

7. RELATED-PARTY TRANSACTIONS/CONFLICT OF INTEREST

7.1 Related-Party Transactions/Conflict of Interest

7.1.1 Promotions of any material assets acquired/to be acquired within two years preceding 15 December 2003 (being the latest practicable date prior to the printing of this Prospectus)

Save as disclosed below, none of the other Directors and substantial shareholders of DBE has any interest, direct or indirect, in the promotion of or in any material assets acquired or proposed to be acquired or disposed or proposed to be disposed of or leased or proposed to be leased to the Company or any of its subsidiaries and associated company within the two (2) years preceding 15 December 2003 (being the latest practicable date prior to the printing of this Prospectus):

- Acquisition of DBE Breeding by DBE

Sale and Purchase Agreement and Supplemental Sale and Purchase Agreement dated 2 January 2002 between Ding Chong Chow, Ding Seng Huat, Cheng Lay Miew, Hong Law Wea ("the Vendors") and DBE ("the Purchaser") for the acquisition of the entire issued and paid-up capital of DBE Breeding amounting to 1,450,000 ordinary shares of RM1.00 each for a total purchase consideration of RM3,187,244 based on the NTA of DBE Breeding as at 31 December 2001 to be paid by the issuance of 2,284,000 new ordinary shares of RM1.00 each in DBE treated as fully paid up.

Name	Interest in DBE	Nature of interest in DBE Breeding
Ding Chong Chow	Director and *substantial shareholder	Director and *substantial shareholder
Ding Seng Huat	Director	Director
Cheng Lay Miew	Director	Director
Hong Law Wea	Director	None

* Deemed as substantial shareholder through substantial shareholdings in Fortune Junction.

- Acquisition of DBE Hatchery by DBE

Sale and Purchase Agreement and Supplemental Sale and Purchase Agreement dated 2 January 2002 between Ding Chong Chow, Ding Seng Huat, Cheng Lay Miew ("the Vendors") and DBE ("the Purchaser") for the acquisition of the entire issued and paid-up capital of DBE Hatchery amounting to 350,000 ordinary shares of RM1.00 each for a total purchase consideration of RM1,518,368 based on the NTA of DBE Hatchery as at 31 December 2001 to be paid by the issuance of 1,088,000 new ordinary shares of RM1.00 each in DBE treated as fully paid up.

Name	Interest in DBE	Nature of interest in DBE Hatchery
Ding Chong Chow	Director and *substantial shareholder	Director and *substantial shareholder
Ding Seng Huat	Director	Director
Cheng Lay Miew	Director	Director

* Deemed as substantial shareholder through substantial shareholdings in Fortune Junction.

7. RELATED-PARTY TRANSACTIONS/CONFLICT OF INTEREST (CONT'D)

- Acquisition of DBE Poultry by DBE

Sale and Purchase Agreement and Supplemental Sale and Purchase Agreement dated 2 January 2002 between Ding Chong Chow, Ding Seng Huat, Ding Choon Yung ("the Vendors") and DBE ("the Purchaser") for the acquisition of the entire issued and paid-up capital of DBE Poultry amounting to 500,000 ordinary shares of RM1.00 each for a total purchase consideration of RM10,834,421 based on the NTA of DBE Poultry as at 31 December 2001 to be paid by the issuance of 7,765,000 new ordinary shares of RM1.00 each in DBE treated as fully paid up.

Name	Interest in DBE	Nature of interest in DBE Poultry
Ding Chong Chow	Director and *substantial shareholder	Director and *substantial shareholder
Ding Seng Huat	Director	Director
Ding Choon Yung	Director	Director

* Deemed as substantial shareholder through substantial shareholdings in Fortune Junction.

- Acquisition of DBE Food Processing by DBE

Sale and Purchase Agreement and Supplemental Sale and Purchase Agreement dated 2 January 2002 between Ding Chong Chow, Ding Seng Huat, Hong Lew Wea ("the Vendors") and DBE ("the Purchaser") for the acquisition of the entire issued and paid-up capital of DBE Food Processing amounting to 600,000 ordinary shares of RM1.00 each for a total purchase consideration of RM3,081,733 based on the NTA of DBE Processing as at 31 December 2001 to be paid by the issuance of 2,209,000 new ordinary shares of RM1.00 each in DBE treated as fully paid up.

Name	Interest in DBE	Nature of interest in DBE Food Processing
Ding Chong Chow	Director and *substantial shareholder	Director and *substantial shareholder
Ding Seng Huat	Director	Director
Hong Lew Wea	Director	Director

* Deemed as substantial shareholder through substantial shareholdings in Fortune Junction.

- Acquisition of DBE Marketing by DBE

Sale and Purchase Agreement and Supplemental Sale and Purchase Agreement dated 2 January 2002 between Ding Chong Chow, Ding Seng Huat, Ding Choon Yung ("the Vendors") and DBE ("the Purchaser") for the acquisition of the entire issued and paid-up capital of DBE Marketing amounting to 500,003 ordinary shares of RM1.00 each for a total purchase consideration of RM616,598 based on the NTA of DBE Marketing as at 31 December 2001 to be paid by the issuance of 441,997 new ordinary shares of RM1.00 each in DBE treated as fully paid up.

Name	Interest in DBE	Nature of interest in DBE Marketing
Ding Chong Chow	Director and *substantial shareholder	Director and *substantial shareholder
Ding Seng Huat	Director	Director
Ding Choon Yung	Director	Director

* Deemed as substantial shareholder through substantial shareholdings in Fortune Junction.

7. RELATED-PARTY TRANSACTIONS/CONFLICT OF INTEREST (CONT'D)

- Acquisition of DBE Gurney Chicken by DBE

Sale and Purchase Agreement and Supplemental Sale and Purchase Agreement dated 2 January 2002 between Ding Chong Chow, Ding Seng Huat ("the Vendors") and DBE ("the Purchaser") for the acquisition of the entire issued and paid-up capital of DBE Gurney Chicken amounting to 800,000 ordinary shares of RM1.00 each for a total purchase consideration of RM295,754 based on the NTA of DBE Gurney Chicken as at 31 December 2001 to be paid by the issuance of 212,000 new ordinary shares of RM1.00 each in DBE treated as fully paid up.

Name	Interest in DBE	Nature of interest in DBE Gurney Chicken
Ding Chong Chow	Director and *substantial shareholder	Director and *substantial shareholder
Ding Seng Huat	Director	Director

* Deemed as substantial shareholder through substantial shareholdings in Fortune Junction.

- Acquisition of DBE Feedmills by DBE

Sale and Purchase Agreement and Supplemental Sale and Purchase Agreement dated 2 January 2002 between Ding Chong Chow, Ding Seng Huat, Cheng Lay Miew ("the Vendors") and DBE ("the Purchaser") for the acquisition of the entire issued and paid-up capital of DBE Feedmills amounting to 3 ordinary shares of RM1.00 each for a total purchase consideration of RM3 based on the NTA of DBE Feedmills as at 31 December 2001 to be paid by the issuance of 3 new ordinary shares of RM1.00 each in DBE treated as fully paid up.

Name	Interest in DBE	Nature of interest in DBE Feedmills
Ding Chong Chow	Director and *substantial shareholder	Director and *substantial shareholder
Ding Seng Huat	Director	Director
Cheng Lay Miew	Director	Director

* Deemed as substantial shareholder through substantial shareholdings in Fortune Junction.

- Sale of various properties by Ding Chong Chow ("Vendor") to DBE Breeding ("Purchaser") as follows:-
 - Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Breeding for the purchase of property known as GM 10605 LOT 7044 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM149,400.
 - Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Breeding for the purchase of property known as GM 10604 LOT 7317 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM111,000.
 - Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Breeding for the purchase of property known as GM 3574 LOT 7243 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM107,400.

7. RELATED-PARTY TRANSACTIONS/CONFLICT OF INTEREST (CONT'D)

Name	Interest in DBE	Nature of interest in DBE Breeding
Ding Chong Chow	Director and *substantial shareholder	Director and *substantial shareholder

* Deemed as substantial shareholder through substantial shareholdings in Fortune Junction.

- Sale of a property by Ding Chu Mooi ("Vendor") to DBE Breeding ("Purchaser") as follows:-

Sale and Purchase Agreement dated 31 December 2001 between Ding Chu Mooi and DBE Breeding for the purchase of property known as GM 3666 LOT 5462 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM144,000.

Name	Interest in DBE	Nature of interest in DBE Breeding
Ding Chu Mooi	Deemed interested in DBE as she is the sister of Ding Chong Chow and Ding Choon Yung.	Deemed interested in DBE Breeding as she is the sister of Ding Chong Chow and Ding Choon Yung.

- Sale of a property by Ding Seng Huat ("Vendor") to DBE Breeding ("Purchaser") as follows:-

Sale and Purchase Agreement dated 31 December 2001 between Ding Seng Huat and DBE Breeding for the purchase of property known as GM 10603 LOT 5466 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM112,200.

Name	Interest in DBE	Nature of interest in DBE Breeding
Ding Seng Huat	Director	Director

- Sale of a property by Ding See Mooi ("Vendor") to DBE Breeding ("Purchaser") as follows:-

Sale and Purchase Agreement dated 31 December 2001 between Ding See Mooi and DBE Breeding for the purchase of property known as GM 10602 LOT 5469 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM111,600.

Name	Interest in DBE	Nature of interest in DBE Breeding
Ding See Mooi	Deemed interested in DBE as she is the sister of Ding Chong Chow and Ding Choon Yung.	Deemed interested in DBE Breeding as she is the sister of Ding Chong Chow and Ding Choon Yung.

- Sale of a property by Hong Lew Wea ("Vendor") to DBE Food Processing ("Purchaser") as follows:-

Sale and Purchase Agreement dated 31 December 2001 between Hong Lew Wea and DBE Food Processing Industries for the purchase of property known as PM 2171 LOT 67928 MUKIM HULU KINTA, PERAK for a total cash purchase price of RM60,000.

Name	Interest in DBE	Nature of interest in DBE Food Processing
Hong Lew Wea	Director	Director

7. RELATED-PARTY TRANSACTIONS/CONFLICT OF INTEREST (CONT'D)

- Sale of various properties by Ding Chong Chow ("Vendor") to DBE Poultry ("Purchaser") as follows:-
 - Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 1700 LOT 10814 MUKIM BELANJA, PERAK for a total cash purchase price of RM201,600.
 - Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GRN 48340 LOT 12843 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM159,000.
 - Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 10600 LOT 7066 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM111,600.
 - Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 10598 LOT 5430 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM144,600.
 - Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 1609 LOT 1313 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM206,400.
 - Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 10599 LOT 7009 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM111,600.
 - Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 613 LOT 8326 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM153,600.
 - Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 1765 LOT 10768 MUKIM BELANJA, PERAK for a total cash purchase price of RM187,800.
 - Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 2033 LOT 10846 MUKIM BELANJA, PERAK for a total cash purchase price of RM205,800.
 - Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 10601 LOT 5337 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM144,000.

Name	Interest in DBE	Nature of interest in DBE Poultry
Ding Chong Chow	Director and *substantial shareholder	Director and *substantial shareholder

**Deemed as substantial shareholder through shareholdings in Fortune Junction.*

7. RELATED-PARTY TRANSACTIONS/CONFLICT OF INTEREST (CONT'D)

- Sale of a property by Ching Choo Hua ("Vendor") to DBE Poultry ("Purchaser") as follows:-

Sale and Purchase Agreement dated 31 December 2001 between Ching Choo Hua and DBE Poultry for the purchase of property known as GM 489 LOT 1255 MUKIM LUMUT, PERAK for a total cash purchase price of RM76,800.

Name	Interest in DBE	Nature of interest in DBE Poultry
Ching Choo Hua	Deemed interested in DBE as she is the wife of Ding Chong Chow.	Deemed interested in DBE Poultry as she is the wife of Ding Chong Chow.

- Sale of various properties by Ding See Mooi ("Vendor") to DBE Poultry ("Purchaser")
 - Sale and Purchase Agreement dated 31 December 2001 between Ding See Mooi and DBE Poultry for the purchase of property known as GM 3664 LOT 8336 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM111,600.
 - Sale and Purchase Agreement dated 31 December 2001 between Ding See Mooi and DBE Poultry for the purchase of property known as GM 3667 LOT 7062 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM144,000.

Name	Interest in DBE	Nature of interest in DBE Poultry
Ding See Mooi	Deemed interested in DBE as she is the sister of Ding Chong Chow and Ding Choon Yung.	Deemed interested in DBE Poultry as she is the sister of Ding Chong Chow and Ding Choon Yung.

- Sale of a property by Ching Choo Hua ("Vendor") to DBE Hatchery ("Purchaser") as follows:-

Sale and Purchase Agreement dated 31 December 2001 between Ching Choo Hua and DBE Hatchery for the purchase of property known as GM 3669 LOT 8019 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM144,000.

Name	Interest in DBE	Nature of interest in DBE Hatchery
Ching Choo Hua	Deemed interested in DBE as she is the wife of Ding Chong Chow.	Deemed interested in DBE Hatchery as she is the wife of Ding Chong Chow.

- Sale of a property by Ding See Mooi ("Vendor") to DBE Hatchery ("Purchaser") as follows:-

Sale and Purchase Agreement dated 31 December 2001 between Ding See Mooi and DBE Hatchery for the purchase of property known as GM 3665 LOT 5461 MUKIM SITIAWAN, PERAK for a total cash purchase price of RM144,000.

Name	Interest in DBE	Nature of interest in DBE Hatchery
Ding See Mooi	Deemed interested in DBE as she is the sister of Ding Chong Chow and Ding Choon Yung.	Deemed interested in DBE Hatchery as she is the sister of Ding Chong Chow and Ding Choon Yung.

7. RELATED-PARTY TRANSACTIONS/CONFLICT OF INTEREST (CONT'D)

7.1.2 Transactions between the DBE Group and the Directors, the Substantial Shareholders and Key Management

Save as disclosed below, there are no existing and/or potential related-party transactions entered into by the Group which involve the interest, direct or indirect, of the Directors and/or substantial shareholders of the Company and persons connected with such Directors and/or substantial shareholders of DBE, and transactions entered into by the DBE Group and the key management of DBE, that would give rise to conflict of interest situations.

On 11 April 2002, DBE Poultry was granted a loan from Affin Bank Berhad for which amongst the purpose of the loan was to redeem the existing loan of DKH Farm Builders Sdn Bhd (formerly known as DBE Manjung Holdings Sdn Bhd), a company owned by some of the shareholders of DBE.

On 10 January 2003, DBE Poultry obtained a loan from Alliance Bank Berhad and amongst the purpose of the loan was to redeem DBE Poultry's former loan with Affin Bank Berhad.

Subsequently on 31 January 2003, DKH Farm Builders Sdn Bhd was disposed to a third party.

7.1.3 Contracts or arrangements in which the Directors or Substantial Shareholders of DBE are interested

Save as disclosed below and in Section 7.1.1 and 7.1.2 above, none of the other Directors and/or substantial shareholders of DBE has interest in any subsisting contract or arrangement, which is significant to the business of the DBE Group as at 15 December 2003 (being the latest practicable date prior to the printing of this Prospectus):-

Subscription of Equity Interest

- A Shareholders Agreement and a Supplementary Agreement dated 14 July 2001 were executed into between DBE and Raja Taharudin Bin Raja Datuk Nong Chik ("the Intended Shareholder") whereby the intended Shareholder has agreed to subscribe 30% of the Company's equity interest amounting to RM9,300,000.

Name of Interested Parties	Type of Interest in DBE
Raja Taharudin bin Raja Datuk Nong Chik	Director and *substantial shareholder of DBE

* Deemed interested by virtue of the Call and Put Option Agreement dated 11 February 2002 between Raja Taharudin bin Raja Datuk Nong Chik and PNS.

- A Subscription Agreement dated 11 February 2002 was executed between DBE and PNS and Raja Taharudin Bin Raja Datuk Nong Chik ("the Proponent"), and Ding Chong Chow, Ding Seng Huat, Ding Choon Yung, Cheng Lay Miew, Hong Lew Wea ("the Existing Shareholders") for the subscription of 2,943,511 ordinary shares of RM1.00 each in DBE by PNS at RM1.55 per share and 4,487,558 Cumulative Redeemable Convertible Preference Shares of RM1.00 each in DBE at RM1.00 per share. A Supplemental Subscription Agreement dated 31 January 2003 was duly executed by all the parties in the Subscription Agreement adding a new party to the Agreement i.e. Fortune Junction Sdn Bhd.

7. RELATED-PARTY TRANSACTIONS/CONFLICT OF INTEREST (CONT'D)

Name of Interested Parties	Type of Interest in DBE
1. Raja Taharudin bin Raja Datuk Nong Chik	1. Director and substantial shareholder of DBE
2. Ding Chong Chow	2. Director and substantial shareholder of DBE
3. Ding Choon Yung	3. Director of DBE
4. Ding Seng Huat	4. Director of DBE
5. Cheng Lay Miew	5. Director of DBE
6. Hong Lew Wea	6. Director of DBE
7. Fortune Junction Sdn Bhd	7. Substantial Shareholder of DBE

- Call and Put Option Agreement dated 11 February 2002 between PNS ("the Vendor") and Raja Taharudin bin Raja Datuk Nong Chik ("the First Purchaser") and Ding Chong Chow, Ding Seng Huat, Ding Choon Yung, Cheng Lay Miew, Hong Lew Wea ("the Second Purchasers"), whereby the Vendor agreed to grant the First Purchaser a call option, in respect of seventy five percent (75%) of the Option Shares (i.e the shares subscribed to the vendor as per the Subscription Agreement), in consideration of the First Purchaser granting to the Vendor the First Put Option and the sum of RM1.00. A Supplemental Call and Put Option dated 10 May 2002 was duly executed by all the parties in the Call and Put Option Agreement to vary the terms of the Call and Put Option Agreement.

Name of Interested Parties	Type of Interest in DBE
1. Raja Taharudin bin Raja Datuk Nong Chik	1. Director and substantial shareholder of DBE
2. Ding Chong Chow	2. Director and Substantial Shareholder of DBE
3. Ding Choon Yung	3. Director of DBE
4. Ding Seng Huat	4. Director of DBE
5. Cheng Lay Miew	5. Director of DBE
6. Hong Lew Wea	6. Director of DBE

Hire Purchase Arrangements

- A Letter of Guarantee for Hire Purchase Agreement No.788882019458 between Mayban Finance Berhad and DBE Poultry dated 13 May 1999 by Ding Chong Chow, Ding Choon Yung and Ding Seng Huat in respect of a hire purchase facility of RM300,000 for the hiring of machines (Farm A) at a monthly rental of RM7,250 for a period of sixty (60) months.
- An Individual Guarantee and Indemnity for Hire Purchase Agreement No. IP1/HP/20077124 between Sogelease Advance (M) Sdn Bhd and DBE Poultry dated 3 July 2000 by Ding Chong Chow, Ding Choon Yung and Ding Seng Huat in respect of a hire purchase facility of RM866,599 for the hiring of a Live Bird Area, Slaughtering Surveyor, Slaughtering Equipment, Eviscerating Equipment, Screw Chiller, Device for Feathers Collect and Electric Cubicle payable at a monthly rental of RM23,808 for a period of forty-six (46) months.
- An Individual Guarantee and Indemnity for a Hire Purchase Agreement No PG/1/HP/22017516 dated 22 January 2002 between Sogelease Advance (M) Sdn Bhd and DBE Poultry in respect of a hire purchase facility of RM1,121,236.06 for the purchase of ten (10) sets of poultry equipment and two (2) sets of curtains payable at a monthly rental of RM29,984 for a period of forty-six (46) months.

7. RELATED-PARTY TRANSACTIONS/CONFLICT OF INTEREST (CONT'D)

- An Individual Guarantee and Indemnity for Hire Purchase Agreement No. PG1/HP/20067592 between Sogelease Advance (M) Sdn Bhd and DBE Poultry dated 11 June 2002 by Ding Chong Chow, Ding Choon Yung and Ding Seng Huat in respect of a hire purchase facility of RM258,418 for the hiring of a steam boiler system payable by a monthly rental of RM6,911 for a period of forty-six (46) months.
- A Letter of Guarantee from DBE Poultry to AmFinance Berhad dated 17 October 2003 by Ding Chong Chow, Ding Choon Yung and Ding Seng Huat in respect of a hire purchase Al-Ijarah Thumma Al-Bai (Non-Act) facility of RM3,000,000 for the purchase of machinery, equipment and vehicles at a monthly rental of RM31.81, RM25.04 and RM21.04 according to the period of hire of 36, 38 and 60 months respectively.
- A Guarantee and Indemnity for Hire Purchase Agreement No. PG1/HP/23107988 between Sogelease Advance (M) Sdn Bhd and DBE Poultry dated 30 October 2003 by Ding Chong Chow, Ding Choon Yung and Ding Seng Huat in respect of a hire purchase facility of RM2,006,829.83 for the hiring of 16 sets poultry equipment payable by a monthly rental of RM51,498 for a period of forty-six (46) months.

No.	Name of interested parties	Nature of interest in the DBE Group	Type of interest in transaction
a)	Ding Chong Chow	Substantial shareholder and a director of DBE and DBE Poultry	<ul style="list-style-type: none"> ▪ Guarantors for an individual guarantee and indemnity dated 13 May 1999 for amount financed of RM300,000
b)	Ding Choon Yung	Directors of DBE and DBE Poultry	<ul style="list-style-type: none"> ▪ Guarantors for an individual guarantee and indemnity dated 3 July 2000 for amount financed of RM866,599 ▪ Guarantors for an individual guarantee and indemnity dated 22 January 2002 for amount financed of RM1,121,236.06 ▪ Guarantors for an individual guarantee and indemnity dated 11 June 2002 for amount financed of RM258,418 ▪ Guarantors for a Letter of Guarantee dated 17 October 2003 for amount financed of RM3,000,000 ▪ Guarantors for a guarantee and indemnity dated 30 October 2003 for amount financed of RM2,006,829.83
c)	Ding Seng Huat		

7. RELATED-PARTY TRANSACTIONS/CONFLICT OF INTEREST (CONT'D)

- A Guarantee for Hire Purchase Agreement No.8121727904 between Public Finance Berhad and DBE Poultry dated 7 May 2002 by Ding Chong Chow and Ding Seng Huat in respect of a hire purchase facility of RM340,000 for the hiring of a Mercedes Benz payable at a monthly rental of RM5,266 for a period of eighty-three (83) months and one (1) final instalment of RM5,262.
- A Guarantee for Hire Purchase Agreement No.8121728511 between Public Finance Berhad and DBE Poultry dated 8 May 2002 by Ding Chong Chow and Ding Seng Huat in respect of a hire purchase facility of RM250,000 for for the hiring of a Toyota Harrier payable at a monthly rental of RM3,791 for a period of eighty-three (83) months and one (1) final instalment of RM3,873.
- A Guarantee for Hire Purchase Agreement No.8121739633 between Public Finance Berhad and DBE Poultry dated 30 May 2002 by Ding Chong Chow and Ding Seng Huat in respect of a hire purchase facility of RM470,000 for for the hiring of a BMW payable at a monthly rental of RM7,230 for a period of eighty-three (83) months and one (1) final instalment of RM7,280.
- A Guarantee for Hire Purchase Agreement No. 505-83-10226-7 between Hong Leong Finance Berhad and DBE Poultry dated 8 November 2003 by Ding Chong Chow and Ding Seng Huat in respect of a hire purchase facility of RM410,000 for the hiring of a Mercedes Benz payable at a monthly rental of RM5,992 for a period of eighty-three (83) months and one (1) final instalment of RM5,939.
- A Guarantee for Hire Purchase Agreement No. 505-83-10249-4 between Hong Leong Finance Berhad and DBE Poultry dated 4 December 2003 by Ding Chong Chow and Ding Seng Huat in respect of a hire purchase facility of RM500,000 for the hiring of a BMW payable at a monthly rental of RM7,307 for a period of eighty-three (83) months and one (1) final instalment of RM7,269.

No.	Name of interested parties	Nature of interest in the DBE Group	Type of interest in transaction
a)	Ding Chong Chow	Substantial shareholder and a director of DBE and DBE Poultry	<ul style="list-style-type: none"> ▪ Guarantors for an individual guarantee and indemnity dated 7 May 2002 for amount financed of RM340,000
b)	Ding Seng Huat	Director of DBE and DBE Poultry	<ul style="list-style-type: none"> ▪ Guarantors for an individual guarantee and indemnity dated 8 May 2002 for amount financed of RM250,000 ▪ Guarantors for an individual guarantee and indemnity dated 30 May 2002 for amount financed of RM470,000 ▪ Guarantors for Hire Purchase Agreement dated 8 November 2003 for amount financed of RM410,000

7. RELATED-PARTY TRANSACTIONS/CONFLICT OF INTEREST (CONT'D)

No.	Name of interested parties	Nature of interest in the DBE Group	Type of interest in transaction
			<ul style="list-style-type: none"> Guarantors for Hire Purchase Agreement dated 4 December 2003 for amount financed of RM500,000.

- A Guarantee for Hire Purchase Agreement No.026-10-01342-2 between Affin-ACF Finance Berhad and DBE Food Processing dated 8 August 2000 by Ding Chong Chow, Ding Seng Huat and Hong Lew Wea in respect of a hire purchase facility of RM310,000 for the hiring of Coldroom Equipment payable by a monthly rental of RM10,420 for a period of thirty-five months (35) months and one (1) final instalment of RM10,400.

No.	Name of interested parties	Nature of interest in the DBE Group	Type of interest in transaction
a)	Ding Chong Chow	Substantial shareholder and a director of DBE and DBE Food Processing	<ul style="list-style-type: none"> Guarantors for an individual guarantee and indemnity dated 8 August 2000 for amount financed of RM310,000
b)	Ding Seng Huat	Directors of DBE and DBE Food Processing	
c)	Hong Lew Wea		

Banking Arrangements

- A Personal Guarantee dated 30 August 2001 by Ding Chong Chow, Ding Seng Huat and Hong Lew Wea in favor of OCBC Bank (Malaysia) Berhad in respect of a facility pursuant to the Islamic financing principle of Al-Bai Bithaman Ajil of RM376,000.

No.	Name of interested parties	Nature of interest in the DBE Group	Type of interest in transaction
a)	Ding Chong Chow	Substantial shareholder and a director of DBE and DBE Food Processing	<ul style="list-style-type: none"> Guarantors for a Personal Guarantee dated 30 August 2001 for a facility pursuant to the Islamic financing principle of Al-Bai Bithaman Ajil of RM376,000
b)	Ding Seng Huat	Director of DBE and DBE Food Processing	
c)	Hong Lew Wea		

- A Letter of Guarantee and Indemnity dated 25 October 2001 by Ding Chong Chow, Ding Seng Huat and Cheng Lay Miew in favor of OCBC Bank (Malaysia) Berhad in respect of a banking facility of RM14,550,000.

7. RELATED-PARTY TRANSACTIONS/CONFLICT OF INTEREST (CONT'D)

No.	Name of interested parties	Nature of interest in the DBE Group	Type of interest in transaction
a)	Ding Chong Chow	Substantial shareholder and a director of DBE and DBE Poultry	<ul style="list-style-type: none"> Guarantors for a joint and several guarantee indemnity dated 25 October 2001 for a principal sum of RM14,550,000
b)	Ding Seng Huat	Director of DBE and DBE Poultry	
c)	Cheng Lay Miew	Director of DBE	

- A Letter of Guarantee and Indemnity dated 7 November 2002 by Ding Chong Chow, Ding Seng Huat and Cheng Lay Miew in favor of OCBC Bank (Malaysia) Berhad in respect of an overdraft and term loan facility of RM2,750,000.
- A Personal Guarantee dated 7 November 2002 by Ding Chong Chow, Ding Seng Huat and Cheng Lay Miew in favor of OCBC Bank (Malaysia) Berhad in respect of a facility pursuant to the Islamic financing principle of Al-Bai Bithaman Ajil of RM1,750,000.
- A Letter of Guarantee dated 5 August 2003 by Ding Chong Chow, Ding Seng Huat and Cheng Lay Miew in favor of OCBC Bank (Malaysia) Berhad in respect of a credit facility of RM3,000,000.

No.	Name of interested parties	Nature of interest in the DBE Group	Type of interest in transaction
a)	Ding Chong Chow	Substantial shareholder and a director of DBE and DBE Poultry	<ul style="list-style-type: none"> Guarantors for a joint and several guarantee indemnity dated 7 November 2002 for a term loan facility of RM2,750,000 Guarantors for a joint and several guarantee indemnity dated 7 November 2002 for a facility pursuant to the Islamic financing principle of Al-Bai Bithaman Ajil of RM1,750,000 Guarantors for a Letter of Guarantee dated 5 August 2003 for a credit facility of RM3,000,000.
b)	Ding Seng Huat	Director of DBE and DBE Poultry	
c)	Cheng Lay Miew	Director of DBE	

- A Letter of Guarantee and Indemnity dated 10 January 2003 by Ding Chong Chow, Ding Choon Yung and Ding Seng Huat in favor of Alliance Bank Berhad in respect of a banking facility of RM12,300,000.
- A Deed of Guarantee and Indemnity dated 10 September 2003 by Ding Chong Chow, Ding Choon Yung and Ding Seng Huat in favour of Bank Pertanian Malaysia in respect of a banking facility of RM7,000,000.

7. RELATED-PARTY TRANSACTIONS/CONFLICT OF INTEREST (CONT'D)

No.	Name of interested parties	Nature of interest in the DBE Group	Type of interest in transaction
a)	Ding Chong Chow	Substantial shareholder and a director of DBE and DBE Poultry	<ul style="list-style-type: none"> Guarantors for a joint and several guarantee indemnity dated 10 January 2003 for a banking facility of RM12,300,000. Guarantors for a Deed of Guarantee and Indemnity dated 10 September 2003 for a banking facility of RM7,000,000.
b)	Ding Choon Yung	Directors of DBE and DBE Poultry	
c)	Ding Seng Huat		

Guarantee

- A Letter of Guarantee dated 14 July 2001 between Hong Lew Wea, Ding Seng Huat, Ding Chong Chow, Ding Choon Yung and Cheng Lay Miew and Raja Taharudin Bin Raja Datuk Nong Chik pursuant to the Shareholders Agreement dated 14 July 2001.

Name of Interested Parties	Nature of Interest in the DBE Group	Type of Interest in transaction
Raja Taharudin bin Raja Datuk Nong Chik	Director and substantial shareholder of DBE	Guarantee dated 14 July 2001 in favor of Raja Taharudin bin Raja Datuk Nong Chik

- A Letter dated 5 November 2002 by PNS requesting Hong Lew Wea, Ding Seng Huat, Ding Chong Chow, Ding Choon Yung and Cheng Lay Miew, Raja Taharudin bin Raja Datuk Nong Chik and Fortune Junction Sdn. Bhd. to guarantee that the profit after tax of the DBE Group of Companies for the financial year ended 2002 shall be not less than RM8,500,000.
- A Letter of Guarantee dated 31 January 2003 between Hong Lew Wea, Ding Seng Huat, Ding Chong Chow, Ding Choon Yung and Cheng Lay Miew, Raja Taharudin bin Raja Datuk Nong Chik and Fortune Junction Sdn. Bhd. in favor of Perbadanan Nasional Berhad pursuant to the Subscription Agreement dated 11 February 2002.

Name of Interested Parties	Nature of Interest in the DBE Group	Type of Interest in transaction
1. Raja Taharudin bin Raja Datuk Nong Chik 2. Ding Chong Chow 3. Ding Choon Yung 4. Ding Seng Huat 5. Cheng Lay Miew 6. Hong Lew Wea 7. Fortune Junction Sdn Bhd	1. Director and substantial shareholder of DBE 2. Director and substantial shareholder of DBE 3. Director of DBE 4. Director of DBE 5. Director of DBE 6. Director of DBE 7. Substantial Shareholder of DBE	Guarantee dated 5 November 2002 and 31 January 2003 in favor of PNS

7. RELATED-PARTY TRANSACTIONS/CONFLICT OF INTEREST (CONT'D)

- Personal Continuing Guarantee and Indemnity dated 30 December 1999 executed by Ding Chong Chow, Cheng Lay Miew and Ding Seng Huat in favour of JBFM Feedmill Sdn Bhd ("JBFM") for RM500,000 in respect of an undocumented supply contract between JBFM and DBE Breeding.

Name of Interested Parties	Nature of Interest in the DBE Group	Type of Interest in transaction
1. Ding Chong Chow	Substantial shareholder and Director of DBE and DBE Breeding	Guarantors for the personal continuing guarantee and indemnity dated 30 December 1999 for the amount of RM500,000
2. Cheng Lay Miew	Directors of DBE and DBE Breeding	
3. Ding Seng Huat		

- Personal Continuing Guarantee and Indemnity dated 5 May 2000 executed by Ding Chong Chow, Ding Choon Yung and Ding Seng Huat in favour of JBFM for RM1,500,000 in respect of an undocumented supply contract between JBFM and DBE Poultry.

Name of Interested Parties	Nature of Interest in the DBE Group	Type of Interest in transaction
1. Ding Chong Chow	Substantial shareholder and Director of DBE and DBE Poultry	Guarantors for the personal continuing guarantee and indemnity dated 5 May 2000 for the amount of RM1,500,000
2. Ding Choon Yung	Directors of DBE and DBE Poultry	
3. Ding Seng Huat		

7.2 Interest in Similar Business

Save as disclosed below and to the best of knowledge and belief of the Directors and substantial shareholders of DBE, as at 15 December 2003 (being the latest practicable date prior to the printing of this Prospectus), none of the other Directors and/or substantial shareholders of DBE are interested, direct or indirect in any business carrying on a similar trade as the Company and its subsidiaries:-

- PNS's financial arrangement with Dinar Emas Ternak Sdn Bhd ("DETSB")

On 17 November 1999, PNS had approved the subscription of 500,000 units of convertible redeemable guaranteed loan stock at a price of RM1.00 each for a total consideration of RM500,000. PNS had fully subscribed the loan stock on 9 and 28 February 2000 for a total consideration of RM200,000 and RM300,000 respectively. PNS investment period shall expire on 8 February 2005 and may be extended for another three(3) years subject to mutual agreement by PNS. The principal activities of DETSB are the operating of chicken broiler farms and broiler chicken contract farming, wholesaling of livestock feed and processed chicken.

PNS is of the opinion that conflict of interest should not arise due to the following reasons:

- PNS involvement in DETSB is merely as an investor, providing financial assistance via the subscription of convertible redeemable guaranteed loan stock and is without any management control over the state of affairs of DETSB; and
- PNS has no intention to convert the 500,000 units of convertible redeemable guaranteed loan stock into DETSB ordinary shares in the foreseeable future.

7. RELATED-PARTY TRANSACTIONS/CONFLICT OF INTEREST (CONT'D)

The Directors and/or substantial shareholders of DBE have given an undertaking that all business transactions between the DBE Group and the Directors and/or substantial shareholders shall be on arms length basis and on commercial terms that are not to the disadvantage to the DBE Group.

7.3 Declaration by the Advisers

AmMerchant Bank hereby confirms that there is no conflict of interest in its capacity as the Adviser for the IPO.

Messrs Lee Choon Wan & Co has given its confirmation that there is no conflict of interest in its capacity as the Solicitors for the IPO.

Messrs Siva Tan & Co has given its confirmation that there is no conflict of interest in its capacity as the Auditors and Reporting Accountants in relation to the IPO.

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8. LANDED PROPERTIES**8.1 The landed properties owned by the DBE Group are set out below:-**

No.	Registered Owner/ Title/Address	Description and existing use	Title land area	Built-up area (m ²)	Tenure from/to	Approximate age of building (year)	Date of acquisition	Conditions/Restrictions in interest	Existing encumbrances	Prices paid (RM)	NBV @ 15.12.03 (RM)
DBE Breeding											
1.	GM 3668 Lot 8015, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Breeder farm F	1.0901 hectares	3,233	Freehold	1	16.02.1993	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: This land (except for the Chinese) cannot be transferred without written approval of the State Authority	Charged to Alliance Bank Malaysia Berhad, Pres. No. 189/2003 on 06.02.2003	58,000.00	58,000.00
2.	HS(M) 272/82 Lot 11946, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land, Broiler farm, DBE 9	2.4838 hectares	6,131	Freehold	5	22.08.1995	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: This land cannot be transferred, sold, charged, leased or encumbered without approval of the Chief Minister of Perak and just to one person only	Charged to Alliance Bank Malaysia Berhad, Pres. No. 190/2003 on 06.02.2003	77,205.00	77,205.00
3.	GM 4133 Lot 7043, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Vacant	1.3683 hectares	-	Freehold	-	08.11.2000	Conditions: Commercial Rubber Plantation Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 189/2003 on 06.02.2003	136,702.50	136,702.50
4.	GM 3666 Lot 5462, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Breeder farm A	1.2318 hectares	4,489	Freehold	10	19.07.2002	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 189/2003 on 06.02.2003	144,000.00	146,795.00

8. LANDED PROPERTIES (CONT'D)

No.	Registered Owner/ Title/Address	Description and existing use	Title land area	Built-up area (m ²)	Tenure from/to	Approximate age of building (year)	Date of acquisition	Conditions/Restrictions on land	Existing encumbrances	Prices paid (RM)	NBV @ 15.12.03 (RM)
DBE Breeding											
5.	GM 3574 Lot 7243, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Breeder farm B	1.10784 hectares	4,548	Freehold	10	19.07.2002	Conditions: Commercial Coco Plantation (Refer to Section 8.2) Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 189/2003 on 06.02.2003	107,400.00	109,463.00
6.	GM 10605 Lot 7044, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Breeder farm C	1.3532 hectares	2,970	Freehold	10	19.07.2002	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 189/2003 on 06.02.2003	149,400.00	152,303.00
7.	GM 10604 Lot 7317, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Breeder farm D	1.1736 hectares	3,010	Freehold	7	19.07.2002	Conditions: Commercial Coco Plantation (Refer to Section 8.2) Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 189/2003 on 06.02.2003	111,000.00	113,380.00
8.	GM 10603 Lot 5466, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Breeder farm E	1.209 hectares	3,010	Freehold	7	19.07.2002	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 189/2003 on 06.02.2003	112,200.00	114,915.00
9.	GM 10602 Lot 5469, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Vacant	1.1964 hectares	-	Freehold	-	19.07.2002	Conditions: Commercial Rubber Plantation Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 189/2003 on 06.02.2003	111,600.00	114,285.00

8. LANDED PROPERTIES (CONT'D)

No.	Registered Owner/ Title/Address	Description and existing use	Title land area	Built-up area (m ²)	Tenure from/to	Approximate age of building (year)	Date of acquisition	Conditions/Restrictions on land	Existing encumbrances	Prices paid (RM)	NBV @ 15.12.03 (RM)
DBE Hatchery											
10.	GM 3665 Lot 5461, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Hatchery	1,2267 hectares	10,219	Freehold	10	19.07.2002	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 189/2003 on 06.02.2003	144,000.00	146,865.00
11.	GM 3669 Lot 8019, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Vacant	1,0294 hectares	-	Freehold	-	19.07.2002	Conditions: Commercial Rubber Plantation Restrictions: This land (except for the Chinese) cannot be transferred without written approval of the State Authority	Charged to Alliance Bank Malaysia Berhad, Pres. No. 183/2003 on 06.02.2003	144,000.00	146,870.00
DBE Poultry											
12.	GM 1843 Lot 10750, Mukim of Belanja, Daerah Perak Tengah, Perak.	Agriculture land Broiler farm, DBE 10	1,6515 hectares	6,735	Freehold	2	12.09.2000	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: This land cannot be transferred, charged, leased or encumbered without approval of the Chief Minister of Perak	Charged to Alliance Bank Malaysia Berhad., Pres. No 61/2003 on 06.02.2003	122,544.00	122,544.00
13.	GM 613 Lot 8326, Mukim of Sitiawan, Daerah Manjung, Perak.	Not stated Broiler farm, DBE 17	1,429 hectares	4,849	Freehold	4	22.07.2002	Nil	Charged to Alliance Bank Malaysia Berhad, Pres. No. 187/2003 on 06.02.2003	153,600.00	156,789.00
14.	GM 10600 Lot 7066, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Vacant	1,1786 hectares	-	Freehold	-	22.07.2002	Conditions: Commercial Rubber Plantation Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 187/2003 on 06.02.2003	111,600.00	113,949.50

8. LANDED PROPERTIES (CONT'D)

No.	Registered Owner/ Title/Address	Description and existing use	Title land area	Built-up area (m ²)	Tenure from/to	Approximate age of building (year)	Date of acquisition	Conditions/Restrictions on land	Existing encumbrances	Prices paid (RM)	NBV @ 15.12.03 (RM)
DBE Poultry											
15.	GM 10599 Lot 7009, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Broiler farm, DBE 6	1.1989 hectares	4,088	Freehold	4	22.07.2002	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 187/2003 on 06.02.2003	111,600.00	113,949.50
16.	GM10598 Lot 5430, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Vacant	1.2646 hectares	-	Freehold	-	22.07.2002	Conditions: Commercial Rubber Plantation Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 187/2003 on 06.02.2003	144,600.00	147,864.50
17.	GRN 48340 Lot 12843, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Broiler farm, DBE 3	1.553 hectares	4,088	Freehold	9	17.07.2002	Conditions: Commercial Rubber Plantation/ Palm Oil Plantation (Refer to Section 8.2) Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 3983/2003 on 06.02.2003	159,000.00	162,297.00
18.	GM 489 Lot 1255, Mukim of Lumut, Daerah Manjung, Perak.	Agriculture land Broiler farm, DBE 2	1.295 hectares	3,995	Freehold	8	22.07.2002	Conditions: Orchard Plantation (Refer to Section 8.2) Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 187/2003 on 06.02.2003	76,800.00	78,862.50
19.	GM 3664 Lot 8336, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Broiler farm, DBE 18	1.1964 hectares	4,069	Freehold	5	22.07.2002	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 187/2003 on 06.02.2003	111,600.00	113,949.50

8. LANDED PROPERTIES (CONT'D)

No.	Registered Owner/ Title/Address	Description and existing use	Title land area	Built-up area (m ²)	Tenure from/to	Approximate age of building (year)	Date of acquisition	Conditions/Restrictions on land	Existing encumbrances	Prices paid (RM)	NBV @ 15.12.03 (RM)
20.	GM 1609 Lot 1313, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Broiler farm, DBE 1	1.9349 hectares	5,667	Freehold	8	22.07.2002	Conditions: Commercial Coconut Plantation (Refer to Section 8.2) Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 187/2003 on 06.02.2003	206,400.00	2'10,680.50
21.	GM 3667 Lot 7062, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Broiler farm, DBE 5	1.2039 hectares	3,716	Freehold	5	22.07.2002	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 187/2003 on 06.02.2003	144,000.00	146,997.50
#22.	GM 5258 Lot 11599, Mukim of Belanja, Daerah Perak Tengah, Perak.	Agriculture land Vacant	4.0321 hectares	-	Freehold	-	10.08.2001 10.10.2001	Nil	1. Charged to OCBC Bank (Malaysia Berhad, Pres. No. 916/2002 on 12.11.2002.	300,000.00	307,385.00
									2. Charged to OCBC Bank (Malaysia) Berhad, Pres. No. 917/2002 on 12.11.2002.		
									3. Charged to OCBC Bank (Malaysia) Berhad, Pres. No. 918/2002 on 12.11.2002.		
23.	GM10601 Lot 5337, Mukim of Sitiawan, Daerah Manjung, Perak.	Agriculture land Vacant	1.2343 hectares	-	Freehold	-	22.07.2002	Conditions: Commercial Rubber Plantation Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 187/2003 on 06.02.2003	146,997.50	146,997.50

8. LANDED PROPERTIES (CONT'D)

No.	Registered Owner/ Title/Address	Description and existing use	Title land area	Built-up area (m ²)	Tenure from/to	Approximate age of building (year)	Date of acquisition	Conditions/Restrictions on land	Existing encumbrances	Prices paid (RM)	NBV @ 15.12.03 (RM)
	DBE Poultry										
24.	HSD 7099 Lot PT 6967, Lot 0-9, Mukim of Lumut, Daerah Manjung, Perak.	Industrial land Feedmills	1.520 hectares		99 years expiring on 18.12.2093	1	17.09.2001	Conditions: Industrial Restrictions: This land cannot be transferred or charged without approval of the Chief Minister of Perak. This restriction is exempt as long as this land is owned by the Perak State Development Corporation	Assigned to OCBC Bank (Malaysia) Berhad by way of Assignment dated 25.10.2001. Master Title charged to Commerce International Merchant Bankers Berhad, Pres. No. 14134/2000 Jil. 9942 Fol. 21. on 24.04.2000	500,000.00	501,009.45
25.	HSD 6250 Lot PT 5001, Lot N., Mukim of Lumut, Daerah Manjung, Perak	Industrial land Feedmills	3.110 hectares		99 years expiring on	1	30.09.2001	Conditions: Industrial Restrictions: This land cannot be transferred or charged without approval of the Chief Minister of Perak	Assigned to OCBC Bank 1,000,000.00 (Malaysia) Berhad by way of Assignment dated 25.10.2001. Master Title charged to Commerce International Merchant Bankers Berhad, Pres. No. 14134/2000 Jil. 9942 Fol. 21. on 24.04.2000	1,009,332.2	
	Plot 137 & 138, Kawasan Perindustrian Pelabuhan Lumut, Kampung Acheh, 32000 Sitawan CF was issued on 28.2.2003				21.12.2094			Restrictions: This land cannot be transferred or charged without approval of the Chief Minister of Perak	Master Title charged to Commerce International Merchant Bankers Berhad, Pres. No. 14134/2000 Jil. 9942 Fol. 21. on 24.04.2000		
26.	GM 1765 Lot 10768, Mukim of Belanja, Daerah Perak Tengah, Perak.	Agriculture land Vacant	1.5855 hectares		Freehold	-	17.07.2002	Conditions: Commercial Rubber Plantation Restrictions: This land cannot be transferred, charged, leased or encumbered without approval of the Chief Minister of Perak	Charged to Alliance Bank Malaysia Berhad, Pres. No. 61/2003 on 06.02.2003	191,667.50	191,667.50
27.	GM 2033 Lot 10846, Mukim of Belanja, Daerah Perak Tengah, Perak.	Agriculture land Vacant	1.7377 hectares		Freehold	-	17.07.2002	Conditions: Commercial Rubber Plantation Restrictions: This land cannot be transferred, charged, leased or encumbered without approval of the Chief Minister of Perak	Charged to Alliance Bank Malaysia Berhad, Pres. No. 61/2003 on 06.02.2003	210,283.50	210,283.50

8. LANDED PROPERTIES (CONT'D)

No.	Registered Owner/ Title/Address	Description and existing use	Title land area	Built-up area (m ²)	Tenure from/to	Approximate age of building (year)	Date of acquisition	Conditions/Restrictions on land	Existing encumbrances	Prices paid (RM)	NBV @ 15.12.03 (RM)
DBE Poultry											
*28.	Ding Chong Chow HS (M) 168/79 Lot 3617, Mukim Pengkalan Baru, Daerah Manjung, Perak.	Agriculture land Vacant	2.4536 hectares	-	Freehold	-	05.02.2001	Conditions: Commercial Rubber Plantation Restrictions: This land cannot be transferred, sold, charged, leased or encumbered without approval of the Chief Minister of Perak and just to one person only	Charged to Alliance Bank Malaysia Berhad, Pres. No. 185/2003 on 06.02.2003	272,835.00	279,626.80
29.	GRN 52054 Lot 4055, Mukim of Lumut, Daerah Manjung, Perak.	Agriculture land Broiler farm, DBE 22	8.5616 hectares	30,167	Freehold	less than 1 year	18.07.2002	Conditions: Commercial Oil Palm Plantation (Refer to Section 8.2) Restrictions: None	None	698,156.25	722,052.00
φ30.	Ching Chee Sew @ Ching Chee Far GM 2034 Lot 10847, Mukim of Belanja, Daerah Perak Tengah, Perak.	Agriculture land Vacant	1.699 hectares	-	Freehold	-	07.07.2003	Conditions: Commercial Rubber Plantation Restriction: This land cannot be transferred, sold, charged, leased or encumbered without approval of the Chief Minister of Perak	None	85,000	85,000

8. LANDED PROPERTIES (CONT'D)

No.	Registered Owner/ Title/Address	Description and existing use	Title land area	Built-up area (m ²)	Tenure from/to	Approximate age of building (year)	Date of acquisition	Conditions/Restrictions on land	Existing encumbrances	Prices paid (RM)	NBV @ 15.12.03 (RM)
DBE Poultry											
31.	GM 1700 Lot 10814, Mukim of Belanja, Daerah Perak Tengah, Perak.	Agriculture land Broiler farm, DBE 30	1.7037 hectares		Freehold	1	17.07.2002	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: This land cannot be transferred, charged, leased or encumbered without approval of the Chief Minister of Perak	Charged to Alliance Bank Malaysia Berhad, Pres. No. 61/2003 on 06.02.2003	201,600.00	205,749.50
DBE Gurney Chicken											
32.	GM 1665 Lot 10815, Mukim of Belanja, Daerah Perak Tengah, Perak.	Agriculture land Broiler farm, DBE 30	1.7138 hectares	18,580	Freehold	1	01.07.1996	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: This land cannot be transferred, sub-leased, charged or taken out without approval of the Chief Minister of Perak	Charged to Alliance Bank Malaysia Berhad, Pres. No. 63/2003 on 06.02.2003	62,940.25	62,940.25
33.	GM 2834 Lot 10813, Mukim of Belanja, Daerah Perak Tengah, Perak.	Agriculture land Broiler farm, DBE 30	0.9585 hectares		Freehold	1	14.05.1996	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: This land cannot be transferred, charged, leased or encumbered without approval of the Chief Minister of Perak	Charged to Alliance Bank Malaysia Berhad, Pres. No. 63/2003 on 06.02.2003	34,761.75	34,761.75
34.	GM 2021 Lot 10823, Mukim of Belanja, Daerah Perak Tengah, Perak.	Agriculture land Broiler farm, DBE 30	1.8643 hectares		Freehold	1	01.07.1996	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: This land cannot be transferred, charged, leased or encumbered without approval of the Chief Minister of Perak	Charged to Alliance Bank Malaysia Berhad, Pres. No. 63/2003 on 06.02.2003	51,395.25	51,395.25

8. LANDED PROPERTIES (CONT'D)

No.	Registered Owner/ Title/Address	Description and existing use	Title land area	Built-up area (m ²)	Tenure from/to	Approximate age of building (year)	Date of acquisition	Conditions/Restrictions on land	Existing encumbrances	Prices paid (RM)	NBV @ 15.12.03 (RM)
DBE Gurney Chicken											
35.	GM 1989 Lot 10751, Mukim of Belanja, Daerah Perak Tengah, Perak.	Agriculture land Broiler farm, DBE 10	1.6389 hectares	6,735	Freehold	2	24.07.1996	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: This land cannot be transferred, charged, leased or encumbered without approval of the Chief Minister of Perak	Charged to Alliance Bank Malaysia Berhad, Pres. No. 63/2003 on 06.02.2003	58,542.50	58,542.50
36.	HS(M) 33/86 Lot PT 624, Mukim of Belanja, Daerah Perak Tengah, Perak.	Agriculture land Broiler farm, DBE 20	2.0234 hectares	9,104	Freehold	7	05.09.1996	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: This land cannot be transferred, charged, leased or encumbered without approval of the Chief Minister of Perak	Charged to Alliance Bank Malaysia Berhad, Pres. No. 63/2003 on 06.02.2003	89,903.00	89,903.00
37.	GM 1868 Lot 10532, Mukim of Belanja, Daerah Perak Tengah, Perak.	Agriculture land Vacant	1.3583 hectares	-	Freehold	-	01.07.1996	Conditions: Commercial Rubber Plantation Restrictions: This land cannot be transferred, charged, leased or encumbered without approval of the Chief Minister of Perak	Charged to Alliance Bank Malaysia Berhad, Pres. No. 63/2003 on 06.02.2003	31,546.25	31,546.25
38.	HS(M) 54/76 Lot 10819, Mukim of Belanja, Daerah Perak Tengah, Perak.	Agriculture land Broiler farm, DBE 40	1.6719 hectares	4,535	Freehold	1	01.07.1996	Conditions: Commercial Rubber Plantation (Refer to Section 8.2) Restrictions: This land cannot be transferred, charged, leased or encumbered without approval of the Chief Minister of Perak	Charged to Alliance Bank Malaysia Berhad, Pres. No. 63/2003 on 06.02.2003	51,254.00	51,254.00

8. LANDED PROPERTIES (CONT'D)

No.	Registered Owner/ Title/Address	Description and existing use	Title land area	Built-up area (m ²)	Tenure from/to	Approximate age of building (year)	Date of acquisition	Conditions/Restrictions on land	Existing encumbrances	Prices paid (RM)	NBV @ 15.12.03 (RM)
DBE Marketing											
39.	PN 25888 Lot 6196, Mukim of Lumut, Daerah Manjung, Perak. No 244, Taman Melati, Jalan Lumut 32040 Lumut Perak	Building land A corner double storey terrace house	236 meter ²	236	99 years expiring on 16.11.2083	18	15.10.1999	Conditions: Residential House Restrictions: None	Charged to Alliance Bank Malaysia Berhad, Pres. No. 3981/2003 on 06.02.2003	100,000.00	100,000.00
	CF was issued on 05.06.1986										
40.	Liong Kam Chong @ Leong Yim Chong & Ng Chwee Gek HS (D) 56277 PT 14487, Mukim Damansara, Daerah Petaling, Selangor.	Building land Intermediate double storey terrace house	153 meter ²	163	Freehold	10	04.09.2003	Conditions: Residential House Restriction: None	Charged to Minister of Finance (Inc) Malaysia Pres.no:23246/93 Jilid 43 folio 161 on 02.07.1993	326,000	326,000.00
	CF was issued on 6.7.1994										
DBE Food Processing											
41.	PM 2171 Lot 67928, Mukim Hulu Kinta, Daerah Kinta, Perak.	Agriculture land Vacant	0.6656 hectares	-	60 years expiring on 25.01.2038		17.07.2002	Conditions: Lime Orchard Plantation Restrictions: None	None	60,000.00	61,215.00
42.	PN 130993 Lot 172, Mukim Bandar Tambun, Daerah Kinta, Perak. No.17 Persiaran Tambun 1/1, Taman Tambun Baru, 31400 Ipoh, Perak	Building land Intermediate double storey terrace house	130 meter ²	130	99 years expiring on 27.08.2083	8	13.09.1997	Conditions: Residential House Restrictions: None	None	140,595.19	129,821.00
	CF was issued on 12.07.1994										

8. LANDED PROPERTIES (CONT'D)**Notes:**

[^] DBE Poultry entered into a Sale and Purchase Agreement and Deed of Assignment with DBE Hatchery on 17 September 2001 and 16 October 2001 respectively and the full purchase price has been paid. The principal Sale and Purchase Agreement was made between DBE Hatchery and Lumut Maritime Terminal Sdn Bhd on 30 May 1995. The master title is held under Lumut Maritime Terminal Sdn Bhd. Pursuant to the Sale and Purchase Agreement dated 30 May 1995, it is the obligation of Lumut Maritime Terminal Sdn Bhd to apply for the sub-division.

^{^^} DBE Poultry entered into a Sale and Purchase Agreement and Deed of Assignment with DBE Food Processing on 17 September 2001 and 16 October 2001 respectively and the full purchase price has been paid. The principal Sale and Purchase Agreement was made between DBE Food Processing and Lumut Maritime Terminal Sdn Bhd on 30 May 1995. The master title is held under Lumut Maritime Terminal Sdn Bhd who is to apply for sub-division of the land. Pursuant to the Sale and Purchase Agreement dated 30 May 1995, it is the obligation of Lumut Maritime Terminal Sdn Bhd to apply for the sub-division.

Φ DBE Poultry entered into a Sale and Purchase Agreement with Ching Chee Sew @ Ching Chee Far on 7 July 2003. The full purchase price has been paid and DBE Poultry has obtained vacant possession of the land. The memorandum of transfer has been executed and is pending adjudication of stamp duty.

Ψ DBE Marketing entered into a Sale and Purchase Agreement with Liong Kam Chong @ Leong Yim Chong & Ng Chwee Gek on 4 September 2003 and the full purchase price has been paid. The memorandum of transfer has been executed and is pending adjudication of stamp duty.

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Due to a restriction in interest on the land, an application for consent to transfer has to be made before the land can be transferred to DBE Poultry. This application has been submitted on 15 August 2003 and has been approved by the Pejabat Tanah dan Galian Perak by their letter dated 17 October 2003.

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The said land was owned by two individual proprietors in equal half shares each and two agreements were entered into between DBE Poultry with the said proprietors on 17.07.2001 and 30.05.2001 respectively. The first half share in the land was transferred on 10.08.2001 and the other half share was transferred on 10.10.2001.

1.

By a letter dated 7 August 2003, the Majlis Daerah Perak Tengah confirmed that they are satisfied with the location of the broiler, breeder and hatchery farms upon finding that the chicken coops have a closed-house system, are at an appropriate distance from housing estates and do not pollute the environment. As such, the Majlis Daerah Perak Tengah confirmed that they have no objections to DBE operating the broiler, breeder and hatchery farms without a certificate of fitness.

2.

By a letter dated 7 and 23 August 2003, the Majlis Perbandaran Manjung confirmed that no certificate of fitness was required for the broiler, breeder and hatchery farms as the lands concerned were not within the jurisdiction of Majlis Perbandaran Manjung.

3.

All the Dates of acquisition are dates in which the lands were presented for transfer save for the lands known as Lot 0-9 and Lot N, Mukim of Lumut, Perak which reflect the date of final payment based on DBE's accounting records and GM2034 Lot 10847, Mukim of Belanja, Daerah Perak Tengah, Perak and HS(D) 56277 PT 14487, Mukim Damansara, Daerah Petaling, Selangor which reflect the date of the Sale and Purchase Agreement.

Consistent with the present accounting policies of the Group, there is no revaluation undertaken on the Group's properties in respect of the listing exercise. The values of the properties are based on net book values as at 15 December 2003 (being the latest practicable date prior to the printing of this Prospectus).

8. LANDED PROPERTIES (CONT'D)**8.2 Change of land use conditions**

The DBE Group had on 13 August 2003 applied to the PPTG to seek the PPTG's consent to change the express conditions allocated to certain lands as more particularly described below to allow the DBE Group to carry on poultry farming activities on the said lands. As at the date of this Prospectus, PPTG, vide its letter dated 12 December 2003, had approved the said application.

Land Offices	Beneficial Owner	Location	Remarks
(i) Pejabat Pengarah Tanah Dan Galian, Perak	DBE Poultry	GM 1843 Lot 10750, GM 1700 Lot 10814, Mukim Belanja, Daerah Perak Tengah.	Express conditions on these land titles restrict the use of these lands to the planting of rubber.
	DBE Gurney Chicken	GM 1989 Lot 10751, HS(M) 33/86 (PT 624), HS(M) 54/76 Lot 10819, GM 1665 (Lot 10815), GM 2834 Lot 10813, GM 2021 Lot 10823, Mukim Belanja, Daerah Perak Tengah.	
(ii) Pejabat Pengarah Tanah Dan Galian, Perak	DBE Breeding	GM 3668 Lot 8015, HS(M) 272/82 Lot 11946, GM3666 Lot 5462, GM 3574 Lot 7243, GM 10605 Lot 7044, GM 10604 Lot 7317, GM 10603 Lot 5466 Mukim Sitiawan, Daerah Manjung	Express conditions on these land titles restrict the use of these lands as an orchard and to the planting of rubber, coco and palm oil.
	DBE Poultry	GM10599 Lot 7009, GRN 48340 Lot 12843, GM 489 Lot 1255, GM 3664 Lot 8336, GM 1609 Lot 1313, GM 3667 Lot 7062, GRN52054 Lot 4055, Mukim Sitiawan, Daerah Manjung	
	DBE Hatchery	GM 3665 Lot 5461 Mukim Sitiawan, Daerah Manjung	