

P R O S P E C T U S



PREMIUM NUTRIENTS BERHAD
(Company No. 589272-D)
(Incorporated in Malaysia under the Companies Act, 1965)

OFFER FOR SALE

OF 43,208,000 ORDINARY SHARES OF RM1.50 EACH AT AN OFFER PRICE OF RM1.50 PER SHARE PAYABLE IN FULL ON APPLICATION COMPRISING

- (1) 3,000,000 ORDINARY SHARES OF RM1.50 EACH IN PREMIUM NUTRIENTS BERHAD (COMPANY NO. 589272-D) ("PREMIUM") AVAILABLE FOR APPLICATION ON A NON-RENOUNCEABLE BASIS BY THE SHAREHOLDERS OF BRIDGECON HOLDINGS BERHAD (SPECIAL ADMINISTRATORS APPOINTED) (272302-V) WHOSE NAMES APPEAR ON THE RECORD OF DEPOSITORS AT 5.00 PM ON 23 JUNE 2003 PRIOR TO THE SHARE EXCHANGE (AS DEFINED HEREIN)
- (2) 5,000,000 ORDINARY SHARES OF RM1.50 EACH AVAILABLE FOR APPLICATION BY ELIGIBLE DIRECTORS, EMPLOYEES, SUPPLIERS, CUSTOMERS AND AGENTS OF PREMIUM GROUP
- (3) 5,000,000 ORDINARY SHARES OF RM1.50 EACH AVAILABLE FOR APPLICATION BY BUMIPUTERA INVESTORS APPROVED BY MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY
- (4) 20,000,000 ORDINARY SHARES OF RM1.50 EACH BY WAY OF PRIVATE PLACEMENT
- (5) 10,208,000 ORDINARY SHARES OF RM1.50 EACH TO THE MALAYSIAN PUBLIC (OF WHICH 30% WILL BE ALLOCATED TO BUMIPUTERA INVESTORS)

PURSUANT TO ITS LISTING ON THE SECOND BOARD OF
KUALA LUMPUR STOCK EXCHANGE

Advisor, Managing Underwriter and Placement Agent



PUBLIC MERCHANT BANK BERHAD (14328-A)
(Wholly-Owned Subsidiary of Public Bank Berhad)

THE NEW ORDINARY SHARES ISSUED HEREBY INVOLVE A CERTAIN DEGREE OF RISK. FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" IN SECTION 5 HEREIN

This Prospectus is dated 30 June 2003

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTERS OF PREMIUM NUTRIENTS BERHAD (589272-D) ("PREMIUM" OR "COMPANY") AND THE OFFERORS AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION GIVEN AND CONFIRM THAT, AFTER HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN FALSE OR MISLEADING.

PUBLIC MERCHANT BANK BERHAD (14328-V), THE ADVISER, MANAGING UNDERWRITER AND PLACEMENT AGENT, ACKNOWLEDGE THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE PUBLIC OFFERING AND ARE SATISFIED THAT THE PROFIT FORECAST (FOR WHICH THE DIRECTORS OF PREMIUM ARE FULLY RESPONSIBLE) PREPARED FOR INCLUSION IN THIS PROSPECTUS HAVE BEEN STATED BY THE DIRECTORS AFTER DUE AND CAREFUL ENQUIRY AND HAVE BEEN DULY REVIEWED BY THE REPORTING ACCOUNTANTS.

THE SECURITIES COMMISSION ("SC") HAS APPROVED THE OFFER FOR SALE BUT THAT APPROVAL SHALL NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE OFFER FOR SALE, WHICH ARE THE SUBJECT OF THIS PROSPECTUS. THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF PREMIUM AND ASSUMES NO RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENTS MADE OR OPINION OR REPORTS EXPRESSED IN THIS PROSPECTUS. **INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT.**

THE KUALA LUMPUR STOCK EXCHANGE ("KLSE") ASSUMES NO RESPONSIBILITY FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS PROSPECTUS. ADMISSION TO THE OFFICIAL LIST OF THE SECOND BOARD OF KLSE IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE COMPANY OR OF ITS SECURITIES.

A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED BY THE SC AND LODGED WITH THE CHIEF EXECUTIVE OFFICER OF THE COMPANIES COMMISSION OF MALAYSIA ("CCM") WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

INDICATIVE TIMETABLE

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

Event	Tentative Date
Opening date for the Offer for Sale	30 June 2003
Closing date for the Offer for Sale	15 July 2003
Balloting date for applications for Offer Shares by the Malaysian public	17 July 2003
Allotment date	28 July 2003
Listing of the Company's entire issued and paid-up share capital on the Second Board of KLSE	1 August 2003

Note:

THIS TIMETABLE IS TENTATIVE AND IS SUBJECT TO CHANGES WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES. THE APPLICATION PERIOD WILL REMAIN OPEN UNTIL 8.00 P.M. ON 15 JULY 2003 OR FOR SUCH FUTURE PERIOD OR PERIODS AS THE DIRECTORS AND PROMOTERS OF PREMIUM TOGETHER WITH THE MANAGING UNDERWRITER IN THEIR ABSOLUTE DISCRETION MAY DECIDE. ANY CHANGES TO THE ABOVE TENTATIVE DATES WILL BE PUBLISHED IN A WIDELY CIRCULATED DAILY NEWSPAPER WITHIN MALAYSIA.

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DEFINITIONS

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

AAO	:	Arani Agro Oil Industries Limited (6854 of 1986-87)
Act	:	Companies Act, 1965
ADA	:	Authorised Depository Agent
ADA Code	:	Authorised Depository Agent Code
ASEAN	:	Association of South-East Asian Nations
AFTA	:	Asean Free Trade Area
ATM	:	Automated Teller Machine
Acquisition of PVOB	:	Acquisition of 100% equity interest in PVOB comprising 54,862,500 ordinary shares of RM1.00 each from the PVOB Vendors by PREMIUM for a purchase consideration of RM136,500,000 satisfied by the issuance of 273,000,000 new PREMIUM Shares at an issue price of RM0.50 each
BHB Group	:	BHB and its subsidiary and associated companies
BHB or BRIDGECON	:	Bridgecon Holdings Berhad (Special Administrators Appointed) (Company No. 272302-V)
BHB Shares	:	Ordinary shares of RM1.00 each in BHB
BKRM	:	Bank Kerjasama Rakyat Malaysia Berhad (Co-op Bank 2192)
BNM	:	Bank Negara Malaysia
Board	:	Board of Directors of PREMIUM
Business Day	:	Any day excluding Saturdays, Sundays and public holidays of which the KLSE is closed
CBA	:	Cocoa Butter Alternatives
CBE	:	Cocoa Butter Equivalent
CBR	:	Cocoa Butter Replacers
CBS	:	Cocoa Butter Substitute
CCM	:	Companies Commission of Malaysia
CCNO	:	Crude Coconut Oil
CDS	:	Central Depository System

DEFINITIONS (CONT'D)

Code	:	Malaysian Code on Take-Overs and Mergers, 1998
Consideration Shares	:	273,000,000 new PREMIUM Shares issued pursuant to the Acquisition at an issue price of RM0.50 each
Danaharta	:	Pengurusan Danaharta Nasional Berhad (Company No. 464363-W)
Danaharta Act	:	Pengurusan Danaharta Nasional Berhad Act, 1998 as amended by Pengurusan Danaharta Nasional Berhad (Amendment) Act, 2000
DVSB	:	Dutavest (M) Sdn Bhd (Company No. 276431-U)
EPS	:	Earnings per share
FFB	:	Fresh Fruit Bunch
FIC	:	Foreign Investment Committee
FMSB	:	Forad Management Sdn Bhd (Company No. 178049-A)
GDP	:	Gross Domestic Product
GMO	:	Genetically Modified Organism
HSBC Nominees	:	HSBC Nominees (Asing) Sdn Bhd (Company No. 4381-U)
Infat	:	Fats produced by interesterification process. Interesterification process would result in the triglycerides of the oils be changed to a required level
IRs	:	Indian Rupees
KLSE	:	Kuala Lumpur Stock Exchange
KLSE Listing Requirements	:	Listing Requirements of KLSE
Listing	:	Listing of and quotation for the entire issued and paid-up share capital of PREMIUM on the Second Board of KLSE

DEFINITIONS (CONT'D)

LPS	:	Loss per share
MCD	:	Malaysian Central Depository Sdn Bhd (Company No. 165570-W), a subsidiary of KLSE
MFR	:	Milk Fat Replacers
MIDA	:	Malaysian Industrial Development Authority
MIH	:	Malaysian Issuing House Sdn Bhd (Company No. 258345-X)
MITI	:	Ministry of International Trade and Industry
Moratorium Shares	:	136,500,000 PREMIUM Shares under the moratorium requirements imposed by the SC, representing 50% of the total Consideration Shares received by the PVOB Vendors
MSSB	:	Malim Sawit Sdn Bhd (Company No. 47109-H)
NL	:	Net liability
NLFCS	:	National Land Finance Co-operative Society Limited (Co-op No. 455/60)
NTA	:	Net tangible assets
Offer for Sale or Offer	:	Offer for sale of 43,208,000 PREMIUM Shares by the Offerors to the shareholders of BHB, eligible Directors, employees, suppliers, customers and agents of PREMIUM Group, Bumiputera investors approved by MITI, Public Placees and the Malaysian public
Offer Share(s)	:	43,208,000 PREMIUM Shares to be offered at an offer price of RM0.50 per PREMIUM Share pursuant to the Offer
Offerors	:	The Offerors of the Offer for Sale are as follows:

Name	No. of Offer Shares
NLFCS	14,284,328
SCSB	9,164,328
PVSB	4,135,712
PMCB	2,554,364
Tan Sri Dato' Dr K. R. Somasundram	8,187,697
DVSB	2,794,711
Oriental Development Finance Ltd	921,351
Datuk Sahadivanaidu a/l Baliah	184,270
Shakti Limited	368,540
S. Sunder & Sons Limited	382,361
Dharshan Ganeson	230,338
	43,208,000

DEFINITIONS (CONT'D)

PE Multiple	:	Price earnings multiple
PFAD	:	Palm Fatty Acid Distillate
PFSB	:	Premium Fats Sdn Bhd (Company No. 377037-P)
PKFAD	:	Palm Kernel Fatty Acid Distillate
PKO	:	Palm Kernel Oil
PKP	:	Palm Kernel Pellet
PMBB	:	Public Merchant Bank Berhad (Company No. 14328-V)
PMCB	:	Pica (M) Corporation Berhad (Company No. 15912-X)
PORLA	:	Palm Oil Registration and Licensing Authority under the Ministry of Primary Industries, Malaysia
PREMIUM or Company	:	Premium Nutrients Berhad (Company No. 589272-D)
PREMIUM Group or Group	:	PREMIUM and its subsidiary and associated companies
PREMIUM Shares	:	Ordinary shares of RM0.50 each in PREMIUM
PMF	:	Palm Mid Fraction
Principal Vendors	:	NLFCS, SCSB, FMSB, PVSB, Tan Sri Dato' Dr. K. R. Somasundram, DVSB, PMCB, Datuk Sahadivanaidu a/l Baliah, Kili Anandaraj a/l K. R. Somasundram, Subramaniam a/l Seenivasagam, Dharshan Ganeson, U. R. Sahasranamam, Munisamy a/l Thamburan, Atul Kumar Agarwal and Patapal Naidu a/l Iyaw Naidu, collectively
Public Placees	:	Potential investors to be identified for the 20,000,000 Offer Shares under the Offer for Sale by way of private placement
PUFA	:	Poly Unsaturated Fatty Acid
PVOB	:	Premium Vegetable Oils Berhad (Company No. 39394-P)
PVOB Group	:	PVOB and its subsidiary and associated companies
PVOB Vendors	:	The vendors of PVOB collectively, pursuant to the Acquisition of PVOB
PVSB	:	Picavest Sdn Bhd (Company No. 293526-P)

DEFINITIONS (CONT'D)

RBD	:	Refined, Bleached and Deodorised
RBDPKO	:	Refined, Bleached and Deodorised Palm Kernel Oil
RBDPO	:	Refined Bleached Deodorised Palm Oil
RCNO	:	Refined Coconut Oil
Restructuring Scheme	:	The restructuring scheme formulated by the Special Administrators of BHB appointed by Danaharta, encompassing the following:- <ul style="list-style-type: none"> (i) Exchange of 19,950,000 BHB Shares with 2,000,000 new PREMIUM Shares on the basis of one (1) PREMIUM Share for every 9.975 BHB Shares (“Share Exchange”); (ii) Issuance of 62,000,000 new PREMIUM Shares credited as fully paid-up, to BHB as part of the settlement of debts owing by BHB to its creditors (“Debt Settlement”); (iii) Acquisition of PVOB; (iv) Offer For Sale; (v) Liquidation of BHB Group (“Liquidation”); and (vi) Transfer of listing status from BHB to PREMIUM (“Listing Transfer”).
RM and sen	:	Ringgit Malaysia and sen respectively
RPKL	:	Refined Palm Kernel Olein
RPL	:	Refined Palm Olein
RPS	:	Refined Palm Stearin
SC	:	Securities Commission
SC Guidelines	:	Policies and Guidelines on Issue/Offer of Securities issued by the SC
SCSB	:	Sunworth Corporation Sdn Bhd (Company No. 282395-P)
SMSB	:	Seven (M) Management Services Sdn Bhd (Company No. 227839-W)
SPCSB	:	Swiss Premium Corporation Sdn Bhd (Company No. 298971-M)
TPD	:	Metric tonnes per day

DEFINITIONS (CONT'D)

US	:	United States of America
USD	:	United States of America Dollar
WTO	:	World Trade Organisation

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