



P.A. RESOURCES BERHAD



## P.A. RESOURCES BERHAD

(Company No.: 664612-X)  
(Incorporated in Malaysia under the Companies Act, 1965)

PUBLIC ISSUE OF 9,600,000 NEW ORDINARY SHARES OF RM0.50 EACH AT AN ISSUE PRICE OF RM0.70 PER ORDINARY SHARE PAYABLE IN FULL ON APPLICATION COMPRISING:

- 1,600,000 NEW ORDINARY SHARES OF RM0.50 EACH AVAILABLE FOR APPLICATION BY OUR ELIGIBLE EMPLOYEES;
- 2,000,000 NEW ORDINARY SHARES OF RM0.50 EACH TO IDENTIFIED INVESTORS BY WAY OF PRIVATE PLACEMENT; AND
- 6,000,000 NEW ORDINARY SHARES OF RM0.50 EACH AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC; AND

SPECIAL ISSUE OF 27,600,000 NEW ORDINARY SHARES OF RM0.50 EACH AT AN ISSUE PRICE OF RM0.70 PER ORDINARY SHARE PAYABLE IN FULL ON APPLICATION TO THE BUMIPUTERA INVESTORS NOMINATED BY AN INDEPENDENT PLACEMENT AGENT AND APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY BY WAY OF PRIVATE PLACEMENT

IN CONJUNCTION WITH OUR LISTING ON THE SECOND BOARD OF BURSA MALAYSIA SECURITIES BERHAD

*Adviser, Managing Underwriter, Underwriter and Placement Agent*

# CIMB

Commerce International Merchant Bankers Berhad

*Company Number 18417-M*

*Underwriter*

# OSK

**OSK SECURITIES BERHAD**

(Company No.: 14152-V)

*(A Participating Organisation of Bursa Malaysia Securities Berhad)*

FOR INFORMATION CONCERNING RISK FACTORS WHICH YOU SHOULD CONSIDER SEE "RISK FACTORS" IN SECTION 4 HEREIN.

**THIS PROSPECTUS IS DATED 29 MARCH 2006.**

# PROSPECTUS



PROSPECTUS



OUR DIRECTORS AND PROMOTERS HAVE SEEN AND APPROVED THIS PROSPECTUS AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION IN THIS PROSPECTUS. THEY CONFIRM, AFTER HAVING MADE ALL REASONABLE ENQUIRIES, THAT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS WHICH, IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS PROSPECTUS FALSE OR MISLEADING. OUR DIRECTORS ACCEPT FULL RESPONSIBILITY FOR THE PROFIT FORECAST IN THIS PROSPECTUS AND CONFIRM IT HAS BEEN PREPARED BASED ON THE ASSUMPTIONS MADE.

COMMERCE INTERNATIONAL MERCHANT BANKERS BERHAD ("CIMB"), AS THE ADVISER, MANAGING UNDERWRITER, UNDERWRITER AND PLACEMENT AGENT TO OUR PUBLIC ISSUE AND SPECIAL ISSUE, 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 ON THE PUBLIC ISSUE AND THE SPECIAL ISSUE. CIMB IS SATISFIED THAT THE PROFIT FORECAST (FOR WHICH OUR DIRECTORS ARE FULLY RESPONSIBLE) HAS BEEN INCLUDED IN THIS PROSPECTUS, AFTER DUE AND CAREFUL ENQUIRY BY OUR DIRECTORS AND HAVE BEEN DULY REVIEWED BY OUR REPORTING ACCOUNTANTS.

THE SECURITIES COMMISSION ("SC") HAS APPROVED OUR PUBLIC ISSUE AND SPECIAL ISSUE. HOWEVER, THIS IS NOT AN INDICATION THAT THE SC RECOMMENDS THE PUBLIC ISSUE AND SPECIAL ISSUE. OUR ADMISSION TO THE OFFICIAL LIST OF BURSA SECURITIES IS NOT TO BE TAKEN AS AN INDICATION OF OUR MERITS, THE MERITS OF OUR SHARES, THE PUBLIC ISSUE OR THE SPECIAL ISSUE.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE IN THIS PROSPECTUS BY US. THE SC ALSO TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS AND MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS. THE SC SHALL NOT BE LIABLE FOR ANY LOSS THAT YOU MAY SUFFER AS A RESULT OF YOUR RELIANCE ON THE WHOLE OR ANY PART OF THIS PROSPECTUS. **YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE PUBLIC ISSUE, SPECIAL ISSUE AND AN INVESTMENT IN US. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER BEFORE APPLYING FOR OUR SHARES.**

THE VALUATION APPROVED OR ACCEPTED BY THE SC SHALL ONLY BE USED FOR THE PURPOSE OF THE CORPORATE PROPOSALS SUBMITTED TO AND APPROVED BY THE SC. IT SHALL NOT BE CONSTRUED AS AN ENDORSEMENT BY THE SC ON THE VALUE OF THE SUBJECT ASSETS FOR ANY OTHER PURPOSES.

BURSA SECURITIES IS NOT LIABLE FOR ANY NON-DISCLOSURE IN THIS PROSPECTUS BY US. BURSA SECURITIES ALSO TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS AND MAKES NO REPRESENTATION AS TO ITS CORRECTNESS OR COMPLETENESS. BURSA SECURITIES SHALL NOT BE LIABLE FOR ANY LOSS THAT YOU MAY SUFFER AS A RESULT OF YOUR RELIANCE ON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

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

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**DEFINITIONS**


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In this Prospectus, unless the context otherwise requires, the following abbreviations shall apply throughout:

Acquisition of Industrial Building	: Acquisition by PAE of a double-storey mid terraced light industrial building for a cash consideration of RM850,000
Acquisition of PAE	: Acquisition by us of the entire equity interest in PAE comprising 4,000,000 PAE Shares for a total purchase consideration of RM15,500,000. It was satisfied wholly by the issuance of RM15,500,000 ordinary shares of RM1.00 in PA, credited as fully paid-up, at an issue price of RM1.00 per share. The acquisition was completed on 19 December 2005
Acquisition of PAS	: Acquisition by us of the entire equity interest in PAS comprising 3,000,000 PAS Shares for a total purchase consideration of RM7,600,000. It was satisfied wholly by the issuance of 7,600,000 ordinary shares of RM1.00 in PA, credited as fully paid-up, at an issue price of RM1.00 per share. The acquisition was completed on 19 December 2005
Acquisitions	: The Acquisition of PAE and the Acquisition of PAS, collectively, which form part of the Pre-IPO Restructuring
Act	: Companies Act, 1965 of Malaysia
ADA	: Authorised Depository Agent
AFTA	: Asean Free Trade Area
Application(s)	: The application for the Public Issue Shares by way of Application Forms or by way of Electronic Share Application
Application Form(s)	: The printed application form(s) for the application of the Public Issue Shares
Approved Market Place	: A stock exchange which is specified to be an approved market place in the Securities Industry (Central Depositories) (Exemption) (No. 2) Order 1998
ATM	: Automated Teller Machine
Board	: Our Board of Directors
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd ( <i>Company No. 165570-W</i> )
Bursa Securities	: Bursa Malaysia Securities Berhad ( <i>Company No. 635998-W</i> ), a wholly-owned subsidiary of Bursa Malaysia Berhad ( <i>Company No. 30632-P</i> )
CDS	: Central Depository System
CIMB	: Commerce International Merchant Bankers Berhad ( <i>Company No. 18417-M</i> )
Dividend Payment	: Dividend in aggregate of RM4,000,000 declared to shareholders of PAE and PAS prior to the completion of the Acquisitions
DOE	: Department of Environment
Electronic Share Application	: The application for the Public Issue Shares through a Participating Financial Institution's ATM

DEFINITIONS (*CONT'D*)

EPS	:	Earnings per share
FIC	:	Foreign Investment Committee
IPO	:	Initial public offering of the Public Issue Shares and Special Issue Shares, subject to the terms and conditions of this Prospectus
Infocredit D&B	:	Infocredit D&B (Malaysia) Sdn Bhd ( <i>Company No. 527570-M</i> )
Listing	:	The admission to the Official List of Bursa Securities and the listing of and quotation for our Shares on the Second Board of Bursa Securities
LME	:	London Metal Exchange
Market Day(s)	:	Any day between Mondays and Fridays (inclusive) which is not a public holiday and on which Bursa Securities is open for trading
MIDA	:	Malaysian Industrial Development Authority
MIH	:	Malaysian Issuing House Sdn Bhd ( <i>Company No. 258345-X</i> )
MITI	:	Ministry of International Trade and Industry
MNC	:	Multi-national corporations
MT	:	Metric Tonne
NBV	:	Net book value
NTA	:	Net tangible assets
PA or Company	:	P.A. Resources Berhad ( <i>Company No. 664612-X</i> )
PA Group or Group	:	PA and its subsidiaries, collectively
PAE	:	P.A. Extrusion (M) Sdn Bhd ( <i>Company No. 384326-A</i> )
PAE Shares	:	Ordinary shares of RM1.00 each in PAE
PAMC	:	PAR Metal Casting Sdn Bhd ( <i>Company No. 682092-W</i> )
PAMP	:	PA Metal Processing Sdn Bhd ( <i>Company No. 684445-V</i> )
Participating Financial Institution(s)	:	The participating financial institution(s) for Electronic Share Application as listed in Section 17.3.3
PAS	:	Professional Aluminium Smelting Sdn Bhd ( <i>Company No. 613629-K</i> )
PAS Shares	:	Ordinary shares of RM1.00 each in PAS
PAT	:	Profit after taxation
PBT	:	Profit before taxation
PE Multiple	:	Price-earnings multiple

**DEFINITIONS (CONT'D)**

Pre-IPO Restructuring	:	Our pre-IPO restructuring comprising the Acquisitions, Dividend Payment, Rights Issue, Acquisition of Industrial Building and Share Split. Details are set out in Section 6.3
Public Issue	:	Public issue of the Public Issue Shares at an issue price of RM0.70 per Share, payable in full on application, to (i) our eligible employees; (ii) the Malaysian public; and (iii) identified investors
Public Issue Shares	:	9,600,000 new Shares available for subscription under the Public Issue, subject to the terms and conditions of this Prospectus, which expression shall include any of such shares
QC	:	Quality control
R&D	:	Research and development
Rights Issue	:	Renounceable rights issue of 4,000,000 ordinary shares of RM1.00 each ("Rights Shares") at an issue price of RM1.00 per Rights Share on the basis of approximately 17 Rights Shares for every 100 ordinary shares of RM1.00 each in PA held. The right issue was completed on 27 January 2006
SC	:	Securities Commission
SC Guidelines	:	Policies and Guidelines on Issue/Offer of Securities issued by the SC
Share(s)	:	Ordinary shares of RM0.50 each in our Company
Share Split	:	Share split of our existing ordinary shares of RM1.00 each into two (2) shares. The share split was completed on 17 February 2006
Special Issue	:	Special issue of 27,600,000 Shares to Bumiputera placees approved by MITI at an issue price of RM0.70, that forms part of the IPO
Special Issue Shares	:	27,600,000 new Shares available by way of private placement under the Special Issue, subject to the terms and conditions of this Prospectus, which expression shall include any of such shares
TD Aziz or Valuer	:	TD Aziz Sdn Bhd ( <i>Company No. 65217A</i> )
USA	:	United States of America
<b>Currencies:</b>		
RM and sen	:	Ringgit Malaysia and sen, respectively
USD	:	United States Dollars

All references to "our Company" and "PA" in this Prospectus are to P.A. Resources Berhad, references to "our Group" is to our Company and our subsidiaries and references to "we", "us", "our" and "ourselves" is to our Company, and save where the context otherwise requires our subsidiaries. Unless the context otherwise requires, references to "Management" are to our Directors and key management personnel as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

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**INDICATIVE TIMETABLE**

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The following events are intended to take place on the following tentative dates:

<b>Events</b>	<b>Date</b>
Opening of Applications	29 March 2006
Closing of Applications	5 April 2006
Tentative date for balloting	7 April 2006
Tentative date for despatch of notices of allotment to successful applicants	17 April 2006
Tentative date for Listing	18 April 2006

**Note:**

*This timetable is tentative and is subject to changes which may be necessary to facilitate implementation procedures. The Application period will remain open until 5.00 p.m. on 5 April 2006 or such other later date or dates as our Directors and/or the Managing Underwriter may mutually decide, at their absolute discretion. We will announce any extension of the Public Issue and Special Issue in a widely circulated Bahasa Melayu and English newspaper within Malaysia.*

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