

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTERS OF CAB CAKARAN CORPORATION BERHAD (583661-W) (THE "COMPANY") AND THE OFFERORS, AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED HEREIN AND CONFIRM, HAVING MADE ALL REASONABLE ENQUIRIES, THAT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO FALSE OR MISLEADING STATEMENT OR OTHER FACTS THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN FALSE OR MISLEADING. THE DIRECTORS OF THE COMPANY HEREBY ACCEPT FULL RESPONSIBILITY FOR THE CONSOLIDATED PROFIT ESTIMATE AND FORECAST INCLUDED IN THIS PROSPECTUS AND CONFIRM THAT THE CONSOLIDATED PROFIT ESTIMATE AND FORECAST HAVE BEEN PREPARED BASED ON ASSUMPTIONS MADE.

COMMERCE INTERNATIONAL MERCHANT BANKERS BERHAD (18417-M), BEING THE ADVISER, PLACEMENT AGENT AND UNDERWRITER, 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 OFFER FOR SALE AND PUBLIC ISSUE AND IS SATISFIED THAT THE CONSOLIDATED PROFIT ESTIMATE AND FORECAST (FOR WHICH THE DIRECTORS OF THE COMPANY ARE FULLY RESPONSIBLE) PREPARED FOR INCLUSION IN THIS PROSPECTUS HAVE BEEN STATED BY THE DIRECTORS OF THE COMPANY AFTER DUE AND CAREFUL ENQUIRY AND HAVE BEEN DULY REVIEWED BY THE REPORTING ACCOUNTANTS.

THE SECURITIES COMMISSION ("SC") HAS ON 7 AUGUST 2003 AND 16 OCTOBER 2003 APPROVED THE OFFER FOR SALE AND PUBLIC ISSUE IN RESPECT OF THE PUBLIC OFFERING BUT THE APPROVAL SHALL NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE PUBLIC OFFERING AND/OR THE FLOTATION OF THE COMPANY ON THE KUALA LUMPUR STOCK EXCHANGE ("KLSE"). THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS DOCUMENT, 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 VALUATION OF THE PROPERTIES APPROVED OR ACCEPTED BY THE SC SHALL ONLY BE UTILISED FOR THE PURPOSE OF THE CORPORATE 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 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 SECOND BOARD OF THE KLSE IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE INVITATION, THE CORPORATION OR OF ITS ORDINARY SHARES.

A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SC. A COPY OF THIS PROSPECTUS, TOGETHER WITH THE FORM OF APPLICATION, HAS ALSO BEEN LODGED WITH THE REGISTRAR OF COMPANIES WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS. THIS PROSPECTUS CAN BE VIEWED OR DOWNLOADED FROM THE KLSE'S WEBSITE AT [WWW.KLSE.COM.MY](http://WWW.KLSE.COM.MY)

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**INDICATIVE TIMETABLE**

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

<b>Event</b>	<b>Date</b>
Opening of the applications for the Offer/Public Issue Shares	3 December 2003
Closing of the applications for the Offer/Public Issue Shares*	10 December 2003
Tentative balloting date of applications for the Public Issue Shares	12 December 2003
Tentative despatch date of notice of allotment to successful applicants	20 December 2003
Tentative listing date	22 December 2003

**Note:**

- \* *The applications for the Offer/Public Issue Shares will close at the time and date as stated above or such other later date or dates as the Directors of the Company, the Offerors and the Underwriter may in their absolute discretion mutually decide. In the event the closing date is extended, investors will be notified of the change in a widely circulated English and Bahasa Malaysia newspaper in Malaysia.*

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**DEFINITIONS**


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

“ACNielsen”	:	ACNielsen (Malaysia) Sdn Bhd (10909-V)
“Acquisition of CABC”	:	The acquisition of the entire issued and fully paid-up share capital of CABC comprising 5,500,000 ordinary shares of RM1.00 each for a total purchase consideration of RM29,940,143 satisfied wholly by the issuance of 48,143,546 new CAB Shares, at approximately RM0.6219 per CAB Share
“Acquisition of GGSB”	:	The acquisition of the entire issued and fully paid-up share capital of GGSB comprising 1,800,000 ordinary shares of RM1.00 each for a total purchase consideration of RM9,264,000 satisfied wholly by the issuance of 14,896,450 new CAB Shares, at approximately RM0.6219 per CAB Share
“Acquisitions”	:	The Acquisition of CABC and Acquisition of GGSB, collectively
“Act”	:	Companies Act, 1965
“ADA”	:	Authorised Depository Agent
“ADA Code”	:	ADA (Broker) Code
“AKSB”	:	Antik Kualiti Sdn Bhd (275187-M)
“Application Form(s)”	:	The printed application form(s) for the application of the Offer/Public Issue Shares
“ATM”	:	Automated Teller Machine
“BTFF”	:	Burgher Tanjung Frozen Food (PG) Sdn Bhd (403792-U)
“CAB” or the “Company”	:	CAB Cakaran Corporation Berhad (583661-W)
“CAB Group” or the “Group”	:	CAB and its subsidiaries, namely the CABC Group and the GG Group
“CAB Share(s)”	:	Ordinary share(s) of RM0.50 each in CAB
“CABB”	:	CAB Cakaran Breeding Farm Sdn Bhd (206920-A)
“CABC”	:	CAB Cakaran Sdn Bhd (194586-V)
“CABC Group”	:	CABC and its subsidiaries, namely AKSB, BTFF, CABB, JJP, JJSB and LTA
“Cargill”	:	Cargill Feed Sdn Bhd (149374-D)
“CDS”	:	Central Depository System
“CFO”	:	Certificate of Fitness for Occupation
“China”	:	People’s Republic of China excluding The Hong Kong Special Administrative Region of the People’s Republic of China, the Macau Special Administrative Region of the People’s Republic of China and Taiwan, Republic of China
“CIMB”	:	Commerce International Merchant Bankers Berhad (18417-M)

**DEFINITIONS (CONT'D)**

“CPC-Aji”	:	CPC/AJI Malaysia Sdn Berhad (2966-W)
“DOC(s)”	:	Day-old-chick(s)
“DSSB”	:	Daging Salai Sdn Bhd (522887-T)
“Electronic Share Application”	:	The application for the Offer/Public Issue Shares through a Participating Financial Institution’s ATM
“EPS”	:	Earnings per share
“FIC”	:	Foreign Investment Committee
“GDP”	:	Gross Domestic Product
“GG Group”	:	GGSB, its subsidiaries, namely KBC, KFI, KKOV, KKPL, KKSB, KPSB, SKK and SSSB and its associated company, namely DSSB
“GGSB”	:	Gettmore Group Sdn Bhd (391726-V)
“Government”	:	Government of Malaysia
“Issues”	:	The Offer for Sale and Public Issue, collectively
“JJP”	:	Jimat Jaya Pemasaran Sdn Bhd (353839-H)
“JSB”	:	Jimat Jaya Sdn Bhd (128516-T)
“KBC”	:	Kyros Bakery & Confectionery Sdn Bhd (473584-V)
“KFI”	:	Kyros Food Industries Sdn Bhd (520163-A)
“KKOV”	:	Kyros Kebab Overseas Ventures Sdn Bhd (487710-W)
“KKPL”	:	Kyros Kebab (S) Pte Ltd (200005289-H)
“KKSB”	:	Kyros Kebab Sdn Bhd (466434-T)
“KLSE”	:	Kuala Lumpur Stock Exchange (30632-P)
“KPSB”	:	Kyros Properties Sdn Bhd (299628-V)
“Listing”	:	The admission to the Official List of the KLSE and the listing of and quotation for the entire enlarged issued and paid-up share capital of CAB of RM40,000,000 comprising 80,000,000 CAB Shares on the Second Board of the KLSE
“LTA”	:	Ladang Ternakan Asun Sdn Bhd (166138-U)
“MAICSA”	:	Malaysian Association of The Institute of Chartered Secretaries and Administrators
“MCD”	:	Malaysian Central Depository Sdn Bhd (165570-W), a subsidiary of the KLSE
“MI”	:	Minority interests
“MIH”	:	Malaysian Issuing House Sdn Bhd (258345-X)

**DEFINITIONS (CONT'D)**

“MITI”	:	Ministry of International Trade and Industry
“NTA”	:	Net tangible assets
“Offer for Sale”	:	The offer for sale by the Offerors of 14,800,000 CAB Shares to the Bumiputera investors approved by the MITI, at an offer price of RM0.88 per Offer Share payable in full upon application and subject to the terms and conditions of this Prospectus
“Offer Share(s)”	:	The 14,800,000 CAB Shares to be offered pursuant to the Offer for Sale
“Offerors”	:	Offerors of the Offer Shares, namely Chuah Ah Bee, Chan Kim Keow, Chew Chee Khong, Chong Shu Choy and Khoo Chee Kong
“PAT”	:	Profit after tax
“PBT”	:	Profit before tax
“Participating Financial Institution(s)”	:	The participating financial institution(s) for Electronic Share Application as listed in Section 5(ii)(o) of Part XVII of this Prospectus
“PE multiple”	:	Price earnings multiple
“Prescribed Security”	:	Ordinary shares of a company prescribed by the KLSE to be deposited into the CDS
“Public Issue”	:	The public issue of 16,960,000 new CAB Shares to the Bumiputera investors approved by the MITI, eligible Directors and employees, customers, franchisees in Malaysia and farmers of CAB and its subsidiaries, identified investors by way of private placement and Malaysian public, at an issue price of RM0.88 per Public Issue Share payable in full upon application and subject to the terms and conditions of this Prospectus
“Public Issue Share(s)”	:	The 16,960,000 new CAB Shares to be issued pursuant to the Public Issue
“RM”	:	Ringgit Malaysia
“RMB”	:	Renminbi
“ROC”	:	Registrar of Companies
“SC”	:	Securities Commission
“SC Guidelines”	:	Policies and Guidelines on Issue/Offer of Securities issued by the SC
“SGD”	:	Singapore Dollar
“SKK”	:	Shanghai Kyros Kebab Co. Ltd (026580)
“SSSB”	:	Souvlaki Star Sdn Bhd (559460-K)
“UK”	:	United Kingdom of Great Britain and Northern Ireland
“USA”	:	United States of America
“USD”	:	United States Dollar

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**DEFINITIONS (CONT'D)**

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Words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation.

Unless otherwise indicated, any reference in this Prospectus to any legislation, statute or statutory provision is a reference to that legislation, statute or statutory provision for the time being as amended or re-enacted and to any repealed legislation, statute or statutory provision which it re-enacted (with or without modification).

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

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**I. CORPORATE DIRECTORY****BOARD OF DIRECTORS**

<b>Name</b>	<b>Nationality</b>	<b>Occupation</b>	<b>Address</b>
Zakaria Bin Hashim <i>(Chairman)</i>	Malaysian	Director	4, Lorong Basong Damansara Heights 50490 Kuala Lumpur
Chuah Ah Bee <i>(Group Managing Director)</i>	Malaysian	Director	1663, Bukit Kecil 14000 Bukit Mertajam Penang
Khoo Chee Kong <i>(Executive Director)</i>	Malaysian	Director	B24-8-8 Desa Villa Condominium Jalan 3/109 Taman Desa 58100 Kuala Lumpur
Loo Choo Gee <i>(Executive Director)</i>	Malaysian	Director	3649, Jalan Changkat 14300 Nibong Tebal Penang
Leow Chan Khiang <i>(Executive Director)</i>	Malaysian	Director	84, Jalan Bagan 19 Taman Bagan 13400 Butterworth Penang
Chan Kim Keow <i>(Executive Director)</i>	Malaysian	Director	1663, Bukit Kecil 14000 Bukit Mertajam Penang
Kim Lim Chong <i>(Independent Non-Executive Director)</i>	Malaysian	Accountant	4, Jalan Loh Poh Heng Hillside 11200 Tanjung Bungah Penang
Ng Guak Hwei <i>(Independent Non-Executive Director)</i>	Malaysian	Advocate and Solicitor	29, Lorong Binjai 7 Taman Sri Rambai 14000 Bukit Mertajam Penang
Tunku Dato' Dr Ismail bin Tunku Mohammad Jawa <i>(Independent Non-Executive Director)</i>	Malaysian	Director	28, Changkat Minden Jalan 3, Sungai Gelugor 11700 Gelugor Penang

**AUDIT COMMITTEE**

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Kim Lim Chong	Chairman of the Committee	Non-Executive and Independent
Ng Guak Hwei	Member of the Committee	Non-Executive and Independent
Leow Chan Khiang	Member of the Committee	Executive and Non-Independent

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**I. CORPORATE DIRECTORY (CONT'D)**

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- COMPANY SECRETARY** : Khoo Lay Tatt  
(MAICSA 7029262)  
36-5-9 Sri Bukit Jambul Apartment  
Persiaran Bukit Jambul 1  
11920 Penang
- Telephone no.: 04-228 8155  
E-mail: ltkhoo@pfa.com.my
- REGISTERED OFFICE** : 3rd Floor, Wisma Wang  
251-A, Jalan Burma  
10350 Penang
- Telephone no.: 04-228 8155  
E-mail: penang@pfa.com.my
- HEAD/MANAGEMENT OFFICE** : Plot 21, Lorong Jelawat 4  
Seberang Jaya Industrial Park  
Seberang Jaya  
13700 Perai  
Penang
- Telephone no.: 04-398 2233  
E-mail: cab3399@tm.net.my  
Website: www.cab.com.my
- AUDITORS AND REPORTING ACCOUNTANTS** : Deloitte KassimChan  
Chartered Accountants  
4th Floor, Wisma Wang  
251-A, Jalan Burma  
10350 Penang
- Telephone no.: 04-228 8255
- SOLICITORS** : Wong Beh & Toh  
Peti #30  
Level 12, West Block  
Wisma Selangor Dredging  
142-C Jalan Ampang  
50450 Kuala Lumpur
- Telephone no.: 03-2713 6050
- VALUERS** : Intra Harta Consultants (North) Sdn Bhd  
Suite 3, 1st Floor  
No. 173, Taman Ria Jaya  
Jalan Kelab Cinta Sayang  
08000 Sungai Petani  
Kedah Darul Aman
- Telephone no.: 04-441 8511

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**I. CORPORATE DIRECTORY (CONT'D)**

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<b>PRINCIPAL BANKERS</b>	:	<b>Bumiputra-Commerce Bank Berhad (Sungai Petani Branch) 4th Floor, Wisma Ria Taman Ria 08000 Sungai Petani Kedah Darul Aman  Telephone no.: 04-421 0472</b>
		<b>Bumiputra-Commerce Bank Berhad (Kuala Lumpur Branch) 511, Jalan Tiong Off Batu Tiga, Jalan Ipoh 51100 Kuala Lumpur  Telephone no.: 03-4041 2401</b>
		<b>Alliance Bank Malaysia Berhad 1960 E &amp; F, Jalan Stadium 05100 Alor Setar Kedah Darul Aman  Telephone no.: 04-731 0744</b>
		<b>Malayan Banking Berhad Prai Business Centre G133 &amp; 135 Medan Kikik 1 Taman Inderawasih 13600 Prai Penang  Telephone no.: 04-399 3599</b>
		<b>Hong Leong Bank Berhad 2828-G-02 &amp; 2828-1-02 Jalan Bagan Luar 12000 Butterworth Penang  Telephone no.: 04-332 5660</b>
		<b>Southern Bank Berhad 43 Lebuhr Pantai 10300 Pulau Pinang  Telephone no.: 04-261 8341</b>
		<b>United Overseas Bank (Malaysia) Bhd 4072 Jalan Bagan Luar PO Box 29 12700 Butterworth  Telephone no.: 04-324 0075</b>
		<b>Affin Bank Berhad 135 &amp; 137, Jalan Bunus Off Jalan Masjid India 50100 Kuala Lumpur  Telephone no.: 03-2693 4686</b>

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**I. CORPORATE DIRECTORY (CONT'D)**

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<b>ISSUING HOUSE</b>	:	Malaysian Issuing House Sdn Bhd 27th Floor, Menara Multi-Purpose Capital Square 8, Jalan Munshi Abdullah 50100 Kuala Lumpur  Telephone no.: 03-2693 2075
<b>REGISTRAR</b>	:	PFA Registration Services Sdn Bhd Level 13, Uptown 1 1, Jalan SS21/58 Damansara Uptown 47400 Petaling Jaya Selangor Darul Ehsan  Telephone no.: 03-7725 4888
<b>ADVISER, PLACEMENT AGENT AND UNDERWRITER</b>	:	Commerce International Merchant Bankers Berhad 7th Floor, Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur  Telephone no.: 03-2084 8888
<b>INDEPENDENT MARKET RESEARCH CONSULTANT</b>	:	ACNielsen (Malaysia) Sdn Bhd 19/F, Menara MPPJ Jalan Tengah 46200 Petaling Jaya Selangor Darul Ehsan  Telephone no.: 03-7956 2311
<b>LISTING SOUGHT</b>	:	Second Board of the KLSE

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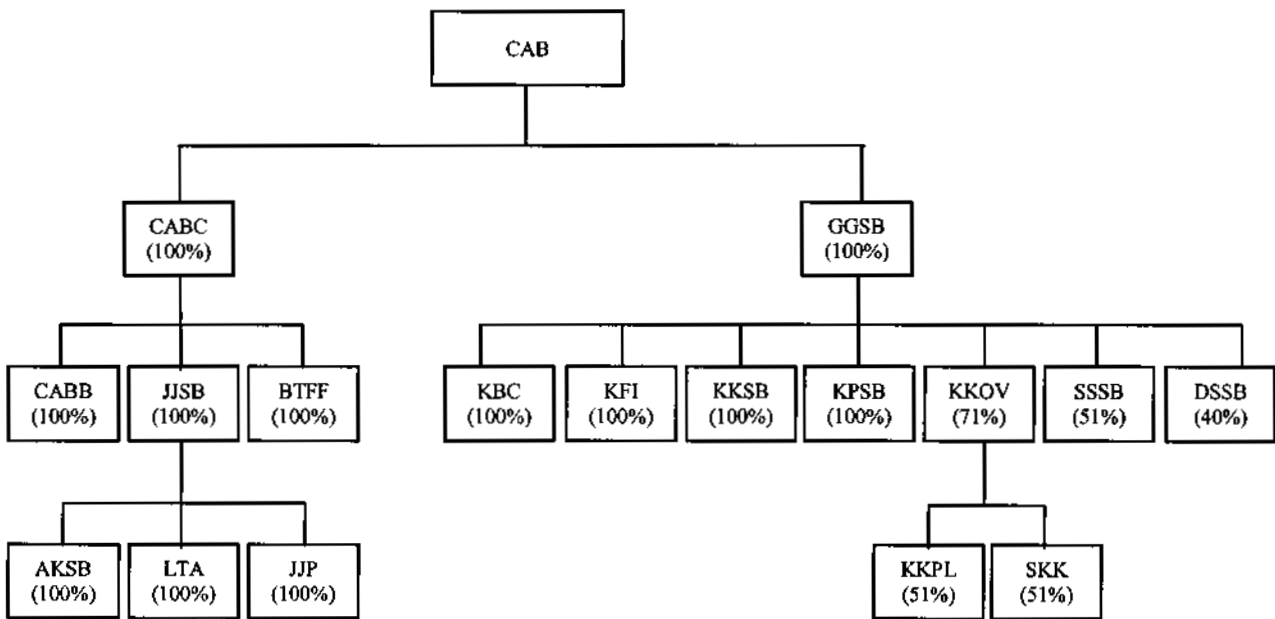
**II. INFORMATION SUMMARY**

**THIS SECTION OF THE PROSPECTUS REPRESENTS ONLY A SUMMARY OF THE SALIENT INFORMATION IN RELATION TO THE CAB GROUP AND OF THE ISSUES. INVESTORS SHOULD READ AND UNDERSTAND THE WHOLE PROSPECTUS PRIOR TO DECIDING WHETHER TO INVEST IN THE OFFER/PUBLIC ISSUE SHARES.**

**1. HISTORY AND BUSINESS**

CAB was incorporated in Malaysia as a private limited company under the Act on 20 June 2002 under the name of CAB Cakaran Corporation Sdn Bhd. It was converted to a public limited company under the name of CAB Cakaran Corporation Berhad on 14 January 2003.

The structure of the CAB Group is set out below:



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**II. INFORMATION SUMMARY (CONT'D)**


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The Company is principally involved in investment holding and provision of management services whilst the principal activities of its subsidiaries and associated company are as follows:

<b>Company</b>	<b>Principal activities</b>
<i>Subsidiaries</i>	
CABC	Breeding of broiler chicken, marketing of chicken and trading of broilers, poultry feeds and other farm consumables
CABB	Breeding of parent stocks and hatching of eggs into DOCs
JJSB	Breeding, processing and marketing of chicken and trading of poultry feeds and other farm consumables
BTFB	Processing and wholesaling of chicken products and frozen foods
JJP	Processing and marketing of chicken
LTA	Renting of property, plant and equipment
AKSB	Cultivation of timber crops
GGSB	Investment holding and fast food franchising business
KKSB	Fast food restaurants operator
KFI	Processing of meat and trading
KBC	Manufacturing of bakery products
KPSB	Investment holding and letting of properties
KKOV	Investment holding
SSSB	Retailing of fast food
KKPL	Master franchisee and restaurant operator
SKK	Master franchisee and restaurant operator
<i>Associated company</i>	
DSSB	Processing and selling of barbequed meat

The CAB Group is an integrated player in both the poultry and food industries with its businesses in both the upstream and downstream poultry activities including franchising and fast food business.

Further information on the history and business of the CAB Group is set out in Part VI of this Prospectus.

## II. INFORMATION SUMMARY (CONT'D)

### 2. OWNERSHIP AND MANAGEMENT

#### 2.1 Promoters

The promoters of CAB and their respective shareholdings in CAB after the Issues are as follows:

Promoters	After Issues			
	Direct		Indirect	
	No. of CAB Shares	Percentage of share capital %	No. of CAB Shares	Percentage of share capital %
Chuah Ah Bee	29,157,996	36.45	-	-
Chan Kim Keow	11,820,000	14.77	-	-
Zakaria Bin Hashim	11,268,000	14.08	-	-
Khoo Chee Kong	960,000	1.20	-	-

#### 2.2 Substantial Shareholders

The substantial shareholders of CAB and their respective shareholdings in CAB after the Issues are as follows:

Substantial shareholders	Designation	After Issues			
		Direct		Indirect	
		No. of CAB Shares	Percentage of share capital %	No. of CAB Shares	Percentage of share capital %
Zakaria Bin Hashim	Chairman	11,268,000	14.08	-	-
Chuah Ah Bee	Group Managing Director	29,157,996	36.45	-	-
Chan Kim Keow	Executive Director	11,820,000	14.77	-	-

## II. INFORMATION SUMMARY (CONT'D)

### 2.3 Directors

The Directors of the Company and their respective shareholdings in CAB after the Issues are as follows:

Directors	Designation	After Issues			
		Direct		Indirect	
		No. of CAB Shares	Percentage of share capital %	No. of CAB Shares	Percentage of share capital %
Zakaria Bin Hashim	Chairman	11,268,000	14.08	-	-
Chuah Ah Bee	Group Managing Director	29,157,996	36.45	-	-
Khoo Chee Kong	Executive Director	960,000	1.20	-	-
Loo Choo Gee	Executive Director	776,000	0.97	-	-
Leow Chan Kiang	Executive Director	388,000	0.49	-	-
Chan Kim Keow	Executive Director	11,820,000	14.77	-	-
Kim Lim Chong	Independent Non-Executive Director	-	-	-	-
Ng Guak Hwei	Independent Non-Executive Director	-	-	-	-
Tunku Dato' Dr Ismail bin Tunku Mohammad Jewa	Independent Non-Executive Director	-	-	-	-



## II. INFORMATION SUMMARY (CONT'D)

### 2.4 Key Management

The key management personnel of the CAB Group and their respective shareholdings in CAB after the Issues are as follows:

Key management	Designation	After Issues			
		Direct		Indirect	
		No. of CAB Shares	Percentage of share capital %	No. of CAB Shares	Percentage of share capital %
Chuah Hoon Phong	Chief Operating Officer of the food processing division	*700,000	0.88	-	-
Chew Chee Khong	Chief Operating Officer of the fast food division	570,000	0.71	-	-
Lim Sai Weng	General Manager of the fast food division	*88,000	0.11	-	-
Dr Abdul Alim Sidique Bin Md. Shariff	Veterinarian	*10,000	0.01	-	-
Md Salleh Bin Md Tahir	Technical Manager	*20,000	0.03	-	-
Tan Swee Seong	Human Resource and Administration Manager	*100,000	0.13	-	-
Koay Lay Ean	Accounting Manager	*20,000	0.03	-	-
Teh Kok Seong	Operations Manager	*50,000	0.06	-	-
Yong Chin Woo	Marketing Manager of the food processing division	*20,000	0.03	-	-
Sugumaran Nair A/L M Krishna Nair	Franchise Development Manager	*10,000	0.01	-	-
Lim Chin Seng	Farm Manager	*50,000	0.06	-	-

**Note:**

- \* *The direct shareholdings are based on the assumption that the Public Issue Shares allocated to the eligible employees of CAB and its subsidiaries pursuant to the Public Issue are fully taken up by the respective employees.*

Detailed information on the promoters, substantial shareholders, Directors of the Company and key management of the Group is set out in Part VIII of this Prospectus.

## II. INFORMATION SUMMARY (CONT'D)

### 3. LICENCES

The CAB Group has licences in relation to its poultry and fast food businesses from various authorities. Apart from the licences, GGSB is also registered under the Franchise Act, 1998 in order to make an offer to sell the Kyros Kebab franchise. Further details on the Group's major licences are set out in Section 6.3 of Part V of this Prospectus.

### 4. FINANCIAL HIGHLIGHTS

#### 4.1 Proforma Consolidated Income Statements

The table below sets out a summary of the proforma consolidated income statements of the CAB Group for the past 5 financial years ended 30 September 2002 and the 9 months ended 30 June 2003, as extracted from the Accountants' Report in Part XII of this Prospectus and prepared based on the assumption that the current structure of the CAB Group has been in existence throughout the financial years/period under review. The proforma consolidated income statements of the CAB Group are presented for illustrative purposes only and should be read in conjunction with the accompanying notes and assumptions to the proforma consolidated income statements as included in the Accountants' Report as set out in Part XII of this Prospectus:

	-----Audited-----					
	-----Financial years ended 30 September-----					9 months ended
	1998	1999	2000	2001	2002	30 June 2003
	RM 000	RM 000	RM 000	RM 000	RM 000	RM 000
Revenue	67,766	74,817	107,909	125,914	146,390	108,314
Consolidated profit before interest, amortisation, depreciation and taxation	3,981	6,276	8,345	8,989	10,799	9,855
Interest expenses	(2,131)	(1,568)	(1,179)	(1,512)	(1,779)	(1,470)
Depreciation	(1,007)	(1,193)	(1,635)	(1,831)	(2,206)	(1,874)
Share of loss of associated company	-	-	(3)	(18)	(15)	(6)
Consolidated PBT	843	3,515	5,528	5,628	6,799	6,505
Income tax expense <sup>(1)</sup>	(404)	(7)	(1,382)	(589)	(1,526)	(1,617)
Consolidated PAT but before MI	439	3,508	4,146	5,039	5,273	4,888
MI	-	-	154	314	199	185
Consolidated profit attributable to shareholders	439	3,508	4,300	5,353	5,472	5,073
Number of CAB Shares assumed in issue (000) <sup>(2)</sup>	63,040	63,040	63,040	63,040	63,040	63,040
Gross EPS (sen) <sup>(3)</sup>	1.34	5.58	8.77	8.93	10.79	*13.76
Net EPS (sen) <sup>(4)</sup>	0.70	5.56	6.82	8.49	8.68	*10.73

## II. INFORMATION SUMMARY (CONT'D)

### Notes:

- \* *Annualised for comparison purposes only.*
- (1) *The under/over provision of income tax expense has been adjusted to the respective financial years/period.*
- (2) *The assumed issued and paid-up share capital of 63,040,000 CAB Shares is based on the issued and paid-up share capital of CAB after the Acquisitions but prior to the Issues.*
- (3) *The gross EPS is computed based on the consolidated PBT divided by the number of CAB Shares assumed in issue.*
- (4) *The net EPS is computed based on the consolidated profit attributable to shareholders divided by the number of CAB Shares assumed in issue.*

*There were no extraordinary items during the financial years/period under review.*

Further details on the proforma consolidated income statements of the CAB Group are set out in Section 1.1 of Part XI of this Prospectus.

### 4.2 Proforma Consolidated Balance Sheets as at 30 June 2003

The table below sets out a summary of the proforma consolidated balance sheets of the CAB Group as at 30 June 2003 to show the effects of the Acquisitions, Offer for Sale, Public Issue and the utilisation of proceeds from the Public Issue in conjunction with the Listing, on the assumption that these transactions were completed on 30 June 2003. The proforma consolidated balance sheets of the CAB Group are presented for illustrative purposes only and should be read in conjunction with the notes and assumptions to the proforma consolidated balance sheets of the CAB Group as set out in Section 8 of Part XI of this Prospectus:

	Audited financial statements as at 30 June 2003 RM 000	Proforma I After Acquisitions RM 000	Proforma II After Proforma I, Issues and utilisation of proceeds RM 000
Property, plant and equipment	-	55,884	55,884
Investment in associated company	-	3	3
Agricultural expenditure	-	177	177
Goodwill on consolidation	-	6,644	6,644
Current assets	-	39,703	52,628
Current liabilities	7	41,370	41,370
Net current (liabilities)/assets	(7)	(1,667)	11,258
	(7)	61,041	73,966

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**II. INFORMATION SUMMARY (CONT'D)**


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	<b>Audited financial statements as at 30 June 2003 RM 000</b>	<b>Proforma I After Acquisitions RM 000</b>	<b>Proforma II After Proforma I, Issues and utilisation of proceeds RM 000</b>
<b>Represented by:</b>			
Share capital	-	31,520	40,000
Share premium	-	7,684	12,129
Reserve on consolidation	-	8,260	8,260
Accumulated losses	(7)	(7)	(7)
Shareholders' equity	(7)	47,457	60,382
MI	-	370	370
Deferred tax liabilities	-	3,552	3,552
Long term liabilities	-	9,662	9,662
	(7)	61,041	73,966
No. of CAB Shares assumed in issue (000)	*	63,040	80,000
NTA per share (RM)	(3,500.00)	0.65	0.67

**Note:**

\* *The number of ordinary shares in issue as at 30 June 2003 is 2 ordinary shares of RM1.00 each.*

**4.3 Audit Qualifications of the Audited Financial Statements**

Save as disclosed below, there are no audited financial statements of the CAB Group that were subject to audit qualifications or emphasis of matter for the past 5 financial years and the 9 months ended 30 June 2003:

- (i) BTFF for the 2 financial years ended 30 September 1998 and 1999;
- (ii) LTA for the 2 financial years ended 30 September 1998 and 1999;
- (iii) KPSB for the financial year ended 30 June 1999;
- (iv) GGSB for the financial year ended 31 December 2000; and
- (v) KKOV for the financial period ended 31 December 2000.

Further details of the above qualifications or emphasis of matter are set out in the Accountants' Report as set out in Part XII of this Prospectus.

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**II. INFORMATION SUMMARY (CONT'D)**


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**5. PRINCIPAL STATISTICS****(i) Share Capital****RM***Authorised*

200,000,000 ordinary shares of RM0.50 each in CAB	<u>100,000,000</u>
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*Issued and fully paid-up as at the date of this Prospectus*

63,040,000 ordinary shares of RM0.50 each in CAB	31,520,000
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*To be issued pursuant to the Public Issue*

16,960,000 new ordinary shares of RM0.50 each in CAB	8,480,000
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*Enlarged issued and fully paid-up share capital*

	<u>40,000,000</u>
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*To be offered pursuant to the Offer for Sale*

14,800,000 ordinary shares of RM0.50 each in CAB	7,400,000
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**(ii) Classes of Shares and Rights**

There is only one class of shares in the Company, namely ordinary shares of RM0.50 each. The Offer Shares and Public Issue Shares will rank pari passu in all respects with the other existing issued and paid-up ordinary shares of the Company including voting rights and will be entitled to all rights and dividends and distributions that may be declared subsequent to the date of this Prospectus.

<b>(iii) Offer/Issue price per Offer/Public Issue Share</b>	<b>RM0.88</b>
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**(iv) Proforma Consolidated NTA as at 30 June 2003**

Proforma consolidated NTA (RM 000) <i>(after the Acquisitions, Issues and deducting estimated listing expenses amounting to RM2,000,000)</i>	53,738
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Proforma consolidated NTA per ordinary share of RM0.50 each in CAB <i>(based on the enlarged issued and paid-up share capital of 80,000,000 CAB Shares)</i>	<b>RM0.67</b>
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## II. INFORMATION SUMMARY (CONT'D)

### (v) Consolidated Profit Estimate and Forecast

The consolidated profit estimate and forecast of the Group for the financial years ended/ending 30 September 2003 and 2004 are as follows:

Financial years ended/ending 30 September	Estimate 2003 RM 000	Forecast 2004 RM 000
Consolidated PBT	9,794	11,554
Income tax expense	(1,833)	(2,213)
Consolidated PAT before MI	7,961	9,341
MI	(134)	(360)
Consolidated PAT after MI	7,827	8,981
Less: Pre-acquisition profit	(6,690)	-
Consolidated profit attributable to shareholders	1,137	8,981
Number of CAB Shares in issue (000)	<sup>(1)</sup> 63,040	<sup>(2)</sup> 80,000
Gross EPS (sen) <sup>(3)</sup>	15.54	14.44
Net EPS (sen) <sup>(4)</sup>	12.42	11.23
Gross PE multiple (times) <sup>(5)</sup>	5.66	6.09
Net PE multiple (times) <sup>(5)</sup>	7.09	7.84

#### Notes:

- (1) *The issued and paid-up share capital in issue for the financial year ended 30 September 2003 is based on 63,040,000 CAB Shares in issue after the Acquisitions but before the Public Issue and on the assumption that the current structure of the CAB Group has been in existence throughout the financial year.*
- (2) *The issued and paid-up share capital in issue for the financial year ending 30 September 2004 is based on the enlarged issued and paid-up share capital of 80,000,000 CAB Shares.*
- (3) *Computed based on the consolidated PBT divided by the number of CAB Shares in issue for the respective financial years.*
- (4) *Computed based on the consolidated PAT after MI divided by the number of CAB Shares in issue for the respective financial years.*
- (5) *Based on the offer/issue price of RM0.88 per Offer/Public Issue Share.*

Further details on the consolidated profit estimate and forecast of the Group and the principal bases and assumptions are set out in Sections 3 and 4 of Part XI of this Prospectus.

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**II. INFORMATION SUMMARY (CONT'D)**


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**(vi) Dividend Estimate and Forecast**

There is no dividend estimated for the financial year ended 30 September 2003 as the Listing is estimated to be completed by December 2003. The dividend forecast for the financial year ending 30 September 2004 is as follows:

<b>Financial year ending 30 September</b>	<b>Forecast 2004</b>
Gross dividend per share (sen) <sup>(1)</sup>	2.5
Net dividend per share (sen) <sup>(1)</sup>	1.8
Gross dividend yield (%) <sup>(2)</sup>	2.84
Net dividend yield (%) <sup>(2)</sup>	2.05
Net dividend cover (times)	6.24

*Notes:*

(1) Computed based on the enlarged issued and paid-up share capital of 80,000,000 CAB Shares in issue.

(2) Based on the offer/issue price of RM0.88 per Offer/Public Issue Share.

Further details on the dividend forecast of the Company are set out in Section 7 of Part XI of this Prospectus.

**6. PROCEEDS FROM THE PUBLIC ISSUE AND THE UTILISATION THEREOF**

The total gross proceeds receivable by CAB from the Public Issue of RM14,924,800 will be fully utilised for the core business of the CAB Group by January 2006 in the following manner:

	<b>RM 000</b>
Construction of a new high-technology slaughtering and food processing plant in Sungai Petani, Kedah Darul Aman	7,400
Purchase of machinery	3,320
Working capital	2,205
Estimated listing expenses	2,000
<b>Total</b>	<b>14,925</b>

No part of the gross proceeds from the Offer for Sale of RM13.024 million is receivable by the Company. The gross proceeds from the Offer for Sale shall accrue entirely to the Offerors.

The estimated expenses and fees, including brokerage, placement fees and underwriting commission relating to the Public Issue Shares, incidental to the Listing amounting to approximately RM2,000,000 will be borne by the Company.

Further details of the utilisation of gross proceeds receivable by CAB from the Public Issue are set out in Section 7 of Part III of this Prospectus.

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## II. INFORMATION SUMMARY (CONT'D)

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### 7. MATERIAL LITIGATION, CONTINGENT LIABILITIES, MATERIAL COMMITMENTS, BORROWINGS AND WORKING CAPITAL

#### (i) Material Litigation

Save for the material litigation as set out in Section 9 of Part XVI of this Prospectus, as at 21 November 2003, being the latest practicable date prior to the printing of this Prospectus, neither the Company nor its subsidiaries is engaged in any litigation, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiaries, and the Directors of the Company are not aware 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) Contingent Liabilities

As at 21 November 2003, being the latest practicable date prior to the printing of this Prospectus, the Directors of the Company are not aware of any material contingent liabilities incurred by the Group which, upon becoming enforceable, may have a material impact on the financial position of the Group.

#### (iii) Material Commitments

As at 21 November 2003, being the latest practicable date at which such amounts could be calculated prior to the printing of this Prospectus, the Directors of the Company are not aware of any material commitments contracted or known to be contracted by the Company or its subsidiaries, which may have a material impact on the financial position of the Group.

#### (iv) Borrowings

As at 21 November 2003, being the latest practicable date prior to the printing of this Prospectus, the total outstanding borrowings of the Group amounts to RM35.827 million comprising various interest-bearing facilities such as bank overdrafts, trust receipts and bankers' acceptance, terms loans and hire-purchase facilities. There has been no default on the Group's borrowings. The Directors of the Company are of the opinion that after taking into consideration the consolidated cashflow forecast of the Group, the Group should not default on its borrowings for the financial year ending 30 September 2004.

#### (v) Working Capital

The Directors of the Company are of the opinion that after taking into account the consolidated cashflow forecast, banking facilities available and the total gross proceeds from the Public Issue, the CAB Group will have adequate working capital for a period of 12 months from the date of this Prospectus.

### 8. RISK FACTORS

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



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## II. INFORMATION SUMMARY (CONT'D)

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

- (i) No prior market for CAB Shares;
- (ii) Business risks;
- (iii) Competition and impact of Association of South East Asian Nations (ASEAN) Free Trade Area;
- (iv) Control by certain substantial shareholders;
- (v) Dependence on key personnel;
- (vi) Risks associated with bank borrowings;
- (vii) Foreign exchange risks;
- (viii) Restrictive covenants under borrowing facility agreements;
- (ix) Fluctuation in selling prices;
- (x) Source of supplies;
- (xi) Dependence on key customers, particular products, markets and geographical location;
- (xii) Risk of diseases, changes in weather conditions and environment;
- (xiii) Risks associated with technological change;
- (xiv) Adequacy of insurance coverage;
- (xv) Investment risks;
- (xvi) Outbreak of fire and energy crisis;
- (xvii) Licences;
- (xviii) Trademark, copyrights and protection of intellectual property rights;
- (xix) Brand loyalty;
- (xx) Franchise regulation;
- (xxi) Change of express condition;
- (xxii) Risks associated with future plans;
- (xxiii) Political, economic and regulatory considerations;
- (xxiv) Profit estimate and forecast;
- (xxv) Forward-looking statements; and
- (xxvi) Delay in or failure of the Listing.