shares for every 1 existing share held capitalised from the revaluation reserve, share premium reserve and retained profits accounts of the Company
“Brandpak”	:	Brandpak Industries Sdn Bhd (336263-M)
“CBB” or “Company”	:	Century Bond Bhd (228669-V)
“CBB Group” or “Group”	:	CBB and its subsidiary companies
“CBE”	:	CB Equities Sdn Bhd (509435-V), the investment holding company owned by Tan Siew Kim, Loi Tuan Ee, Tan Boon Leng, Tan Sui Moi, Tan Seok Kim, Kuan Hai Ngon, Lua Wa Kho @ Lua Chong Koh and Yeng See Kim
“CDS”	:	Central Depository System
“Creative”	:	Creative Chemicals Sdn Bhd (438991-X)
“EPS”	:	Earnings per share
“Eversynergy”	:	Eversynergy Sdn Bhd (332334-K)
“FIC”	:	Foreign Investment Committee
“Gemilang”	:	Gemilang Packaging Sdn Bhd (453475-W)
“IDSB”	:	Imej Duta Sdn Bhd (317913-X)
“IHSB”	:	Imej Harmoni Sdn Bhd (423931-U)
“IPO”	:	Comprising collectively, the Offer for Sale and Public Issue
“IPO Shares”	:	Comprising collectively Issue Shares and Offer Shares
“Issue Shares”	:	6,517,000 new CBB shares to be issued pursuant to the Public Issue
“KLSE”	:	Kuala Lumpur Stock Exchange
“LAT”	:	Loss after tax
“LBT”	:	Loss before tax
“Listing”	:	Listing of and quotation for the enlarged issued and paid-up share capital of CBB of 40,000,000 shares on the Second Board of the KLSE

**DEFINITIONS** (continued)

“Listing Scheme”	:	Comprising collectively the Revaluations, Bonus Issue, IPO and Listing
“Macro”	:	Macro Chemicals Sdn Bhd (424996-U)
“MCD”	:	Malaysian Central Depository Sdn Bhd (165570-W)
“MI”	:	Minority interest
“MIDFCCS”	:	MIDF Consultancy & Corporate Services Sendirian Berhad (11324-H)
“MIMB”	:	Malaysian International Merchant Bankers Berhad (10209-W)
“MITI”	:	Ministry of International Trade and Industry
“MPSB”	:	Multiview Packaging Sdn Bhd (251963-W)
“MSPL”	:	Multiview (S) Pte Ltd (199201373M)
“Multiview”	:	Multiview Enterprises Sdn Bhd (129053-X)
“NBV”	:	Net book value
“NTA”	:	Net tangible assets
“Offerors”	:	The following shareholders of CBB who will offer their respective CBB shares for sale pursuant to the Offer for Sale:-

<b>Shareholders</b>	<b>Offer Shares</b>	<b>% of enlarged share capital</b>
Tan Siew Kim	3,440,797	8.60
Tan Sui Moi	1,366,291	3.41
Loi Tuan Ee	1,236,737	3.09
Tan Boon Leng	1,226,003	3.07
Tan Seok Kim	735,602	1.84
Kuan Hai Ngon	572,135	1.43
Lua Wa Kho @ Lua Chong Koh	487,961	1.22
Yeng See Kim	308,880	0.77
Ho Saw Leong	256,867	0.64
Lau Sie Kai	251,527	0.63
Loi Tuan Kin	175,422	0.44
Francis Tiong Weng Kim	163,467	0.41
E Chong Chiang @ Er Chong Chiang	142,311	0.36
Total	<u>10,364,000</u>	<u>25.91</u>

“Offer for Sale”	:	Offer for sale via private placement by the Offerors of an aggregate of 10,364,000 shares in CBB at an offer price of RM1.70 per share to MITI-approved Bumiputera investors
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**DEFINITIONS** (continued)

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“Offer Shares”	:	The 10,364,000 CBB shares to be offered for sale pursuant to the Offer for Sale
“OMV”	:	Open market valuation
“PB”	:	PB Packaging (M) Sdn Bhd (462778-D)
“PAT”	:	Profit after taxation
“PBT”	:	Profit before taxation
“PE Multiple”	:	Price-earnings multiple
“Polyplus”	:	Polyplus Packages Sdn Bhd (233368-V)
“PPPSB”	:	Polyplus Packages (Penang) Sdn Bhd (229230-P)
“Prestige”	:	Prestige Packages Sdn Bhd (258127-A)
“Prior”	:	Prior Packaging Industries Sdn Bhd (169507-K)
“Promoters”	:	Comprising collectively Tan Siew Kim, Tan Sui Moi, Loi Tuan Ee, Tan Boon Leng, Tan Seok Kim, Kuan Hai Ngon, Lua Wa Kho @ Lua Chong Koh, Yeng See Kim, Lau Sie Kai, Loi Tuan Kin and E Chong Chiang @ Er Chong Chiang
“PSSB”	:	Prestige Sales Sdn Bhd (379277-X)
“Public Issue”	:	6,517,000 new shares in CBB to be issued by the Company at an issue price of RM1.70 per share comprising the following:-  (a) 1,500,000 shares to the Malaysian public;  (b) 2,000,000 shares to the eligible employees, directors and persons who have contributed to the success of the CBB Group;  (c) 1,381,000 shares by way of private placement; and  (d) 1,636,000 shares by way of private placement to MITI-approved Bumiputera investors
“ReadyChem”	:	Ready Chemical (M) Sdn Bhd (123997-K)
“Revaluations”	:	Collectively, the Revaluation of Properties and Revaluation of Investments

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**DEFINITIONS (continued)**

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“Revaluation of Investments”	:	Revaluation by CBB of its investments in its subsidiaries up to their respective NTA values as at 31 March 2002 (as adjusted for the surpluses arising from the Revaluation of Properties) and incorporation of a total surplus arising thereon of RM24,260,413 into its books
“Revaluation of Properties”	:	Revaluation of the landed properties of the Group and incorporation of total surplus arising thereon of RM4,672,739 (being gross revaluation surplus of RM6,359,139 net of deferred tax of RM1,686,400) into the respective books of the companies
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“ROC”	:	Registrar of Companies
“SC”	:	Securities Commission
“SC Guidelines”	:	Policies and Guidelines on Issue/Offer of Securities issued by the SC, as amended by the SC from time to time
“share(s)”	:	Ordinary share(s) of RM1.00 each
“SGD”	:	Singapore Dollars
“Southern”	:	Southern FIBC Sdn Bhd (288962-T)
“USD”	:	United States Dollar

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**1. CORPORATE INFORMATION**


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**Board of Directors**

	<b>Name</b>	<b>Address</b>	<b>Occupation</b>	<b>Nationality</b>
1.	Dato' Seri Megat Najmuddin bin Datuk Seri Dr Hj Megat Khas (Non-Executive Chairman)	No. 2, Jalan 12/7 46200 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian
2.	Tan Siew Kim (Managing Director)	42, Jalan Cermat 3 Taman Pelangi 80400 Johor Bahru Johor Darul Takzim	Company Director	Malaysian
3.	Loi Tuan Ee (Deputy Managing Director)	10, Jalan Pucung 6 Taman Perling 81200 Johor Bahru Johor Darul Takzim	Company Director	Malaysian
4.	Tan Sew Kee (Non-Executive Director)	27, Jalan Jingga 4 Taman Pelangi 80400 Johor Bahru Johor Darul Takzim	Company Director	Malaysian
5.	Kuan Hai Ngon (Executive Director)	89, Jalan Jingga Taman Pelangi 80400 Johor Bahru Johor Darul Takzim	Company Director	Malaysian
6.	Tan Sui Moi (Executive Director)	35 Jalan Jingga 5 Taman Pelangi 80400 Johor Bahru Johor Darul Takzim	Company Director	Malaysian
7.	Tan Boon Leng (Executive Director)	SH142, Jalan Besar Pekan Nenas 81500 Johor Bahru Johor Darul Takzim	Company Director	Malaysian
8.	Tan Seok Kim (Executive Director)	3, Jalan Redang 1/6 Taman Redang 81100 Johor Bahru Johor Darul Takzim	Company Director	Malaysian
9.	Lai Poh Fye (Independent Non-Executive Director)	8, Jalan Suria 4/2 Taman Suria 81100 Johor Bahru Johor Darul Takzim	Advocate & Solicitor	Malaysian
10.	Yeo Soo Sia @ Yeo Soo Seng (Independent Non-Executive Director)	22, Jalan Mas Taman Kolam Ayer 80200 Johor Bahru Johor Darul Takzim	Company Director	Malaysian

**1. CORPORATE INFORMATION (continued)**

<b>Name</b>	<b>Address</b>	<b>Occupation</b>	<b>Nationality</b>
11. Gopal A/L Vythilingam (Independent Non-Executive Director)	30, Lorong Hilir Enam Taman Mentaram 41100 Klang Selangor Darul Ehsan	Company Director	Malaysian
12. Tang Swee Guan (Independent Non-Executive Director)	28, Jalan Sri Hartamas 5 Sri Hartamas 50480 Kuala Lumpur	Accountant	Malaysian

**Audit Committee**

<b>Name</b>	<b>Responsibility</b>	<b>Directorship</b>
1. Lai Poh Fye	Chairman of the committee	Independent Non-Executive Director
2. Tan Siew Kim	Member of the committee	Managing Director
3. Loi Tuan Ee	Member of the committee	Deputy Managing Director
4. Gopal A/L Vythilingam	Member of the committee	Independent Non-Executive Director
5. Tang Swee Guan	Member of the committee	Independent Non-Executive Director

**Company Secretaries** : Lee Wee Hee (MAICSA No.:0773340)  
7, Jalan Rubi Dua,  
Taman Kolam Air  
80200 Johor Bahru  
Johor Darul Takzim  
Telephone number : 607-224 2823

Wong Hooi Lee (LS No.: 5984)  
128, Jalan Damai 6  
Taman Damai  
81400 Senai  
Johor Darul Takzim  
Telephone number : 607-224 2823

**Registered office** : Suite 5.11 & 5.12  
5<sup>th</sup> Floor Menara TJB  
No. 9, Jalan Syed Mohd Mufti  
80000 Johor Bahru  
Johor Darul Takzim  
Telephone number : 607 – 224 2823  
Fax number : 607 – 223 0229

**Management office** : PLO 97, 98 & 99  
Jalan Cyber 5  
Senai Industrial Estate Phase III  
81400 Senai  
Johor Darul Takzim  
Telephone number : 607 – 598 1185  
Fax number : 607 – 598 1195  
website : www.centurybond.com

**1. CORPORATE INFORMATION (continued)**

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- Registrar** : Panama Resources Sdn Bhd (229948-U)  
No. 23, Jalan Sri Hartamas 7  
Sri Hartamas  
50480 Kuala Lumpur  
Telephone number : 603-6201 1120
- Principal bankers** : Bumiputra-Commerce Bank Berhad (13491-U)  
Bangunan UMNO  
51 Jalan Segget  
80000 Johor Bahru  
Johor Darul Takzim
- Southern Bank Berhad (5303-W)  
75 Jalan Kuning Dua  
Taman Pelangi  
80400 Johor Bahru  
Johor Darul Takzim
- United Overseas Bank (Malaysia) Bhd (271809-K)  
2 Jalan Ah Fook  
80000 Johor Bahru  
Johor Darul Takzim
- Auditors and Reporting Accountants** : KPMG (AF 0758)  
Chartered Accountants  
Level 14, Menara Ansar  
65, Jalan Trus  
80000 Johor Bahru  
Johor Darul Takzim  
Telephone number : 607-224 2870
- Issuing House** : MIDF Consultancy and Corporate Services Sendirian Berhad  
12<sup>th</sup> Floor, Bangunan MIDF  
195A, Jalan Tun Razak  
50400 Kuala Lumpur  
Telephone number : 603-2161 3355
- Solicitors for the IPO and Due Diligence** : Shearn Delamore & Co.  
Advocates & Solicitors  
7<sup>th</sup> Floor, Wisma Hamzah-Kwong Hing  
No. 1, Leboh Ampang  
50100 Kuala Lumpur  
Telephone number : 603-2070 0644
- Adviser, Managing Underwriter and Placement Agent** : Malaysian International Merchant Bankers Berhad (10209-W)  
12<sup>th</sup> Floor, Wisma Cyclecarri  
288 Jalan Raja Laut  
50350 Kuala Lumpur  
Telephone number : 603-2691 0200

**1. CORPORATE INFORMATION (continued)**

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- Underwriters** : A.A. Anthony Securities Sdn Bhd  
Level 8, Menara Sarawak Enterprise  
5, Jalan Bukit Meldrum  
80300 Johor Bahru  
Johor Darul Takzim
- OSK Securities Berhad  
20th Floor, Plaza OSK  
Jalan Ampang  
50450 Kuala Lumpur
- Valuer** : Jones Lang Wootton  
Unit 8.01, Level 8  
Wisma LKN  
No. 49 Jalan Wong Ah Fook  
80000 Johor Bahru  
Johor Darul Takzim  
Telephone number : 607-224 9937
- Independent Business and Industry Consultant** : Vital Factor Consulting Sdn Bhd (266797-T)  
75C & 77C, Jalan SS22/19  
Damansara Jaya  
47400 Petaling Jaya  
Selangor Darul Ehsan  
Telephone number : 603-7728 0248
- Listing Sought** : Second Board of the KLSE

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## 2. SUMMARY OF INFORMATION

The information contained in this section is intended to be a summary only of some salient information relating to the Company and the information concerned is derived from and should be read in conjunction with the full text of the Prospectus. Investors should read and understand the whole Prospectus prior to deciding whether or not to invest in the IPO Shares.

### 2.1 History and Business

CBB was incorporated in Malaysia under the Companies Act, 1965 on 11 November 1991 as a private limited company under the name of Century Bond Sdn Bhd. The Company was converted to a public limited company on 11 August 2000 and assumed its current name.

Principally, CBB is an investment holding company whilst the principal activities of its subsidiaries and associated companies are detailed below:-

Subsidiaries of CBB	Country of incorporation	Equity interest %	Principal Activities
Multiview	Malaysia	100.00	Sale and marketing of industrial packaging tapes, packaging materials and machinery, and household care products
Prestige	Malaysia	100.00	Manufacture and sale of corrugated carton boxes, multi-wall paper bags, woven laminated bags and pulp moulded products
Eversynergy	Malaysia	100.00	Property holding
Southern	Malaysia	83.00	Manufacture and sale of bulk bags
<b>Subsidiaries of Multiview</b>			
MPSB	Malaysia	100.00	Manufacture and trading of industrial packaging tapes and related products
MSPL	Singapore	100.00	Sale and marketing of household care products and packaging materials
IHSB	Malaysia	100.00	Property holding
Macro	Malaysia	100.00	Contract manufacturing of adhesive and car care products
Creative	Malaysia	59.99	Sale and marketing of household care products
ReadyChem	Malaysia	78.33	Contract manufacturing and sale of household care products
Prior *	Malaysia	65.00	Manufacture and sale of expanded polyethylene foam and industrial carton staples

## 2. SUMMARY OF INFORMATION (continued)

*(Cont'd)*

Name	Country of incorporation	Equity interest %	Principal Activities
<b>Subsidiaries of Prestige</b>			
Polyplus ^	Malaysia	65.00	Manufacture and sale of corrugated carton boxes
Brandpak	Malaysia	100.00	Manufacture and marketing of plastic bags and liners
IDSB	Malaysia	100.00	Property holding
PSSB	Malaysia	100.00	Sale and marketing of multi-wall paper bags, woven laminated bags and pulp moulded products
<b>Associated companies of Prestige</b>			
PB	Malaysia	49.00	Sale and marketing of corrugated carton boxes and related products
Gemilang	Malaysia	48.99	Converting and marketing of corrugated carton boxes and trading of packaging products
<b>Subsidiary of Polyplus</b>			
PPPSB	Malaysia	80.00	Converting and marketing of corrugated carton boxes and trading of industrial packaging products

**Notes:-**

\* CBB has a direct equity interest of 32.0% in Prior.

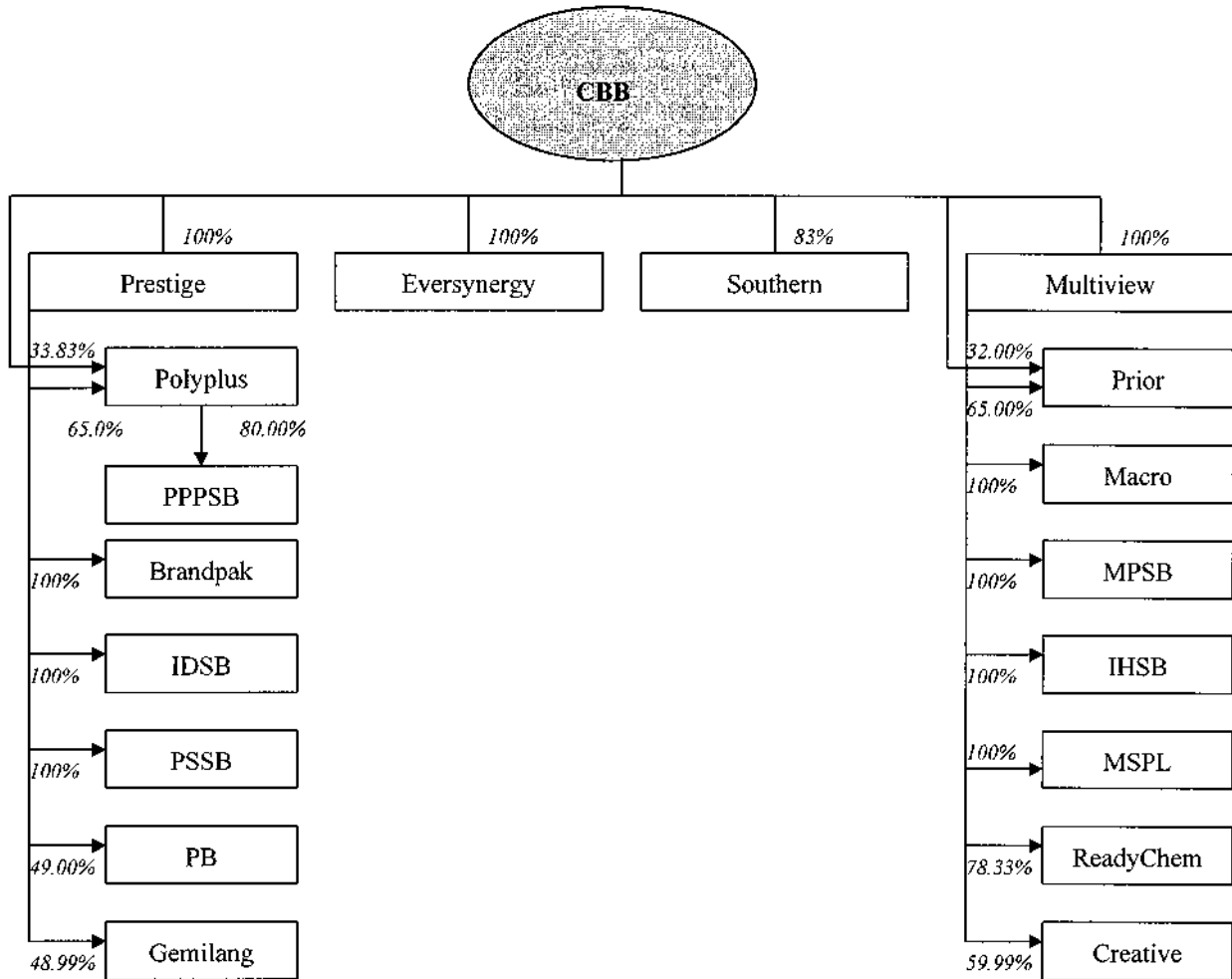
^ CBB has a direct equity interest of 33.83% in Polyplus.

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2. SUMMARY OF INFORMATION (continued)

The structure of the CBB Group and its associated companies are as set out below:-



Further information on the history and business of the CBB Group and its associated companies are set out in Section 7 of this Prospectus.

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## 2. SUMMARY OF INFORMATION (continued)

### 2.2 Promoters/Substantial Shareholders, Directors and Key Management/Technical Personnel

#### 2.2.1 Promoters

Some relevant details of the Promoters of CBB are as follows:-

	Name	Nationality	Designation	No. of shares held after the IPO			
				Direct	%	Indirect	%
1.	Tan Siew Kim#	Malaysian	Managing Director	*7,612,568	19.03	-	-
2.	Loi Tuan Ee#	Malaysian	Deputy Managing Director	2,736,211	6.84	-	-
3.	Tan Boon Leng#	Malaysian	Executive Director	^2,712,462	6.78	-	-
4.	Tan Sui Moi#	Malaysian	Executive Director	3,022,842	7.56	-	-
5.	Tan Seok Kim#	Malaysian	Executive Director	1,627,478	4.07	-	-
6.	Kuan Hai Ngon#	Malaysian	Executive Director	1,265,816	3.16	-	-
7.	Lau Sie Kai	Malaysian	Shareholder	^556,489	1.39	-	-
8.	Lua Wa Kho @ Lua Chong Koh#	Malaysian	Shareholder	1,079,587	2.70	-	-
9.	Yeng See Kim#	Malaysian	Shareholder	683,378	1.71	-	-
10.	Loi Tuan Kin	Malaysian	Shareholder	388,110	0.97	-	-
11.	E Chong Chiang @ Er Chong Chiang	Malaysian	Shareholder	314,855	0.79	-	-

**Notes:-**

- \* Including 4,263,641 and 2,955,143 CBB shares held via Tan Boon Leng and Lau Sie Kai respectively, as bare trustees for Tan Siew Kim.
- ^ Excluding 4,263,641 and 2,955,143 CBB shares held by Tan Boon Leng and Lau Sie Kai respectively, as bare trustees for Tan Siew Kim.
- # Upon completion of the IPO but prior to the Listing, they will transfer their respective CBB shares into CBE. These CBB shares will be held by CBE and CBE will also be imposed with the moratorium conditions set out by the SC. For more information, please refer to Section 10 of this Prospectus.

The above shareholdings do not take into consideration the allocation of the Issue Shares reserved for the eligible employees of the CBB Group pursuant to the Public Issue.

#### 2.2.2 Substantial Shareholders

Some relevant details of the substantial shareholders of CBB are as follows:-

	Name	Nationality	Designation	No. of shares held after the IPO			
				Direct	%	Indirect	%
1.	Tan Siew Kim#	Malaysian	Managing Director	*7,612,568	19.03	-	-
2.	Loi Tuan Ee#	Malaysian	Deputy Managing Director	2,736,211	6.84	-	-
3.	Tan Sui Moi#	Malaysian	Executive Director	3,022,842	7.56	-	-
4.	Tan Boon Leng#	Malaysian	Executive Director	^2,712,462	6.78	-	-

**Notes:-**

- \* Including 4,263,641 and 2,955,143 CBB shares held via Tan Boon Leng and Lau Sie Kai respectively, as bare trustees for Tan Siew Kim.

## 2. SUMMARY OF INFORMATION (continued)

- ^ Excluding 4,263,641 CBB shares held as bare trustee for Tan Siew Kim.  
 # Upon completion of the IPO but prior to the Listing, they will transfer their respective CBB shares into CBE. These CBB shares will be held by CBE and CBE will also be imposed with the moratorium conditions set out by the SC. For more information, please refer to Section 10 of this Prospectus.

## 2.2.3 Directors

Some relevant details of the Directors of CBB are as follows:

Name	Nationality	Designation	No. of shares held after the IPO			
			Direct	%	Indirect	%
Dato' Seri Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas	Malaysian	Non-Executive Chairman	-	-	-	-
Tan Siew Kim#	Malaysian	Managing Director	*7,612,568	19.03	-	-
Loi Tuan Ee#	Malaysian	Deputy Managing Director	2,736,211	6.84	-	-
Tan Sew Kee	Malaysian	Non-Executive Director	-	-	-	-
Kuan Hai Ngon#	Malaysian	Executive Director	1,265,816	3.16	-	-
Tan Sui Moi#	Malaysian	Executive Director	3,022,842	7.56	-	-
Tan Boon Leng#	Malaysian	Executive Director	^2,712,462	6.78	-	-
Tan Seok Kim#	Malaysian	Executive Director	1,627,478	4.07	-	-
Lai Poh Fye	Malaysian	Independent Non- Executive Director	-	-	-	-
Yeo Soo Sia @ Yeo Soo Seng	Malaysian	Independent Non- Executive Director	-	-	-	-
Gopal A/L Vythilingam	Malaysian	Independent Non- Executive Director	-	-	-	-
Tang Swee Guan	Malaysian	Independent Non- Executive Director	-	-	-	-

**Notes:-**

- \* Including 4,263,641 and 2,955,143 CBB shares held via Tan Boon Leng and Lau Sie Kai respectively, as bare trustees for Tan Siew Kim.  
 ^ Excluding 4,263,641 CBB shares held as bare trustee for Tan Siew Kim.  
 # Upon completion of the IPO but prior to the Listing, they will transfer their respective CBB shares into CBE. These CBB shares will be held by CBE and CBE will also be imposed with the moratorium conditions set out by the SC. For more information, please refer to Section 10 of this Prospectus.

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## 2. SUMMARY OF INFORMATION (continued)

### 2.2.4 Key Management/Technical Personnel

Some relevant details of the key management/technical personnel of the CBB Group are as follows:

Name	Designation	No. of shares held after the IPO			
		Direct	%	Indirect	%
Ho Saw Leong	Chief Operating Officer, Polyplus	568,303	1.42	-	-
Ong Chen Eng	Assistant General Manager, Prestige	17,959	0.04	-	-
Wong Yee Wee	Assistant General Manager, Prestige	-	-	-	-
Ng Chye Huat	Group Accountant	10,774	0.03	-	-
Kam Chee Meng	Group Credit Controller	10,774	0.03	-	-
Neoh Soon Cheong	Operation Manager, PPPSB	-	-	-	-
Tan Hooi Bee	Factory Manager, Prestige	-	-	-	-
Choong Lee How	Production Planning Manager, Prestige	14,366	0.04	-	-
Loi Boon Choon	Sales Manager, PPPSB	-	-	-	-
Loi Tuan Kin	Production Manager, Multiview	388,110	0.97	-	-
Francis Tiong Weng Kim	Human Resource Manager, CBB	361,661	0.90	-	-
Ong Boon Seng	Group IT Manager	-	-	-	-
Ho Chan Sin	Sales Manager, Multiview	13,811	0.03	-	-
Liew Meng Fatt	Production Manager, Prestige	7,182	0.02	-	-
Ee Kian Huat	Production Manager, ReadyChem	10,774	0.03	-	-

The above shareholdings do not take into consideration the allocation of the Issue Shares reserved for the eligible employees of the CBB Group pursuant to the Public Issue.

Detailed information on the Promoters, substantial shareholders, Directors and Key Management/Technical Personnel is set out in Section 8 of this Prospectus.

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## 2. SUMMARY OF INFORMATION (continued)

## 2.3 Proforma Consolidated Income Statement

The table below sets out, for illustration purposes only, a summary of the proforma consolidated audited results of CBB for the past five (5) financial years ended 31 March 2003. It should be read in conjunction with the notes and assumptions included in the Accountants' Report as set out in Section 14 of this Prospectus.

	← Financial year ended 31 March →				
	1999 RM'000	2000 RM'000	2001 RM'000	2002 RM'000	2003 RM'000
Revenue	55,228	66,612	85,251	77,545	94,755
Profit before depreciation, Research & Development ("R&D"), interest, depreciation, taxation and amortisation	9,332	13,403	13,374	14,210	15,990
R&D expense	(100)	(150)	(200)	(277)	(300)
Profit before interest, depreciation, taxation and amortisation	9,232	13,253	13,174	13,933	15,690
Depreciation and amortisation	(2,009)	(2,640)	(2,810)	(2,941)	(3,269)
Interest expense	(1,968)	(1,166)	(1,433)	(880)	(763)
Share of profits/(losses) of associated companies	(14)	5	59	59	14
PBT and before exceptional item	5,241	9,452	8,990	10,171	11,672
Exceptional item	4,750	453	-	-	-
PBT	9,991	9,905	8,990	10,171	11,672
Taxation	(105)	(2,931)	(2,538)	(2,993)	(2,905)
PAT	9,886	6,974	6,452	7,178	8,767
MI	(3)	(13)	(76)	(39)	(44)
PAT and MI	9,883	6,961	6,376	7,139	8,723
Weighted average no. of ordinary shares in issue ('000)	10,000	10,000	10,411	10,616	10,616
Basic EPS (sen)	98.83	69.61	61.24	67.25	82.17
Gross dividend rate (%)	-	20.00	-	143.65	52.33

**Note:-**

More detailed notes on proforma consolidated income statement are set out in Section 13.1 of this Prospectus.

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## 2. SUMMARY OF INFORMATION (continued)

## 2.4 Proforma Consolidated Balance Sheets

The proforma consolidated balance sheets of CBB as at 31 March 2003 as set out below are provided for illustrative purposes only to show the effects of the Bonus Issue, the IPO and the utilisation of the Public Issue proceeds on the assumption that these transactions were completed on 31 March 2003 and should be read in conjunction with the notes and assumptions to the proforma consolidated balance sheets as set out in Section 13.11 of this Prospectus.

	Audited balance sheet at 31.03.2003 RM'000	After Bonus Issue RM'000	Proforma CBB Group after Bonus Issue, IPO & utilisation of Public Issue proceeds RM'000
<b>Property, plant &amp; equipment</b>	37,839	37,839	43,139
<b>Goodwill</b>	433	433	433
<b>Interest in associated companies</b>	203	203	203
<b>Investment in quoted shares</b>	7	7	7
	<u>38,482</u>	<u>38,482</u>	<u>43,782</u>
<b>Current Assets</b>	55,760	55,760	57,539
<b>Current Liabilities</b>	<u>41,664</u>	<u>41,664</u>	<u>41,664</u>
<b>NET CURRENT ASSETS</b>	14,096	14,096	15,875
	<u>52,578</u>	<u>52,578</u>	<u>59,657</u>
<b>Capital and Reserves</b>			
Share capital	10,616	33,483	40,000
Share premium	1,848	-	2,762
Exchange fluctuation reserve	76	76	76
Revaluation reserve	6,431	4,629	4,629
Retained profits	<u>26,259</u>	<u>7,042</u>	<u>7,042</u>
	45,230	45,230	54,509
<b>MI</b>	798	798	798
<b>Long term and deferred liabilities</b>			
Borrowings	2,316	2,316	116
Deferred taxation	<u>4,234</u>	<u>4,234</u>	<u>4,234</u>
	6,550	6,550	4,350
	<u>52,578</u>	<u>52,578</u>	<u>59,657</u>
No. of shares ('000)	10,616	33,483	40,000
NTA per share (RM)	4.22	1.34	1.35

## 2.5 Audit Qualifications in the Audited Accounts for the Past Five (5) Financial Years

None.

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## 2. SUMMARY OF INFORMATION (continued)

### 2.6 Principal statistics relating to the IPO for CBB

#### 2.6.1 Share Capital

	<b>RM</b>
<b>Authorised:</b>	
50,000,000 shares of RM1.00 each	<u>50,000,000</u>
<b>Issued and fully paid-up:</b>	
10,615,978 shares of RM1.00 each	10,615,978
<b>Issued pursuant to the Bonus Issue:</b>	
22,867,022 shares of RM1.00 each	22,867,022
<b>To be issued pursuant to the Public Issue:</b>	
6,517,000 shares of RM1.00 each	6,517,000
<b>Enlarged share capital</b>	<u>40,000,000</u>
<b>To be offered pursuant to the Offer for Sale:</b>	
10,364,000 shares of RM1.00 each	10,364,000

Details are set out in Section 4 of this Prospectus.

#### 2.6.2 Issue/Offer price per ordinary share **RM1.70**

#### 2.6.3 Proforma consolidated NTA as at 31 March 2003

Proforma consolidated NTA (RM'000) <i>(after providing for estimated listing expenses of approximately RM1,800,000)</i>	54,076
Proforma consolidated NTA per share (RM) <i>(based on the enlarged issued and fully paid-up share capital of 40,000,000 shares)</i>	1.35

Detailed calculations of the proforma consolidated NTA of CBB are set out in Section 13.11 of this Prospectus.

#### 2.6.4 Class of shares

There is only one class of shares in CBB, namely, ordinary shares of RM1.00 each, all of which rank pari-passu with one another. The Issue Shares will rank pari-passu in all respects with the existing issued and paid-up ordinary shares of the Company including voting rights and rights to all dividends and distributions that may be declared subsequent to the issue and allotment of the Issue Shares.

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## 2. SUMMARY OF INFORMATION (continued)

## 2.6.5 Consolidated Profit Forecast

Financial year ending 31 March	CBB Forecast 2004 RM'000
Consolidated PBT	11,646
Less : Taxation	(2,509)
Consolidated PAT before MI	9,137
MI	(49)
Consolidated PAT and MI	9,088
Weighted average number of shares in issue* ('000)	36,198
Net EPS (sen)	25.11
Net PE multiple based on the issue/offer price of RM1.70 per share (times) (see section 5.4)	6.77
Enlarged issued and paid-up share capital ('000)	40,000
Net EPS (sen)	22.72
Net PE multiple based on the issue/offer price of RM1.70 per share (times)	7.48

\* Assuming the Bonus Issue takes effect on 1 April 2003 and the IPO is completed by October 2003.

The consolidated profit forecast of the CBB Group together with the Reporting Accountants' letter thereon are set out in Section 13 of this Prospectus.

## 2.6.6 Dividend Forecast

Financial year ending 31 March	CBB Forecast 2004
Gross dividend per share (sen)	8.00
Net dividend per share (sen)	5.76
Net dividend yield based on the issue price of RM1.70 per share (%)	3.39
Net dividend cover (times)	3.94

Details of the dividend forecast are set out in Section 13 of this Prospectus.

## 2.7 Planned Utilisation of Proceeds

The total gross proceeds of RM11,078,900 arising from the Public Issue are planned to be utilised in the following manner:-

Planned Utilisation of Proceeds	RM
1. Construction of an office block at PLO 97 to be used as the head office of the CBB Group	1,500,000
2. (a) Repayment of bank borrowings for the purchase of machinery for manufacturing of paper bags	2,200,000
(b) Purchase of machinery for manufacturing of paper bags	3,800,000
3. Working capital requirements for the CBB Group	1,778,900
4. Estimated Listing expenses	1,800,000
	<u>11,078,900</u>

Details of the proposed utilisation of proceeds are set out in Section 5.6 of this Prospectus.



## 2. SUMMARY OF INFORMATION (continued)

### 2.8 Material Litigation, Commitments and Contingent Liabilities

#### 2.8.1 Material Litigation

As at 17 September 2003, (being the latest practicable date prior to the registration of this Prospectus), neither CBB nor its subsidiaries are engaged in any material litigation either as plaintiff or defendant and the Directors of CBB do not know of any proceedings pending or threatened which upon becoming enforceable, or of any fact likely to give rise to any proceedings which might materially or adversely affect the financial performance and position or business of the Company or any of its subsidiaries, save for the following:-

Polyplus had filed a winding-up petition against a company ("said company") following the demands made by Polyplus for full payment of goods sold and delivered to the said company. The winding up petition against the said company was struck-off by the High Court on 6 September 2002 but the Directors of Polyplus have been advised by their lawyers that the petition was struck-off due to technical grounds without adjudicating on the merits.

On 13 March 2003, the said company obtained a judgment in default of appearance ("JID") against Polyplus in relation to its claim for damages in the sum of, inter alia, RM3,778,537.60 and USD1,000.00 as well as general damages due to alleged negligence on the part of Polyplus in relation to the supply of goods and in respect of the publication of the advertisement to wind-up the said company.

On 19 June 2003, the JID was set aside by the High Court. Polyplus had on 9 September 2003 filed an application to strike out the said company's claim. The Directors of Polyplus have been verily advised by their lawyers that the said company's claim for negligence which was brought after Polyplus had filed a winding up petition against the said company is without basis.

Based on the legal opinion furnished by its lawyers, the Directors of Polyplus and CBB are of the view that there are sufficient merits in the application to strike out the said company's claim and that in view thereof, it is unlikely that the above suit will have any impact on the financial performance of the CBB Group.

The Directors of Polyplus will take all necessary steps to strenuously defend its interests in the above suit.

#### 2.8.2 Material Commitments

Save as disclosed below, as at 17 September 2003 (being the latest practicable date prior to the registration of this Prospectus), the Directors of CBB are not aware of any capital commitments which, upon becoming enforceable, may have material impact on the consolidated profit or consolidated net assets value of CBB:-

<b>Capital commitments</b>	<b>Estimated Amount RM'000</b>	<b>Purposes</b>
<i>Approved and contracted for</i>		
Prestige	1,938	Purchase of machinery

## 2. SUMMARY OF INFORMATION (continued)

Capital commitments	Estimated Amount RM'000	Purposes
<i>Approved but not contracted for</i>		
Prestige	3,800	Purchase of machinery for the paper packaging division
	1,500	Construction of an office block at PLO 97 to be used as the head office of the CBB Group
CBB	5,500	To establish a manufacturing facility for a planned investment in Vietnam
	----- 10,800 =====	

2.8.3 *Contingent Liabilities*

Save as disclosed below, as at 31 August 2003 (being the latest practicable date prior to the registration of this Prospectus), the Directors of CBB are not aware of any contingent liabilities which, upon becoming enforceable, may have material impact on the consolidated profit or consolidated net assets value of CBB:-

	Company RM'000
Corporate guarantee given to licensed banks and financial institutions in respect of outstanding banking facilities granted to subsidiaries	14,487

2.9 **Material Risk Factors**

The following factors are deemed essential by CBB for the consideration of any applicant for the IPO Shares and the details of such material risk factors are further elaborated in Section 6 of this Prospectus:-

- (i) Business risks
- (ii) Operational risks
- (iii) No prior market for CBB shares
- (iv) Political, economic, social and regulatory considerations
- (v) Competition
- (vi) Control by Promoters
- (vii) Dependency on Key Management
- (viii) Forecast
- (ix) Implementation of Asean Free Trade Area
- (x) Dependency on imported raw materials
- (xi) Global environmental concerns on polymer packaging
- (xii) Fluctuations in prices of raw materials
- (xiii) Foreign exchange risk
- (xiv) Market price war
- (xv) Financial risks
- (xvi) Threat of substitutes
- (xvii) Insurance coverage
- (xviii) Failure/Delay in Listing Exercise
- (xix) Forward-looking/prospective statements