
7. SUMMARY OF FIVE-YEAR BUSINESS PLAN

7.1 Business Directions for the Next Five (5) Years

Currently, the PTB Group is operating in an industry whereby competitiveness is relatively low. However, the Group recognised that with the liberalisation of the Malaysian economy and the implementation of AFTA in 2003, the Group faces a major threat from new market entrants both locally and from other ASEAN countries. In view of this, the PTB Group has developed its 5-year business plan to maintain its competitiveness and steer the Group towards achieving success in the material technology business in Malaysia and Asia Pacific region. The PTB Group believes that there are still opportunities for the Group to grow and increase its market share as it is one of the major local players with an established reputation and quality products. As such, it has a competitive advantage over the other potential new market entrants. In order to stay in line with its expanding business, the PTB Group opts to seek cheaper funding through the Listing for its future expansion.

The PTB Group believes that its major strength in the technical expertise is to vary its existing products and to formulate new products in accordance to the requirements of the market. In broad terms, the Group intends to introduce more variations of its products and also concentrate on the production of raw material for its resin compounds, such as MB, PA, etc. These raw materials are both for its own consumption and sales.

In addition, the Group also intends to expand its presence in overseas markets particularly China and Thailand where the Group is of the opinion that there is market potential for its products in view of the uptrend in the Chinese economy and the favourable prospects of Thailand's automotive industry. The PTB Group's strategies are also geared towards increasing its market share both locally and overseas.

7.2 Product and Business Development Policy

For the first year after admission to the MESDAQ Market, the PTB Group intends to:

- (i) further expand into the local and Asia Pacific markets using its products, namely Plexlon HFFR;
- (ii) increase its market share for its resin compounds for the automotive components industry, namely Prolene TPO/ TPE;
- (iii) penetrate into new markets for its resin compounds for the automotive components industry, namely PC/ ABS;
- (iv) increase its production output from 666MT per month to 708MT per month; and
- (v) conduct its R & D on MV XLPE.

For the subsequent four (4) years, the PTB Group will gear its focus and directions towards the following:

- (i) Introduction of new products such as FR XLPE, semi-com, MV XLPE and PP FR;
- (ii) Increase its production output from 708MT per month to 1,023MT per month by year 2007;
- (iii) Continuously maintaining the innovativeness and creativeness of its R & D through hiring of highly trained chemists and engineers as well as periodic upgrade of the analytical and testing equipment and machinery;
- (iv) Development and implementation of strategic marketing and distribution plan; and
- (v) Increase in the PTB Group's workforce.

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL OF THE PTB GROUP

8.1 Promoters and Substantial Shareholders

8.1.1 Particulars and Shareholdings of Promoters and Substantial Shareholders

Based on the Register of Substantial Shareholders of PTB as at 12 December 2003, the direct and indirect interests of the Promoters and substantial shareholders (with 5% or more shareholdings) in PTB before and after the Public Issue are as follows:

Name	Designation	Before Public Issue				After Public Issue				Nationality
		Direct		Indirect		Direct		Indirect		
		No. of PTB Shares	%	No. of PTB Shares	%	No. of PTB Shares	%	No. of PTB Shares	%	
Promoters and Substantial Shareholders										
Pua Kong Hoi	Managing Director	78,982,156	81.01	-	-	78,982,156	60.76	-	-	Malaysian
Ho Kar Kok	Executive Director	6,674,541	6.85	-	-	6,674,541	5.13	-	-	Malaysian
Chang Hing Ling @ Cheun Poh Kern	Non-Executive Director	8,198,487	8.40	-	-	8,198,487	6.31	-	-	Malaysian
Promoter										
Teng Chee Kuan	Executive Director	3,644,816	3.74	-	-	3,644,816	2.80	-	-	Malaysian

8.1.2 Profile of the Promoters and Substantial Shareholders

The profiles of Mr Pua Kong Hoi, Mr Ho Kar Kok, Mr Chang Hing Ling @ Cheun Poh Kern and Ms Teng Chee Kuan, who are also the Directors of PTB, are outlined in Section 8.2.2 of this Prospectus.

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8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL OF THE PTB GROUP

8.1.3 Changes in the Promoters' and Substantial Shareholders' Shareholdings in PTB for the Past Three (3) Years

The changes in the Promoters and substantial shareholders' shareholdings in PTB since the date of incorporation are as follows:

Shareholders	Date	No. of PTB Shares acquired	Balance	% of enlarged share capital
Promoters and Substantial Shareholders				
Pua Kong Hoi	13 October 2003	1,230,121	1,230,121	0.95
	13 October 2003	3,966,191	5,196,312	4.00
	13 October 2003	49,822,403	55,018,715	42.32
	13 October 2003	23,963,421	78,982,136	60.76
	23 October 2003	20	78,982,156	60.76
Ho Kar Kok	13 October 2003	3,075,457	3,075,457	2.37
	13 October 2003	3,599,084	6,674,541	5.13
Chang Hing Ling @ Cheun Poh Kern	13 October 2003	62	62	*
	13 October 2003	5,535,823	5,535,885	4.26
	13 October 2003	2,662,602	8,198,487	6.31
Promoters				
Teng Chee Kuan	13 October 2003	1,845,274	1,845,274	1.42
	13 October 2003	1,799,542	3,644,816	2.80

* Negligible

8.1.4 Directorships and Major Shareholdings in All Other Public Companies for the Past Two (2) Years

As at 12 December 2003 (being the latest practicable date prior to the printing of this Prospectus), none of the Promoters and Substantial Shareholders hold any directorships and/or major shareholdings in other public companies for the past two (2) years.

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8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL OF THE PTB GROUP

8.2 Directors

8.2.1 Particulars and Shareholdings of Directors

Save for Mr Ong Ban Ban and Mr Philip Lam Hoe Wai, the two (2) independent Non-Executive Directors who do not hold any shares in PTB, the shareholdings for the Directors of PTB, who are also the Promoters and substantial shareholders of the Group, are disclosed in Section 8.1.1.

8.2.2 Profile of the Directors

The profiles of the Directors of PTB are as follows:

Pua Kong Hoi, aged 55, was appointed to the Board on 29 October 2003 as the Chairman and Managing Director. He graduated with a Bachelor of Science (Chemistry) degree in 1972 from the Nanyang University, Singapore. Currently, he is also the Director of PESB and its subsidiaries which he founded in 1992 as well as several other companies. Mr Pua has thirty (30) years of experience in the plastic industry dating back to 1973 where he first started off as an industrial trainee in Idemitsu Petrochemicals Co. Ltd in Japan. After six (6) months as an industrial trainee, Mr Pua worked as a production supervisor and subsequently as a General Manager in Petrochemical (M) Sdn Bhd, a joint venture company between Idemitsu Petrochemicals Co. Ltd and other Malaysian companies, for fourteen (14) years until 1987. From 1987 onwards, Mr Pua held several positions in several plastic industry related companies until he finally founded PESB in 1992. Mr Pua is also the Chairman of the Malaysian Plastics Manufacturers Association, Johor Branch (MPMA) for the period May 2002 to May 2004 term and a Licentiate of the Malaysian Institute of Chemistry (LMIC).

Ho Kar Kok, aged 51, was appointed to the Board on 29 October 2003 as an Executive Director. He is also the Operations Director of PPSB and MHT which he has held since 1995 and 2002 respectively. He graduated with a Diploma in Mechanical Engineering from Singapore Polytechnic in 1974. From 1974, Mr Ho worked as a Process Supervisor in Petrochemicals (M) Sdn Bhd until he was promoted as a General Manager and was responsible for the manufacturing operations in 1991. Mr Ho subsequently left Petrochemical (M) Sdn Bhd in 1995 and joined PPSB. Overall, he has twenty eight (28) years of experience in the plastic industry.

Chang Hing Ling @ Cheun Poh Kern, aged 56, was appointed to the Board on 29 October 2003 as a Non-Executive Director. With thirty (30) years of experience in the plastic industry, Mr Chang is currently the Director of PESB and several other private companies. He is also the Managing Director of Pauhing Plastic Industry Sdn Bhd, which he founded in 1993. He is the Treasurer of the Malaysian Plastics Manufacturers Association, Johor Branch (MPMA) for the May 2002 to May 2004 term.

Teng Chee Kuan, aged 39, was appointed to the Board on 29 October 2003 as an Executive Director. She graduated with a Bachelor of Economics (Hons) from University Utara Malaysia in 1989. She worked as a Field Executive in Electrolux Marketing Sdn Bhd in 1989 and progressed to Sales Manager in Metrocommunication (M) Sdn Bhd in 1990. In 1992, Ms Teng joined PESB as the Marketing Manager and was promoted to her present position as the General Manager in year 1999. Overall, she has eleven (11) years of experience in the plastic industry.

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL OF THE PTB GROUP

Ong Ban Ban, aged 42, was appointed to the Board as an Independent Non-Executive Director on 29 October 2003. He graduated with a Bachelor of Commerce from University of Western Australia in 1983. He is a Fellow Member of Certified Practising Accountants, Australia, a Chartered Accountant with the Malaysian Institute of Accountants and an Associate Member of Malaysian Institute of Taxation. Mr Ong has served in one of the accounting firms, Lim Ali & Co, a member of Arthur Young International now known as Ernst & Young, from 1984 to 1988. It was there that he gained vast experience and exposure in management consultancy, auditing, accounting and taxation. He left the accounting firm in 1988 to join Eully Plastics Industries Sdn Bhd, a plastic injection moulding, Original Equipment Manufacturer (OEM) and LCD manufacturing company, as a Financial Controller and subsequently as General Manager. For the past five (5) years since 1998, he was attached to an electronic product manufacturing company as the Chief Executive Officer. He is also an entrepreneur and Director of several other private limited companies.

Philip Lam Hoe Wai, aged 39, was appointed to the Board as an Independent Non-Executive Director on 29 October 2003. He graduated with a Bachelor of Laws (Hons) and Master of Business Administration from the National University of Singapore in 1989 and 1997 respectively. Mr Philip Lam has been practicing law full time since he was called and admitted to the Singapore Bar as an Advocate and Solicitor in 1990. He started off his career as a pupil at Messrs Drew & Napier (Singapore) and subsequently joined the firm as a legal assistant from 1990 to 1998. During this time, he worked his way up from a legal assistant, to being a senior legal assistant and then, a junior partner. After he left the firm in 1998, he joined Messrs Foo & Liew (Singapore), now known as Foo, Liew & Philip Lam. In 2001, Mr Philip Lam was admitted to the Malaysian Bar as an Advocate and Solicitor and also has a firm in Malaysia known as Messrs Liew Chieng Mien and Philip Lam. His personal achievement includes being one of the contributors to the Singapore Employment Practice Manual published by London Publishing House (Asia) Pte Ltd in 1997.

8.2.3 Directors' Directorship and/or Substantial Shareholdings in Other Public Companies for the Past Two (2) Years

As at 12 December 2003 (being the latest practicable date prior to the printing of this Prospectus), none of the Directors hold any directorship and/or substantial shareholdings in other public companies for the past two (2) years.

8.2.4 Directors' Remuneration and Benefits

For the financial year ended 31 December 2002, the aggregate amount of remuneration and benefits paid to the Directors of the PTB Group for services rendered in all capacities to the Group was RM319,520. For the financial year ending 31 December 2003, the aggregate amount of remuneration and benefits to be paid to the Directors for services rendered to the PTB Group are estimated to be approximately RM652,000.

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8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL OF THE PTB GROUP

The banding of remuneration and benefits of Directors of the PTB Group for the financial years ended 31 December 2002 and financial year ending 31 December 2003 are as follows:

Financial year ended/ ending	No. of Directors	Range
31 December 2002	-	RM0 – RM50,000
	-	RM50,001 – RM100,000
	1	RM100,001 – RM200,000
	1	RM200,001 – RM300,000
31 December 2003	3	RM0 – RM50,000
	-	RM50,001 – RM100,000
	2	RM100,001 – RM200,000
	1	RM200,001 – RM300,000

8.3 Audit Committee

The members of the Audit Committee are as follows:

Name	Designation	Directorship
Ong Ban Ban	Chairman	Independent Non-Executive Director
Philip Lam Hoe Wai	Member	Independent Non-Executive Director
Chang Hing Ling @ Cheun Poh Kern	Member	Non-Executive Director

The Audit Committee is responsible for recommending to the Board the selection of external auditors, reviewing the scope of audit work and findings conducted by the Group's external auditors including any other services provided, reviewing and evaluating the Company's internal audit and controls, assessing financial risks and matters relating to related party transactions and conflict of interest and undertake such other responsibilities as may be agreed by the Audit Committee and the Board.

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8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL OF THE PTB GROUP

8.4 Key Management and Key Technical Personnel

8.4.1 Particulars and Shareholdings of Key Management and Key Technical Personnel

None of the key management or key technical personnel of PTB holds any PTB Shares prior to the Public Issue. Pursuant to the Pink Form Share Allocation Scheme in conjunction with the Public Issue, the shareholdings of key management and key technical Personnel will be as follows:

Name	Designation	Before Public Issue				After Public Issue				Nationality
		Direct		Indirect		Direct		Indirect		
		No. of PTB Shares	%	No. of PTB Shares	%	No. of PTB Shares	%	No. of PTB Shares	%	
Key Management and Key Technical Personnel										
Hay Phooi Quan	Finance cum Accounts Manager	-	-	-	-	27,000	0.02	-	-	Malaysian
Choo Choon Sian	Engineer	-	-	-	-	10,000	0.01	-	-	Malaysian
Fong Lee Chin	Branch Manager	-	-	-	-	27,000	0.02	-	-	Malaysian
Chong Yew Kong	Assistant Operation Manager	-	-	-	-	14,000	0.01	-	-	Malaysian

8.4.2 Profile of Key Management and Key Technical Personnel

The key management and key technical personnel of the PTB Group is formed by a group of experienced personnel and headed by the Managing Director and Executive Directors with each responsible for his or her respective sections as follows:

Department	Headed by
R & D	Pua Kong Hoi
Operation	Ho Kar Kok
Marketing	Teng Chee Kuan

Hay Phooi Quan, aged 37, joined the PTB Group in April 2000. She graduated with a Diploma in Commerce from Tunku Abdul Rahman College in 1989. Currently, she is an Associate Member of Chartered Institute of Management Accountants, England and a Chartered Accountant with the Malaysian Institute of Accountants. She has five (5) years of experience in the plastic industry and six (6) years in the electronics industry. From 1991 to 1993, Ms Hay worked as a Costing Executive in Eully Plastics Industry Sdn Bhd and subsequently joined Display Technology (M) Sdn Bhd as an Administration Manager from

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL OF THE PTB GROUP

1994 to 2000. Currently, she is engaged with MHT as the Finance cum Accounts Manager but is responsible for both the accounts of MHT and PPSB.

Choo Choon Sian, aged 26, joined PPSB in June 2000 as a QA/ QC Engineer and was subsequently transferred to MHT in July 2002. He graduated with a Bachelor of Chemical Engineering (Polymer) degree from UTM in 2000.

Fong Lee Chin, aged 49, joined PPSB in March 1993 as the Branch Manager in PPSB's branch in Kuala Lumpur. She graduated with a Diploma in Private Secretary Course from Stamford College in Petaling Jaya in 1974. From 1975 to 1979, she was attached to the East West Insurance, Kuala Lumpur as a Personal Assistant to the District Manager. Subsequently, she joined Guan Aik Moh (KL) Sdn Bhd in 1980 as a secretary cum sales coordinator and then as an Administration and Sales Manager in Plexchem (M) Sdn Bhd from 1990 to 1993. Overall, Ms Fong has twenty three (23) years of experience in the plastic industry.

Chong Yew Kong, aged 35, graduated with a Diploma in Technology (Mechanical & Manufacturing Engineering) from Tunku Abdul Rahman College in 1992 and a Master Degree in Manufacturing Systems Engineering from University of Warwick, United Kingdom in 1993. Mr Chong joined PPSB as an Assistant Operation Manager in August 2002. Mr Chong started his career as a Production Executive in Cenpak (M) Sdn Bhd in 1993 and subsequently promoted to Production Manager in 1995. In 2001, he joined Mirapower Sdn Bhd as an Operation Manager. Overall, Mr Chong has one (1) year of experience in the generator set manufacturing industry and seven (7) years in the plastic industry.

8.5 Declaration by the Directors, Key Management and Key Technical Personnel

None of the Directors, key management or key technical personnel is or has been involved in any of the following events (whether in or outside Malaysia):

- i) A petition under any bankruptcy or insolvency laws filed (and not struck out) against such person or any partnership in which he was a partner or any corporation of which he was a director or key personnel; or
- ii) Convicted in a criminal proceedings or is a named subject of a pending criminal proceedings; or
- iii) Being the subject of any order, judgment or ruling of any court of competent jurisdiction temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

8.6 Family Relationships or Associations

As at the date of this Prospectus, there were no relationships or associations among the substantial shareholders, Promoters, Directors, key management and key technical personnel of the Group mentioned above.

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL OF THE PTB GROUP

8.7 Executive Directors, Key Management and Technical Personnel's Involvement in Other Business / Corporations

Save for Mr Pua Kong Hoi and Ms Teng Chee Kuan, none of the Executive Directors, key management and technical personnel are involved in any other businesses or corporations.

Presently, Mr Pua Kong Hoi is also a Director of PESB Group of Companies and several other private limited companies. Ms Teng Chee Kuan, on the other hand, is the Director of Plextech.

Although Mr Pua Kong Hoi is unable to commit 100% of his time to the PTB Group, he has ensured that he has been and is able to fulfill his responsibilities to the PTB Group and has not in anyway jeopardised the performance of the Group whilst Ms Teng Chee Kuan's directorship in Plextech is solely Non-Executive Director position.

8.8 Service Agreements

At the date of this Prospectus, there were no existing or proposed service agreements entered into or to be entered into between the Group and its Directors, key management or key technical personnel.

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9. APPROVALS AND CONDITIONS

9.1 Approvals Required

PTB has obtained the approvals from the following relevant authorities on its application for listing on the MESDAQ market of the KLSE:

Authorities	Date of approval obtained	Conditions imposed	Status of compliance
FIC	27 January 2003	<ul style="list-style-type: none"> PTB is required to have at least 30% Bumiputera equity participation one (1) year after meeting the profit track record criteria for the Second Board of the KLSE or five (5) years after admission to the MESDAQ Market, whichever is earlier. 	An undertaking letter which was addressed to KLSE and SC has been furnished to FIC on 13 December 2002 by the Board on this compliance.
MITI	10 February 2003	<ul style="list-style-type: none"> PTB is required to have at least 30% Bumiputera equity participation one (1) year after meeting the profit track record criteria for the Second Board of the KLSE or five (5) years after admission to the MESDAQ Market, whichever is earlier. 	An undertaking letter which was addressed to KLSE and SC has been furnished to MITI on 13 December 2002 by the Board on this compliance.
		<ul style="list-style-type: none"> To obtain FIC's approval on the Listing. 	Complied. Obtained on 27 January 2003.
		<ul style="list-style-type: none"> To obtain SC's approval on the Listing. 	Complied. Obtained on 10 April 2003.
		<ul style="list-style-type: none"> To obtain KLSE's approval on the Listing. 	Complied. Obtained on 14 April 2003.
SC	10 April 2003	<ul style="list-style-type: none"> PTB is required to disclose the status of the utilisation of its proceeds raised from the Public Issue in its quarterly announcements and annual reports until the amount is fully utilised. 	Will be complied.
		<ul style="list-style-type: none"> Directors of PTB are required to ensure that its accounts and Group's financial statements comply fully with the MASB requirements. 	Complied and will continue to comply.
		<ul style="list-style-type: none"> The Audit Committee of PTB is required to monitor all existing and future related party transactions between the PTB Group and Promoters, Directors and substantial shareholders and persons connected to them. The Directors of PTB are required to report all such transactions in the annual report of PTB. 	Will be complied.
KLSE	14 April 2003	<ul style="list-style-type: none"> PTB to make detailed disclosure in the Prospectus the basis of the purchase consideration price of MHT 	Complied. Refer to Section 6.3.1(i).

9. APPROVALS AND CONDITIONS

Authorities	Date of approval obtained	Conditions imposed	Status of compliance
		<p>which is based on the earnings potential.</p> <ul style="list-style-type: none"> • The PTB Group to make detailed disclosure in the Prospectus of the following: <ul style="list-style-type: none"> - the risk associated with the lack of long-term contracts and mitigating factors taken/ to be taken by the Group; and - impact on the Group's future financial performance in the event that the PTB Group failed to secure future orders due to the absence of long-term contracts with customers. • The PTB Group to adhere strictly to Rule 6.6 of the MMLR on related party transactions and to adequately disclose in its Prospectus the followings: <ul style="list-style-type: none"> - whether all existing related party transactions between the PTB Group and its related companies are on arms-length basis and on terms not more favourable to the related parties than those generally available to the public; - nature of business transactions between the PTB Group and the related companies; and - detailed disclosure on all bank guarantees provided for financing and banking facilities extended to MHT and PPSB. 	<p>Complied. Refer to Section 4.1.4.</p>
		<ul style="list-style-type: none"> - whether all existing related party transactions between the PTB Group and its related companies are on arms-length basis and on terms not more favourable to the related parties than those generally available to the public; - nature of business transactions between the PTB Group and the related companies; and - detailed disclosure on all bank guarantees provided for financing and banking facilities extended to MHT and PPSB. 	<p>Complied. Refer to Section 10.1.</p> <p>Complied. Refer to Section 10.1.</p> <p>Complied. Refer to Section 10.1 (vi) to (viii).</p>
		<ul style="list-style-type: none"> • With regard to the conflict of interests, the PTB Group to make detailed disclosure in its Prospectus of the following: <ul style="list-style-type: none"> - justification that the related companies do not compete with the existing business of the PTB 	<p>(Note: PTB has sought a waiver from KLSE to replace Rule 6.6 of the MMLR with Paragraph 10.09 of the Listing Requirements of KLSE which is pending approval from KLSE. Refer to Section 10.1 for further details)</p> <p>Complied. Refer to Section 10.2.</p>

9. APPROVALS AND CONDITIONS

Authorities	Date of approval obtained	Conditions imposed	Status of compliance
		Group; and - detailed disclosure of the principal activities, Board of Directors of the related companies and the equity interest held by the Promoters in those companies. • PTB to include a negative statement in its Prospectus on the exclusion of profit forecast and projections from the Prospectus and the reasons thereof.	Complied. Refer to Section 12.5.

9.2 Moratorium on Disposal of Shares

It is a condition of the MMLR that shares held by the Promoters amounting to 45% of the nominal issued and paid-up share capital of PTB as at the date of its admission to the Official List of the MESDAQ Market be placed under moratorium.

The promoters of PTB who are subject to the moratorium are as follows:

Promoters	After Public Issue		Shares to be held under moratorium	
	No. of PTB Shares held	% of the issued and paid-up share capital	No. of PTB Shares held	% of the issued and paid-up share capital
	Shares	%	Shares	%
Pua Kong Hoi	78,982,156	60.76	47,389,294	36.45
Ho Kar Kok	6,674,541	5.13	4,004,725	3.09
Chang Hing Ling @ Cheun Poh Kern	8,198,487	6.31	4,919,092	3.78
Teng Chee Kuan	3,644,816	2.80	2,186,889	1.68
Total	97,500,000	75.00	58,500,000	45.00

The Promoters will not be allowed to sell, transfer or otherwise dispose of any part of their respective interests in the shares held in PTB for one (1) year from the date of admission of PTB to the Official List of MESDAQ Market. Thereafter, they are allowed to sell, transfer or otherwise dispose only up to a maximum of one-third per annum of their respective shareholdings on a straight-line basis under moratorium.

The restriction that is fully accepted by the aforesaid Promoters, is specifically endorsed on the share certificates of PTB representing the shareholding of the aforesaid Promoters which are under moratorium to ensure that the Registrar of PTB does not register any transfer which is not in compliance with the restriction imposed by the KLSE.

10. RELATED PARTY TRANSACTIONS AND/OR CONFLICTS OF INTEREST

10.1 Related Party Transactions

Save as disclosed in Section 16.6 and below, there are no existing or potential related party transactions between the PTB Group and PTB's Directors, substantial shareholders and/or persons connected with such Directors or substantial shareholders as defined under Section 122A of the Companies Act, 1965:

(i) Trade-Related

(a) MHT

Related party	Nature of business	Sales ¹		Purchases ¹		Directors/ Substantial shareholders of PTB	Total effective equity interest held in related party	
		RM'000	% ²	RM'000	% ³		Direct	Indirect
							%	%
PESB	Dealers and distributors of chemical and plastic resins	50	0.50	2,773	33.61	Pua Kong Hoi	90.00	-
						Chang Hing Ling @ Cheun Poh Kern	10.00	-
Plascolour	Manufacturing of colour compounded plastic resin	1	0.01	3	0.03	Pua Kong Hoi	-	76.00 ⁴
						Chang Hing Ling @ Cheun Poh Kern	-	-
Plectech	Manufacturing of silane grafted XLPE resins	776	7.86	-	-	Pua Kong Hoi	0.10	69.90 ⁴
						Chang Hing Ling @ Cheun Poh Kern	-	-

Notes:

¹ Based on the audited accounts of MHT for the six (6) months period ended 30 June 2003

² % over total sales for the six (6) months period ended 30 June 2003

³ % over total purchases for the six (6) months period ended 30 June 2003

⁴ Deemed interested by virtue of Pua Kong Hoi's shareholding in PESB as defined under Section 6A of the Companies Act, 1965.

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10. RELATED PARTY TRANSACTIONS AND/OR CONFLICTS OF INTEREST

(b) PPSB

Related party	Nature of business	Sales ¹		Purchases ¹		Directors/ Substantial shareholders of PTB	Total effective equity interest held in related party	
							Direct	Indirect
		RM'000	% ²	RM'000	% ³		%	%
PESB	Dealers and distributors of chemical and plastic resins	97	1.27	2,341	39.13	Pua Kong Hoi	90.00	-
						Chang Hing Ling @ Cheun Poh Kern	10.00	-
Plascolour	Manufacturing of colour compounded plastic resin	43	0.56	23	0.39	Pua Kong Hoi	-	76.00 ⁴
						Chang Hing Ling @ Cheun Poh Kern	-	-
Plextech	Manufacturing of silane grafted cross-linking PE resins	729	9.51	36	0.59	Pua Kong Hoi	0.10	69.90 ⁴
						Chang Hing Ling @ Cheun Poh Kern	-	-

Notes:

- 1 Based on the audited accounts of PPSB for the six (6) months period ended 30 June 2003
- 2 % over total sales for the six (6) months period ended 30 June 2003
- 3 % over total purchases for the six (6) months period ended 30 June 2003
- 4 Deemed interested by virtue of Pua Kong Hoi's shareholding in PESB as defined under Section 6A of the Companies Act, 1965.

The Board has given its undertaking that all existing and future related party transactions between the PTB Group and its related companies are on arms-length and on terms not more favourable to the related parties than those generally available to the public.

Furthermore, the audit committee will monitor all existing and potential related party transactions to ensure that these transactions are carried out on an arms-length basis as well as to monitor and continuously disclose any business of the Directors and major shareholders of the PTB Group that will give rise to any conflict of interest directly or indirectly with the business of the PTB Group in the announcement and annual report of the Group.

(ii) Acquisition of Freehold Land Together with an Extended Single Storey Factory with a Two-Storey Office Building Annexed and a Guard House Erected Thereon (Property 1)

On 31 July 2002, MHT entered into a SPA with Plasten whereby MHT agreed to purchase all that freehold land held under HS(D) 177841 PTD 52064 Mukim of Tebrau, District of Johor Bahru, State of Johor Darul Takzim (Property 1) measuring approximately 30,832 square feet in area together with an extended single storey factory with a two storey office building annexed and a guard house erected thereon and known as No. 5, Jalan Firma 2/2, Tebrau Industrial Estate 1, 81100 Johor Bahru, Johor Darul Takzim, at an agreed purchase consideration of RM2,000,000. The SPA is conditional upon approval being obtained for relief of stamp duty under Section 15A of the Stamp Act 1949 for the sale of the Property 1 by Plasten to MHT. The application for relief of stamp duty had been approved vide the Lembaga Hasil Dalam

10. RELATED PARTY TRANSACTIONS AND/OR CONFLICTS OF INTEREST

Negeri Malaysia's letter dated 8 October 2002. The acquisition was completed on 30 April 2003.

The said property is encumbered to Malayan Banking Berhad for the RM4.85 million Islamic banking facilities extended to MHT which includes a term loan of RM0.85 million to partly finance the acquisition of Property 1 and RM4.0 million trade and overdraft banking facilities for trade purchases, purchase of machinery, working capital, etc.

(iii) Acquisition of Unexpired Term of Statutory Lease of PLO 264 PTD No 76050 (Property 2)

On 2 January 2002, PPSB entered into a SPA with Plextech to acquire the unexpired term of statutory lease of PLO 264 PTD No 76050 Mukim of Tebrau, District of Johor Bahru, State of Johor Darul Takzim (Property 2) for a purchase consideration of RM6,000,000. The said property is currently assigned to Bumiputra Commerce Bank Berhad as security for banking facilities of RM6,000,000 extended to PPSB. The acquisition was completed on 30 April 2002.

(iv) Tenancy Agreement

On 12 September 2002, PPSB entered into a tenancy agreement with PESB for the letting of the second floor and block C of three (3) block of building bearing postal address PLO 264, Jalan Firma 3, Kawasan Perindustrian Tebrau IV, 81100, Johor Bahru, Johor to PESB for a monthly rental of RM8,828 for a period of two (2) years commencing 1 May 2002 and an option to renew for a further period of two (2) years from the expiry date. The Board has given an undertaking that the monthly rental is based on an arms-length commercial terms.

On 16 June 2003, MHT entered into a tenancy agreement with Plextech for the letting of factory building bearing postal address No. 5 (Block B), Jalan Firma 2/2, Kawasan Perindustrian Tebrau I, 81100 Johor Bahru, Johor to Plextech for a monthly rental of RM8,000 for a period of two (2) years commencing 1 May 2003 and an option to renew for a further period of two (2) years from the expiry date. The Board has given an undertaking that the monthly rental is based on an arms-length commercial terms.

(v) Rental of Factory by MHT

MHT had entered into a tenancy agreement with Smooth Venture on 12 September 2002 to rent a factory building bearing postal address No. 2, Jalan Perdagangan 6, Taman Universiti, 81300 Skudai, Johor Bahru, Johor for a rental of RM6,000 per month for a period of two (2) years commencing from 1 April 2002. At the expiration of the said tenancy agreement, MHT shall have the option to renew for a further period of two (2) years.

The Board confirmed that the above tenancy agreement is based on an arms-length commercial terms.

(vi) Provision of Third Party Security

In relation to the credit facilities for the principal sum of RM1.5 million granted by Affin Bank Berhad to PPSB, one of the securities provided for the financing facility is the third party security provided by Smooth Venture in favour of Affin Bank Berhad. The third party security includes three (3) third party legal charges on all that land held under HS(D) 160610 PTD 44908 in the Mukim of Pulai, District of Johor Bahru together with a 1½ storey corner lot semi-detached factory erected thereon bearing

10. RELATED PARTY TRANSACTIONS AND/OR CONFLICTS OF INTEREST

postal address No. 2, Jalan Perdagangan 6, Taman Universiti. The registered owner of the property is Smooth Venture.

(vii) Provision of Corporate and Personal Guarantees to MHT

MHT has obtained an Islamic financing facility from Malayan Banking Berhad amounting to RM4.85 million and among the security provided for this financing facility are the personal guarantee by Mr Pua Kong Hoi and corporate guarantee by PESB in favour of Malayan Banking Berhad for the benefit of MHT. The particulars of the guarantees are as follows:

- (a) Corporate guarantee to be given by PESB for RM1,263,885, RM994,367, RM300,807 and RM3,000,000; and
- (b) Personal guarantee to be given by Mr Pua Kong Hoi for RM1,263,885, RM994,367, RM300,807 and RM3,000,000.

PESB and Mr Pua Kong Hoi had sought the Malayan Banking Berhad's approval to release their respective corporate and personal guarantees and be replaced with corporate guarantee to be given by PTB. The said application is still pending Malayan Banking Berhad's approval.

(viii) Provision of Personal and Corporate Guarantees to PPSB

In relation to the credit facilities mentioned in (vi) above, among the security provided for this credit facilities are the joint and several personal guarantees by Mr Pua Kong Hoi and Mr Ho Kar Kok and corporate guarantee by PESB in favour of Affin Bank Berhad for the banking facilities extended to PPSB. Mr Pua Kong Hoi and Mr Ho Kar Kok had sought the Affin Bank Berhad's approval to release their respective personal guarantees and be replaced with corporate guarantee to be given by PTB. The said application is still pending Affin Bank Berhad's approval.

In addition, PPSB has also obtained several banking facilities and among the security provided for these financing facilities are the corporate guarantees granted by PESB in favour of the relevant banks. The particulars of the corporate guarantees involved are as follows:

- (a) Corporate Guarantee by PESB for RM6.0 million for the banking facilities of RM6.0 million from Bumiputra Commerce Bank Berhad;
- (b) Corporate Guarantee by PESB for RM1.0 million for the banking facilities of RM1.0 million from Bank Utama Malaysia Berhad;
- (c) Corporate Guarantee and Indemnity by PESB for RM1.13 million for the banking facilities of RM1.17 million from Southern Bank Berhad; and
- (d) Corporate Guarantee by PESB for RM1.7 million for the banking facilities of RM1.7 million from United Overseas Bank (Malaysia) Berhad.

PESB has sought the approvals from the respective banks above to release its corporate guarantee given and be replaced with corporate guarantee to be given by PTB. The said approvals are still pending approvals from the respective banks.

In accordance with Rule 6.6 of the MMLR, for all related party transactions i.e. business transaction of any other kind, entered into by PTB Group, whether directly or indirectly and whether by way of cash or otherwise, PTB is required to obtain the approval from its

10. RELATED PARTY TRANSACTIONS AND/OR CONFLICTS OF INTEREST

shareholders either prior to the related party transactions being entered into or prior to the completion of the related party transactions. In this respect, SIBB on behalf of PTB, had made the following application to the KLSE on 17 December 2003 to seek its approval to apply the requirement of Paragraph 10.09 of the Listing Requirements of KLSE in place of Rule 6.6 of the MMLR for the transactions as set out in Section 10.1(i), (iv) and (v) above:

- (i) To obtain its shareholders' ratification for the recurrent related party transactions of a revenue or trading nature already entered into from the date of PTB's listing on the MESDAQ Market until its forthcoming Annual General Meetings (AGM), to be convened latest by 30 June 2004; and
- (ii) To obtain the annual shareholders' mandate in respect of recurrent related party transactions of revenue or trading nature at the said AGM.

The above application is still pending approval from the KLSE.

On 17 December 2003, PTB had obtained its existing shareholders' approvals on the related party transactions as set out in Section 10.1(i), (iv) and (v) above.

10.2 Conflict of Interests

10.2.1 Declaration of Conflict of Interests by Directors and Substantial Shareholders

Save as disclosed below, none of the Directors or substantial shareholders of PTB has any interest, direct or indirect, in any business or corporation carrying on a similar trade as the PTB Group. The following is a list of companies that the Directors and/ or substantial shareholders of PTB hold directorship and/ or have an interest, direct or indirect in:

Related party	Nature of business	Board of Directors	Directors/ Substantial shareholders of PTB Group	Total effective equity interest held in related party	
				Direct	Indirect
				%	%
PESB	Dealers and distributors of chemical and plastic resins	Pua Kong Hoi	Pua Kong Hoi	90.00	-
		Chang Hing Ling @ Cheun Poh Kern	Chang Hing Ling @ Cheun Poh Kern	10.00	-
Plascolour	Manufacturing of colour compounded plastic resin	Pua Kong Hoi	Pua Kong Hoi	-	76.00 ¹
		Chang Hing Ling @ Cheun Poh Kern	Chang Hing Ling @ Cheun Poh Kern	-	-
Plextech	Manufacturing of silane grafted XLPE resins	Pua Kong Hoi	Pua Kong Hoi	0.10	69.90 ¹
		Teng Chee Kuan	Teng Chee Kuan	-	-
		Alphonso Maurice Terrence			

Notes:

- ¹ Deemed interested by virtue of Pua Kong Hoi's shareholdings in PESB as defined under Section 6A of the Companies Act, 1965.

The PTB Group confirms that the product range manufactured by the Group is entirely different from its related parties as mentioned in the table above. Although PESB, Plascolour and Plextech are in the trading and/ or manufacturing of similar products, they sell their products to different target customers (or its end users) from the PTB Group. In addition, the

10. RELATED PARTY TRANSACTIONS AND/OR CONFLICTS OF INTEREST

manufacturing process of the PTB Group is also different from these related parties. Hence, no conflict of interest arises between the PTB Group and these related companies.

As at 12 December 2003 (being the latest practicable date prior to the printing of this Prospectus), none of the PTB Group's Directors and other companies controlled by the Directors and substantial shareholders (those holding 5% or more in the issued and paid-up share capital), (with the exception of PTB's subsidiaries) and/or persons connected with such Directors or substantial shareholders as defined under Section 122A of the Companies Act, 1965, has any debts owing to the PTB Group.

10.2.2 Declaration by the Advisers, Auditors, Reporting Accountants, Solicitors and Independent Market Researcher

SIBB hereby confirms that save as disclosed below, there are no existing or potential interest or conflict of interest in its capacity as the Adviser, Sponsor, Managing Underwriter and Placement Agent to PTB for the Listing of the Company.

Southern Bank Berhad, by virtue of being the holding company of SIBB, has extended bank facilities to PPSB on 29 September 2001. The aforesaid loan is summarised below:

Facilities	Authorised limit RM'000	Amount outstanding/ utilised as at 12 December 2003 RM'000
Bankers guarantee	40	22
Trade Lines to finance import/ purchases	1,000	865
Foreign exchange forward line	130	-
Total	1,170	887

Messrs Horwath Wong & Co., Messrs Abdul Raman Saad & Associates and Frost and Sullivan (M) Sdn Bhd, have given their confirmations that there were no existing or potential interest or conflict of interest in their capacities as the Auditors for the financial year and period ended 31 December 2002 and 30 June 2003, respectively and as Reporting Accountants, Solicitors and Independent Market Researcher respectively for the Listing.

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11. OTHER INFORMATION CONCERNING THE PTB GROUP

11.1 Approvals, Major Licences and Permits

11.1.1 Manufacturing Licence

MHT and PPSB were granted the following manufacturing licenses by MITI, details of which are set out below:

(i) MHT

Authority	MITI	MITI
Date of issue	30 January 2002	9 April 2003
Location of manufacturing facilities	The manufacturing licence is for PLO 11, Jalan Firma 2/2, Tebrau I Industrial Area, 81100 Johor Bahru	The manufacturing licence is for No.2, Jalan Perdagangan 6, Taman Universiti Industrial Park, 81300 Skudai, Johor Bahru
Type of licence	Manufacturing licence to manufacture PE compound for wire and cable insulation and jacketing	Manufacturing licence to manufacture PE compound for wire and cable insulation and jacketing
Equity/ other conditions	None	None
Status of compliance	Not applicable	Not applicable

(ii) PPSB

Authority	MITI	MITI
Date of issue	13 June 2003	30 June 2003
Location of manufacturing facilities	The manufacturing licence is for PLO 264, Jalan Firma 3, Tebrau Industrial Estate IV, 81100 Johor Bahru	The manufacturing licence is for PLO 133, Jalan Firma 1/5, Tebrau Industrial Estate I, 81100 Johor Bahru
Type of licence	Manufacturing licence to manufacture plastic masterbatches & polymer additives	Manufacturing licence to manufacture plastic compounds and composites
Equity/ other conditions	None	None
Status of compliance	Not applicable	Not applicable

11. OTHER INFORMATION CONCERNING THE PTB GROUP

11.1.2 Others

On 4 September 2001, MHT was granted a five (5) years Pioneer Status from MITI as it falls under the promoted industry. The conditions imposed by MITI include:

- (i) the value-added contributions are at least 25%, which is calculated based on sales less material cost as a proportion to sales; and
- (ii) at least 15% of its total workforce is made up of management, technical and supervisory personnel.

Subsequently, MHT received the certificate on 14 April 2003 and the tax incentive granted is for the period from 1 March 2002 to 28 February 2007.

In addition, MHT was granted the import duties exemption for certain raw materials, not locally produced, used in the manufacturing of products for local sales by the Ministry of Finance Malaysia on 10 April 2002. The exemption was subsequently renewed on 29 January 2003.

The PTB Group has also made applications to the Intellectual Property Division of Ministry of Domestic Trade and Consumers Affairs. The applications are as follows:

Company	Date of application	Trademark applied	Related product ranges
MHT	9 May 2002	Plexlene	PE compounds for the wires and cables insulation and jacketing
	12 August 2002	Plexlon	HFFR used for wires and cables insulation and jacketing
PPSB	9 May 2002	Prolene	PP compounds for automotive parts and components

As at 12 December 2003 (being the latest practicable date prior to the printing of this Prospectus), the applications for the trademarks are still pending approvals from the Intellectual Property Division of Ministry of Domestic Trade and Consumers Affairs.

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11. OTHER INFORMATION CONCERNING THE PTB GROUP

11.2 Summary of Landed Properties

Registered Owner/ Registered Lessees	Postal Address	Title No. / Location	Description/ Existing Use	Tenure / Date of Expiry of Leasehold Land	Approximate Age of Building (years)	Land Area (square feet)	Built-up Area (square feet)	Date of Certificate of Fitness Issued	NBV as at 30 June 2003 RM
(i) MHT*	No. 5 Jalan Firma 2/2 Tebrau Industrial Estate 1 81100 Johor Bahru Johor	H S (D) 177841 Lot PTD No.52064 Mukim of Tebrau District of Johor Bahru Johor	Single storey detached factory with 2-storey office annex and a guard house	Freehold	12 years	30,832	28,372	19 November 1990	2,074,305
(ii) Johor Corporation**	PLO 264, Jalan Firma 3, Kawasan Perindustrian Tebrau IV 81100 Johor Bahru Johor	Lot PTD No. 76050 PLO 264 Mukim of Tebrau District of Johor Bahru Johor	3 Blocks :- Block A (Single-storey detached factory with 3- storey office annex) Block B (1 1/2-storey detached Factory) Block C (Single-storey detached Warehouse) Guard house and TNB substation	60 year leasehold/ Expiring on 14 July 2057	5 years	94,133	69,378	20 April 2001	6,322,389
(iii) PPSB***	PLO 133, Tebrau I Industrial Area Johor Bahru Johor	H S (D) 270909 Lot PTD No. 68781 PLO 133 Mukim of Tebrau District of Johor Bahru Johor	Single storey detached warehouse with 2-storey integral office	30 year leasehold/ Expiring on 13 November 2025	7 years	36,011	9,218	23 April 2002	1,090,932

Notes:

- (i) This property is charged to Malaysian Banking Berhad for a total banking facilities of RM4.85 million
(ii) This property is charged to Bumiputra-Commerce Bank Berhad for a total banking facilities of RM6.0 million
(iii) This property is charged to United Overseas Bank Berhad for total banking facilities of RM1.7 million
* The registration of the transfer of the property from Plastien to MHT is pending endorsement by the Land Registry of Johor Bahru
** PPSB is the unregistered sub-lessee of the said property and no title has been issued as at the date of this Prospectus. The title of the said property is pending issuance by the Land Registry of Johor Bahru
*** This property was previously leased to Mahabulidars Sdn Bhd (Vendor) by Johor Corporation for a 30-year period expiring on 13 November 2025. The registration of the transfer of the unexpired term of the statutory lease from the Vendor to PPSB is pending endorsement by the Land Registry of Johor Bahru