

2. INFORMATION SUMMARY

THE FOLLOWING INFORMATION SUMMARY IS ONLY A SUMMARY OF THE SALIENT INFORMATION ABOUT THE FTSHB GROUP AND THE PUBLIC ISSUE. INVESTORS SHOULD READ AND UNDERSTAND THE ENTIRE PROSPECTUS PRIOR TO DECIDING WHETHER TO INVEST IN THE PUBLIC ISSUE SHARES. THE FOLLOWING INFORMATION IS DERIVED FROM, AND SHOULD BE READ IN CONJUNCTION WITH THE MORE DETAILED INFORMATION AND FINANCIAL STATEMENTS APPEARING ELSEWHERE IN THIS PROSPECTUS.

2.1 History and Business

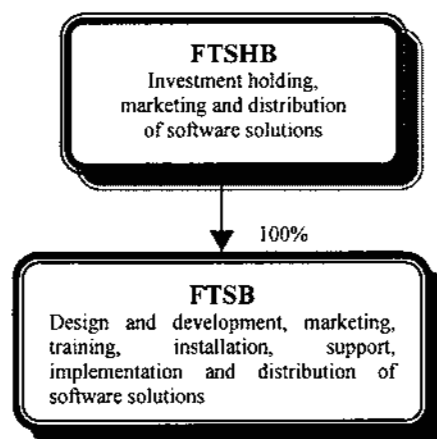
The FTSHB Group consists of FTSHB and its wholly owned subsidiary FTSB. FTSHB was incorporated in Malaysia under the Act on 21 October 2003. FTSB was incorporated in Malaysia under the Act on 21 February 1998. On 17 November 2003, FTSB was granted MSC status by MDC.

FTSHB is principally an investment holding company as well as marketer and distributor of software solutions whilst the principal activities of its subsidiary is in the design and development, marketing, training, installation, support, implementation and distribution of software solutions under the "*Fast Track*" brand name.

Fast Track application features multiple modules. Each module can be installed for independent operation or seamlessly integrated with other *Fast Track* application modules. Supporting both the customer operations and rapid-changing needs, *Fast Track* applications are designed with true flexibility and usability in mind.

Fast Track application leverages the component-based software design to provide unique application solutions to its customers, which are supported through its product life cycle. *Fast Track* application makes it possible to select, combine and modify components and business processes to match the needs of the customer's business. The configuration can be extended and upgraded, as the needs change.

The corporate structure of the FTSHB Group is as follows:



Further information on the above companies are disclosed in Section 6.0 of this Prospectus.

2. INFORMATION SUMMARY (Cont'd)

2.2 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT

Based on the Register of Members of FTSHB as at 31 October 2004, being the latest practicable date prior to the printing of this Prospectus, the direct and indirect interest of the Promoters, substantial shareholders, Directors and Key Management in the issued and paid-up share capital of the Company before and after the Public Issue are as follows:-

Name	Place of Incorporation /Nationality	Before Public Issue		After Public Issue		After full exercise of ESOS options	
		Direct No. of shares	Indirect No. of shares	Direct No. of shares	Indirect No. of shares	Direct No. of shares	Indirect No. of shares
Executive Chairman: Tee Gee Kheng	Malaysian	35,999,980	-	35,349,980*	-	36,549,980	-
Executive Directors: Luisito Santos Encarnacion	Filipino	12,000,000	-	12,250,000*	-	13,050,000	-
Phan Sim Tian	Malaysian	12,000,000	-	12,250,000*	-	13,050,000	-
Key Management: Renante Diangson Layson	Filipino	-	-	850,000*	-	1,450,000	-
Wong Toon Hong	Malaysian	-	-	850,000*	-	1,450,000	-
Loh Teck Lian	Malaysian	-	-	850,000*	-	1,450,000	-

Notes:

* Includes allocation of the public issue shares to eligible directors and employees of the FTSHB Group and the Offer Shares given by the directors as part of the Employee Reward Scheme.

A description of the Promoters, substantial shareholders, directors and key management, and their direct and indirect shareholdings in the Company are disclosed under Section 9.0 of this Prospectus.

2. INFORMATION SUMMARY (Cont'd)

2.3 Products and Services

2.3.1 Products developed by the Group

The following are products and services developed and marketed by the Group:-

Products/Services Offered	Brief Description
<i>Fast Track</i> Financial	The <i>Fast Track</i> Financial Solution is a fully integrated enterprise level financial application package offered by FTSB. The multi-user environment of this fully integrated financial system allows the system to capture and analyze the enterprise data into meaningful financial analysis for decision making processes. Cost analysis is further broken down into detailed segments based on the business requirements and graphic presentation of data and are fully incorporated and integrated with the underlying database information. Financial reporting provides the full range of management information system requirement that assist management to monitor the performance of the company versus its designated operational parameters.
<i>Fast Track</i> Distribution	The <i>Fast Track</i> Distribution system enables users to quickly build up and optimize information flows and is easily implemented. The modules, <i>Fast Track</i> Customer Orders, <i>Fast Track</i> Inventory, <i>Fast Track</i> Purchasing and <i>Fast Track</i> Invoicing form the basis for each distribution system. <i>Fast Track</i> Distribution is based on four fundamental principals: <u>Simplicity</u> , which visualizes product flows and makes the system easy to use; <u>Flexibility</u> , to make it easier to adapt to different distribution models and working methods; <u>Adaptability</u> , to allow the system to grow and to support changes in the company; and <u>Openness</u> which facilitates communication with others in the order-to-delivery chain.
<i>Fast Track</i> Manufacturing	The <i>Fast Track</i> Manufacturing is a fully integrated manufacturing system for today's fast rapid manufacturing environment. It supports make-to-stock, make-to-order, and assemble-to-order as well as batch-process manufacturing. The manufacturing environment of today is as competitive as it has ever been and manufacturers need every edge that they can get. <i>Fast Track</i> Manufacturing is a robust tool that can help companies increase their productivity and efficiency. <i>Fast Track</i> Manufacturing helps a factory improve its productivity by taking care of the information system requirement of the entire manufacturing cycle, from production planning, materials requirements planning, manufacturing execution activities and manufacturing operations documentation. As an aid to production planning, the system displays the finished goods projected inventory balances, highlighting those requiring action in order to meet promised customer delivery due dates.

2. INFORMATION SUMMARY (Cont'd)

<p>Fast Track Manufacturing (Cont'd)</p>	<p>To help reduce resources tied up in raw materials, the system shows a complete picture of the firm's raw materials position – from those requiring purchase orders to be issued to meet the planned manufacturing schedule, to those showing excesses where cancellation of purchase orders to suppliers might be considered.</p> <p>With Fast Track Manufacturing, manufacturing transparency becomes a reality.</p>
<p>Fast Track Maintenance</p>	<p>Fast Track Maintenance, an integrated part of Fast Track Application, is a complete maintenance system that fulfils the requirement of achieving high levels of productivity and profitability, whilst efficiently making use of the company's assets. Information from departments and systems can be gathered, structured and made easily available to users. Together with data about scheduled maintenance and past experiences from the plant, the system becomes a proactive tool for efficient maintenance. Effort can be focused on actual maintenance needs, the level of preventive maintenance can be optimized, and the material procurement process can be rationalized. The result is a facility with optimized availability and overall finances, with fewer disruptions, increased use of capacity, more efficient purchasing routines, and better use of human resources.</p>
<p>Fast Track Supply Chain Management</p>	<p>Fast Track Supply Chain Management has been developed with supply and manufacturing chains in mind in order to minimize lead times, administration costs, and minimize inventory and free up management for other strategic management and development decision making.</p>

2.3.2 Intellectual Property Rights

The Group had on 4 December 2003 submitted applications to the Intellectual Property Corporation of Malaysia for the registration of trademark in relation to **Fast Track**. The registration is still pending approval from the Intellectual Property Corporation of Malaysia as at 31 October 2004, being the latest practicable date prior to the printing of this Prospectus. Further, the Group also enjoys Copyright protection for its entire software product under the general category of literary work pursuant to the Copyright Act, 1987.

2.3.3 Key Achievements and Recognition

On 27 September 2004, the Company's subsidiary company, FTSB, was awarded the "Enterprise 50 Award 2004" by SMIDEC in which the Company was among the Top Ten Companies.

On 13 August 2004, the Company's subsidiary company, FTSB, was also awarded the "Golden Bull Award 2004" by Nanyang Siang Pau in recognition of the Company's achievements as being among the top 100 Outstanding SMEs in Malaysia.

2. INFORMATION SUMMARY (Cont'd)

The Group has also obtained numerous acknowledgements by international software companies, namely IBM Malaysia Sdn Bhd and Sybase (Malaysia) Sdn Bhd, in recognition of its ability to design, create, develop and install innovative products and services. For further details of the benefits accorded by these international software companies, please refer to Section 6.11 of this Prospectus.

2.3.4 Research and Development

Fast Track application is developed based on the latest component based architecture and code reuse concept. Research and development works are continuously being carried out by the Research and Development team for creating new industrial specific components for specific industries.

As at 31 October 2004, FTSHB Group employs a total of 18 employees and the Company expects to increase the number of technical staff, as they anticipate further investment in R&D to keep up with technological changes, as well as to develop new products and upgrade existing products.

The Group recognizes that the quality of its software and services depends largely on the technical knowledge and the skills of its staff. However, the Company also realizes that technical knowledge is only part of the skill set required of IT professionals. As such, FTSB will provide both technical and non-technical training to all its employees as an on-going part of its operation.

The Board believes that continuous R & D activities are crucial for the Company to compete effectively. Hence, the Group places great emphasis on the development of cost-competitive software solutions in response to the rapid technological changes and changing needs of customers. The Group's R & D team currently is led by the directors, Mr. Luisito Santos Encarnacion and Mr. Phan Sin Tian.

The expertise acquired by the Group through its own research and development processes had been proven and successfully converted into a viable business model. Effort has also been taken by the research and development team of the Group by offering its expertise to cater to the Malaysian small and medium industries sectors in order to achieve the country's vision of being an industrialized nation by 2020.

2.3.5 Summary of Technology Utilised

CURRENT TECHNOLOGY

Fast Track application uses a powerful library of intelligent component classes and development tools that provides a truly modular approach to application development. Designed for flexibility and extensibility, **Fast Track** application component-based framework gives the developer complete control over their application development.

Fast Track application enhances the development environment with pre-coded objects built upon a core component foundation. This foundation enables the developer to integrate the **Fast Track** application objects and implement even the most complex functionality. This approach allows those components that best implement the desired functionality to be selected and assembled. Of course, the developer can also extend this foundation with custom designed components that inter-operate within the application framework.

The **Fast Track** application component design offers the flexibility of independent objects along with the power and intelligence of objects designed to work together within an architectural framework. Based on the above architecture and technology, FTSHB is able to deliver its products to its customers effectively and efficiently.

2. INFORMATION SUMMARY *(Cont'd)*

The current components model is based on client-server architecture design for mission critical business application processes.

FUTURE TECHNOLOGY

FTSHB plans to develop "Web-Services based Business Solution Application" that will allow customers to:

- a) Pick and deploy only the Business Solution Application module(s) a company requires that will either solve that firm's major problem or enhance its competitive advantage
- b) The module(s) chosen should be able to work seamlessly with a company's existing application system (financials, distribution, crm, etc.)
- c) The module(s) chosen should be "Web-Service" enabled, allowing it to communicate with the application system of the company's suppliers and customers (provided the systems of these suppliers and customers are also web-service enabled).

Web services are loosely defined as use of Internet technologies to make distributed software components talk to each other without human intervention. Those software components might perform such business logic as getting a stock quote, searching the inventory for a catalog on the Internet, or integrating the reservation services for an airline and a car rental agency. You can reach across the Internet and use pre-existing components, instead of having to write them for your application.

Web services originated when the Simple Object Access Protocol (SOAP) was introduced. SOAP leverages Extensible Markup Language (XML) and usually employs Hypertext Transfer Protocol (HTTP) as the transport. Invoking Web services through SOAP requires serialization and deserialization of datatypes, and the building and parsing of SOAP messages.

Part of the value of Web services comes from the Web Services Description Language (WSDL), which enables a service to be self-describing. WSDL defines an XML grammar for describing Web services as collections of communication endpoints capable of exchanging messages. WSDL service definitions provide documentation for distributed systems and serve as a recipe for automating the details involved in applications communication.

The database servers act as the data storage and distribution unit and are accessed by the client or the application servers. Similarly, the application servers may interact with both clients and the database servers. Distributed computing architecture is also known as "Three-tier architecture" or "N-tier architecture", the "n" indicates that any number of distributed pieces can exist and reference each other as the system demands.

With regards to tighter control over the application, all business logic will reside on application servers and not on client workstation, which dramatically reduces the risk of users accidentally destroying or corrupting crucial elements of the applications. Finally, hard-code business logic moved from the client, the need for high-powered processor on user's workstation is considerably reduced.

2. INFORMATION SUMMARY (Cont'd)

To achieve this, FTSHB will be embarking on upgrading its entire suite of business application modules to become "Web-Service" enabled. The technology required for this undertaking involves the following:

- a) XML – Extended Markup Language
- b) WSDL – Web Service Descriptor Language
- c) SOAP – Simple Object Access Protocol
- d) UDDI – Universal Description, Discover and Integration

Web-services have the potential to reshape our thinking with respect to how we use technology and how we do business. Consequently, Web services will likely resolve and ultimately simplify the way in which business partners, applications and components interoperate. The success of Web-services is virtually guaranteed as it is the core technology behind Microsoft .NET and J2EE.

The innovation that FTSHB will be delivering is making this Web-Services technology available at an affordable cost to Malaysia's SMEs.

For further details on the technology utilised, please refer to Section 6.4.6 of this Prospectus.

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2. INFORMATION SUMMARY (Cont'd)

2.4 Financial Highlights

The following is a summary of the audited consolidated proforma of the FTSHB Group's financial performance for the past five (5) financial years ended 31 December 1999 to 2003 and five (5) months period ended 31 May 2004 prepared based on the assumption that the current structure of the FTSHB Group since its inception and has been in existence throughout the financial years/period under review.

	< ----- Financial Year ended 31 December ----- >					5 months Financial Period ended 31 May 2004
	1999	2000	2001 #Restated	2002	2003	
	RM	RM	RM	RM	RM	RM
Revenue	82,344	194,537	599,250	1,273,750	2,302,855	1,148,885
Administrative and general expenses	(147,935)	(193,134)	(153,937)	(344,138)	(477,598)	(265,137)
Selling expenses	(12,177)	(19,317)	(15,245)	(35,652)	(14,297)	(56,864)
(Loss) / Profit Before interest, depreciation, taxation and amortisation	(77,768)	(17,914)	430,068	893,960	1,810,960	826,884
Depreciation	(3,273)	(3,358)	(3,358)	(4,911)	(3,516)	(1,734)
Amortisation of development cost	-	-	(49,920)	(126,840)	(200,760)	(91,067)
Interest income	-	-	-	-	5,515	7,052
(Loss) / Profit before taxation	(81,041)	(21,272)	376,790	762,209	1,612,199	741,135
Taxation	-	-	-	(88,000)	(183,964)	(1,975)
(Loss) / Profit after taxation	(81,041)	(21,272)	376,790	674,209	1,428,235	739,160
No. of ordinary shares of RM0.10 each assumed in issue after acquisition of FTSB	60,000,000	60,000,000	60,000,000	60,000,000	60,000,000	60,000,000
Gross EPS/(LPS) (sen)*	(0.14)	(0.04)	0.63	1.27	2.69	1.24 *
Net EPS/(LPS) (sen)*	(0.14)	(0.04)	0.63	1.12	2.38	1.23 *
No. of ordinary shares of RM0.10 based on proposed enlarged share capital after IPO	92,000,000	92,000,000	92,000,000	92,000,000	92,000,000	92,000,000
Gross EPS/(LPS) (sen)*	(0.09)	(0.02)	0.41	0.83	1.75	0.81 *
Net EPS/(LPS) (sen)*	(0.09)	(0.02)	0.41	0.73	1.55	0.80 *

* Based on the financial results for the 5 months period ended 31 May 2004

+ The gross earnings/(loss) per share is calculated based on profit/(loss) before taxation while the net earnings/(loss) per share is calculated based on profit/(loss) after taxation over the total issued and paid up share capital of 60,000,000 and 92,000,000 respectively assumed to be in issue and had been in existence throughout the financial years/period under review.

2. INFORMATION SUMMARY (Cont'd)**2.4 Financial Highlights (Cont'd)**

Notes:-

- i) There were no extraordinary or exceptional items in all the financial years/period under review.
- ii) The figures for the year ended 31 December 2001 have been restated to reflect the change in accounting policy with respect to the treatment of development costs. With retrospective effect from 1 January 2001, development costs are capitalised and amortised over a five (5) year period on a straight line basis in accordance with MASB 4, Research and Development Costs, as it is expected that the assets will generate future economic benefit. Previously, all development costs have been charged to the income statements as and when incurred. This change in accounting policy has been accounted for retrospectively with the retained profit brought forward and comparative information adjusted for the amount relating to prior periods as follows:-

	Financial Year ended 31 December 2001 RM
Net profit before change in accounting policy	177,110
Impact of change in accounting policy - On net profit	199,680
Net profit for the year as restated	<u>376,790</u>

Please refer to Section 7 and Section 13 for further information.

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2. INFORMATION SUMMARY (Cont'd)

2.5 Proforma Consolidated Balance Sheets as at 31 May 2004

The Proforma Consolidated Balance Sheets as set out below are extracted from the Proforma Consolidated Balance Sheets as at 31 May 2004, as disclosed in Section 14. The Proforma Consolidated Balance Sheets are provided for illustrative purposes only to show the effects on the audited consolidated balance sheets of FTSHB as at 31 May 2004 after taking into account the Acquisition, the Public Issue, the ESOS and the proposed utilisation of proceeds.

	Company RM	Proforma I RM	Proforma II RM	Proforma III RM
PROPERTY, PLANT AND EQUIPMENT	-	50,406	950,406	950,406
DEVELOPMENT COST	-	689,213	1,364,328	1,364,328
GOODWILL ON CONSOLIDATION	-	2,926,349	2,926,349	2,926,349
CURRENT ASSETS	2	2,735,788	8,920,673	11,496,673
CURRENT LIABILITIES	7,540	409,296	409,296	409,296
NET CURRENT (LIABILITIES)/ ASSETS	(7,538)	2,326,492	8,511,377	11,087,377
	(7,538)	5,992,460	13,752,460	16,328,460
FINANCED BY:				
SHARE CAPITAL	2	6,000,000	9,200,000	10,120,000
ACCUMULATED LOSS	(7,540)	(7,540)	(7,540)	(7,540)
SHARE PREMIUM	-	-	4,560,000	6,216,000
SHAREHOLDERS' FUND	(7,538)	5,992,460	13,752,460	16,328,460
No of ordinary shares of RM0.10 each	20	60,000,000	92,000,000	101,200,000
NTA per ordinary share of RM0.10 each (sen)	(376.90)	3.96	10.28	11.90

Notes:

- (i) *Proforma I* : After the Acquisition
- (ii) *Proforma II* : After Proforma I, the Public Issue and proposed utilisation of proceeds
- (iv) *Proforma III* : After Proforma II and full exercise of ESOS Option

Further details on the Proforma Consolidated Balance Sheets of FTSHB as at 31 May 2004 are set out in Section 14 of this Prospectus.

2. INFORMATION SUMMARY (Cont'd)

2.6 Profit Forecast

The market for the Group's products and services is characterised by rapid technological advancements, changes in customer requirements, frequent new product launches and the continued development of software and hardware enhancements.

The Group is subjected to many risk factors, some of which are highlighted in Section 4 of this Prospectus. The Group's revenue and operating results are therefore difficult to forecast and project. As such, the Group's profit forecast and projections are not disclosed in this Prospectus.

2.7 Risk Factors

An investment in the shares listed/to be listed on the MESDAQ Market of Bursa Securities involves a number of risks, some of which, including market, industry, liquidity, credit, operational, legal and regulatory risks could be substantial and are inherent in the business of the FTSHB Group.

The following is a summary of the risk factors (which may not be exhaustive), which applicants for the Public Issue should carefully consider in addition to other information contained elsewhere in this Prospectus before applying for the Public Issue. The risk factors that should be considered include, but are not limited to the following:-

- (i) No Prior Market for FTSHB Shares;
- (ii) Delay in or Abortion of the Listing;
- (iii) Control by Substantial Shareholders;
- (iv) Dependence on Key Personnel;
- (v) Project Risks;
- (vi) Operational Risks;
- (vii) Competition;
- (viii) Market Acceptance for the Group's Products and Services;
- (ix) Protection of Group Proprietary Technology/ Intellectual Property Rights;
- (x) Future Capital Injections;
- (xi) Future Growth;
- (xii) Material Defects Liability;
- (xiii) Political, Economic and Regulatory Considerations;
- (xiv) Forward Looking Statements;
- (xv) Acquisitions and Joint Ventures;
- (xvi) Conditions of the MSC Status;
- (xvii) Rapid Technological/ Products Changes in the Software Application Market;

2. INFORMATION SUMMARY (Cont'd)

- (xviii) Investment Activities;
- (xix) Security and System Disruptions
- (xx) Insurance Coverage;
- (xxi) Dependency on Particular Products, Markets or Geographical Locations; and
- (xxii) Foreign Market Risk and Foreign Currency Fluctuation Risk.

Please refer to Section 4 "Risk Factors", of this Prospectus for further information concerning the abovementioned risk factors.

2.8 Principal Statistics Relating to the Public Issue

Share Capital	RM
<i>Authorised</i> 250,000,000 ordinary shares of RM0.10 each	<u>25,000,000</u>
<i>Issued and fully paid-up as at the date of this Prospectus</i> 60,000,000 ordinary shares of RM0.10 each	6,000,000
<i>To be issued pursuant to the Public Issue</i> 32,000,000 ordinary shares of RM0.10 each	3,200,000
<i>Enlarged share capital upon listing</i> 92,000,000 ordinary shares of RM0.10 each	9,200,000
<i>To be issued pursuant to full exercise of ESOS Options*</i> 9,200,000 ordinary shares of RM0.10 each	920,000
Enlarged share capital upon full exercise of ESOS Options 101,200,000 ordinary shares of RM0.10 each	<u>10,120,000</u>
Public Issue price per FTSHB Share	0.28
Market capitalisation based on the issue price of RM0.28 per FTSHB Share	25,760,000

Note:

* *The ESOS will only be implemented i.e. the Options under the ESOS will only be offered to the eligible directors and employees of the Group, on the date of the Company's listing on the MESDAQ Market.*

There is only one class of shares in FTSHB, being ordinary shares of RM0.10 each, all of which rank *pari passu* with one another. The Public Issue Shares will rank *pari passu* in all respects with the other existing issued and paid-up ordinary shares of RM0.10 each in FTSHB including voting rights, dividends and distributions that may be declared subsequent to the date of this Prospectus.

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2. INFORMATION SUMMARY (Cont'd)

2.9 Proposed Utilisation of Proceeds Raised from the Public Issue

The total gross proceeds arising from the Public Issue of approximately RM8,960,000 will be utilised in the following manner:

	RM	Expected timeframe for utilisation
Research and Development	4,000,000	48 months
Working capital	1,760,000	24 months
Overseas expansion	2,000,000	48 months
Estimated listing expenses	1,200,000	6 months
Total	8,960,000	

Details of the utilisation of proceeds are set out in Section 3.9 of this Prospectus.

2.10 Working Capital, Borrowings, Material Litigation, Material Commitments and Contingent Liabilities

As at 31 October 2004, being the latest practicable date prior to the printing of this Prospectus:-

(i) Working Capital

The Directors of FTSHB are of the opinion that after taking into consideration the cashflow position and the banking facilities available and the net proceeds from the Public Issue, the Group will have adequate working capital for a period of twelve (12) months from the date of this Prospectus.

(ii) Borrowings

As at 31 October 2004, being the latest practicable date at which such amounts could be calculated prior to the printing of this Prospectus, the Group does not have any borrowings.

(iii) Material Litigation

Neither FTSHB nor its subsidiary company are engaged in any litigation or arbitration, either as plaintiff or defendant which has a material effect on the financial position of the FTSHB Group and the Board of Directors have no knowledge of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group.

(iv) Material Commitments

There are no material commitments for capital expenditure incurred or known to be incurred by the FTSHB Group, which may have a material impact on the financial position of the Group.

(v) Contingent Liabilities

There are no material contingent liabilities incurred by the FTSHB Group other than those incurred in the ordinary course of business.

Details of the working capital, borrowings, material litigation, material commitments and contingent liabilities are set out in Section 7.3 of this Prospectus.

3. INTRODUCTION AND PARTICULARS OF THE PUBLIC ISSUE

This Prospectus is dated 30 November 2004.

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

Approval has been obtained from the SC on 7 July 2004 for the Public Issue. Approval has also been obtained from Bursa Securities on 8 July 2004 for the listing of FTSHB and for the admission to the Official List of the MESDAQ Market and for permission to deal in and quotation of the enlarged issued and paid-up ordinary shares of FTSHB including the Public Issue, 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 upon receipt of confirmation from Bursa Depository that all the CDS Accounts of the successful applicants have been duly credited and notices of allotment have been despatched to all the successful applicants.

The approvals of the SC and Bursa Securities shall not be taken to indicate that the SC and Bursa Securities recommend the Public Issue and that investors should rely on their own evaluation to assess the merits and risks of the Public Issue.

Under the MESDAQ's trading rules, effective from the date of listing, trading in all MESDAQ listed securities can only be executed through an ADA who is also a Bursa Securities member.

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991, Bursa Securities has prescribed the FTSHB Shares as a prescribed security. In consequence thereof, the Public Issue Shares offered through this Prospectus will be deposited directly with the Bursa Depository and any dealings in these Shares will be carried out in accordance with the Securities Industry (Control Depositories) Act, 1991 and Rules of Bursa Depository.

All applicants must have a CDS Account and an applicant should state his CDS Account number in the space provided in the Application Form.

The SC and Bursa Securities assume no responsibility for the correctness of any statements made or opinions or reports expressed in this Prospectus. Listing of FTSHB Shares and admission to the MESDAQ Market is not to be taken as an indication of the merits of the Company and its subsidiary company or its Shares.

Pursuant to the Bursa Securities LR, the Company needs to have at least 25% but not more than 49% of the enlarged issued and paid-up share capital in the hands of public shareholders and a minimum number of 200 public shareholders at the point of admission to the MESDAQ Market. The Company is expected to achieve this at the point of admission to the MESDAQ Market. 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 plan. In the event thereof, monies paid in respect of all applications will be returned in full without interest if the said permission is not granted.

No person is authorized 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 authorized by FTSHB and/or PMBB. Neither the delivery of this Prospectus nor any Public Issue made in connection with this Prospectus shall, under any circumstances constitute a representation or create any implication that there has been no change in the affairs of FTSHB or the Group since the date hereof.

The distribution of this Prospectus and the sale of the Public Issue Shares in certain other jurisdictions outside Malaysia may be restricted by law. Persons who may come into possession of this Prospectus are required to inform themselves of and to observe such restrictions. This Prospectus does not constitute and may not be used for the purpose of an invitation to subscribe for the Public Issue in any jurisdiction in which such invitation is not authorised or lawful, or to any person to whom it is unlawful to make such an invitation.

3. INTRODUCTION AND PARTICULARS OF THE PUBLIC ISSUE *(Cont'd)*

Acceptance of applications will be conditional upon permission being granted to deal in, and quotation for all the Public Issue Shares. Monies paid in respect of any application accepted will be returned in full if the said permission is not granted.

If you are unsure of any information contained in this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers.

3.1 Opening and Closing of Application

The Application Lists will open at 10.00 a.m. on 30 November 2004 and will remain open until 5.00 p.m. on 7 December 2004 or for such further period or periods as the Directors of FTSHB in their absolute discretion and the Underwriter may mutually decide.

3.2 Dates of Special Events

Event	Date
Opening of the application for the Public Issue Shares	30 November 2004
Closing of the application for the Public Issue Shares	7 December 2004
Tentative balloting	9 December 2004
Tentative despatch of notice of allotment to successful applicants	16 December 2004
Tentative listing	20 December 2004

These dates are tentative and are subject to changes which may be necessary to facilitate the implementation procedures. Application for the Public Issue Shares will be accepted from 10.00 am on 30 November 2004 to 5.00 pm on 7 December 2004 or for such other period or periods as the Directors of FTSHB together with the Underwriter in their absolute discretion may mutually decide.

In the event of any changes to the closing date of the application, such date would be published in a widely circulated daily English and Bahasa Malaysia newspaper within Malaysia. Should the closing date of the application be extended, the dates for the balloting, allotment and listing of FTSHB's entire issued and paid-up share capital on the MESDAQ Market would be extended accordingly.

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3. INTRODUCTION AND PARTICULARS OF THE PUBLIC ISSUE (Cont'd)

3.3 Number and Class of Securities to be Issued

	RM
<i>Authorised</i> 250,000,000 ordinary shares of RM0.10 each	<u>25,000,000</u>
<i>Issued and fully paid-up as at the date of this Prospectus</i> 60,000,000 ordinary shares of RM0.10 each	6,000,000
<i>To be issued pursuant to the Public Issue</i> 32,000,000 ordinary shares of RM0.10 each	<u>3,200,000</u>
<i>Enlarged issued and paid-up share capital upon listing of</i> 92,000,000 ordinary shares of RM0.10 each	9,200,000
<i>To be issued pursuant to full exercise of ESOS Option*</i> 9,200,000 ordinary shares of RM0.10 each	<u>920,000</u>
<i>Enlarged Capital upon full exercise of ESOS Options</i> 101,200,000 ordinary shares of RM0.10 each	<u>10,120,000</u>
Public Issue price per ordinary share of RM0.10 each	0.28

The Public Issue price of RM0.28 per ordinary share is payable in full on application.

Note:

* *The ESOS will only be implemented i.e. the Options under the ESOS will only be offered to the eligible directors and employees of the Group, on the date of the Company's listing on the MESDAQ Market.*

There is only one class of shares in FTSHB, namely ordinary shares of RM0.10 each, all of which rank pari passu with one another. The Public Issue Shares will rank pari passu in all respects with the other existing issued and paid-up ordinary shares of RM0.10 each in FTSHB including voting rights, dividends and distributions that may be declared subsequent to the date of this Prospectus.

Subject to any special rights attaching to any shares that may be issued by the Company in the future, the shareholders of ordinary shares in the Company shall, in proportion to the amount paid-up on the shares held by them, be entitled to share in the whole of the profits paid out by the Company as dividends, distributions and the whole of any surplus in the event of liquidation of the Company in accordance with its Articles of Association.

At every general meeting of FTSHB, each shareholder shall be entitled to vote in person or by proxy or by attorney, and on a show of hands, every person present who is a shareholder or representative or proxy or attorney to a shareholder shall have one vote and on a poll, every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one vote for each ordinary share held. A proxy may but need not be a member of the Company. If the proxy is not a member, he need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies.

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3. INTRODUCTION AND PARTICULARS OF THE PUBLIC ISSUE *(Cont'd)*

3.4 Purposes of the Public Issue

The purposes of the Public Issue are as follows:

- (i) To obtain the listing and quotation of the entire enlarged issued and paid-up share capital of FTSHB on the MESDAQ Market;
- (ii) To provide the FTSHB Group with access to the capital markets to raise funds for future expansion and growth;
- (iii) To provide an opportunity for Malaysian investors and institutions, business associates, eligible employees and directors and the public to participate in the future growth of the FTSHB Group; and
- (iv) To raise funds for the FTSHB Group's continued operations and expansion.

3.5 Details of the Public Issue

The Public Issue of 32,000,000 FTSHB Shares at an issue price of RM0.28 per FTSHB Share is payable in full on application subject to the terms and conditions of this Prospectus.

Upon acceptance, the Public Issue Shares will be allocated in the following manner:

- (i) **Public**
3,000,000 of the Public Issue Shares will be made available for application by the public.
- (ii) **Eligible Directors, Employees and Other Persons Who Have Contributed to the Success of the FTSHB Group**
3,000,000 of the Public Issue Shares have been reserved for eligible Directors, employees and other persons who have contributed to the success of the FTSHB Group.
- (iii) **Private Placement**
26,000,000 of the Public Issue Shares will be made available for placement to selected investors.

The Public Issue Shares under paragraphs 3.5(i) and 3.5(ii) above have been fully underwritten by the Underwriter. Details on the brokerage and underwriting commission relating to the Public Issue are set out in Section 3.11 of this Prospectus.

If there are any undersubscription in respect of paragraph 3.5(i) and 3.5(ii) above, the undersubscribed Public Issue Shares will be made available for subscription by the Placees referred to in paragraph 3.5(iii) above. Thereafter, any Public Issue Shares not subscribed for as set out in 3.5(i) and 3.5(ii) above, will be made available for subscription by the Underwriter as specified in the Underwriting Agreement dated 26 October 2004 ("Underwriting Agreement"). There is no minimum subscription rate for the Public Issue as it is fully underwritten.

The basis of allocation shall take into account the desirability of distributing the Public Issue to a reasonable number of applicants with a view of broadening the shareholding base of FTSHB to meet the public spread requirements and to establish a liquid and adequate market in the FTSHB Shares.

3. INTRODUCTION AND PARTICULARS OF THE PUBLIC ISSUE *(Cont'd)*

3.6 Details of ESOS

In conjunction with the listing exercise, FTSHB has established an ESOS to grant up to 10% of the issued and paid-up share capital of FTSHB, comprising 9,200,000 Shares to the eligible Executive Directors and employees of the FTSHB Group. The exercise price of ESOS Options will be fixed at RM0.28 per FTSHB Share.

The ESOS shall be in force for a duration of five (5) years. However, the ESOS may be extended for up to ten (10) years at the discretion of the Board upon the recommendation of the ESOS Committee. The new Shares to be issued upon the exercise of the ESOS Options will, upon issuance and allotment, rank pari-passu in all respects with the existing issued and paid-up share capital of FTSHB.

Upon full exercise of all ESOS Options granted, the issued and paid-up share capital of FTSHB will increase to RM10,120,000 comprising 101,200,000 FTSHB Shares.

3.7 Allocation of Public Issue Shares to eligible Directors, employees and other persons who have contributed to the success of the FTSHB Group

The total number of persons eligible for the pink forms allocation is 15, of which 3,000,000 FTSHB Shares, representing approximately 3.26% of the enlarged issued and paid up share capital of FTSHB, have been reserved for eligible Directors and employees of FTSHB Group.

The FTSHB Shares reserved for its eligible Directors and employees, are based on the following criteria as at the cut-off date of 31 July 2004:-

- Job position;
- Length of service; and
- Job performance.

The number of Public Issue Shares that have been allocated to the Directors of FTSHB are as follows:

<u>Name of Directors</u>	<u>Number of Shares allocated</u>
Tee Gee Kheng	700,000
Luisito Santos Encarnacion	700,000
Phan Sin Tian	700,000
Total	2,100,000

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3. INTRODUCTION AND PARTICULARS OF THE PUBLIC ISSUE *(Cont'd)*

3.8 Pricing of the Public Issue Shares

Prior to the offering, there has been no public market for the shares of FTSHB. The issue price of RM0.28 per Public Issue Share was determined and agreed upon by the Company and the Underwriter. Among the factors considered in determining the issue price of the FTSHB Shares, in addition to prevailing market conditions, were the FTSHB Group's estimates of business growth potential and revenue prospects, an assessment of the Group's management, investment made and the consideration of the above factors in relation to market valuation of companies in similar businesses.

However, investors should also note that the market price of FTSHB Shares upon listing on the MESDAQ Market, are subject to the vagaries of market forces and other uncertainties, which may affect the price of FTSHB Shares when they are traded.

3.9 Proposed Utilisation of Proceeds

The Group expects the gross proceeds of the Public Issue will amount to approximately RM8,960,000. The proceeds shall accrue to the Company and the Company shall bear all expenses relating to the listing of and quotation for the entire issued and paid-up share capital of FTSHB on the MESDAQ Market.

	Note	RM'000	Expected timeframe for utilisation
R & D	(i)	4,000	48 months
Working capital	(ii)	1,760	24 months
Overseas expansion	(iii)	2,000	48 months
Estimated listing expenses	(iv)	1,200	6 months
		8,960	

Notes:-

- (i) As R&D has constantly been the key factor for FTSB's product competitiveness, the Group has allocated RM4.0 million to enhance its R&D capabilities. The R&D allocation are mainly for R&D staff salaries, R&D Development Tools and Hardware platform. The utilisation of R&D proceeds is expected to be over a four (4) years period from the date of listing.

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3. INTRODUCTION AND PARTICULARS OF THE PUBLIC ISSUE (Cont'd)

A breakdown of expenditure is as follows:-

Purchases of Software / Hardware

Software / Hardware	Quantity	Cost (RM)
PowerBuilder/Power Dynamo/Jaguar/Power J	10	400,000
Sun/IBM Sybase Enterprise Application Web Servers	10	500,000
TOTAL		900,000

Payroll cost(s)

Category of staff	No. of staff	Salary cost per staff per annum on an average (RM)	Total payroll cost for 4 years* (RM)
System Analyst	7	86,603	2,424,884
Development Director	1	153,153	612,612
Technical Director	1	318,558	1,274,232
TOTAL			4,311,728

Note:

* *The amount budgeted for R&D expenditure is RM4 million from the listing proceeds. Any shortfall will be financed from internally generated funds.*

- (ii) This will be used to fund the Group's day-to-day working capital requirements so as to improve the Group's liquidity and fund operating expenses;
- (iii) In order to remain competitive, the Group has recognised the need to globalize by allocating a portion of the proceeds from the Public Issue for overseas expansion which include marketing and expanding its distribution network into ASEAN, United States of America ("USA") and China market. The Group plans to market its application software modules to the state of California (particularly Los Angeles, USA) in 2005. In order to kick off the plan, the Group will be allocating RM100,000 in 2004, for a market survey to be carried out. In the medium term, the Group plans to set-up marketing offices and establish joint venture and reseller scheme in USA so as to penetrate into their garment manufacturing industry (largest employer in the manufacturing industry in the state of California). The Group also plans to conduct market surveys, and set-up sales and marketing offices in the regional ASEAN market (RM700,000) as well as appoint resellers (by 2007) in China (RM300,000).
- In the event that the market survey proves unsuccessful, FTSHB will not be investing the RM2 million of the proceeds from the Public Issue into the abovementioned foreign markets. Further study will have to be carried out so as to identify other potential overseas market to promote its products. FTSHB's ultimate mission is to export Malaysia's application business solutions to potential overseas market.
- (iv) Expenses incidental to the listing of the Company is estimated at RM1.2 million which includes professional fees, underwriting commission, brokerage fees, authorities' fees and other costs associated with the IPO.

It is intended that the abovementioned proceeds of RM8.96 million will be utilised within four (4) years from the listing date. Any difference arising from the proposed utilisation will be adjusted accordingly in working capital requirements.

3. INTRODUCTION AND PARTICULARS OF THE PUBLIC ISSUE (Cont'd)

3.10 Listing Expenses

The details of the estimated listing expenses for the proposed listing of and quotation for the enlarged share capital of 92,000,000 ordinary shares of RM0.10 each in FTSHB on the MESDAQ Market are as follows:

	RM'000
Professional fees	530
Brokerage, Placement fee and Underwriting fees	200
Fees to authorities	30
Advertisement and printing	120
Issuing house fee and disbursement	50
Miscellaneous	270
	1,200

3.11 Brokerage, Underwriting Commission and Placement Fees

(a) Brokerage

Brokerage relating to the Public Issue Shares will be borne by the Company at the rate of one percent (1%) of the issue price of RM0.28 per share in respect of successful applications bearing the stamp of either PMBB, member companies of MESDAQ, members of the Association of Banks in Malaysia, members of the Association of Merchant Banks in Malaysia or MIDFCCS. No brokerage is payable on the 26,000,000 Public Issue Shares to be placed out to selected investors.

(b) Underwriting commission

A conditional Underwriting Agreement was entered into between the Company and PMBB on 26 October 2004 to underwrite 6,000,000 FTSHB Shares of the Public Issue Shares which are available for application by the public, eligible Directors, employees and other persons who have contributed to the success of the FTSHB Group.

The underwriting commission is payable by the Company at the rate of two percent (2%) of the issue price of RM0.28 for each of the Public Issue Share underwritten.

(c) Placement fees

Placement fees are payable by the Company to the Placement Agent at a rate of two percent (2%) of the Public Issue Price of RM0.28 per share in respect of the 26,000,000 Public Issue Shares to be issued by way of private placement.

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3. INTRODUCTION AND PARTICULARS OF THE PUBLIC ISSUE (Cont'd)

3.12 Salient Terms of the Underwriting Agreement

The following are extracts of some of the salient terms contained in the conditional Underwriting Agreement dated 26 October 2004 including clauses which may allow the Underwriter to withdraw from obligations under the agreement after the opening of the offer:

(Note: Unless otherwise stated all definitions should bear the same meanings as prescribed in the Underwriting Agreement dated 26 October 2004).

4. Indemnity by the Company

4.1 *The agreement of the Underwriter to underwrite the Underwritten Shares is entered into on the basis of the Undertakings and Warranties. Without prejudice to the other rights and remedies of the Underwriter, the Company undertakes with the Underwriter to indemnify and keep it indemnified from and against any liabilities costs claims charges actions proceedings damages expenses or demands which the Underwriter or any of them may incur or which may be made against them or any of them as a result of or arising out of or in relation to the Underwriter reliance on any of the Undertakings and Warranties by the Company or any breach of any of the Undertakings and Warranties by the Company and such indemnity shall extend to include all costs (including legal costs on a solicitors and client basis) charges and expenses which the Underwriter may reasonably pay or incur in advancing, disputing or defending any claim or action or other proceeding in respect of which indemnity may be sought against the Company under this Clause.*

4.2 *The foregoing rights and remedies conferred upon the Underwriter by the aforesaid Undertakings and Warranties shall continue in full force and effect notwithstanding completion of the Public Issue and notwithstanding any investigations by or on behalf of the Underwriter.*

6. Conditions Precedent

6.1 *The several obligations of the Underwriter under this Agreement shall further be conditional upon:*

- (a) the Bursa Securities having agreed in principle on or prior to the date of the Issue Documents to the listing and quotation of the Issue Shares;*
- (b) the registration and lodgment with the SC and the ROC of the Issue Documents and accompanying documents on or before their issue, circulation or distribution thereof for and in connection with the Public Issue;*
- (c) there not having been, on or prior to the Closing Date any adverse and material change or development reasonably and likely to involve a prospective adverse and material change in the condition (financial or otherwise) of the Company or any of its subsidiaries from that as set out in the Issue Documents which is material in the context of the Public Issue or in the opinion of the Underwriter would adversely affect the success of the Public Issue thereunder or any occurrence of any event rendering untrue or incorrect or not complied with, to an extent which is material as aforesaid, any of the Warranties as though given or made on such date; and*

3. INTRODUCTION AND PARTICULARS OF THE PUBLIC ISSUE (Cont'd)

- (d) *no material variation in the Issue Documents shall be made without the consent of the Underwriter (which consent shall not be unreasonably withheld) with regard to the matters following, namely:*
- (i) *the constitution of the Board of Directors of the Company;*
 - (ii) *the authorised and issued share capital of the Company;*
 - (iii) *the number of Issue Shares comprised in the Public Issue and the price thereof;*
 - (iv) *the statement as to any litigation, arbitration or other legal proceedings of a material nature in which the Company is presently involved or pending;*
 - (v) *the statement as to any contingent liabilities and capital commitments of the Company;*
 - (vi) *the business of the Company and its subsidiaries; and*
 - (viii) *the utilisation of proceeds from the Public Issue.*

6.2 *If any of the conditions stated in Clause 6.1 is not satisfied, the Underwriter shall be entitled to terminate this Agreement by notice in writing delivered to the Company and in such event the Underwriter shall be released and discharged from their obligations hereunder Provided That in such event the Company shall remain liable for the payment of the costs and expenses referred to in Clause 12 which are incurred prior to or in connection with such termination and such release and discharge Provided However That the Underwriter may at its discretion and subject to such conditions as it may impose, waive compliance with any of the provisions of Clause 6.1.*

13. Force Majeure

Notwithstanding anything herein contained, the Underwriter or its authorised nominees may at any time before the Closing Date by notice in writing delivered to the Company terminate its obligations under this Agreement if in the reasonable opinion of the Underwriter shall have been such a change in national or international monetary, financial, political or economic conditions or exchange control or currency exchange rates or in the stock exchange or on the falling of the Composite Index below 600 points or otherwise as would in the reasonable opinion of the Underwriter prejudice materially and adversely the success of the issue and offering of the Underwritten Shares and their distribution or sale (whether in the primary market or in respect of dealings in the secondary market) and/or in the event of a national disorder, outbreak of war or the declaration of a state of national emergency and thereupon the Parties shall (except for the liability of the Company in the payment of costs and expenses referred to in Clause 12 above incurred prior to or in connection with such termination) be released and discharged from their respective obligations hereunder.

3. INTRODUCTION AND PARTICULARS OF THE PUBLIC ISSUE (Cont'd)

14. Termination

14.1 *Notwithstanding anything herein contained, the Underwriter may by notice in writing to the Company given at any time before the Closing Date, terminate and cancel and withdraw their commitment to underwrite the Underwritten Shares if :-*

- (a) *there is any material breach by the Company of any of the Undertakings or Warranties, which, if capable of remedy, is not remedied within such number of days as may be stipulated in the notice of breach given to the Company which, in the opinion of the Underwriter, would have or can reasonably be expected to have a material adverse effect on the business or operations of the Company and its subsidiaries or the success of the Public Issue, or*
- (b) *if the Company withholds information of a material nature from the Underwriter, which, if capable of remedy, is not remedied within such number of days as may be stipulated in the notice of breach given to the Company, which, in the opinion of the Underwriter, would have or can reasonably be expected to have a material adverse effect on the business or operations of the Company and its subsidiaries or the success of the Public Issue; or*
- (c) *there shall have occurred, happened or come into effect any material and adverse change to the business or financial condition of the Company and its subsidiaries; or*
- (d) *there shall have occurred, happened or come into effect any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing, which would have or can reasonably be expected to have, a material adverse effect on the business or the operations of the Company and its subsidiaries or the success of the Public Issue, or which is likely to have the effect of making any material part of this Agreement incapable of performance with its terms pursuant to the underwriting thereof; or*
- (e) *any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of the Underwriter (including without limitation, acts of God, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents).*

3. INTRODUCTION AND PARTICULARS OF THE PUBLIC ISSUE (Cont'd)

14.2 *Upon such notice being given under Clause 14.1, the Underwriters shall be released and discharged of its obligations without prejudice to its rights whereby this Agreement shall be of no further force or effect and no Party shall be under any liability to any other in respect of this Agreement, except that the Company shall remain liable in respect of any of its obligations and liabilities under Clause 12 for the payment of the costs and expenses already incurred up to the date on which such notice was given, any antecedent breach and the underwriting Commission which shall be paid to the Underwriter within Fourteen (14) Business Days from the receipt of such notice.*

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