

**THE MEDIA SHOPPE BERHAD**  
383028-D

■ **Headquarters**

Unit C-902 Penthouse Kelana Square  
17 Jalan SS 7/26 Kelana Jaya  
47301 Petaling Jaya Malaysia  
Tel: (603) 7804 3877  
Fax: (603) 7803 9143

■ **Cyberjaya**

T06 03 Jalan Century Square  
Blok 2320 63000 Cyberjaya Malaysia  
Tel: (603) 8318 7573  
Fax: (603) 8318 7576

PROSPECTUS 



# THE MEDIA SHOPPE BERHAD

(Company Number: 383028-D) (Incorporated in Malaysia under the Companies Act, 1965)

PUBLIC ISSUE OF 24,680,000 NEW ORDINARY SHARES OF RM0.10 EACH IN THE MEDIA SHOPPE BERHAD ("TMS SHARES") AT AN ISSUE PRICE OF RM0.35 PER ORDINARY SHARE PAYABLE IN FULL ON APPLICATION COMPRISING:

- 1,200,000 NEW TMS SHARES AVAILABLE FOR APPLICATION BY THE PUBLIC;
- 21,880,000 NEW TMS SHARES FOR PLACEMENT TO SELECTED INVESTORS; AND
- 1,600,000 NEW TMS SHARES FOR ALLOCATION TO ELIGIBLE BUSINESS ASSOCIATES OF THE MEDIA SHOPPE BERHAD

IN CONJUNCTION WITH ITS LISTING ON THE MESDAQ MARKET OF BURSA MALAYSIA SECURITIES BERHAD (FORMERLY KNOWN AS MALAYSIA SECURITIES EXCHANGE BERHAD)

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" IN SECTION 3 HEREIN.

This Prospectus has been seen and approved by the Directors and Promoters of The Media Shoppe Berhad ("TMS" or "the Company") and they collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no false or misleading statement or other facts the omission of which would make any statement herein false or misleading.

K&N Kenanga Bhd ("Kenanga"), being the Adviser, Underwriter, Placement Agent and Sponsor acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the Public Issue (as hereinafter defined).

The Securities Commission ("SC") and Bursa Malaysia Securities Berhad ("Bursa Securities") have approved the issue, offer or invitation in respect of the Public Issue on 24 August 2004 and 25 August 2004 respectively and that their approvals shall not be taken to indicate that the SC and Bursa Securities recommend the Public Issue.

The SC shall not be liable for any non-disclosure on the part of the Company and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus. **INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

Bursa Securities shall not be liable for any non-disclosure on the part of the Company and takes no responsibility for the contents of this Prospectus, makes no representation as to its correctness or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus. Admission to the Official List of the MESDAQ Market of Bursa Securities is not to be taken as an indication of the merits of the Public Issue, the Company or of its securities.

A copy of this Prospectus has been registered with the SC. A copy of this Prospectus, together with the form of application, has also been lodged with the Registrar of Companies who takes no responsibility for its contents.

Characteristics of the MESDAQ Market of Bursa Securities:-

Investors should be aware that MESDAQ is a distinct market from the Main and Second Boards in many respects. In particular, companies listed on MESDAQ are subject to different quantitative and qualitative requirements, which have been primarily designed to accommodate high-growth and/or technology companies. Companies that are listed on MESDAQ may not have an operating history or any profit track record prior to listing. As such, whilst potential investment returns may be relatively high, companies listed on MESDAQ may be of higher investment risk. The regulatory philosophy underlying the MESDAQ Market is that the market should be allowed to determine the merits of the securities/instruments in a particular company. Hence, as with all investments, prospective investors should be aware of all potential risks in investing in such companies and should make the decision to invest after due and careful consideration by referring to, amongst others, the prospectus, latest financial statements and corporate announcements. In this respect, advice from a securities professional/adviser is strongly recommended.

**The Prospectus can also be viewed or downloaded from Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com).**

**IMPORTANT DATES**

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

<b>Event</b>	<b>Tentative Date</b>
Opening of Application for the Public Issue	19 November 2004
Closing of Application for the Public Issue*	26 November 2004
Balloting Date	30 November 2004
Despatch of Notices of Allotment of the Public Issue Shares to successful applicants	7 December 2004
Listing of the Company's entire enlarged issued and paid-up share capital on the MESDAQ Market	8 December 2004

**THESE DATES ARE TENTATIVE AND ARE SUBJECT TO CHANGES WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES. THE APPLICATION WILL CLOSE AT THE DATE STATED ABOVE OR SUCH LATER DATE AS THE BOARD OF DIRECTORS OF THE MEDIA SHOPPE BERHAD AND KENANGA AT THEIR ABSOLUTE DISCRETION MAY DECIDE.**

**\* SHOULD THE DATE OF CLOSING OF APPLICATION FOR THE PUBLIC ISSUE SHARES BE EXTENDED, THE DATES FOR DESPATCH OF NOTICES OF ALLOTMENT OF THE PUBLIC ISSUE SHARES TO SUCCESSFUL APPLICANTS AND LISTING OF TMS' ENTIRE ENLARGED ISSUED AND PAID-UP SHARE CAPITAL ON THE MESDAQ MARKET WILL BE EXTENDED ACCORDINGLY. IN THE EVENT THE DATE OF THE CLOSING OF APPLICATION FOR THE PUBLIC ISSUE SHARES IS EXTENDED, APPLICANTS WILL BE NOTIFIED OF SUCH EXTENSION BY WAY OF ADVERTISEMENTS PLACED IN A WIDELY CIRCULATED ENGLISH AND BAHASA MALAYSIA NEWSPAPER.**

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## DEFINITIONS

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

ADA	:	Authorised Depository Agent
ADA Code	:	ADA (Broker) Code
ARNT	:	Amanah Raya Nominees Tempatan Sdn Bhd (Skim Amanah Saham Bumiputera) (434217-U)
Bank Industri	:	Bank Industri & Teknologi Malaysia Berhad (49572-H)
BIWV3	:	BI Walden Ventures Ketiga Sdn Bhd (393910-X)
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd ( <i>formerly known as Malaysian Central Depository Sdn. Bhd</i> ) (165570-W)
Bursa Securities	:	Bursa Malaysia Securities Berhad ( <i>formerly known as Malaysia Securities Exchange Berhad</i> ) (635988-W)
Bursa Securities Member	:	Registered Bursa Securities member being also an ADA
Board	:	Board of Directors of TMS
CCM or ROC	:	Companies Commission of Malaysia ( <i>formerly known as the Registrar of Companies</i> )
CDS	:	Central Depository System
Companies Act or Act	:	Companies Act, 1965
ESOS	:	Employees Share Option Scheme
FYE	:	Financial Year Ended/Ending
GDP	:	Gross Domestic Product
IBM	:	International Business Machines Corporation
ICT	:	Information and Communication Technology
IDSS	:	IDSS Management Sdn Bhd (607410-X)
IPO or Listing	:	Initial Public Offering
Issue Price	:	RM0.35 per Public Issue Share
Issuing House or MIH	:	Malaysian Issuing House Sdn Bhd (258345-X)
Kenanga	:	K & N Kenanga Bhd (15678-H)
Khazanah	:	Khazanah Nasional Berhad (275505-K)
Ko Lim BAC	:	Ko Lim BAC Sdn Bhd (144836-V)
LAT	:	Loss after tax
LBT	:	Loss before tax

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**DEFINITIONS (Cont'd)**

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LCB	:	Linear Corporation Berhad (288687-W)
Linac Strategic	:	Linac Strategic Sdn Bhd ( <i>formerly known as Cytech Strategic Sdn Bhd</i> ) (482909-X)
Linear Cooling	:	Linear Cooling Industries Sdn Bhd (71107-W)
Listing Requirements	:	The Listing Requirements of Bursa Securities for the MESDAQ Market
M-Apps	:	M-Apps Solutions Sdn Bhd (482804-V)
M-Apps Agreement	:	The conditional sale and purchase agreement between TMS and IDSSS dated 27 February 2004 and the subsequent supplemental agreements dated 23 March 2004, 5 July 2004 and 2 November 2004
MBB	:	Malayan Banking Berhad (3813-K)
MDC	:	Multimedia Development Corporation Sdn Bhd (389346-D)
MESDAQ Market	:	The MESDAQ Market of Bursa Securities
Microsoft	:	Microsoft Corporation
MSC	:	Multimedia Super Corridor
MSC R&D Grant Scheme	:	MSC Research & Development Grant Scheme
NTA	:	Net tangible assets
Pacven V	:	Pacven Walden Ventures V, L.P.
PAT	:	Profit after tax
PBT	:	Profit before tax
PIKOM	:	Association of the Computer and Multimedia Industry Malaysia
Placement Agent	:	K&N Kenanga Berhad (15678-H)
PrimeAce Venture	:	PrimeAce Venture Ltd
Promoter(s)	:	A person who has an interest directly or indirectly in one or more voting shares in the Company, and who can exercise control or influence over the management of the Company at the time of the Company's admission to MESDAQ Market. The Promoters of the Company are Christopher Chan Hooi Guan, Thong Weng Hung, Lee Chi Yeng, Chang Choon Ming, PrimeAce Venture, Ko Lim BAC, IDSSS, Chong Kien Eng @ Teo Kien Eng, Tang Kin Chuen and Hii Lu Teck
Public Issue Shares	:	Issue of 24,680,000 new ordinary shares of TMS credited as fully paid-up at an issue price of RM0.35 per share, payable in full on application and subject to the terms and conditions of the Prospectus
Public Issue	:	Proposed issue of the Public Issue Shares
R&D	:	Research and Development

## **DEFINITIONS (Cont'd)**

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RCPS	:	Redeemable Convertible Preference Shares
RM and sen	:	Ringgit Malaysia and sen, respectively
SC	:	Securities Commission
SGD	:	Singapore Dollars
SME	:	Small and Medium Enterprises
TMS Group or the Group	:	TMS and its subsidiaries
TMS or the Company	:	The Media Shoppe Berhad (383028-D)
TMS(S)	:	The Media Shoppe (S) Pte Ltd
TMS Share	:	Ordinary shares of RM0.10 each in TMS
UK	:	United Kingdom
Underwriter	:	K & N Kenanga Bhd (15678-H)
Underwriting Agreement	:	The underwriting agreement dated 13 October 2004 entered into between the Company and Kenanga in respect of underwriting 2,800,000 new TMS Shares pursuant to the Public Issue
USA	:	United States of America
USD	:	USA Dollars
Walden Group	:	Collectively comprising BIWV3, Pacven V, Pacven Walden Ventures Parallel V–A C.V., Pacven Walden Ventures Parallel V–B C.V., Pacven Walden Ventures V Associates Fund L.P. and Pacven Walden Ventures V–QP Associates Fund L.P.

## **Technical Definitions**

3G	:	Third Generation Mobile Telecommunications, a general term for the next generation of wireless technology beyond personal communications services
Adobe Illustrator	:	The industry standard vector graphics software, which is an essential tool for anyone who needs to express ideas visually in print, in the Web and in any other medium
Adobe Photoshop	:	A leading paint program from Adobe Systems, Inc
ASP	:	Active Server Pages, a specification for a dynamically created Web page with a ASP extension
CD	:	Compact disk, a digitally encoded recording on an optical disk which is played back by laser
CDCS	:	Cambridge Diploma in Computer Science / Studies

**DEFINITIONS (Cont'd)**

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CICS	:	Customer Information Control System, a transaction processing monitor from IBM that was originally developed to provide transaction processing for IBM mainframes. It controls the interaction between applications and users and lets programmers develop screen displays without detailed knowledge of the terminals being used
ColdFusion	:	Macromedia, Inc's middleware for web application development
DVD	:	A digital videodisk wherein a recording on an optical disk that can be played on a computer or a television
GPRS	:	General Packet Radio Services is a packet-based wireless communication service that promises data rates from 56Kbps up to 114 Kbps and continuous connection to the Internet for mobile phones and computer users
HTML	:	Hypertext Markup Language that is used to create hypertext and hypermedia documents on the World Wide Web incorporating text, graphics, sound, video and hyperlinks
IBM DB2	:	A relational database management system
Internet	:	A global mesh of computer networks sharing a common software standard called Transmission Control Protocol / Internet Protocol (TCP/IP) with high-speed fibre trunk lines as its backbone
Intranet	:	A network operating like the World Wide Web but having access restricted to a limited group of authorised users
IT	:	Information Technology, which refers to all aspects of managing and processing information, especially within a large organization or company. As computers are central to information management, computer departments within companies and universities are often called IT departments. Some companies refer to these departments as Information Services or Management Information Services
J2EE	:	Java 2 Enterprise Edition, a development environment, which is independent of hardware systems and operating systems. It is a Java-based, runtime platform used for developing, deploying, and managing multi-tier server-centric applications on an enterprise-wide scale
Java	:	Java is a programming language expressly designed for use in the distributed environment of the Internet
JavaScript	:	A scripting language for the web
JBoss	:	An application server written in Java that can host business components developed in Java
JDBC	:	Java Database Connectivity, a Java application program interface that enables Java programs to execute structured query language statements

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**DEFINITIONS (Cont'd)**

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JSP	:	Java Server Page, a server-side technology which has dynamic scripting capability that works in tandem with HTML code, separating the page logic from the static elements to help make the HTML more functional
Kbps	:	Kilo-bits per second
K-economy	:	Knowledge-based economy
KM	:	Knowledge management
LAN	:	Local Area Network is a geographically limited communications network that connects users within a defined area. A LAN is generally within a building or small groups of buildings and is managed and owned by single enterprise
Linux	:	A freely-distributable open source operating system
Macromedia Director	:	A multimedia authoring tool for developing high-performance content and applications and deploying it anywhere, be it on CDs, DVDs, Intranets, kiosks or the Internet
Macromedia Flash MX	:	A software platform that allows designers and developers to integrate video, text, audio, and graphics into immersive, rich experiences that deliver superior results for interactive marketing and presentations, e-learning, and application user interfaces
Microsoft SQL	:	A relational database management system that offers a variety of administration tools to ease the burdens of database development, maintenance and administration
MMS	:	Multimedia Message Service, an enhanced short message service for mobile phones that enable graphics, video clips and sound files to be transmitted
MVS	:	Multiple Virtual Storage, the operating system for older IBM mainframes
MySQL	:	MySQL is an open source database management system
NCC	:	National Computing Centre
O&M	:	Organisation and Methods
Oracle	:	A relational database management system.
PC	:	Personal Computer
PDA	:	Personal Digital Assistant, an electronic notepad that records input from a small keyboard or from characters written on the screen with a stylus, an address book, appointment calendar, calculator or spreadsheet. They send and retrieve e-mail and faxes, connect to online services, and transfer data to a PC or another PDA
Perl	:	Practical Extraction and Report Language, Perl is a programming language for the web



**DEFINITIONS (Cont'd)**

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PHP	:	Hypertext Preprocessor, an open source, server-side, HTML embedded scripting language used to create dynamic Web pages
POP3	:	Post Office Protocol, a protocol used to retrieve e-mail from a mail server
RFID	:	Radio Frequency Identification, a technology similar in theory to bar code identification. With RFID, the electromagnetic or electrostatic coupling in the radio frequency portion of the electromagnetic spectrum is used to transmit signals
RSS	:	Rich Site Summary, an XML format for distributing news headlines on the Web, also known as syndication
Servlets	:	A small program that runs on a server. The term usually refers to a Java applet that runs within a Web server environment. This is analogous to a Java applet that runs within a Web browser environment
SMS	:	Short Message Service, a service for sending short text messages to mobile phones
Struts	:	An open source project that combines Java Servlets (a Java technology which is designed to handle requests made by Web browsers), Java ServerPages (a Java technology which are designed to create dynamic Web pages that can turn billboard sites into live applications), custom tags, and message resources into a unified framework. It uses a special servlet as a switchboard to route requests from Web browsers to the appropriate server page
Swings	:	Swings is Java's user interface toolkit. Swings provides classes representing interface items like windows, buttons, combo boxes, trees, grids and menus – everything that is needed to build a user interface for Java application
Tomcat	:	Servlet container that is used in the official reference implementation for the Java Servlets and Java ServerPages technologies
TSO	:	IBM's compatible extension of MVS background facilities into foreground execution
UAT	:	User Acceptance Testing
Visual Basic	:	A programming language and environment, which provides a graphical programming environment and a paint metaphor for developing user interfaces
WAN	:	Wide Area Network, a communication network that connects computing devices over geographically dispersed locations. A WAN usually covers a large area such as a city, state or country
WAP	:	Wireless Application Protocol is a specification for a set of communication protocols to standardize the way that wireless devices, such as cellular telephones and radio transceivers, can be used for Internet access, including e-mail, the World Wide Web, newsgroups, and Internet relay chat

**DEFINITIONS (Cont'd)**

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- Windows : A menu driven graphical user interface in which programs, directories, and files are indicated by icons and data is displayed in rectangular frames that can be manipulated by the user
- WML : Wireless Markup Language, formerly called HDML (Handheld Devices Markup Languages), is a language that allows the text portions of Web pages to be presented on cellular telephones and PDAs via wireless access
- XML : eXtensible Markup Language, a subset of Standard Generalised Markup Language (SGML) constituting a particular text markup language for interchange of structured data

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa.

Any reference to a time of a day in this Prospectus shall be a reference to Malaysian time, unless otherwise stated.

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**CORPORATE DIRECTORY**


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***DIRECTORS***

<b>Name</b>	<b>Address</b>	<b>Occupation</b>	<b>Nationality</b>
Christopher Chan Hooi Guan <i>(Chairman and Executive Director)</i>	No. 108, Jalan Hujan Emas 4 Taman Overseas Union Jalan Klang Lama 58200 Kuala Lumpur	Director	Malaysian
Thong Weng Hung <i>(Executive Director)</i>	171, Jalan SS22/22, Damansara Jaya, 47400 Petaling Jaya	Director	Malaysian
Chang Choon Ming <i>(Executive Director)</i>	No. 13, Jalan 4/47B, 46050 Petaling Jaya	Director	Malaysian
Chin Kuet Lee <i>(Non-Independent Non-Executive Director)</i>	No 41, Lorong Maktab 1, 10250 Penang	Director	Malaysian
Colin Paul Day <i>(Non-Independent Non-Executive Director)</i>	19 Jalan PJU 1A/28C Ara Damansara 47301 Petaling Jaya	Director	British
Lee Chi Yeng <i>(Alternate Executive Director to Thong Weng Hung)</i>	No. 108, Jalan Hujan Emas 4 Taman Overseas Union Jalan Klang Lama 58200 Kuala Lumpur	Director	Malaysian
Khairil Anuar Bin Abdullah <i>(Independent Non-Executive Director)</i>	20, Jalan 22/44 46300 Petaling Jaya	Director	Malaysian
Ong Boon Kee <i>(Independent Non-Executive Director)</i>	No. 49, USJ 11/3L 47620 Subang Jaya	Director	Malaysian

***AUDIT COMMITTEE***

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Khairil Anuar Bin Abdullah	Chairman of the Audit Committee	Independent Non-Executive Director
Ong Boon Kee	Member of the Audit Committee	Independent Non-Executive Director
Chang Choon Ming	Member of the Audit Committee	Executive Director

**CORPORATE DIRECTORY (Cont'd)**

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- COMPANY SECRETARIES** : Mah Li Chen (MAICSA No: 7022751)  
No. 33, Jalan BRP 4/6  
Bukit Rahman Putra  
Seksyen U20  
40160 Shah Alam
- Lim Siew Ting (MAICSA No: 7029466)  
No. 17, Jalan SS1/9  
Kampong Tunku  
47300 Petaling Jaya
- REGISTERED OFFICE** : C15-1, Level 15, Tower C, Megan Avenue II  
12 Jalan Yap Kwan Seng  
50450 Kuala Lumpur
- HEAD / MANAGEMENT OFFICE** : Unit C-902, Penthouse, Kelana Square,  
17, Jalan SS7/26, Kelana Jaya  
47301 Petaling Jaya  
Tel: 03-78043877  
Email: info@tmsasia.com
- AUDITORS & REPORTING ACCOUNTANTS** : Horwath  
Level 16 Tower C  
Megan Avenue II  
12 Jalan Yap Kwan Seng  
50450 Kuala Lumpur
- SOLICITORS FOR THE LISTING** : Jeff Leong, Poon & Wong  
A-11-3A, Level 11  
Megan Avenue II  
Jalan Yap Kwan Seng  
50450 Kuala Lumpur
- REGISTRAR** : PFA Registration Services Sdn Bhd  
Level 13, Uptown 1,  
No.1, Jalan SS21/58,  
Damansara Uptown,  
47400 Petaling Jaya
- ADVISER, UNDERWRITER, PLACEMENT AGENT AND SPONSOR** : K&N Kenanga Berhad  
801, 8<sup>th</sup> Floor, Kenanga International  
Jalan Sultan Ismail  
50250 Kuala Lumpur
- ISSUING HOUSE** : Malaysian Issuing House Sdn Bhd  
27<sup>th</sup> Floor, Menara Multi-Purpose, Capital Square  
No. 8, Jalan Munshi Abdullah,  
50100 Kuala Lumpur
- PRINCIPAL BANKER** : Malayan Banking Berhad  
30-32, Jalan PJS 11/28A,  
Bandar Sunway,  
46150 Petaling Jaya

**CORPORATE DIRECTORY (Cont'd)**

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<b><i>INDEPENDENT MARKET RESEARCH CONSULTANT</i></b>	:	Vital Factor Consulting Sdn Bhd 75C & 77C Jalan SS22/19, Damansara Jaya, 47400 Petaling Jaya
<b><i>LISTING SOUGHT</i></b>	:	MESDAQ Market of Bursa Securities
<b><i>WEB SITE</i></b>	:	<a href="http://www.tmsasia.com">www.tmsasia.com</a>

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## PRELIMINARY

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This Prospectus is dated 19 November 2004.

**A copy of this Prospectus has been registered with the SC. A copy of this Prospectus, together with the form of application, has also been lodged with the Registrar of Companies who takes no responsibility for its contents.**

Approval has been obtained from the SC on 24 August 2004 for the Public Issue. Approval has also been obtained from Bursa Securities on 25 August 2004 for the admission to the Official List of the MESDAQ Market and for permission to deal in and quotation for the entire enlarged issued and paid-up share capital of TMS including the Public Issue Shares which are the subject of this Prospectus. These ordinary shares will be admitted to the Official List of the MESDAQ Market and official quotation will commence after receipt of confirmation from Bursa Depository that all CDS Accounts of the successful applicants have been duly credited and notices of allotment have been despatched to all successful applicants.

Persons submitting applications by way of Application Forms or by way of Electronic Share Applications must have a CDS Account. In the case of applicants using Application Form, an applicant should state his CDS Account number in the space provided in the Application Form. In the case of an application by way of Electronic Share Application, only an applicant who is an individual and has a CDS Account can make an Electronic Share Application and the applicant shall furnish his CDS Account number to the Participating Financial Institution by way of keying his CDS Account number if the instructions on the ATM screen at which he enters his Electronic Share Application requires him to do so. A corporation or institution cannot apply for the Public Issue Shares by way of Electronic Share Application.

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991, Bursa Securities has prescribed TMS ordinary shares as prescribed securities. In consequence thereof, all the ordinary shares including the Public Issue Shares to be issued and offered through this Prospectus will be deposited directly with Bursa Depository and any dealings in these shares will be carried out in accordance with the Securities Industry (Central Depositories) Act and the Rules of Bursa Depository. No share certificates will be issued to successful applicants.

Pursuant to the Listing Requirements, the Company needs to have at least 25% but not more than 49% of the total number of shares for which listing is sought in the hands of public shareholders and a minimum number of 200 public shareholders upon admission to the MESDAQ Market. The Company is expected to achieve this at the point of listing. However, in the event that the above requirement is not met pursuant to this Public Issue, the Company may not be allowed to proceed with its listing. In the event thereof, monies paid in respect of all applications will be returned in full without interest.

No person is authorised to give any information or to make any representation not contained herein in connection with the Public Issue and if given or made, such information or representation must not be relied upon as having been authorised by TMS and/or Kenanga. Neither the delivery of this Prospectus nor any issue made in connection with this Prospectus shall, under any circumstances, constitute a representation or create an implication that there has been no change in the affairs of the TMS Group since the date thereof.

The distribution of this Prospectus and the sale of the Public Issue Shares will not be registered under any possible securities legislation of any jurisdiction except Malaysia and the Public Issue Shares will not be placed out in any country other than Malaysia. Persons into whose possession this Prospectus may come are required to inform themselves of and to observe such restrictions. This Prospectus does not constitute and may not be used for purpose of an offer to sell or an invitation of an offer to buy any Public Issue Shares in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

The written consents of the Solicitors for the Listing, Registrar, Adviser, Underwriter, Placement Agent and Sponsor, Company Secretaries, Principal Banker and Issuing House to the inclusion in this Prospectus of their names in the manner and form in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.

**PRELIMINARY (Cont'd)**

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The written consent of the Auditors and Reporting Accountants to the inclusion in this Prospectus of their name, Accountants' Report and their letters relating to the Proforma Balance Sheets as at 31 July 2004 and the written consent of the Independent Market Research Consultant to the inclusion in this Prospectus of its name and the Summary of the Assessment of the Information Technology Industry in the manner and form in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.

**The Prospectus can also be viewed or downloaded from Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com).**

**Investors who are in any doubt as to the action to be taken should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.**

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