

**8. SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT****8.1 Ownership and Management**

Based on the Register of Shareholders of IFCA as at the date of this Prospectus, the direct and indirect interests of the substantial shareholders and Promoter in the issued share capital of the Company before and after the Public Issue are as follows:-

Shareholder/ Promoter	Nationality / Place of Incorporation	Before Public Issue			After Public Issue			After Full Exercise of ESOS <sup>5</sup>		
		Direct No. of Shares	%	Indirect No. of Shares	Direct No. of Shares	%	Indirect No. of Shares	Direct No. of Shares	%	Indirect No. of Shares
IFCA (Asia) <sup>1</sup>	Malaysia	183,904,762	90.25	-	183,904,762	66.58	-	183,904,762	51.22	-
Yong Keang Cheun	Malaysian	6,620,930	3.25	186,960,572 <sup>2</sup>	6,620,930	2.40	186,960,572 <sup>2</sup>	67.69	8,073,830 <sup>6</sup>	2.25
Yong Kian Keong	Malaysian	3,055,810	1.50	190,525,692 <sup>3</sup>	3,055,810	1.11	190,525,692 <sup>3</sup>	68.98	4,508,710 <sup>6</sup>	1.26
Ooi Bee Bee	Malaysian	10,188,498	5.00	-	11,092,798 <sup>4</sup>	4.02	-	-	11,454,598 <sup>6</sup>	3.19

**Notes:-**

- <sup>1</sup> The principal activity of IFCA (Asia) is investment holding and its directors and substantial shareholders are listed in section 8.1.1 of this Prospectus.
- <sup>2</sup> Deemed interested by virtue of his substantial shareholdings in IFCA (Asia) and his brother's shareholdings in IFCA.
- <sup>3</sup> Deemed interested by virtue of his substantial shareholdings in IFCA (Asia) and his brother's shareholdings in IFCA.
- <sup>4</sup> Based on her entitlement of 904,300 Shares pursuant to the allocation of Public Issue Shares to eligible employees of IFCA Group.
- <sup>5</sup> An ESOS will be implemented in conjunction with the Company's listing on the MESDAQ Market. The shareholdings shown here are based on the number of Options to be granted to Yong Keang Cheun, Yong Kian Keong and Ooi Bee Bee. The details of the ESOS are elaborated in section 6.5 of this Prospectus.
- <sup>6</sup> Based on their respective ESOS allocations as follows:-

	No. of ESOS Options
Yong Keang Cheun	1,452,900
Yong Kian Keong	1,452,900
Ooi Bee Bee	361,800

**8. SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (cont'd)**

Based on the Registrar of Directors' Shareholding of IFCA as at the date of this Prospectus, the direct and indirect interest of the Directors in the issued share capital of the Company before and after the Public Issue are as follows:-

Director	Nationality	Before Public Issue			After Public Issue			After Full Exercise of ESOS					
		No. of Shares	%	Indirect No. of Shares	Direct No. of Shares	%	Indirect No. of Shares	Direct No. of Shares	%	Indirect No. of Shares			
Yong Keang Cheun	Malaysian	6,620,930	3.25	186,960,572 <sup>1</sup>	91.75	6,620,930	2.40	186,960,572 <sup>1</sup>	67.69	8,073,830 <sup>4</sup>	2.25	188,413,472 <sup>1</sup>	52.47
Yong Kian Keong	Malaysian	3,055,810	1.50	190,525,692 <sup>2</sup>	93.50	3,055,810	1.11	190,525,692 <sup>2</sup>	68.98	4,508,710 <sup>4</sup>	1.26	191,978,592 <sup>2</sup>	53.47
Ho Chee Siong	Malaysian	-	-	-	-	674,600 <sup>3</sup>	0.24	-	-	934,300 <sup>4</sup>	0.26	-	-
Ch'ng Kong San	Malaysian	-	-	-	-	-	-	-	-	-	-	-	-
Chew See Chiew	Malaysian	-	-	-	-	-	-	-	-	-	-	-	-

**Notes:-**

- <sup>1</sup> Deemed interested by virtue of his substantial shareholdings in IFCA (Asia) and his brother's shareholdings in IFCA
- <sup>2</sup> Deemed interested by virtue of his substantial shareholdings in IFCA (Asia) and his brother's shareholdings in IFCA
- <sup>3</sup> Based on his entitlement pursuant to the allocation of Public Issue Shares to eligible employees of IFCA Group
- <sup>4</sup> Based on their respective ESOS allocations as follows:-

	<u>No. of ESOS Options</u>
Yong Keang Cheun	1,452,900
Yong Kian Keong	1,452,900
Ho Chee Siong	259,700

**8. SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (cont'd)****8.1.1 Background on Substantial Shareholders and Promoter**

The Promoter of IFCA is IFCA (Asia). A brief background of IFCA (Asia) is set out below.

IFCA (Asia) was incorporated in Malaysia on 23 April 1987 under the Act as a private limited company with the name of IFCA Systems Sdn. Bhd. It assumed its present name on 29 May 1993. IFCA (Asia) is principally involved in investment holding. Its issued and paid-up capital is RM4,150,000 comprising 4,150,000 ordinary shares of RM1.00 each. The directors of IFCA (Asia) are Mr Yong Keang Cheun, Mr Yong Kian Keong and Ms Ooi Bee Bee. Mr Yong Keang Cheun and Mr Yong Kian Keong are also directors of IFCA and their profiles are set out in section 8.4 on "Board of Directors".

The substantial shareholders and directors and their shareholdings as at the date of this Prospectus are as follows:

Name	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Yong Keang Cheun	2,839,474	68.4	1,310,526 <sup>1</sup>	31.6
Yong Kian Keong	1,310,526	31.6	2,839,474 <sup>2</sup>	68.4
Ooi Bee Bee	-	-	-	-

**Notes:-**

<sup>1</sup> Deemed interested by virtue of his brother's shareholdings in IFCA (Asia)

<sup>2</sup> Deemed interested by virtue of his brother's shareholdings in IFCA (Asia)

**8.1.2 Directorships in Other Public Companies**

None of the substantial shareholders or Promoter of IFCA has directorships in any other public companies for the past (2) years.

**8.1.3 Substantial Shareholdings in Other Public Companies**

None of the substantial shareholders or Promoter of IFCA has substantial shareholdings, whether directly or indirectly, in any other public companies for the past two (2) years.

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**8. SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (cont'd)****8.2 Changes in Substantial Shareholders**

The changes in the substantial shareholders of IFCA and their shareholdings for the past three (3) years up to the date of this Prospectus are as follows:-

Name	Since incorporation to 06.05.1998				I - After Bonus Issue				II - After Property Acquisitions			
	No. of Shares*	%	No. of Shares*	%	Direct No. of Shares*	%	Indirect No. of Shares*	%	Direct No. of Shares*	%	Indirect No. of Shares*	%
IFCA (Asia)	2,000,000	93.02	-	-	13,581,396	93.02	-	-	19,358,396	95.00	-	-
Yong Keang Cheun	97,500	4.53	2,045,000 <sup>1</sup>	95.12	662,093	4.53	13,886,977 <sup>1</sup>	95.12	662,093	3.25	19,663,977 <sup>1</sup>	96.50
Yong Kian Keong	45,000	2.10	2,097,500 <sup>2</sup>	97.56	305,581	2.10	14,243,489 <sup>2</sup>	97.56	305,581	1.50	20,020,489 <sup>2</sup>	98.25
Ooi Bee Bee	7,500	0.35	-	-	50,930	0.35	-	-	50,930	0.25	-	-
	2,150,000	100.00			14,600,000	100.00			20,377,000	100.00		

Name	III - After Share Split				IV - After Rationalisation of Shareholding Structure			
	Direct No. of Shares**	%	Indirect No. of Shares**	%	Direct No. of Shares**	%	Indirect No. of Shares**	%
IFCA (Asia)	193,583,960	95.00	-	-	183,904,762	90.25	-	-
Yong Keang Cheun	6,620,930	3.25	196,639,770 <sup>1</sup>	96.50	6,620,930	3.25	186,960,572 <sup>1</sup>	91.75
Yong Kian Keong	3,055,810	1.50	200,204,890 <sup>2</sup>	98.25	3,055,810	1.50	190,525,692 <sup>2</sup>	93.50
Ooi Bee Bee	509,300	0.25	-	-	10,188,498	5.00	-	-
	203,770,000	100.00			203,770,000	100.00		

**Notes:-**

\* Based on par value of RM1.00 per share

\*\* Based on par value of RM0.10 per share

<sup>1</sup> Deemed interested by virtue of his substantial shareholdings in IFCA (Asia) and his brother's shareholdings in IFCA

<sup>2</sup> Deemed interested by virtue of his substantial shareholdings in IFCA (Asia) and his brother's shareholdings in IFCA

## 8. SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(cont'd)*

### 8.3 Moratorium on Promoter's Shares

Pursuant to the Listing Requirements, Shares held by the Promoter amounting to forty five (45%) per cent of the nominal issued and paid-up capital of the Company at the date of admission of the Company to the Official List of the MESDAQ Market will be placed under moratorium. The Promoter, whose Shares are subject to moratorium is as follows:-

Promoter	Under Moratorium upon listing		Under Moratorium after full exercise of ESOS	
	No. of Shares	%	No. of Shares	%
IFCA (Asia)	161,577,000	58.5%	161,577,000	45%

The quantum and proportion of shares which are to be held under moratorium as depicted above is fully accepted by IFCA (Asia).

It will not be allowed to sell, transfer or otherwise dispose of any part of its interest in the Shares under the moratorium within one (1) year from the date of admission of the Company to the Official List of the MESDAQ Market, and thereafter, it is permitted to sell, transfer or otherwise dispose of up to a maximum of one third per annum of its respective shareholdings under moratorium on a straight-line basis.

This restriction is specifically endorsed on the Share certificates of IFCA representing the shareholding of IFCA (Asia) which is under moratorium to ensure that the Company's Registrars shall not register any transfer not in compliance with the moratorium restrictions. This restriction has been fully accepted by the aforesaid shareholder.

In addition, the substantial shareholders of IFCA (Asia) namely Mr Yong Keang Cheun and Mr Yong Kian Keong have also provided a written undertaking not to dispose their shares in IFCA (Asia) for a period of three (3) years from the date of admission to the MESDAQ Market.

### 8.4 Board of Directors

**Mr Yong Keang Cheun**, a Malaysian aged 44, is the CEO of the Group. His responsibilities include the development of strategies and policies of the Group. He is also involved in the research and development of the Group's products. Mr Yong co-founded IFCA (Asia) in 1987 and is responsible for building the Group's business. In 1997, he assumed his current position following an internal restructuring exercise, which resulted in the transfer of IFCA (Asia)'s business operations to IFCA.

Prior to 1987, Mr Yong was an IT Consultant with Arthur Andersen, an international consulting firm in Malaysia. He has over 20 years experience in the ICT industry and has been involved in various aspects of the software business, including product development, business development and project implementation. Mr Yong holds a Masters degree in Computer Science from the University of Manitoba, Canada.

**Mr Yong Kian Keong**, a Malaysian aged 42, is the Deputy CEO of the Group. His responsibilities include the overall management of the Group's sales and marketing and business operations.

Mr Yong joined IFCA (Asia) in 1990 and has been actively involved in its business operations. In 1997, he assumed his current position following an internal restructuring exercise, which resulted in the transfer of IFCA (Asia)'s business operations to IFCA. He was instrumental in assisting the Group in achieving its current customer base and market share. He also played a major role in developing the overseas markets and business partner program for the Group.

**8. SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (cont'd)**

**Mr Ho Chee Siong**, a Malaysian aged 37, is the Corporate Finance Director of the Group. His responsibilities include assisting the CEO in matters relating to strategic planning, corporate finance and human resources and administration.

Prior to joining the Group in May 2002, Mr Ho was running his own consultancy firm HMS Corporate Services Sdn Bhd. Before that, he was the General Manager of Besraya (M) Sdn Bhd, a subsidiary of Road Builder (M) Holdings Berhad, the toll concessionaire for Lebuhraya Besraya.

Mr Ho did his articleship in Ng, Lee and Partners and is a member of MICPA, MIA as well as an associate member of Malaysian Institute of Taxation.

**Mr Ch'ng Kong San**, a Malaysian aged 40, is an Independent Director of the Group. He is a Fellow Member of the Chartered Institute of Management Accountants, United Kingdom. He is also a Chartered Accountant with the MIA.

He started his career in 1987 with Coopers & Lybrand in the Corporate Care and Insolvency Services Division. He then joined BHL Bank Berhad in 1988, Amsteel Berhad in 1990 and subsequently Hong Leong Group in 1996 as Financial Controller. In year 2000, he worked as the Group Financial Controller of Sitt Tatt Berhad and Chase Perdana Berhad. He is presently the managing director of Cintaman Corporation Sdn Bhd, practising as a corporate advisor for a few public listed companies.

**Mr Chew See Chiew**, a Malaysian aged 50, is an Independent Director of the Group. He is a Chartered Accountant and a member of the MIA. He holds a Bachelor Degree in Accountancy from University of Technology, Sydney, Australia.

He has extensive experience in finance, accountancy, corporate planning and the housing property industry in private companies as well as public listed companies.

***Shareholdings in IFCA***

Based on the Registrar of Directors' Shareholding of IFCA as at the date of this Prospectus, the direct and indirect interest of the directors in the issued and paid-up share capital of the Company before and after the Public Issue are illustrated in table 8.1 of this Prospectus.

***Directorships of Directors in Other Public Companies***

None of the directors of IFCA has held directorships in other public companies for the past two (2) years, save for Ch'ng Kong San who is a director of OilCorp Bhd.

***Substantial Shareholdings of Directors in Other Public Companies***

None of the directors of IFCA has had substantial shareholdings (5% or more), whether direct or indirect, in other public companies for the past two (2) years.

**8.5 Audit Committee**

IFCA has set up an Audit Committee which comprises the following Board members:-

Name	Designation	Directorship
Ch'ng Kong San	Chairman	Independent Director
Chew See Chiew	Member	Independent Director
Ho Chee Siong	Member	Executive Director

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**8. SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (cont'd)**


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The main functions of the Audit Committee include the monitoring of related party transactions of the Group, review of audit plans and audit reports with the Group's auditors, review of the auditors' evaluation of internal accounting controls and management information systems, review of the scope of internal audit procedures, review of the balance sheet and profit and loss accounts, and nomination of the auditors.

**8.6 Key Management and Technical Personnel**

**Mr Leong Nyu Kuan**, a Malaysian aged 44, is the President of the Group. His responsibilities are leading the Group's business partner management programs and business development. Prior to joining the Group in 1993, he was an Accounts Executive with the Tourist Development Corporation of Malaysia, an Accountant with Industrade Holdings Sdn Bhd, an Executive Director with Setia Adil Sdn Bhd and a freelance Business Consultant-cum-Auditor in YCS and Sons Sdn Bhd.

He holds a Higher Diploma in Accounting and Business Studies, London Chamber of Commerce and Industry.

In 1993, he joined the Group as a Financial Controller. Subsequently in 1994 he was promoted to Operation Director in 1994 and Group Operation Director in 1996. He was then re-designated to Chief Financial Officer in August 2000 and promoted to his current position in July 2001.

**Mr Wong Boon Kee**, a Malaysian aged 44, is the Vice President responsible for the Loans product. His responsibilities include marketing, application design and general management of the personnel assigned to these products. Prior to joining IFCA in 1997 he was the CEO of PT Pacific Mutualindo Corporation (Indonesia), Group Corporate General Manager and Company Secretary for the MBf Group, Internal Audit Officer in Southern Bank Berhad and Audit Supervisor in PricewaterhouseCoopers.

He joined IFCA Indonesia in 1997 as the Country Manager and was later transferred to Philippines in the same position. He was transferred back to Malaysia in 2000 and took charge of the Loans application.

He did his articleship in PricewaterhouseCoopers and is a member of MICPA.

**Mr Ian Jeremy Jones**, a Malaysian aged 32, is the Vice President responsible for the Property and Construction products. His responsibilities include managing the development, support and marketing of the Property, Construction, Trading and Manufacturing software for the Group. Prior to joining IFCA in 1992, he was working in Computer Store Sdn Bhd.

He has over ten years of experience in the IT industry and has been involved in all aspects of the software business from the design and development of products, project management, post sales support, direct sales, organise dissemination of product information to project consultancy. He has been very involved in the design and development of the entire suite of IFCA's products.

He has a Higher Diploma in Computer Science and a Diploma of Computer Science from the United Kingdom.

**Mr Tan Chen Meng**, a Malaysian aged 47, is the Vice President of business partner and channel management. His responsibilities include sourcing and managing International Business Partners in IFCA's global expansion program.

Mr Tan started his career working in a Chartered Accountant firm in United Kingdom, and later joined ESSO Group. He also worked with two property companies in Jakarta before joining IFCA.

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**8. SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (cont'd)**

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In 1998, he joined IFCA and was responsible for setting up business partnerships in Australia, United Kingdom, Maldives, South Africa, Myanmar and United Arab Emirates.

He is an associate member of the Institute of Chartered Accountants in England and Wales.

**Mr Yap Wai Jyh**, a Malaysian aged 40, is the Vice President responsible for the Resort and Knowledge Plus products. His responsibilities include managing the development, support and marketing of the Hospitality Management System and Knowledge Plus software for the Group.

He has 18 years of experience in IT. He was attached to IFCA from 1993 to 1999.

He left IFCA in 1999 to join NEC Malaysia Sdn Bhd as a Manager in the Systems Integration Division and subsequently as Director for Biometric Asia Sdn Bhd. He rejoined IFCA in 2003.

He holds a Higher National Diploma in Computer Studies and National Certificate in System Analyst Design awarded by National Computing Centre of United Kingdom.

**Ms Ooi Bee Bee**, a Malaysian aged 43, is the Software Director of the Group. She is primarily responsible for the development of software and the enhancement of existing software of the Group.

Prior to joining IFCA (Asia) in 1987, she was a freelance IT consultant and provided programming, system study and system evaluation services. During her employment with the Group, she has undertaken numerous product developments and has participated in numerous project implementations in Malaysia, Indonesia, Philippines, Thailand and South Africa. She holds a Bachelor of Arts degree and Higher Diploma in Computer Science from the University of Malaya.

**Mr Chok Kok Chung**, a Malaysian aged 38, is the Johor Bahru Branch Manager. He manages the branch and is responsible for the branch's overall performance.

Prior to joining IFCA in 1996, he was a System Consultant for Info-House (M) Sdn Bhd, Assistant Course Director in Informatics Computer School, Singapore and Accounts Executive in Peak Plastic and Metal Pte Ltd, Singapore.

He holds an Advanced Diploma in Computer Studies and Higher Diploma in Accounting and Business Studies, London Chamber of Commerce and Industry.

**Mr Loh Beng Hock**, a Malaysian aged 37, is the Penang Branch Manager. He manages the branch and is responsible for the branch's overall performance.

Prior to joining IFCA in 1995, he was an IT Sales and Marketing Manager in Symarex (Malaysia) Sdn Bhd and an Analyst Programmer in Green Peninsula Agencies Sdn Bhd.

He holds a Diploma in Computer Studies awarded by National Computing Centre of United Kingdom.

**Ms Beh Soo Lang**, a Malaysian aged 42, is the Sabah Branch Manager. She manages the branch and is responsible for the branch's overall performance.

She brought with her more than 10 years of IT experience covering training and education, banking and vendor information. Prior to joining IFCA in 1995, she worked as Branch Executive and Account Manager for Mesiniaga, responsible for market development in Sabah region.

She joined IFCA as a Managing Partner of IFCA Sabah in 1995. She has since then disposed of her shares in both IFCA Sabah and IFCA Sarawak in 2000 and assumed her current position.

She holds a Bachelor of Science degree from the Deakin University, Victoria, Australia.



**8. SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (cont'd)**

**Mr Lee Kok Leong**, a Malaysian aged 29, is the Hardware and Network Division Manager of IFCA. He is leading the marketing and operational functions of the division.

He joined IFCA as a Technician in 1992 and was promoted to Technical Manager in 1996. He was subsequently promoted to Hardware and Network Marketing Manager in 1998 and to his current position in 2000.

**Shareholdings in IFCA**

Save as disclosed below, none of the abovementioned key management and technical personnel hold Shares in IFCA:-

Key Management	Before Public Issue				After Public Issue*				After Full Exercise of ESOS			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Leong Nyu Kuan	-	-	-	-	-	-	-	-	-	-	-	-
Wong Boon Kee	-	-	-	-	-	-	-	-	-	-	-	-
Ian Jeremy Jones	-	-	-	-	-	-	-	-	-	-	-	-
Tan Chen Meng	-	-	-	-	-	-	-	-	-	-	-	-
Yap Wai Jyh	-	-	-	-	-	-	-	-	-	-	-	-
Ooi Bee Bee	10,188,498	5.00	-	-	11,092,798	4.02	-	-	11,454,598 <sup>#</sup>	3.19	-	-
Chok Kok Chung	-	-	-	-	-	-	-	-	-	-	-	-
Loh Beng Hock	-	-	-	-	-	-	-	-	-	-	-	-
Beh Soo Lang	-	-	-	-	-	-	-	-	-	-	-	-
Lee Kok Leong	-	-	-	-	-	-	-	-	-	-	-	-

\* Save for Ms Ooi Bee Bee, the table above does not include allocation of Public Issue Shares reserved for eligible directors/employees of IFCA Group pursuant to the Public Issue.

<sup>#</sup> Based on her ESOS allocation of 361,800 Options.

Apart from the ESOS as mentioned in section 6.5 of this Prospectus, none of the key management and technical personnel holds any options in respect of any Shares in IFCA.

**Directorships in Other Public Companies**

None of the abovementioned key management and technical personnel of IFCA has held directorships in other public companies for the past two (2) years.

**Substantial Shareholdings in Other Public Companies**

None of the abovementioned key management and technical personnel of IFCA has had substantial shareholdings (5% or more), whether direct or indirect, in other public companies for the past two (2) years.

**8.7 Relationships and Associates**

There are no family or business relationships amongst the substantial shareholders, Promoter, directors, key management and technical personnel of the Group save for the following relationships:-

- Mr Yong Keang Cheun is the elder brother of Mr Yong Kian Keong;
- Mr Lee Kok Leong, the Hardware and Network Division Manager is the nephew of both Mr Yong Keang Cheun and Mr Yong Kian Keong; and
- Mr Yong Keang Cheun and Mr Yong Kian Keong are the minority shareholders holding the remainder of the shares not held by IFCA in IFCAT, IFCA (JB), IFCA (Sabah), IFCAS, NOSB, IFCA (Penang) and IFCA (Sarawak).

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**8. SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (cont'd)**

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**8.8 Service Agreements**

All employees including key management of the Group have standard employment letters save for the following service agreements:-

(a) A service agreement dated 21 May 2003 was entered into between IFCA and Mr Yong Keang Cheun in relation to his appointment as CEO of IFCA with the following terms and conditions:-

1. the service agreement shall be effective from 21 May 2003 and shall continue for a period of three (3) years. Thereafter, the agreement shall be extended annually unless otherwise terminated in accordance with the provisions of the agreement;
2. he shall not during the term of this agreement, be gainfully employed in any other occupation, trade or business save that he may continue to manage companies in which he already holds office as at the date of the agreement, and otherwise with the prior written consent of the Company;
3. he shall not directly or indirectly disclose to any person, firm or company, or use any trade secrets or other confidential business information, during or after his employment, except:-
  - in the proper course of his employment;
  - for any legitimate purposes of the Company or the Group; or
  - as required by law;
4. if he develops any intellectual property rights for the purposes of his employment with the Company, he must disclose it to the Company immediately and agrees that all such intellectual property rights developed while he is in the Company's employment shall be assigned to the Company; and
5. the agreement shall terminate if either party gives to the other three (3) months notice in writing.

(b) A service agreement dated 21 May 2003 was entered into between IFCA and Mr Yong Kian Keong in relation to his appointment as Deputy CEO of IFCA with the following terms and conditions:-

1. the service agreement shall be effective from 21 May 2003 and shall continue for a period of three (3) years. Thereafter, the agreement shall be extended annually unless otherwise terminated in accordance with the provisions of the agreement;
2. he shall not during the term of this agreement, be gainfully employed in any other occupation, trade or business save that he may continue to manage companies in which he already holds office as at the date of the agreement, and otherwise with the prior written consent of the Company;
3. he shall not directly or indirectly disclose to any person, firm or company, or use any trade secrets or other confidential business information, during or after his employment, except:-
  - in the proper course of his employment;
  - for any legitimate purposes of the Company or the Group; or
  - as required by law;
4. if he develops any intellectual property rights for the purposes of his employment with the Company, he must disclose it to the Company immediately and agrees that all such intellectual property rights developed while he is in the Company's employment shall be assigned to the Company; and
5. the agreement shall terminate if either party gives to the other three (3) months notice in writing.

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**9. SUMMARY OF 5-YEAR BUSINESS DEVELOPMENT PLAN**

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**9.1 Introduction**

The business development plan for the Group, over the next five (5) years, is structured to achieve the following objectives:-

- a) Sharpen competitive edge
- b) Maintain technological advantage
- c) Balance revenue base
- d) Widen client base

**9.2 Strategy**

The proposed activities to be undertaken by the Group are as follows: -

- 1) To further boost IFCA's image and product reputation as well as raising awareness of IFCA's products among potential customers through more aggressive marketing efforts.
- 2) Expanding operations and markets to other countries by setting up offices and penetrating into foreign markets. For example, IFCA has incorporated a subsidiary in Shanghai to market IFCA's products in PRC.
- 3) Launching new products and setting up sales and marketing team dedicated to handle the business development of the new products. The Group has an existing base of approximately 14,300 licensed users of its products worldwide. This large pool of customers gives an immediate and accessible market for new complementary products or enhanced versions of existing products.
- 4) Continuous investment in R&D to maintain and enhance its current products, develop new products and maintain technological competitiveness to keep abreast with the changing IT requirements.

**9.3 Human Resource Development**

The Group recognises that the quality of its software and services depends largely on the technical knowledge and the skills of its staff. In light of this, IFCA has always strived to recruit and retain highly skilled and committed individuals to jointly pursue the Group's objectives. The proposed human resource development plan for the next five (5) years is as follows:-

- 1) Increasing workforce to cater for the expanding business plan by recruiting and retaining highly skilled and committed individuals.
- 2) Providing proper and adequate working tools and training to provide a conducive environment for the staff.
- 3) Upgrading all the hardware and software for the technical team so that they can deliver higher quality service.
- 4) Allocating shares and ESOS options to employees in recognition of their contribution to the Group's success and performance.

**9.4 Conclusion**

With these business plan and strategies, it will be more promising for IFCA to achieve its goal to be a leading software house in Asia.

## 10. DIRECTORS' REPORT

(Prepared for inclusion in this Prospectus)



**IFCA MSC BERHAD** (453392-T)  
(Formerly known as SOFTWARE ONLINE SDN. BHD.)  
Wisma IFCA, 19 Jalan PJU 1/42A, Dataran Prima,  
47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia.  
Tel: 603-7805 1022 Fax: 603-7804 3717

Information For Competitive Advantage

### Registered Office:

24B, Persiaran Zaaba  
Taman Tun Dr Ismail  
60000 Kuala Lumpur  
Malaysia

Date: **16 JUN 2003**

The Shareholders


IFCA MSC Berhad ("IFCA" or "Company")

Dear Sir/Madam

On behalf of the Board of Directors of IFCA, I report that after making due enquiries in relation to the interval between 31 December 2002, being the date to which the last audited accounts of the Company and its subsidiary companies have been made up, and **16 JUN 2003**, being a date not earlier than fourteen (14) days before the issue of this Prospectus:-

- (a) The business of the Company and its subsidiary companies has, in the opinion of the Directors, been satisfactorily maintained;
- (b) In the opinion of the Directors, save as disclosed in this Prospectus, no circumstances have arisen since the last audited accounts of the Company and its subsidiary companies which have adversely affected the trading or the value of the assets of the Company or its subsidiary companies;
- (c) The current assets of the Company and its subsidiary companies appear in the books at values which are believed to be realisable in the ordinary course of business;
- (d) Save as disclosed in the section on "Working Capital, Borrowings and Contingent Liabilities", no contingent liabilities have arisen by reason of any guarantees or indemnities given by the Company or its subsidiary companies; and
- (e) Save as disclosed in the Accountants' Report as set out in section 11 of this Prospectus, there have been no changes to the published reserves or any unusual factors affecting the profits of the Company and its subsidiary companies since the last audited accounts of the Company and its subsidiary companies.

Yours faithfully  
For and on behalf of the Board of Directors of  
IFCA MSC Berhad

  
Wong Kian Keong  
Director