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**6. INFORMATION ON IFCA GROUP**

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**6.1 History and Background**

IFCA was incorporated in Malaysia on 20 November 1997 under the Act as a private limited company under the name of Software Online Sdn Bhd. The Company was incorporated following an internal restructuring exercise whereby all the local businesses and the entire R&D operations of IFCA (Asia) were transferred to the Company. On 4 July 2002, it assumed its present name and was subsequently converted to a public company on 27 July 2002.

The Company is principally involved in R&D and selling of enterprise-wide integrated business solutions. This was in line with the Government's initiatives in the formation of the MSC partly to promote local R&D and the push to export local software products overseas. As IFCA was well poised to fulfill its own and the Malaysian Government's initiatives, it was accorded MSC status on 22 January 1998 by the MDC, the governing body of the MSC. With it, the Company enjoys a series of incentives, including corporate tax exemption, funding exemption, flexible movement of skilled IT professional from its overseas offices etc. MDC had vide its letter dated 23 April 2003 informed IFCA that the extension of the tax exemption has been approved by authorities concerned for another five (5) years to 31 January 2008. Over the past five (5) years, the Company has successfully researched and developed five (5) industry-specific software solutions namely; Property Plus, Contract Plus, Loans Plus, ERP Plus and D'Resort, which were successfully launched and well accepted by the market.

The history of IFCA's products can be traced back to the establishment of IFCA (Asia) in April 1987 by its CEO, Yong Keang Cheun, who saw the potential and niche to be fulfilled in the market. IFCA (Asia)'s principal activity then was to develop fully integrated niche application software with complete functionality catering to the specific industries, which were lacking in the market. The software incorporates the full front-end functionality with the accounting backend in a single "one-vendor" solution. This software approach effectively eradicates duplication of work and provides businesses with a much better management tool to enhance efficiency and increase competitive edge. The success relating to the launches of D'Developer (for the property development and management industry), D'Project (for construction and engineering industry), D'Hotel and D'Club (for hotel and club industry) were clear indications of the Company's software development capability and the market potential.

During the initial years, IFCA (Asia)'s primary focus was the development of software solutions targeted for the local property industry. D'Developer was the first product and was commercially launched in 1989, to meet the needs of both the property development and management companies for an integrated business solution.

Since then, in fulfilling the market needs, IFCA (Asia) has progressively researched and developed an additional range of products, catering to the other industries such as hospitality (club, hotel and resort) and construction and engineering industries. IFCA (Asia)'s profitability since 1994 has proven that there is market potential in its products. Since its incorporation and up until 1998, IFCA (Asia) has successfully distributed approximately 3,300 user licenses. IFCA, which has assumed the role of IFCA (Asia), has since its inception in 1997, successfully distributed its software solutions to approximately 14,300 users.

IFCA (Asia) commenced business in the Klang Valley and to date, the business operations of the IFCA Group remain principally in Malaysia. In 1993, having established its presence in Malaysia, IFCA (Asia) and subsequently the IFCA Group extended its business reach and began distributing its products and services in Singapore and subsequently to other overseas market. The distribution of the Group's products in overseas countries is carried out through IFCA Software. On 26 July 2002, both IFCA and IFCA Software entered into a Master Distributorship and Reseller Agreement to formalise all business arrangements with regards to the distribution of the Group's software products in all jurisdictions, other than in Malaysia and PRC, on a non-exclusive basis. The operations in Malaysia and PRC will continue to remain under the domain of IFCA.

## 6. INFORMATION ON IFCA GROUP (cont'd)

IFCA (Asia), IFCA Consulting Sdn Bhd (the former trading arm of IFCA (Asia)) and IFCA Group have, over the years, had successful business alliances with major international computer corporations such as IBM, HP, Microsoft and Xen Business Solutions Sdn Bhd (for treasury management) and has won numerous awards in recognition of its contributions in the ICT industry as follows:-

Year	Award/Recognition	Description of Award/Recognition
1994	IBM Business Partners' Leadership Award <sup>1</sup>	For achieving the most unit sales from new customers in a year.
	Top IBM RISC System/6000 Business Partner <sup>2</sup>	For achieving the most unit sales for the IBM RISC System/6000 in a year.
	IBM Application Solution Award <sup>2</sup>	For outstanding market acceptance.
	IBM Exemplary Customer Satisfaction <sup>2</sup>	For achieving high customer satisfaction (85 per cent and above).
	PIKOM IT Award (for D'Hotel) <sup>3</sup> – Malaysian IT Product of the Year	For locally developed and commercially available product which has contributed to the advancement of the local ICT industry.
1995	IBM Business Partners' Leadership Award <sup>2</sup>	For achieving the most unit sales from new customers in a year.
	IBM Business Partner Application Solution Award <sup>2</sup>	For outstanding market acceptance.
1997	PIKOM IT Achievement Award <sup>2</sup>	For contribution to the promotion of usage of IT and the development of the IT industry in Malaysia.
1999	Microsoft – Independent Software Vendor Partner <sup>4</sup>	For successfully developing a business application on Microsoft operation system and database.
	Microsoft Certified Solution Provider <sup>4</sup>	In recognition of demonstrated expertise and commitment to providing outstanding business solutions based on Microsoft products.
2000	Microsoft Certified Solution Provider – Special Recognition Award <sup>4</sup>	For successfully developing a business application on Microsoft Windows.
2001	Microsoft Partners Award Local Independent Software Vendor of the Year <sup>4</sup>	For successfully embedding Microsoft product into IFCA's application software and selling of MS licenses.
2002	Microsoft Partner Excellence Recognition Award <sup>4</sup>	For its international marketing effort in promoting and selling its local application software solution in four (4) continents globally, namely Asia, Australia, Africa and Europe.

Notes: <sup>1</sup> This award was given to IFCA Systems (KL) Sdn Bhd.

<sup>2</sup> These awards were given to IFCA (Asia).

<sup>3</sup> These awards were given to IFCA Consulting Sdn Bhd (the former trading arm of IFCA (Asia)) which is now dormant and does not form part of the Group.

<sup>4</sup> These awards were given to IFCA.

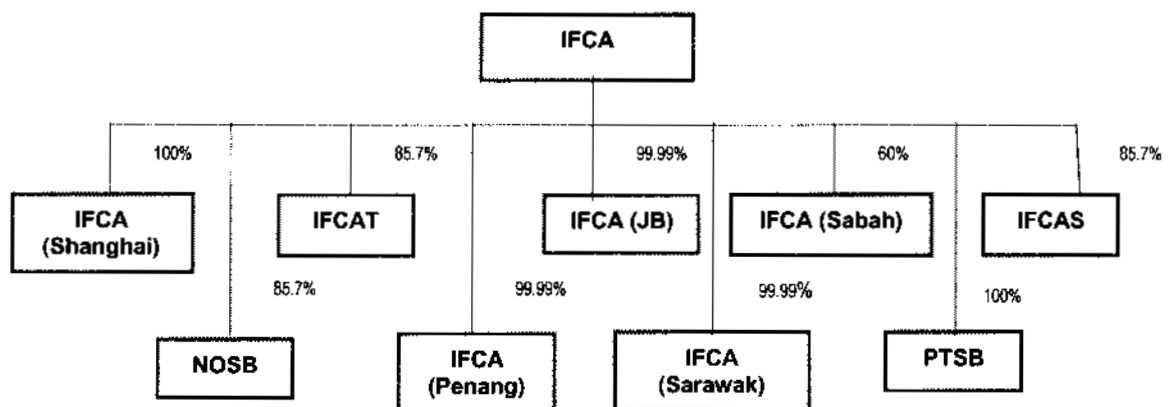
## 6. INFORMATION ON IFCA GROUP (cont'd)

IFCA Group has grown to become a specialist business solutions provider for property development and management, construction and engineering, hospitality, finance and leasing, manufacturing and distribution industries. To date IFCA Group has provided its software and services to approximately 14,300 licensed users over twelve (12) countries spanning across four (4) continents namely Asia, Europe, Africa and Australia.

After the internal restructuring in 1997, IFCA assumed the full responsibility of software R&D and became the backbone of the Group. Its first mission was to redevelop and enhance the fleet of software solutions using the latest technologies. IFCA started the Windows-based software development since its inception. Over the past five (5) years, IFCA has successfully launched the new generation of software solutions for the property development and management industry (Property Plus), construction and engineering industry (Contract Plus) and hospitality industry (D'Resort). In addition to the successful redevelopment and enhancement of the core fleet products, IFCA also successfully added three (3) new products to its fleet of products. They are Loans Plus for the finance and leasing industry, ERP Plus for the manufacturing and distribution industry, Knowledge Plus for knowledge management and CRM. CRM is now incorporated as an integrated module in the fleet of products. To date, IFCA has approximately 14,300 licensed users of which approximately 11,000 licensed users were added since the launching of the new generation software in 1998. The Group has also managed to remain profitable despite the technological changes and the Asian financial crisis in 1997 and 1998.

The philosophy of IFCA has remained unchanged and that is to provide the market with quality niche enterprise-wide, integrated and collaborative software solutions. Its proprietary standardised software with complete and comprehensive functionality are primarily focused in five (5) main industries namely, 1) property development and management; 2) construction and engineering; 3) hospitality; 4) finance and leasing; and 5) manufacturing and distribution. IFCA's software is designed with comprehensive industry specific functionality, easy to use and maintains great scalability to achieve significant cost-saving opportunities through improved efficiency, productivity and better management control. It also provides services in conjunction with the sale of the Group's products, such as training and implementation, software support, customisation, sale of computer hardware and networking, and hence can be classified as a "turnkey" software solutions provider.

IFCA has nine (9) subsidiary companies. Below is a graphical presentation of the Group structure:-



**6. INFORMATION ON IFCA GROUP (cont'd)****6.2 Share Capital and Changes in Share Capital**

The Company has an authorized share capital of RM50,000,000 comprising 500,000,000 Shares and an issued and paid-up capital of RM20,377,000 comprising 203,770,000 Shares.

The details of the changes in the Company's issued and paid-up share capital since its date of incorporation are set out below:-

Date of Allotment	No. of Shares	Par Value (RM)	Consideration	Total (RM)
20.11.1997	3	1.00	Cash / Subscriber's shares	3.00
02.05.1998	1,149,997	1.00	Cash	1,150,000.00
06.05.1998	1,000,000	1.00	Cash	2,150,000.00
24.03.2003	12,450,000	1.00	Bonus Issue*	14,600,000.00
30.05.2003	5,777,000	1.00	Property Acquisitions	20,377,000.00
30.05.2003	203,770,000	0.10	Sub-division of RM1.00 par value to RM0.10 par value	20,377,000.00

\* On the basis of approximately 5.79 new ordinary shares for every one (1) existing ordinary share held in the company via capitalisation of RM12,450,000 from the audited retained earnings account of the company as at 31 December 2002.

Upon completion of the Public Issue, the enlarged issued and paid-up capital of IFCA will be RM27,620,000 comprising 276,200,000 Shares.

**6.3 Share Options**

The Company has established an ESOS in conjunction with its listing on the MESDAQ Market. This entails the issue of options for the subscription of new Shares by eligible directors and employees of the Group. Further details on the ESOS are disclosed under section 6.5 of this Prospectus.

Save as disclosed above, as at the date of this Prospectus, no person has an option or is entitled to be given an option to subscribe for any Shares of the Company or its subsidiary companies.

**6.4 Listing Proposal****(a) Bonus Issue**

IFCA implemented a Bonus Issue of 12,450,000 new ordinary shares of RM1.00 each to the existing shareholders of IFCA on the basis of approximately 5.79 new ordinary shares for every one (1) existing ordinary share held in the Company via the capitalisation of RM12,450,000, from the audited retained earnings account of the Company, as at 31 December 2002.

The Bonus Shares rank pari passu with the then existing shares of the Company in all respects. The Bonus Issue was completed on 24 March 2003. Following the completion of the Bonus Issue, the issued and paid-up share capital of IFCA increased from RM2,150,000 comprising 2,150,000 IFCA ordinary shares of RM1.00 each to RM14,600,000 comprising 14,600,000 IFCA ordinary shares of RM1.00 each.

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**6. INFORMATION ON IFCA GROUP (cont'd)**

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**(b) Property Acquisitions**

The Property Acquisitions comprise of the following transactions:-

- (i) IFCA had on 29 July 2002 entered into a conditional sale and purchase agreement with IFCA (Asia) to acquire the shop office situated on the land held under H.S. (D) 215180 P.T.D. 100395, Mukim Pelentung, Daerah Johor Bahru, Johor ("Johor Property") for a purchase consideration of RM750,000, which was satisfied by the issuance of 750,000 new IFCA ordinary shares of RM1.00 each at par;
- (ii) IFCA had on 29 July 2002 entered into a conditional sale and purchase agreement with IFCA (Asia) to acquire the shop office identified as Parcel No. 2-5, Level 3, Plaza Pulau Tikus, Pulau Pinang ("Penang Property") for a purchase consideration of RM427,000, which was satisfied by the issuance of 427,000 new IFCA ordinary shares of RM1.00 each at par; and
- (iii) IFCA had on 29 July 2002 entered into twelve (12) conditional sale and purchase agreements with IFCA (Asia) to acquire 2 units of shoplots identified as parcel nos. F17-GF and F18-GF and 10 units of office lots identified as parcel nos. F17-L1, F17-L2, F17-L3, F17-L4, F17-L5, F18-L1, F18-L2, F18-L3, F18-L4 and F18-L5, all located within Prima Square, Petaling Jaya, Mukim of Sungai Buloh, District of Petaling, State of Selangor ("Selangor Property") for a total purchase consideration of RM4,600,000, which was satisfied by the issuance of 4,600,000 new IFCA ordinary shares of RM1.00 each at par.

The purchase considerations for the Property Acquisitions were arrived at based on the market value as appraised by an independent valuer, Messrs. Colliers Jordan Lee & Jaafar.

The Property Acquisitions were completed on 30 May 2003. Upon the completion of the Property Acquisitions, the issued and paid-up share capital of IFCA increased from RM14,600,000 comprising 14,600,000 IFCA ordinary shares of RM1.00 each to RM20,377,000 comprising 20,377,000 IFCA ordinary shares of RM1.00 each.

**(c) Share Split**

Upon the completion of the Property Acquisitions, every existing one (1) ordinary share of RM1.00 par value each in IFCA was subdivided into ten (10) new ordinary shares of RM0.10 par value each. The Share Split was effected on 30 May 2003. Following the completion of the Share Split, IFCA's issued and paid-up share capital is RM20,377,000 comprising 203,770,000 IFCA Shares.

**(d) Rationalisation of Shareholding Structure**

Upon completion of the Share Split above, a shareholding rationalisation exercise was implemented on 30 May 2003 such that one of the existing substantial shareholders of IFCA (Asia), namely, Ms Ooi Bee Bee, would have a direct shareholding in IFCA instead of an indirect interest via IFCA (Asia).

**6. INFORMATION ON IFCA GROUP (cont'd)**

The number of shares held by the shareholders of IFCA upon completion of this stage is as follows:-

	<i>No. of Shares Held</i>	<i>% of Shareholding</i>
IFCA (Asia)	183,904,762	90.25%
Yong Keang Cheun	6,620,930	3.25%
Yong Kian Keong	3,055,810	1.50%
Ooi Bee Bee	10,188,498	5.00%
	<u>203,770,000</u>	<u>100.00%</u>

**(e) Public Issue**

The initial public offering by IFCA will involve a Public Issue of 72,430,000 new Shares at an Issue Price of RM0.20 per Share. Upon completion of the Public Issue, the issued and paid-up share capital of IFCA will be increased from RM20,377,000 comprising 203,770,000 Shares each to RM27,620,000 comprising 276,200,000 Shares.

The Public Issue of a total of 72,430,000 Shares represents 26.2% of the enlarged issued and paid-up share capital of 276,200,000 Shares, and is to be allocated in the following manner:-

- 42,810,000 Shares representing 15.5% of the enlarged share capital of 276,200,000 Shares and are available for application under private placement to selected investors;
- 2,000,000 Shares representing 0.7% of the enlarged share capital of 276,200,000 Shares are available for application by the public; and
- 27,620,000 Shares representing 10.0% of the enlarged share capital of 276,200,000 Shares have been reserved for eligible directors and employees of the Group.

**6.5 ESOS**

In conjunction with its listing, the Company has established an ESOS of up to 30% of the issued and paid-up capital of IFCA, comprising 82,860,000 Shares, for the duration of the ESOS for the benefit of all employees and Executive Directors of IFCA Group. The salient terms of the ESOS are as follows:-

- On the date of the listing of the Company on MESDAQ Market, the directors of the Company have offered Options to subscribe for up to 13,614,100 Options to the executive directors and eligible employees of the Group ("Initial Grant"). The exercise price of the Options which are the subject matter of the Initial Grant is the Issue Price of the Shares.
- In addition to the Initial Grant, the Board of Directors of the Company may, within the duration of the ESOS, make further offers to grant Options to the executive directors and eligible employees of the Group in accordance with the ESOS By-Laws adopted by the shareholders of the Company. Any Option to be granted which is not part of the Initial Grant shall be exercisable at a price which is the weighted average market price of the Company's Shares for the five (5) market days immediately preceding the date on which the Option is granted with a discount of not more than 10%, which shall be determined by the directors of the Company.
- The ESOS shall be in force for a duration of five (5) years. The new Shares to be issued upon the exercise of the Options will, upon allotment and issue, rank pari passu in all respects with existing issued and paid-up Shares of the Company, except that the new Shares will not be entitled to any dividends, rights, allotments or other distributions, the entitlement date of which is prior to the date of allotment of the said Shares. The new Shares will be subject to all the provisions of the Articles of Association of the Company.

**6. INFORMATION ON IFCA GROUP (cont'd)****6.6 Information on IFCA Group**

The information on IFCA and its subsidiary companies is set out below.

**6.6.1 Information on IFCA****(a) History and Business**

IFCA was incorporated in Malaysia on 20 November 1997 under the Act as a private limited company under the name of Software Online Sdn Bhd. The Company was incorporated following an internal restructuring exercise whereby all the local business and R&D operations of IFCA (Asia) were transferred to the Company. On 4 July 2002, it assumed its present name and was subsequently converted to a public company on 27 July 2002. The Company is principally involved in R&D of enterprise-wide business solutions.

**(b) Share Capital**

The authorised and issued and paid-up capital of IFCA as at the date of this Prospectus are as follows:-

	No. of Shares	Par Value (RM)	Amount (RM)
Authorised	500,000,000	0.10	50,000,000.00
Issued and Paid-Up	203,770,000	0.10	20,377,000.00

Details of the changes in the issued and paid-up share capital of IFCA since its date of incorporation are as follows:-

Date of Allotment	No. of Shares	Par Value (RM)	Consideration	Total (RM)
20.11.1997	3	1.00	Cash / Subscriber's shares	3.00
02.05.1998	1,149,997	1.00	Cash	1,150,000.00
06.05.1998	1,000,000	1.00	Cash	2,150,000.00
24.03.2003	12,450,000	1.00	Bonus Issue*	14,600,000.00
30.05.2003	5,777,000	1.00	Property Acquisitions	20,377,000.00
30.05.2003	203,770,000	0.10	Sub-division of RM1.00 par value to RM0.10 par value	20,377,000.00

\* On the basis of approximately 5.79 new ordinary shares for every one (1) existing ordinary share held in the company via capitalisation of RM12,450,000 from the audited retained earnings account of the company as at 31 December 2002.

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**6. INFORMATION ON IFCA GROUP (cont'd)****(c) Subsidiary and Associated Companies**

Details of the subsidiary companies of IFCA as at the date of this Prospectus are as follows:-

<b>Name of Company</b>	<b>Date and Place of Incorporation</b>	<b>Issue and Paid-Up Capital (RM)</b>	<b>Effective Equity Interest (%)</b>	<b>Principal Activities</b>
<i>Subsidiaries</i>				
IFCAS	11.11.1997 Malaysia	700,000	85.71%	Turnkey solutions provider.
NOSB	16.07.1997 Malaysia	700,000	85.71%	Installation and servicing of computer hardware and networks.
IFCA (Sabah)	29.05.1995 Malaysia	250,000	60.00%	Turnkey solutions provider.
IFCA (Penang)	07.09.1991 Malaysia	300,000	99.99%	Turnkey solutions provider.
IFCAT	16.10.1997 Malaysia	700,000	85.71%	Turnkey solutions provider.
PTSB	05.12.1997 Malaysia	10	100.00%	Turnkey solutions provider.
IFCA (Sarawak)	17.03.1997 Malaysia	300,000	99.99%	Turnkey solutions provider.
IFCA (JB)	27.08.1993 Malaysia	700,000	99.99%	Turnkey solutions provider.
IFCA (Shanghai)	03.07.2002 PRC	USD346,156.40	100.00%	Turnkey solutions provider.

IFCA does not have any associated companies.

All of IFCA's subsidiary companies (except for NOSB) provide similar products but they are set up to service clients from different regions.

**(d) Employees**

As at 16 June 2003, IFCA has 55 employees.

**6.6.2 Information on IFCAS****(a) History and Business**

IFCAS was incorporated in Malaysia on 11 November 1997 as Project Online Sdn Bhd under the Act as a private limited company. Subsequently it adopted its present name on 10 April 2001. IFCAS is principally a turnkey solutions provider to the property and project management based industries for central region of Peninsular Malaysia.



**6. INFORMATION ON IFCA GROUP (cont'd)****(b) Share Capital**

The authorised and issued and paid-up capital of IFCAS as at the date of this Prospectus is as follows:-

	No. of Shares	Par Value (RM)	Amount (RM)
Authorised	1,000,000	1.00	1,000,000.00
Issued and Paid-Up	700,000	1.00	700,000.00

Details of the changes in the issued and paid-up share capital of IFCAS since its date of incorporation are as follows:-

Date of Allotment	No. of Shares	Par Value (RM)	Consideration	Total (RM)
11.11.1997	3	1.00	Cash / Subscriber's shares	3.00
23.02.1998	99,997	1.00	Cash	100,000.00
28.08.2001	600,000	1.00	Cash	700,000.00

**(c) Subsidiary and Associated Companies**

IFCAS does not have any subsidiary or associated companies.

**(d) Shareholders**

As at the date of this Prospectus, the shareholders of IFCAS are as follows:-

Shareholder	No. of Shares	Shareholding (%)
IFCA	600,000	85.7
Yong Keang Cheun	70,000	10.0
Yong Kian Keong	30,000	4.3
Total	700,000	100.0

**(e) Employees**

As at 16 June 2003, IFCAS has 60 employees.

**6.6.3 Information on NOSB****(a) History and Business**

NOSB was incorporated in Malaysia on 16 July 1997 under the Act as a private limited company. NOSB is principally involved in the installation and servicing of computer hardware and networks.

**6. INFORMATION ON IFCA GROUP (cont'd)****(b) Share Capital**

The authorised and issued and paid-up capital of NOSB as at the date of this Prospectus is as follows:-

	No. of Shares	Par Value (RM)	Amount (RM)
Authorised	1,000,000	1.00	1,000,000.00
Issued and Paid-Up	700,000	1.00	700,000.00

Details of the changes in the issued and paid-up share capital of NOSB since its date of incorporation are as follows:-

Date of Allotment	No. of Shares	Par Value (RM)	Consideration	Total (RM)
16.07.1997	2	1.00	Cash / Subscriber's shares	2.00
06.11.1997	99,998	1.00	Cash	100,000.00
28.08.2001	600,000	1.00	Cash	700,000.00

**(c) Subsidiary and Associated Companies**

NOSB does not have any subsidiary or associated companies.

**(d) Shareholders**

As at the date of this Prospectus, the shareholders of NOSB are as follows:-

Shareholder	No. of Shares	Shareholding (%)
IFCA	600,000	85.7
Yong Keang Cheun	70,000	10.0
Yong Kian Keong	30,000	4.3
Total	700,000	100.0

**(e) Employees**

As at 16 June 2003, NOSB has 16 employees.

**6.6.4 Information on IFCA (Sabah)****(a) History and Business**

IFCA (Sabah) was incorporated in Malaysia on 29 May 1995 as IFCA (Sabah) under the Act as a private limited company. Subsequently on 18 October 1996, IFCA (Sabah) changed its name to IFCA Information Systems Sdn Bhd. It later adopted its present name on 23 September 1997. IFCA (Sabah) is principally a turnkey solutions provider in Sabah, Labuan and Brunei.

**6. INFORMATION ON IFCA GROUP (cont'd)****(b) Share Capital**

The authorised and issued and paid-up capital of IFCA (Sabah) as at the date of this Prospectus is as follows:-

	No. of Shares	Par Value (RM)	Amount (RM)
Authorised	500,000	1.00	500,000.00
Issued and Paid-Up	250,000	1.00	250,000.00

Details of the changes in the issued and paid-up share capital of IFCA (Sabah) since its date of incorporation are as follows:-

Date of Allotment	No. of Shares	Par Value (RM)	Consideration	Total (RM)
29.05.1995	2	1.00	Cash / Subscriber's shares	2.00
20.06.1995	99,998	1.00	Cash	100,000.00
16.07.2002	150,000	1.00	Cash	250,000.00

**(c) Subsidiary and Associated Companies**

IFCA (Sabah) does not have any subsidiary or associated companies.

**(d) Shareholders**

As at the date of this Prospectus, the shareholders of IFCA (Sabah) are as follows:-

Shareholder	No. of Shares	Shareholding (%)
IFCA	150,000	60.0
Yong Keang Cheun	80,000	32.0
Yong Kian Keong	20,000	8.0
Total	250,000	100.0

**(e) Employees**

As at 16 June 2003, IFCA (Sabah) has 8 employees.

**6.6.5 Information on IFCA (Penang)****(a) History and Business**

IFCA (Penang) was incorporated in Malaysia on 7 September 1991 as IFCA Trading Sdn Bhd under the Act as a private limited company. Subsequently on 12 November 1991, it changed its name to IFCA Technology Sdn Bhd. It later adopted its present name on 29 May 1993. IFCA (Penang) is principally a turnkey solutions provider in the northern region of Peninsular Malaysia.

**6. INFORMATION ON IFCA GROUP (cont'd)****(b) Share Capital**

The authorised and issued and paid-up capital of IFCA (Penang) as at the date of this Prospectus is as follows:-

	No. of Shares	Par Value (RM)	Amount (RM)
Authorised	500,000	1.00	500,000.00
Issued and Paid-Up	300,000	1.00	300,000.00

Details of the changes in the issued and paid-up share capital of IFCA (Penang) since its date of incorporation are as follows:-

Date of Allotment	No. of Shares	Par Value (RM)	Consideration	Total (RM)
07.09.1991	10	1.00	Cash / Subscriber's shares	10.00
28.08.2001	299,990	1.00	Cash	300,000.00

**(c) Subsidiary and Associated Companies**

IFCA (Penang) does not have any subsidiary or associated companies.

**(d) Shareholders**

As at the date of this Prospectus, the shareholders of IFCA (Penang) are as follows:-

Shareholder	No. of Shares	Shareholding (%)
IFCA	299,990	99.9
Yong Keang Cheun	8	.*
Yong Kian Keong	2	.*
Total	300,000	100.0

\* Less than 0.1%

**(e) Employees**

As at 16 June 2003, IFCA (Penang) has 12 employees.

**6.6.6 Information on IFCAT****(a) History and Business**

IFCAT was incorporated in Malaysia on 16 October 1997 as Resort Technology Sdn Bhd under the Act as a private limited company. Subsequently it adopted its present name on 8 February 2001. IFCAT is a turnkey solutions provider to the hospitality and finance and leasing industries.

**6. INFORMATION ON IFCA GROUP (cont'd)****(b) Share Capital**

The authorised and issued and paid-up capital of IFCAT as at the date of this Prospectus is as follows:-

	No. of Shares	Par Value (RM)	Amount (RM)
Authorised	1,000,000	1.00	1,000,000.00
Issued and Paid-Up	700,000	1.00	700,000.00

Details of the changes in the issued and paid-up share capital of IFCAT since its date of incorporation are as follows:-

Date of Allotment	No. of Shares	Par Value (RM)	Consideration	Total (RM)
16.10.1997	3	1.00	Cash / Subscriber's shares	3.00
23.02.1998	99,997	1.00	Cash	100,000.00
28.08.2001	600,000	1.00	Cash	700,000.00

**(c) Subsidiary and Associated Companies**

IFCAT does not have any subsidiary or associated companies.

**(d) Shareholders**

As at the date of this Prospectus, the shareholders of IFCAT are as follows:-

Shareholder	No. of Shares	Shareholding (%)
IFCA	600,000	85.7
Yong Keang Cheun	70,000	10.0
Yong Kian Keong	30,000	4.3
Total	700,000	100.0

**(e) Employees**

As at 16 June 2003, IFCAT has 6 employees.

**6.6.7 Information on PTSB****(a) History and Business**

PTSB was incorporated in Malaysia on 5 December 1997 as D'Developer Software Sdn Bhd under the Act as a private limited company. Subsequently, on 20 July 2000, it changed its name to IFCA Dot Com Sdn Bhd. It adopted its present name on 27 July 2001. PTSB is principally a turnkey solutions provider.

**6. INFORMATION ON IFCA GROUP (cont'd)****(b) Share Capital**

The authorised and issued and paid-up capital of PTSB as at the date of this Prospectus is as follows:-

	No. of Shares	Par Value (RM)	Amount (RM)
Authorised	100,000	1.00	100,000.00
Issued and Paid-Up	10	1.00	10.00

Details of the changes in the issued and paid-up share capital of PTSB since its date of incorporation are as follows:-

Date of Allotment	No. of Shares	Par Value (RM)	Consideration	Total (RM)
05.12.1997	10	1.00	Cash / Subscriber's shares	10.00

**(c) Subsidiary and Associated Companies**

PTSB does not have any subsidiary or associated companies.

**(d) Shareholders**

PTSB is a wholly-owned subsidiary of IFCA.

**(e) Employees**

As at 16 June 2003, PTSB has 11 employees.

**6.6.8 Information on IFCA (Sarawak)****(a) History and Business**

IFCA (Sarawak) was incorporated in Malaysia on 17 March 1997 under the Act as a private limited company. IFCA (Sarawak) is principally a turnkey solutions provider in Sarawak.

**(b) Share Capital**

The authorised and issued and paid-up capital of IFCA (Sarawak) as at the date of this Prospectus is as follows:-

	No. of Shares	Par Value (RM)	Amount (RM)
Authorised	500,000	1.00	500,000
Issued and Paid-Up	300,000	1.00	300,000

**6. INFORMATION ON IFCA GROUP (cont'd)**

Details of the changes in the issued and paid-up share capital of IFCA (Sarawak) since its date of incorporation are as follows:-

Date of Allotment	No. of Shares	Par Value (RM)	Consideration	Total (RM)
17.03.1997	2	1.00	Cash / Subscribers' shares	2.00
29.09.2000	8	1.00	Cash	10.00
28.08.2001	299,990	1.00	Cash	300,000.00

**(c) Subsidiary and Associated Companies**

IFCA (Sarawak) does not have any subsidiary or associated companies.

**(d) Shareholders**

As at the date of this Prospectus, the shareholders of IFCA (Sarawak) are as follows:-

Shareholder	No. of Shares	Shareholding (%)
IFCA	299,990	99.9
Yong Keang Cheun	8	-*
Yong Kian Keong	2	-*
Total	300,000	100.0

\* Less than 0.1%

**(e) Employees**

As at 16 June 2003, IFCA (Sarawak) has 11 employees.

**6.6.9 Information on IFCA (JB)****(a) History and Business**

IFCA (JB) was incorporated in Malaysia on 27 August 1993 under the Act as a private limited company. IFCA (JB) is principally a turnkey solutions provider in the southern region of Peninsular Malaysia.

**(b) Share Capital**

The authorised and issued and paid-up capital of IFCA (JB) as at the date of this Prospectus is as follows:-

	No. of Shares	Par Value (RM)	Amount (RM)
Authorised	1,000,000	1.00	1,000,000.00
Issued and Paid-Up	700,000	1.00	700,000.00

Details of the changes in the issued and paid-up share capital of IFCA (JB) since its date of incorporation are as follows:-

Date of Allotment	No. of Shares	Par Value (RM)	Consideration	Total (RM)
27.08.1993	2	1.00	Cash / Subscriber's shares	2.00
28.08.2001	699,998	1.00	Cash	700,000.00

**6. INFORMATION ON IFCA GROUP (cont'd)****(c) Subsidiary and Associated Companies**

IFCA (JB) does not have any subsidiary or associated companies.

**(d) Shareholders**

As at the date of this Prospectus, the shareholders of IFCA (JB) are as follows:-

Shareholder	No. of Shares	Shareholding (%)
IFCA	699,998	99.9
Yong Keang Cheun	1	-*
Yong Kian Keong	1	-*
<b>Total</b>	<b>700,000</b>	<b>100.0</b>

\* Less than 0.1%

**(e) Employees**

As at 16 June 2003, IFCA (JB) has 10 employees.

**6.6.10 Information on IFCA (Shanghai)****(a) History and Business**

IFCA (Shanghai) was incorporated in PRC on 3 July 2002. The company was formed primarily to undertake research, design and development of its core industry specific solution. It will be the turnkey solutions provider for PRC.

**(b) Share Capital**

The registered and paid-up capital of IFCA (Shanghai) as at 16 June 2003 is as follows:-

	Amount (USD)
Registered Capital	500,000.00
Paid-Up	346,156.40

Details of the changes in the issued and paid-up share capital of IFCA (Shanghai) since its date of incorporation are as follows:-

Date of Allotment	Amount (USD)	Consideration	Total (USD)
31.07.2002	21,000.00	Cash	21,000.00
14.10.2002	10,000.00	Cash	31,000.00
01.11.2002	30,000.00	Cash	61,000.00
09.12.2002	10,000.00	Cash	71,000.00
20.12.2002	59,000.00	Cash	130,000.00
31.12.2002	10,000.00	Cash	140,000.00
03.03.2003	78,740.15	Cash	218,740.15
19.03.2003	52,493.44	Cash	271,233.59
09.05.2003	74,922.81	Cash	346,156.40



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**6. INFORMATION ON IFCA GROUP (cont'd)**

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*(c) Subsidiary and Associated Companies*

IFCA (Shanghai) does not have any subsidiary or associated companies.

*(d) Shareholders*

IFCA (Shanghai) is a wholly-owned subsidiary of IFCA.

*(e) Employees*

As at 16 June 2003, IFCA (Shanghai) has 19 employees.

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## 6. INFORMATION ON IFCA GROUP (cont'd)

## 6.7 Summary of Landed Properties

The Group owns the following landed properties:-

Title/Location	Description/ Existing Use	Registered Owner	Age of Building (Years)	Land / Built- Up Area	Tenure	Net Book Value as at 31.12.2002 (RM)	Original Cost (RM)
<b>Johor Property</b> 4-storey shop office at 31, Jalan Permas 10/7, Taman Permas Jaya, 81750 Johor Bahru, Johor <sup>(i)</sup>	Ground floor - JB office 1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> - tenanted	IFCA (Asia) <sup>(ii)</sup>	8	1,920 square feet	Freehold	-(iv)	750,000
<b>Penang Property</b> Shop office at 441-2-5, Pulau Tikus Plaza, Jalan Burmah, 10350 Penang <sup>(i) (ii)</sup>	Penang office	Developer - Pelita Abadi Sdn Bhd	6	136.85 square meters	Freehold	-(iv)	427,000
<b>Selangor Property</b> 2 units of shoplots and 10 units of office lots at 17 and 19, Jalan PJU1/42A, Dataran Prima, 47301 Petaling Jaya, Selangor <sup>(i) (ii)</sup>	Head office	Developer- Puncak Kencana Sdn Bhd	4	20,311 square feet	Freehold	-(iv)	4,600,000
Apartment D-G-38, Block Rapis, Pangsapuri Las Palmas, Jalan Desa Ria, Bandar Country Homes, 48000 Rawang, Selangor <sup>(i) (iii)</sup>	Vacant	Developer – Tanco Development Sdn Bhd	3	755 square feet	Freehold	81,908	88,800
Unit 1-1 in a 4-storey shop office at 2-1, Jalan Desa 9/5, Bandar Country Homes, 48000 Rawang, Selangor <sup>(i) (iii)</sup>	Pending handover of vacant possession	Developer – Tanco Development Sdn Bhd	1	1,629 square feet	Freehold	280,178	291,800
Apartment at parcel/unit No. 6, Type D13, Storey No. 5, Building No. Block G, Port Dickson, Negeri Sembilan <sup>(i) (iii)</sup>	Vacant	Developer – Ascentland Sdn Bhd	Under construction	67 square meters	Freehold	86,469	110,000
3-storey shop office at 33, Jalan Matahari Z U5/Z, Seksyen U5, Sungai Buloh, Batu 3, 40170 Shah Alam, Selangor <sup>(i) (iii)</sup>	Vacant	Proprietor – Permodalan Negeri Selangor Berhad	6	1,760 square feet	99 years (expiring 25.1.2095)	412,516	468,000

## Notes:

<sup>(i)</sup> The individual strata title for each of these properties has yet to be issued.

<sup>(ii)</sup> These properties were acquired by IFCA from IFCA (Asia) pursuant to a restructuring exercise that was completed prior to the issue of this Prospectus. Further details on this Property Acquisitions are provided under section 6.4 (b) of this Prospectus. Prior to the acquisition, these properties were held for investment by IFCA (Asia).

The purchase price for these properties were determined based on an independent valuation prepared by a firm of professional valuers, Messrs. Colliers Jordan Lee & Jaafar in June 2002. The valuation certificates from the professional valuers are enclosed under section 13 of this Prospectus.

<sup>(iii)</sup> The above properties were transferred to the Group in settlement of trade debts in the ordinary course of business. No revaluation exercise was carried out on these properties.

<sup>(iv)</sup> The acquisitions of the properties were completed in 2003 and will only be incorporated in IFCA's financial statements for the FYE 2003.

<sup>(v)</sup> The memorandum of transfer in respect of the transfer of this property from IFCA (Asia) to IFCA was presented for registration at the land office on 27 March 2003 and is pending registration.

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**6. INFORMATION ON IFCA GROUP (cont'd)**


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**6.8 Products**

IFCA's products are designed and developed solely by IFCA's internal resources. The software solutions are designed on "plug-in" modular architecture. Plug-in modular architecture allows greater ease and timely creation of functional solutions besides providing customers with a higher degree of flexibility and scalability. Together with a limited amount of customisation, this plug-in modular architecture allows the Company to deliver tailor-made business solutions in a cost effective manner. The scalability of the IFCA products allows the Company to target customers of different scales and sizes.

IFCA believes that the key differentiations in IFCA's products are the industry specific functions and features and technologies incorporated into the software to cater for the fast changing needs of the industries and the increasing competitive business environments. Other than its enterprise-wide integration and complete functionality, its solutions are now embedded with "push technology" and DNS which are capable of providing users with pro-active, event-driven real-time "Alerts" for them to take immediate action compared to the traditional "transaction-based" processing whereby users can only act upon reports generated on a periodic basis. The management believes this is where IFCA is leading the industry with technology required by the demands of the respective industries.

IFCA currently offers software solutions for five (5) main industries:-

1. Property development and management
2. Construction and engineering
3. Hospitality
4. Finance and leasing
5. Manufacturing and distribution

**6.8.1 Property Development and Management**

The IFCA Property Management Information System comprises Property Plus.

The IFCA Property Management Information System or Property Plus is a fully integrated business application designed specifically for property companies. It is a comprehensive business software solution that caters for the demands of property development, construction and property management. It is a solution that helps to improve revenue, cash flow, better control and enhance customer services. It incorporates a whole range of industry-related functions that can either be implemented independently or integrated with other IT systems based on the requirements of the customer.

Property Plus is made up of six (6) major components i.e.:

*Property Management*

Property Plus is a comprehensive property management software covering campaign management, tenancy administration, customer services management, billing and collection and building maintenance.

*Property Sales*

Property Plus has complete built-in functionality to ensure proper recording of each sale and its subsequent billing and administration. It supports multi-company, multi-projects and unlimited property types. It tracks and measures the effectiveness of sales campaigns and staff performances.

*Construction Management*

Property Plus construction management software allows for the monitoring of project budgets, define project schedules, select and award contracts, manage contractors' performance, monitor construction schedules and control project cash-flows.

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**6. INFORMATION ON IFCA GROUP (cont'd)**


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*Financials and Project Accounting*

The financial modules within Property Plus is a comprehensive multi-company, multi-currency accounting software specifically designed and developed to ensure a fully effective and efficient information management system. Property Plus delivers complete financial, management and activity-based project accounting functionalities. Property Plus is designed to cater for the different taxation requirements in different countries such as Value-Added-Tax, Government Service Tax, Sales Tax, etc. The taxation criteria are user definable to meet local tax requirements.

*CRM*

Property Plus CRM modules integrate the entire company machinery by automating marketing, sales, customer services, engineering and quality assurance processes to help boost revenues, enhance customer satisfaction, increase productivity, improve product quality and reduce costs.

*Business Intelligence*

Business Intelligence integrates data available throughout an organisation and helps the organisation gain competitive advantage by converting data into a personalised intelligence.

*Push Technology*

Push Technology is a new method of information distribution. Instead of having to go out and "pull" information from the system, the information that is needed is "pushed" to the user according to their instructions. Business issues or works that require urgent attention, action and decision are delivered to the user online. The desired information or workflow for each business area can be pre-determined and defined as business processes. Each business process is associated with business rules and routing specification. Business rules are defined as conditions with logical operators and dynamic data sources. Once the business conditions are satisfied, relevant information or works will be channeled automatically to pre-determined personnel based on pre-defined routing specification.

**6.8.2 Construction and Engineering**

The IFCA Construction Management Information System comprises Contract Plus.

Contract Plus is an enterprise-wide fully integrated business solution designed specifically for engineering and construction related companies. This is a comprehensive business software solution that covers estimating, tendering, contract management, project management, work scheduling, sub-contracting, material management, labor management, plant and machinery management, project costing and financial accounting.

The software allows for the monitoring of contract/project budgets, define project schedules, select and award sub-contracts, manage sub-contractors performance, track material requirements and usage, monitor labor work-plans, plant and machinery usage, monitor contract implementation schedules and control project cash-flows. The 6 major components within Contract Plus include:-

*Pre-Tendering*

The pre-tendering process involves the preparation of tender documents and securing these project tenders. To ensure that the tender documents are prepared on time, a bills of quantity library can be maintained. It is directly integrated to the Purchase Order module to acquire the latest market rate for each component. The system keeps track of the process of submitting and revising tender rates as well as maintains a history of previously tendered projects.

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**6. INFORMATION ON IFCA GROUP (cont'd)**


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*Post-Tendering*

When a tender is awarded, all information gathered within the Pre-Tendering process is transferred to the Contract Management automatically. The software supports multiple versions of budget, track actual usage and reports on the budgeted, actual, committed and forecasted cost. Schedules can be prepared and activity based project budgets are generated automatically based on the tender specifications and schedules. Generation of purchase schedules ensures that materials required are purchased and delivered to the project site on time. To provide the necessary information to eliminate cost overrun, committed cost of awarded sub-contracts and purchase order issues can be compared against budgets and actual cost. Besides this, claims to clients and retention amounts can be tracked.

The system maintains a centralised database of all sub-contractors with their respective profiles and past experiences. Tender documents can be prepared, thus given to these sub-contractors to quote. The system tracks progress claims, variation orders, advances, percentages/quality of work done etc. Advances and "on-behalf purchases" (if any) are also supported to ensure timely billing and contras before any payments are made to the contractors. Retention (maximum and progressive) computations are also supported and are deducted from progress claims before final payment.

The system will automatically project material requirement, plant and machinery requirement and labour requirement. The actual usage of these items can be tracked via integrations to the financial modules.

*Financials and Project Accounting*

The financial modules within Contract Plus is a comprehensive multi-company, multi-currency accounting software specifically designed and developed to take full advantage of the "all-in-one" integration required to ensure a fully effective and efficient information management system. Contract Plus delivers complete financial, management and activity-based project accounting functionalities. Contract Plus is designed to cater to the different taxation requirements in different countries such as Value-Added-Tax, Government Service Tax, Sales Tax, etc. The taxation criteria are user definable to meet local tax requirements.

*CRM*

Contract Plus CRM modules integrate the entire company machinery by automating marketing, sales, engineering and quality assurance processes to help boost revenues, enhance customer satisfaction, increase productivity, improve product quality and reduce costs.

*Business Intelligence*

Business Intelligence integrates data available throughout an organisation and helps the organisation gain competitive advantage by converting data into a personalised intelligence.

*Push Technology*

Push Technology is described in section 6.8.1 above.

**6.8.3 Hospitality**

The IFCA Hospitality Management System comprises the following software solutions:

- (a) D'Resort
- (b) D'Hotel
- (c) D'Club

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**6. INFORMATION ON IFCA GROUP (cont'd)**


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The IFCA Hospitality Management System provides a total solution for entire resort management. It is a fully-integrated software solution catering to the management needs of resort operators for the functions of hotel and club operations, all of which integrates to the back-end financial accounting and reporting functions.

*D'Resort – (Fully Integrated Resort Management System)*

The D'Resort provides a total solution for the management of a resort. It is a fully integrated software catering to the management needs of a resort operator. It integrates the entire hotel and club operations. These include the functions of sales and marketing, front desk management, facilities for club management from membership recruitment and management, online credit and guest and member status verifications, food and beverage management (point-of-sales, menu, banqueting, inventory and purchasing), facilities and maintenance management, golfing (flight bookings, tournament, handicaps, caddies and buggies). These functions are seamlessly integrated to the back-end financial accounting and reporting functions.

*D'Hotel – (Fully Integrated Hotel Management System)*

This hotel management information system caters for the entire hotel operation with full integration from sales and marketing, front office activities, online guest credit verifications, food and beverage (point-of-sales, menu, banqueting, inventory, purchasing), maintenance management, PABX and electronic key lock interfaces. These functions are seamlessly integrated to the back-end financial accounting and reporting functions.

*D'Club – (Fully Integrated Club Management System)*

This fully integrated software caters for the needs of a club with full integration from sales and marketing (membership recruitment and management), food and beverage management (point-of-sales, menu, banqueting, inventory, purchasing), online credit and member status verifications, golfing management (flight bookings, tournament, handicaps, caddies and buggies), maintenance and facilities management. These functions are seamlessly integrated to the back-end financial accounting and reporting functions. It has three (3) sub-components:-

- (i) IFCA Membership – caters to all of the operating requirements relating to membership; from the time a member first joins the club to all of the processes and information relating to the members profile, spending habits, billings, club standing, customer services rendered and the transfer, sale or termination of a member's membership.
- (ii) IFCA Golfing – caters to all of the operations of a club providing golfing facilities to its members and guests. The entire process from flight bookings to registration prior to tee-off and the charging or payment of fees is fully automated. The running of tournaments from bag drops to registration, to tee-off and finally to submission of scorecards and generation of results is fully supported by IFCA Golf.
- (iii) IFCA Facilities – caters to the booking, registration, billing and collection for use of the club's non-golfing facilities. With its online verification of the receivable status of a member or hotel guest, the use of such facilities can be appropriately controlled and managed.

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**6. INFORMATION ON IFCA GROUP (cont'd)**

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**6.8.4 Finance and Leasing*****Loans Plus (Fully Integrated Asset Leasing and Hire-Purchase Management System)***

Loans Plus provides a total business solution for finance and mortgage companies that are involved in asset leasing, hire-purchase (consumer financing) or invoice-factoring. The enterprise-wide modular concept caters for the entire breath of the operations of a finance company. The software is designed to manage front-end activities such marketing, credit processing, cashiering, administration of leases, post-dated cheques, documentation, collateral, asset insurance, legal matters, management policies, and loan re-pricing. These activities are then fully integrated to the back-end financial accounting and reporting functions.

**6.8.5 Manufacturing and Distribution**

ERP Plus comprises IFCA Financial, Manufacturing and Distribution Management Systems.

The IFCA Financial, Manufacturing and Distribution Management Systems or ERP Plus is an enterprise wide fully integrated business solution designed for companies that produces and maintains a wide range of products for sale and distribution. This is a comprehensive business software solution that covers every aspect of the users' operations; the production process, production schedules, material requirements planning, purchasing, inventory control, sales, distribution and financial accounting.

ERP Plus has a comprehensive suite of modules that caters for a wide range of production environment that includes made-to-stock, made-to-order, engineered-to-order, etc.

With this software solution, the whole production and sales process can be planned, monitored, measured and accounted for in a single integrated application. The 6 major components within ERP Plus include:-

***Manufacturing***

Within ERP Plus, through integration from various modules that include the master production schedule, bill of materials, inventory, purchase order processing and sales order processing module), the system automatically calculates and maintains manufacturing requirements.

***Sales and Distribution***

In a highly competitive and voluminous trading environment, competitive pricing, discount structures and complex incentive schemes are the norm. ERP Plus is designed to handle such complexities together with other tasks such as the return of previously sold items with differing discounts or incentives that had been offered earlier. ERP Plus provides comprehensive features in managing inventory, including multi-warehousing. It also supports costing methods such as First-In-First-Out (FIFO), Last-In-First-Out (LIFO), Weighted Average and Standard Costing. ERP Plus adopts a centralised vendor quotation system wherein data on historical pricing and delivery lead-time are maintained. Quotations and vendor performance can be retrieved and reviewed from this centralised database. Where relevant, vendors can even be blacklisted internally by the users.

It has a detailed sales budgeting facility with flexible reporting capabilities. Reports and enquiries are easily accessible for business decision-making. For control purposes, it handles sales returns and credit and debit adjustments linked to the original invoices. The application also tracks free-of-charge items and discounts given for the purpose of initiating claims from the principals.