
6. SUMMARY OF THE FIVE (5) YEAR BUSINESS PLAN

Quest Group's objective is to be a leading regional specialist in the area of air and liquid filtration systems in Asia Pacific. The proposed development milestones that been formulated by the Group for the next 5 years in order to achieve this objective are as follows:

(a) Short to medium term plans

Using its capabilities in R&D for healthcare equipment and innovative services, Quest shall continue to build momentum in its presence in the healthcare sector by securing more projects in the areas of life sciences, healthcare facilities, research laboratories and pharmaceutical plants. Emphasis will be made for compliances with regulations and guidelines of the Good Laboratories Practices ("GLP"), the US Food & Drug Administration ("FDA"), Organisation for Economic Cooperation and Development ("OECD"), and all local regulations and guidelines.

Quest shall further strengthen its operations and maintenance (O&M) services by reorganising the pool of experience and capable resources available arising from the acquisition of ETSB and EMECS. Quest will leverage on its existing business activities for the air filtration systems to market the industrial air filters and appoint distributors to market the domestic water filters.

(b) Long term plans

Quest intends to expand regionally and penetrate into countries such as China and Thailand by leveraging on the business networking of its international business associates. During this period, Quest plans to register its main trademark "QUEST" in the targeted countries for expansion.

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7. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL

7.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

7.1.1 Promoters' Shareholdings in Quest

The Promoters and their respective shareholdings in Quest upon completion of the Listing are as follows:

Promoters	Nationality/ Country of Incorporation	Designation	< ----- Direct *----- >		< ----- Indirect ----- >	
			No. of Quest Shares held	% held	No. of Quest Shares held	% held
Wong Peng Yew	Malaysian	Managing Director	40,474,560	41.31	-	-
Sim Keng Siong	Malaysian	Executive Director	9,888,840	10.09	[@] 32,010	[@] 0.03
Lim Foo Seng	Malaysian	Executive Director	2,320,280	2.37	-	-
Simon Loh Chi Yin	Malaysian	Marketing Director of Air Filtration Division	843,790	0.86	-	-
Tan Joo Wee	Malaysian	Technical Director of Air Filtration Division	526,330	0.54	-	-
Aloysious Joachim A/L J.P. Pereira	Malaysian	Project Director of Liquid Filtration Division	278,010	0.28	[#] 50,140	[#] 0.05
Koo Be How	Malaysian	Marketing Director of Liquid Filtration Division	221,010	0.23	-	-
Chak Ngau Chai	Malaysian	-	171,010	0.17	-	-

Notes:

* In respect of promoters who are also entitled to pink form share allocation, assuming full subscription of their respective entitlements for the allocation.

@ By virtue of the interest held by his spouse, Lee Woon Ching.

By virtue of the interest held by his spouse, Low Siew Ping.

7.1.2 Substantial Shareholders' Shareholdings in Quest

The substantial shareholders and their respective shareholdings in Quest upon completion of the Listing are as follows:

Substantial Shareholders	< ----- Direct ----- >		< ----- Indirect ----- >	
	No. of Quest Shares held	% held	No. of Quest Shares held	% held
Wong Peng Yew	40,474,560	41.31	-	-
Sim Keng Siong	9,888,840	10.09	[@] 32,010	[@] 0.03

Note:

@ By virtue of the interest held by his spouse, Lee Woon Ching.

7. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (cont'd)

7.1.3 Background Information on the Promoters and Substantial Shareholders of Quest

The profiles of the Promoters and substantial shareholders of Quest after the Listing, are as set out in Section 7.1.5 below.

7.1.4 Directorships and Substantial Shareholdings in all Other Public Corporations for the Past Two (2) Years

None of the Promoters and substantial shareholders of Quest has any directorship and/or substantial shareholding (shareholdings of 5% or more), direct or indirect in other public corporations for the past two (2) years prior to the date of this Prospectus.

7.1.5 Knowledge and Experience of Promoters

Wong Peng Yew, aged 54, is the founder and the Managing Director of Quest Group. From 1978 till 1994, he worked with various multinationals in the United Kingdom. It was then that he acquired considerable knowledge, experience and exposure in the semiconductor and electronics industry and related activities. He was the Finance Director of ARM Plc from 1990 to 1994. From 1986 to 1990, he was the Finance Director of European Silicon Structures Ltd. He was also in charge of finance at Procter and Gamble International Division located in the UK and reporting to the European Head Office in Geneva. Prior to that, he was the European Finance Manager for General Mills Inc. He is responsible for the overall oversea's business operations as well as the development of new products of the Quest Group.

Sim Keng Siong, aged 33, is the Executive Director of Quest Group. He joined the Quest Group in 1993 and his last position was Project Manager. He designed and successfully implemented various sizeable cleanroom projects throughout Malaysia. He has more than 10 years experience in the air filtration system and cleanroom industry. Mr. Sim graduated from Tunku Abdul Rahman College majoring in Mechanical Engineering. He is the Managing Director and founder of ETSB and EMECS, a wholly owned subsidiary of Quest. He is responsible for planning, implementating and monitoring of current and new projects of the Quest Group.

Lim Foo Seng, aged 35, has 15 years experience in professional and commercial exposures. He is a member of The Malaysian Institute of Certified Public Accountants, a Chartered Accountant (Malaysia) and a member of the Malaysian Institute of Accountants. He served in one of the international accounting firms, Deloitte Kassim Chan, based in Kuala Lumpur, from 1989 to 1995. It was then he acquired considerable knowledge, experience and exposure in management consultancy, taxation and accounting and auditing standards. He left the accounting firm in 1995 to join Arab-Malaysian Corporation Berhad Group ("Amcorp Group") and was involved in business planning, venture capital activities, corporate restructuring and monitoring of portfolio companies, in his capacity as Associate Director. He has also served as a board member of various portfolio companies of Amcorp Group. His last position with Amcorp Group was Chief Financial Officer of MCM Technologies Berhad, a subsidiary of Amcorp which was listed on the MESDAQ Market. At present, he is the Chief Financial Officer of the Quest Group. He is responsible for the overall financial affairs and the corporate planning of the Quest Group.

Simon Loh Chi Yin, aged 32, is a board member and co-founder of EMECS, a wholly-owned subsidiary of Quest. He graduated from Tunku Abdul Rahman College and Universiti Teknologi Malaysia in the field of Engineering. In 1994 till 2000, he worked as project engineer and sales engineer with Syarikat Ong Yoke Lin Sdn Bhd and CSPM Sdn Bhd respectively. He has vast experience in the area of Thermal & Mechanical engineering works which include design, incorporating, planning, implementation and testing of a cleanroom setup.

7. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (cont'd)

Tan Joo Wee, aged 36, is a board member and co-founder of EMECS (Penang), an indirect wholly-owned subsidiary of Quest. He started his career with a Japanese company in 1994 as Assistant Project Engineer and was subsequently promoted as Assistant Manager. Tan Joo Wee holds a Bachelor of Science (Hons) in Housing, Building and Planning majoring in Building Engineering. He has vast experience in business dealing and interaction with major Japanese contracting firms. Currently, he is responsible for refurbishment, implementation and designing works throughout the northern region of Malaysia.

Aloysious Joachim A/L J.P. Pereira, aged 47, has been working in the water treatment industry for the last 26 years. He was employed by Enersave and held several key positions in the company. He was responsible for the commissioning of plants and acted as their main trouble-shooter. In the course of his tenure, he has also conducted various training, design review and technical clarification of power plants located locally and overseas. He is currently a board member of QLS, a wholly-owned subsidiary of Quest.

Koo Be How, aged 31, holds a Bachelor of Engineering in Chemical Process Engineering with Biotechnology from University of Sheffield, UK. His working career started with Enersave. His primary responsibilities were in project and product sales. He was also involved in designing deionisation (DI) and reverse osmosis (RO) plants in the semiconductor, pharmaceutical, petrochemical, power generation and chemical sectors. He is currently a board member of QLS, a wholly-owned subsidiary of Quest.

Chak Ngau Chai, aged 56, joined Enersave at the onset of the company 19 years ago and was their service manager for many years. His last position was Commissioning Manager and he commissioned one of the largest Reverse Osmosis plant in Malaysia. He also acted as their main trouble-shooter and had worked all over Asia.

7.1.6 Changes in Shareholdings of Promoters/Substantial Shareholders of Quest for the Past Three (3) Years

Save as disclosed below, there has been no changes in the direct shareholdings of the Promoters and substantial shareholders of Quest for the past three (3) years:

Promoters	Nationality	Designation	As at 31 December 2002		As at 31 December 2003		As at 18 April 2005	
			No. of ordinary shares of Quest held	% held	No. of ordinary shares of Quest held	% held	No. of ordinary shares of Quest held	% held
Wong Peng Yew	Malaysian	Managing Director	270,011	99.99	270,011	99.99	40,474,560	56.37
Sim Keng Siong	Malaysian	Executive Director	-	-	-	-	9,888,840	13.77
Lim Foo Seng	Malaysian	Executive Director	-	-	-	-	2,320,280	3.23
Simon Loh Chi Yin	Malaysian	Marketing Director of Air Filtration Division	-	-	-	-	793,790	1.10
Tan Joo Wee	Malaysian	Technical Director of Air Filtration Division	-	-	-	-	476,330	0.66
Aloysious Joachim A/L J.P. Pereira	Malaysian	Project Director of Liquid Filtration Division	-	-	-	-	228,010	0.32
Koo Be How	Malaysian	Marketing Director of Liquid Filtration Division	-	-	-	-	171,010	0.24
Chak Ngau Chai	Malaysian	-	-	-	-	-	171,010	0.24

7. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (cont'd)

7.2 DIRECTORS

7.2.1 Directors' Shareholdings in Quest

The directors and their respective shareholdings in Quest upon completion of the Listing are as follows:

Director	< ----- Direct *----- >		< ----- Indirect ----- >	
	No. of Quest Shares held	% held	No. of Quest Shares held	% held
Tan Sri Dato' Mohamed Noordin bin Hassan	4,871,930	4.97	-	-
Wong Peng Yew	40,474,560	41.31	-	-
Sim Keng Siong	9,888,840	10.09	@ 32,010	@ 0.03
Low Siew Ping	50,140	0.05	#278,010	#0.28
Md Hilmi bin Datuk Hj Md Noor	50,000	0.05	-	-
Shinichi Yamamoto	50,000	0.05	-	-
M. Eswaran A/L K. Mahendran	50,000	0.05	-	-
Lim Foo Seng	2,320,280	2.37	-	-

Note:

* In respect of Directors who are also entitled to pink form share allocation, assuming full subscription of their respective entitlements

By virtue of the interest of her spouse, Aloysious Joachim A/L J.P. Pereira.

@ By virtue of the interest held by his spouse, Lee Woon Ching.

7.2.2 Profiles of Directors

Tan Sri Dato' Mohamed Noordin bin Hassan, aged 66, is the Chairman and Non-Executive Director of Quest. He has more than 40 years of working experience with the Malaysian Government and the corporate sector. Whilst with the Government, he served in various Government Departments at District, States and Federal levels including as the Secretary-General of the Ministry of Education, Ministry of Science, Technology and Environment and Deputy-Secretary General of the MITI.

Upon his retirement, he joined Petroliam Nasional Berhad ("Petronas") as its Vice-President Human Resource Management and subsequently, as Vice-President Education. After leaving Petronas, he continued to serve the company as a member of the board of directors of three Petronas subsidiaries. Currently, he is also the Chairman of DNP Holdings Berhad, a public listed company and sits on the board of directors of a number of its subsidiaries. He also sits on the board of directors of UMW Holdings Berhad as Independent Non-Executive Director.

Low Siew Ping, aged 38, is the Executive Director of the Quest Group. She joined Quest in 1994 as Finance Executive. She was appointed as Administration, Logistic and Human Resource Manager in 1997 before being appointed a Director of Quest in 2001. She is responsible for the overall management of the administration, logistic and human resource departments of Quest.

Md Hilmi Bin Datuk Hj Md Noor, aged 57, is an Independent Non-Executive Director of Quest. He is a member of Malaysian Institute of Accountants and the Association of Chartered Certified Accountants, UK. He started off his career in the accounting profession with accounting firms from 1970 to 1973. From 1973 till 1997, he held various senior finance positions with various established companies in Malaysia. Thereafter, he joined WCT Engineering Berhad, a public listed company, in 1997 until his retirement in 2003 as General Manager, Corporate & Finance.

7. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (cont'd)

Shinichi Yamamoto, aged 59, is an Independent Non-Executive Director of Quest. He holds a Bachelor of Economics from Osaka University, Japan. He has 20 years of experience in environmental related business. In 1983 to 1995, he ventured into the business of building maintenance, refurbishment of water tanks and construction of elevated pressed steel water tanks and secured contracts from various local authorities and universities. At present, he works as coordinator for some Japanese companies involving in environmental-related activities such as high tech waste disposal system, wastewater treatment plant and incinerator plant. He is also acting as a consultant for Ebara Corp. Co. Ltd.

M. Eswaran A/L K.Mahendran, aged 39, is an Independent Non-Executive Director of Quest. He is an experienced advocate and solicitor, who run his own legal practice in Malaysia. Mr Eswaran has worked in a number of roles within the legal profession and has dealt with many different aspects of the law. His previous roles have included senior positions with various law firms as well as two years in a corporate environment as the in-house legal adviser for a telecommunications service provider. Mr Eswaran read law in England, where he graduated with honours and was called to the English Bar (Grays' Inn) in 1991.

The other Directors of Quest are Wong Peng Yew, Sim Keng Siong and Lim Foo Seng, whose profiles are set out in Section 7.1.5 of this Prospectus.

7.2.3 Directors' Directorship and Substantial Shareholdings in all Other Public Corporations for the Past Two (2) Years

Save as disclosed below, none of the directors of Quest has any other directorships and/or major shareholding, (holding 5% shareholdings or more), direct or indirect in other public corporations for the past two (2) years prior to the date of this Prospectus.

Directors	Corporation	Position held	Substantial Shareholding
Tan Sri Dato' Mohamed Noordin bin Hassan	UMW Holdings Berhad	Independent director	None
	DNP Holdings Berhad	Chairman	None

7.2.4 Directors' Aggregate Remuneration and Benefits

For the financial year ended 31 December 2004, the remuneration paid to the directors for services in all capacities to the Group was RM218,100 and the proposed for the current financial year are as follows:

Amount of Remuneration RM	<----- No. of Directors ----->	
	Year ended 31 December 2004	Year ending 31 December 2005
0 – 50,000	-	4
50,000 – 100,000	1	1
100,000 – 200,000	1	3
	<u>2</u>	<u>8</u>

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7. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (cont'd)

7.3 AUDIT COMMITTEE

The main functions of the audit committee are as prescribed by the Listing Requirements. The members of the audit committee as at the date of this Prospectus are as follows:

Name	Designation	Directorship
Md Hilmi bin Datuk Hj Md Noor	Chairman	Independent Non-Executive Director
M. Eswaran A/L K. Mahendran	Member	Independent Non-Executive Director
Shinichi Yamamoto	Member	Independent Non-Executive Director
Lim Foo Seng	Member	Executive Director

7.4 KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL

7.4.1 Key Management's or Key Technical Personnel's Shareholding

The shareholdings of the key management or key technical personnel in Quest upon completion of the Listing are as follows:

Key management or key technical personnel	Designation	< ----- Direct *----- >		< ---- Indirect ---- >	
		No. of Quest Shares held	% held	No. of Quest Shares held	% held
Aloysious Joachim A/L J.P. Pereira	Project Director of the Liquid Filtration Division	278,010	0.28	#50,140	#0.05
Koo Be How	Marketing Director of the Liquid Filtration Division	221,010	0.23	-	-
Simon Loh Chi Yin	Marketing Director of Air Filtration Division	843,790	0.86	-	-
Tan Joo Wee	Technical Director of Air Filtration Division	526,330	0.54	-	-
Chan Sook Yin	Finance Manager of Quest Group	50,000	0.05	-	-
Ong Seng Joo	Senior Project Manager	50,000	0.05	-	-

Note:

* Assuming full subscription by the key management or technical personnel of their respective entitlements for the pink form allocation.

By virtue of the interest held by his spouse, Low Siew Ping.

7.4.2 Profiles

Chan Sook Yin, aged 50, joined Quest Group in 2001. She has served in the financial, accounting, taxation and costing field for the past 25 years. Prior to joining Quest Group, she was attached with Raychem Sdn Bhd, a subsidiary of a foreign multinational company from 1977 to 1999. In the course of her tenure, she has gained vast experience in the areas of group accounting, financial analysis, taxation and planning, as well as setting up production costing standards. She was also handling sales related functions for Asia in a Regional Sales Office of Farr Company, a foreign multinational company, from 1999 to 2001.

7. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (cont'd)

Ong Seng Joo, aged 32, joined Quest Group in 1994. He graduated from Tunku Abdul Rahman College majoring in Mechanical Engineering. He has about 10 years of experience in the air filtration system and cleanroom industry. At present, he is involved in the implementation and designing works for cleanroom projects

The remaining key management and key technical personnel of Quest are also the promoters of Quest, namely Lim Foo Seng, Aloysious Joachim A/L J.P. Pereira, Koo Be How, Simon Loh Chi Yin and Tan Joo Wee. The profiles of these key management and key technical personnel are set out in Section 7.1.5 of this Prospectus.

7.5 INVOLVEMENT IN OTHER BUSINESSES/CORPORATIONS

None of the executive directors and/or key management or key technical personnel of Quest has any involvement in other businesses/corporations.

7.6 DECLARATION FROM THE DIRECTORS, SUBSTANTIAL SHAREHOLDERS/PROMOTERS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL

No Director, substantial shareholders/Promoters, key management or key technical personnel or any person nominated to become a Director or 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 law filed (and not struck out) against such person or any corporation of which he was a partner or any corporation of which he was a director or key personnel; or
- (ii) a charge and/or convict in a criminal proceeding or being named as subject of a pending criminal proceeding; or
- (iii) any order, judgment or ruling of any court of competent jurisdiction temporarily enjoining that person 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.

7.7 FAMILY RELATIONSHIP AND ASSOCIATION

Aloysious Joachim A/L J.P. Pereira, a promoter of Quest, is the spouse of Low Siew Ping, who is a director of Quest.

Save as disclosed above, there are no family relationships among the Directors, Promoters, substantial shareholders and key management or key technical personnel of the Quest Group.

7.8 SERVICE CONTRACTS

As at 18 April 2005, there is no existing or proposed service contract between the Directors and the Company or its subsidiaries excluding contracts expiring or terminable by the employing company without payment or compensation (other than statutory compensation) within one (1) year.

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8. APPROVALS AND CONDITIONS

8.1 Conditions of Approvals

The Public Issue under the terms of this Prospectus was approved by the SC (and under the Guidelines on the Acquisition Of Interests, Mergers And Take-overs By Local And Foreign Interests) and Bursa Securities on 23 December 2004 and 27 December 2004 respectively, subject to the following conditions:

(a) **Conditions imposed by the SC vide its approval letter dated 23 December 2004:**

Authority	Details of conditions imposed	Status of compliance
SC	(i) Quest should disclose the status of the utilisation of proceeds to be raised from the public in its periodic and annual reports until the proceeds are fully utilised;	To be complied
	(ii) Quest should meet the 30% Bumiputera equity requirement within 1 year after Quest has achieved the profit track record required for listing on the Second Board of Bursa Securities or 5 years after being listed on MESDAQ Market, which ever is earlier, in which the shares to be allocated to Bumiputera investors should be approved by MITI;	To be complied
	(iii) Quest should submit a preliminary proposal to SC on how the company intend to meet the Bumiputera equity condition, 6 months before the expiry date of the compliance; and	To be complied
	(iv) Avenue/ Quest to inform SC upon completion of the Listing.	To be complied

The SC also noted the effect on the equity structure of Quest as follows:

	Before Listing % held	After Listing % held
Bumiputera	5.30	-
Non-Bumiputera	94.70	100.00
Foreign	-	-
Total	100.00	100.00

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8. APPROVALS AND CONDITIONS (Cont'd)**(b) Conditions imposed by Bursa Securities vide its letter dated 27 December 2004:**

Authority	Details of conditions imposed	Status of compliance
Bursa Securities	<p>(i) Disclosures in the prospectus on the following:</p> <p>(a) The extent of the technology provided by the Quest Group to the cleanroom industry;</p> <p>(b) How technology drives the Group's business in the past and in the future;</p> <p>(c) Its competitiveness compared to local and overseas players; and</p> <p>(d) Detailed mitigating factors on the dependency on the distribution rights from MRUK, particularly on the role of VAM and the dependency of the Group on the air filters under the brand name "VOKES";</p>	<p>Complied. As disclosed in the following sections:</p> <p>Section 5.2.4 of the Prospectus</p> <p>Section 5.4.2 of the Prospectus</p> <p>Section 5.4.3 of the Prospectus</p> <p>Section 5.4.3 of the Prospectus</p>
	<p>(ii) Quest to inform Bursa Securities on the appointment of independent directors and to provide confirmation that they qualify as independent directors under the Listing Requirements;</p>	Complied by Quest, vide its letter dated 1 April 2005.
	<p>(iii) Quest and the Adviser to provide the confirmation that the members of the Audit Committee comply with the Listing Requirements;</p>	Complied by Quest and Avenue, vide the letters dated 1 April 2005.
	<p>(iv) Quest to include a negative statement in its prospectus on the exclusion of a profit forecast and projections from the prospectus and the reasons thereof.</p>	Complied. Negative statement included in Section 2.6.3 of this Prospectus.

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8. APPROVALS AND CONDITIONS (Cont'd)**8.2 Moratorium on Sale of Shares**

Pursuant to the Listing Requirements, Bursa Securities has imposed a condition that Quest Shares held by the Promoters, namely Wong Peng Yew, Sim Keng Siong, Lim Foo Seng, Aloysious Joachim A/L J.P. Pereira, Koo Be How, Chak Ngau Chai, Tan Joo Wee and Simon Loh Chi Yin, amounting to 45% of the nominal issued and paid-up capital of Quest are to be placed under moratorium at the date of its admission to the Official List of the MESDAQ Market.

The Promoters will not be allowed to sell, transfer or otherwise dispose of any part of its interest in the shares held by them in the Company within one (1) year from the date of Listing.

Accordingly, the Promoters have agreed to a moratorium on the Quest Shares, which will be held by them in the proportion as set out below.

Promoters	After the Public Issue ¹		Shares Under Moratorium	
	No. of Quest Shares held	% of enlarged share capital	No. of Quest Shares held	% of enlarged share capital
Wong Peng Yew	40,474,560	41.31	33,745,199	34.44
Sim Keng Siong	9,888,840	10.09	7,048,782	7.19
Lim Foo Seng	2,320,280	2.37	1,989,590	2.03
Simon Loh Chi Yin	843,790	0.86	563,989	0.58
Tan Joo Wee	526,330	0.54	338,433	0.35
Aloysious Joachim A/L J.P. Pereira	278,010	0.28	162,001	0.17
Koo Be How	221,010	0.23	121,503	0.12
Chak Ngau Chai	171,010	0.17	121,503	0.12

Note:

¹ Assuming full subscription of the shares under the pink form allocation

The Share Registrar of Quest and Bursa Depository have been informed in writing in relation to the moratorium of the aforesaid shareholder to ensure that it does not register any transfer which is not in compliance with the moratorium restrictions. The restriction is specifically endorsed on the share certificates representing its shareholding which are under moratorium to ensure that trading of these shares is not permitted.

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9. RELATED PARTY TRANSACTIONS/CONFLICT OF INTERESTS

9.1 RELATED PARTY TRANSACTIONS

There is no transaction, existing or potential, entered or to be entered by Quest or any of its subsidiaries as at the date hereof, which involves the interest, direct or indirect, of the Directors, major shareholders and/or persons connected to them, as defined in Section 122A of the Act.

There is no transaction, existing or potential, entered or to be entered by Quest or any of its subsidiaries as at the date hereof which involves the interest, direct or indirect, of its key management personnel.

9.2 CONFLICT OF INTERESTS

Avenue, the Reporting Accountants and the Solicitors believe there is no issue of conflict of interest in respect of their respective works in relation to the Public Issue and Listing. Avenue the Reporting Accountants and the Solicitors are paid fees for their professional services.

9.3 INTEREST IN SIMILAR BUSINESS

None of the Directors nor substantial shareholders and/or key management are interested, directly or indirectly, in any other business carrying on similar trade as the Group.

9.4 PROMOTION OF MATERIAL ASSETS

None of the Directors nor substantial shareholders and/or key management have, whether directly or indirectly, within two (2) years preceding the date of this Prospectus, acquired or disposed of, or leased to Quest or any of its subsidiaries, or are proposed to be acquired or disposed of or leased to Quest or any of its subsidiaries.

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10. OTHER INFORMATION OF THE QUEST GROUP

10.1 APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED

The licences and permits held by Quest Group required for the purposes of conducting its business are listed below:

Company	Licences/ Issue Date	Issuing Authority	Description	Approval period	Salient Conditions	Status of Compliance
QT	Lessen Perindustrian	Majlis Bandaraya Shah Alam	Licence to carry on business as contractor and to put signboard	Expiry date 31.12.2005		Complied
QT	Acknowledgement of Registration (15 April 2004)	CIDB	Registration of QT with the Construction Industrial Develop- ment Board ("CIDB") pursuant to the Construction Industrial Development Board Act 1994 ("CIDB Act")	30.5.04 – 29.5.07	<ol style="list-style-type: none"> 1. The registration is non-transferable 2. The company shall not undertake construction projects above the limit of construction works imposed under its grade of registration and may not execute any construction projects not within its category of registration. 3. CIDB may review the grade of registration of the company from time to time. 	Complied
QT	Acknowledgement of Registration of Contractor (25 June 2003)	Ministry of Finance	Registration of QT for the provision of kitchen utensils, guard apparels/ equipment, medical equipment, oil industry equipment, electric generator stations and generator equipment, hospital/ lab equipment and guard control equipment	25.6.03 – 24.6.06	<ol style="list-style-type: none"> 1. The company shall ensure that the provisions stated in this certificate does not overlap with the provisions of other companies with the same owners, directors or management 2. The registration shall be revoked or suspended if <i>inter alia</i> QT is found to be conspiring with others on pricing while submitting any tender. 	Complied
QT	Fire Certificate (14 January 2005)	Jabatan Bomba dan Penyelamat Malaysia	Acknowledgement that the premises at Lot 15, Jalan Gudang 16/9, Seksyen 16, 40000 Shah Alam is in compliance with the requirements under the Fire Services Act 1988.	5.9.04 – 4.9.05	-	-
QES	Acknowledgement of Registration (15 April 2004)	CIDB	Registration of QES with CIDB pursuant to the CIDB Act	15.5.04 – 14.5.07	<ol style="list-style-type: none"> 1. The registration is non-transferable 2. The company shall not undertake construction projects above the limit of construction works imposed under its grade of registration and may not execute any construction projects not within its category of registration. 3. CIDB may review the grade of registration of the company from time to time. 	Complied
QLS	Acknowledgement of Registration (10 October 2003)	CIDB	Registration of QLS with CIDB pursuant to the CIDB Act	10.10.03 – 09.10.06	<ol style="list-style-type: none"> 1. The registration is non-transferable 2. The company shall not undertake construction projects above the limit of construction works imposed under its grade of registration and may not execute any construction projects not within its category of registration. 3. CIDB may review the grade of registration of the company from time to time. 	Complied

10. OTHER INFORMATION OF THE QUEST GROUP (cont'd)

Company	Licences/ Issue Date	Issuing Authority	Description	Approval period	Salient Conditions	Status of Compliance
ETSB	Acknowledgement of Registration (14 January 2003)	CIDB	Registration of ETSB with CIDB pursuant to the CIDB Act	14.1.03 – 13.1.06	<ol style="list-style-type: none"> The registration is non-transferable The company shall not undertake construction projects above the limit of construction works imposed under its grade of registration and may not execute any construction projects not within its category of registration. CIDB may review the grade of registration of the company from time to time. 	Complied
ETSB	Acknowledgement of Registration of Contractor (26 February 2003)	Ministry of Finance	Registration of ETSB as contractor for the provision of air- conditioners and interior decorations	19.2.03 – 18.2.06	<ol style="list-style-type: none"> The company shall ensure that the provisions stated in this certificate does not overlap with the provisions of other companies with the same owners, directors or management. The registration shall be revoked or suspended if <i>inter alia</i>, the company is found to be conspiring with others on pricing while submitting any tenders to the Government. 	Complied
EMECS	Acknowledgement of Registration (7 February 2003)	CIDB	Registration of EMECS with CIDB pursuant to the CIDB Act	7.2.03 – 6.2.06	<ol style="list-style-type: none"> The registration is non-transferable The company shall not undertake construction projects above the limit of construction works imposed under its grade of registration and may not execute any construction projects not within its category of registration. CIDB may review the grade of registration of the company from time to time. 	Complied
VAM	Manufacturer's Licence (21 May 2002)	Royal Customs & Excise of Malaysia	Licensing of VAM as manufacturer of industrial air filters	Issued: 21.05.02	N/A	Complied
VAM	Pioneer Status (21 July 2004)	MITI	Pioneer status under the Promotion of Investments Act 1986 in respect of the manufacturing of industrial air filters	01.03.03- 29.02.08	<ol style="list-style-type: none"> Value added products of the company must reach at least 20%. The total number of staff in terms of management, technical and administration must reach at least 15% of the total employment of the company. 	Complied
QSE	Acknowledgement of Registration of Contractor (2 October 2003)	Ministry of Finance	Registration of QSE for the provision of services	2.10.03 – 1.10.06	<ol style="list-style-type: none"> The company shall ensure that the provisions stated in this certificate does not overlap with the provisions of other companies with the same owners, directors or management. The registration shall be revoked or suspended if <i>inter alia</i>, the company is found to be conspiring with others on pricing while submitting any tenders to the Government. 	Complied.

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10. OTHER INFORMATION OF THE QUEST GROUP (cont'd)

Company	Licences/ Issue Date	Issuing Authority	Description	Approval period	Salient Conditions	Status of Compliance
QSE	Sijil Tambah Bidang (23 December 2004)	Ministry of Finance	Registration of QSE in respect of the provision of measuring equipment	23.12.04 – 1.10.06	<ol style="list-style-type: none"> The company shall ensure that the provisions stated in this certificate does not overlap with the provisions of other companies with the same owners, directors or management. The registration shall be revoked or suspended if <i>inter alia</i>, the company is found to be conspiring with others on pricing while submitting any tenders to the Government. 	Complied.
QSE	Acknowledgement of Registration with CIDB (18 November 2004)	CIDB	Registration of QSE with CIDB pursuant to the CIDB Act	18.11.04 – 17.11.07	<ol style="list-style-type: none"> The registration is non-transferable The company shall not undertake construction projects above the limit of construction works imposed under its grade of registration and may not execute any construction projects not within its category of registration. CIDB may review the grade of registration of the company from time to time. 	Complied.
QSE	Licence issued under Rule 5 of the Petroleum Regulations 1974	Petroleum Nasional Berhad (PETRONAS)	Licence to supply inter alia, filters, chemical injection skids, water treatment equipment and air handling units	Note: The application for renewal has been approved by PETRONAS on 16 March 2005 and the licence is pending issuance by PETRONAS.	<ol style="list-style-type: none"> The licence is not transferable. The company must inform PETRONAS of any change in its equity ownership, board of directors and management personnel within 14 days of the change. Failure to do so will result in the cancellation of the licence. The company shall not engage other companies as principal, agent, sub-contractor or otherwise to provide the services or to provide any facilities or equipment on its behalf unless with prior written approval from PETRONAS. The company must employ workers in Malaysia and the employment of foreign workers will only be allowed if the company can prove that there are no workers in Malaysia who is able to carry out the relevant work. The company must carry out its business activities in Malaysia and use local facilities such as banks, insurance companies, other professional services or otherwise which are run by Malaysian citizens or companies or firms incorporated in Malaysia. 	Complied.

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10. OTHER INFORMATION OF THE QUEST GROUP (cont'd)**10.2 REGISTRATION OR APPLICATION FOR REGISTRATION OF INTELLECTUAL PROPERTY RIGHTS**

As at 18 April 2005, the following trademarks belonging to the Group have been registered or are pending registration with the Intellectual Property Corporation of Malaysia:

Trademark	Owner	Registration/ Application No.	Class	Registration/ Application Date	Status of Registration/ Application	Goods in respect of which the Trademark is registered
QUEST	QT	94006446	11	25 July 1994	Registered as of 25 July 1994.	Air filters, air filtering installation, air filter housings and frames, parts and fittings for air filters; parts and fittings for general ventilation and air conditioning, air conditioners, air conditioning installations, ventilation installations and apparatus, cleanrooms, cleanroom partition, gas turbines, pollution control filters and equipment for industrial exhaust; all included in Class 11.
Ultrasolve	QT	2004-02485	11	4 March 2004	Application was submitted on 4 March 2004. Registration is still pending.	Air filters included in Class 11.
Modulaire	QT	2004-03660	11	24 March 2004	Application was submitted on 24 March 2004. Registration is still pending.	Apparatus for ventilating and purifying air including passbox and air-lock chambers and systems for the treatment of air including cleanroom included in Class 11.

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10. OTHER INFORMATION ON THE QUEST GROUP (cont'd)

10.3 LANDED PROPERTIES OF THE QUEST GROUP

The details of the landed properties of the Quest Group as at the date of this Prospectus are set out below:

Registered owner	Title No./ Location	Approximate Land Area/ Built-up Area	Description/ Existing Use	Tenure/ Date of Acquisition	Date of issuance for Certificate of Fitness	Encumbrances	Net book value as at 31 October 2004 (At cost)	Age of building (years)
ETSB	<p>Title Particulars</p> <p>The property is situated on part of the land held under the following master titles:</p> <ol style="list-style-type: none"> 1. Geran No. 28190, Lot 22201 2. Geran No. 28189, Lot 22200 3. Geran No. 28185, Lot 22196 4. Geran No. 28188, Lot 22199 5. Geran No. 28186, Lot 22197 <p>all within Mukim and District of Klang, State of Selangor. However, the individual land title has yet to be issued.</p> <p>Postal Address: No.11, Jalan Taboh 33/ 22, Seksyen 33, Shah Alam Technology Park, 40400 Shah Alam, Selangor Darul Ehsan</p>	<p>Land area: Approximately 2,000 square feet</p> <p>Built-up floor area: Approximately 3,000 square feet</p>	1½-storey terrace factory lot used by ETSB as an office in connection with its business.	<p>Tenure: The land on which the property is erected is a freehold land.</p> <p>Date of acquisition: 18 July 2000</p>	11 August 2000	Assigned to OCB Bank (M) Berhad	RM276,080.00	5

Save for the property listed above, there has been no transaction involving the purchase of properties during the past two (2) years preceding the date of this Prospectus.

11. FINANCIAL INFORMATION

11.1 HISTORICAL FINANCIAL INFORMATION

11.1.1 Profit and Dividend Record

The following sets out a summary of the proforma consolidated audited results of the Quest Group for the past five (5) financial years ended 31 December 1999 to 31 December 2003 and for the ten (10)-month period ended 31 October 2004, prepared on the assumption that the current Quest Group structure has been in existence throughout the years/period under review. The proforma consolidated profit records should be read in conjunction with the accompanying notes and assumptions included in the Accountants' Report set out in Section 12.0 of this Prospectus.

	<----- Year ended 31 December ----->					10-month period ended 31 October 2004
	1999	2000	2001	2002	2003	2004
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	14,997	12,393	10,423	12,189	17,305	17,258
EBITDA	2,231	975	650	415	2,916	3,562
Interest expense	(7)	(14)	(49)	(66)	(80)	(103)
Amortisation	(8)	(8)	(8)	(8)	(8)	(7)
Depreciation	(157)	(204)	(217)	(220)	(227)	(237)
Gain/(Loss) on disposal of associated companies	-	-	271	-	(31)	-
Profit before exceptional item and minority interests	2,059	749	647	121	2,570	3,215
Share of loss of associated company	(226)	(44)	(8)	(43)	(5)	(2)
Profit before taxation and minority interests	1,833	705	639	78	2,565	3,213
Taxation	-	(254)	(125)	(178)	(607)	(712)
Profit/(loss) after taxation but before minority interests	1,833	451	514	(100)	1,958	2,501
Minority interests	-	-	(25)	(5)	(29)	-
Profit/(loss) after taxation and minority interests	1,833	451	489	(105)	1,929	2,501
No. of ordinary shares in issue ('000)	270	270	270	270	270	348
Gross EPS (sen)	6.79	2.61	2.37	0.29	9.50	9.57 ⁽¹⁾
Net (loss per share)/EPS (sen)	6.79	1.67	1.81	(0.39)	7.14	7.44 ⁽¹⁾
No. of ordinary shares assumed to be in issue ('000) ⁽²⁾	425	425	425	425	425	425
Gross EPS (sen)	4.31	1.66	1.50	0.18	6.04	7.56
Net (loss per share)/EPS (sen)	4.31	1.06	1.15	(0.25)	4.54	5.88

Notes:

(1) Computed based on weighted average number of ordinary shares of 335,737.

(2) Refers to the number of ordinary shares in issue of 424,579 after the Acquisitions but before the completion of the Conversion of CRPS, Bonus Issue, Share Split and Listing.

11. FINANCIAL INFORMATION (cont'd)**11.1.2 Segmental Analysis of Revenue and Profit Before Taxation**

The segmental analysis of revenue and profit before taxation generated by each subsidiary of the Quest Group is as follows:

(i) Analysis of Revenue by Subsidiary Companies

	< -----Year ended 31 December----- >					10 month period ended 31 October 2004
	1999 RM'000	2000 RM'000	2001 RM'000	2002 RM'000	2003 RM'000	RM'000
Revenue						
Quest	18	18	0	1,121	1,537	-
QT	7,224	3,775	3,388	4,539	3,785	8,856
VAM	-	-	-	118	1,899	2,069
QLS	-	-	736	1,830	2,890	1,570
QES	5,470	3,673	1,443	2,129	1,380	2,021
ETSB	2,669	2,665	2,485	3,645	7,210	6,804
EMECS Group	-	3,352	2,874	1,946	3,540	3,289
QSE	-	-	-	-	-	496
QF	1	-	-	-	-	-
Eliminations	(385)	(1,090)	(503)	(3,139)	(4,936)	(7,847)
	14,997	12,393	10,423	12,189	17,305	17,258

The revenue of the Group is derived from installation of cleanroom and sales of cleanroom filters and equipment, maintenance and servicing of water treatment as well as provision of mechanical and engineering services. The decline in revenue for year 2000 and 2001 was mainly due to the effect of economy slowdown and reduction of foreign investment in the semiconductor and electronic industries. Revenue for year 2002 increased by approximately RM1.7 million as compared to year 2001. This was mainly attributable to the contribution of revenue of approximately RM1.83 million from QLS in its first full year of operation. The revenue for year 2003 was approximately RM5.1 million higher than the corresponding year 2002 which was mainly due to the economic recovery and contribution from QLS and VAM in their second and first full year of operation respectively.

(ii) Analysis of profit before taxation by Subsidiary Companies

	< -----Year ended 31 December----- >					10 month period ended 31 October 2004
	1999 RM'000	2000 RM'000	2001 RM'000	2002 RM'000	2003 RM'000	RM'000
Profit before taxation						
Quest	15	13	(7)	1,116	1,532	26
QT	1,357	250	172	80	467	859
VAM	(5)	(2)	(2)	(311)	405	534
QLS	-	(28)	28	2	240	100
QES	462	195	13	107	189	240
ETSB	256	130	45	138	1,039	1,285
EMECS Group	-	200	140	107	247	268
QSE	-	-	(12)	(1)	(5)	(88)
QF	(19)	(2)	(1)	(2)	(1)	(3)
Eliminations and consolidated adjustments	(233)	(51)	263	(1,158)	(1,548)	(8)
	1,833	705	639	78	2,565	3,213

11. FINANCIAL INFORMATION (cont'd)

The decline in profit before tax of the Group in year 2000 and 2001 was mainly due to the reduction in revenue. The profit before tax further declined in year 2002 as a result of the elevation of operating expenses due to the Group's expansion plan of venturing into manufacturing and liquid filtration activities via VAM and QLS respectively. However, the profit before tax of the Group was improved in year 2003 which was mainly attributable to economic recovery and post-gestation period of its new operating units namely VAM and QLS.

There were no extraordinary or exceptional items in all the financial years and financial period under review. Please refer to Section 12, Note 7.1 of the Accountants' Report of this Prospectus for more information on the factors contributing to the revenue and operating profits growth and the effective tax rate of the Group.

11.1.3 Factors Affecting Financial Performance, Position And Operations Of The Quest Group

As at 18 April 2005, save as disclosed in Sections 3.8, 4.0 and 11.2 of this Prospectus, the financial performance, position and operations of the Quest Group had not been materially affected by any of the following:

- (i) known trends, demands, commitments, events or uncertainties that have had or that are reasonably likely to have a material favourable or unfavourable impact on financial performance, position and operations of the Company and/or the Group;
- (ii) material capital expenditure commitments for capital expenditure;
- (iii) unusual or infrequent events or transactions or any significant economic changes that materially affected the financial performance, position and operations of the Company and/or the Quest Group;
- (iv) substantial increase in revenue; or
- (iv) known events, circumstances, trends, uncertainties or commitments that are reasonably likely to make the historical financial statements not indicative of future financial performance and position.

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11. FINANCIAL INFORMATION (cont'd)**11.2 MATERIAL LITIGATION, MATERIAL COMMITMENTS, BORROWINGS AND CONTINGENT LIABILITIES AND WORKING CAPITAL****11.2.1 Material Litigation**

Neither Quest nor its subsidiaries is engaged in any material litigation either as plaintiff or defendant which has a material effect on the financial position of Quest or any of its subsidiaries and the directors of the Company have no knowledge of any proceedings pending or threatened against the Company and its subsidiaries or of any facts likely to give rise to any proceedings which might materially affect the position and business of the Company and its subsidiaries.

11.2.2 Material Commitment

As at 18 April 2005 (being the latest practicable date prior to the issuance of this Prospectus), there is no material commitment for capital expenditure incurred or known to be incurred by the Quest Group, which may have a substantial impact on the results or the financial position of the Group:

11.2.3 Borrowings

As at 18 April 2005 (being the latest practicable date prior to the issuance of this Prospectus), the total outstanding borrowings of the Group from financial institutions amounted to approximately RM1.84 million comprising the following:

	RM	RM
Short term (interest bearing)		
Term loan (due within next 12 months)	11,521	
Trade financing	491,960	
Hire-purchase (due within next 12 months)	74,467	
Overdraft	<u>994,663</u>	
		1,572,630
Long term (interest bearing)		
Term Loan	159,616	
Hire-purchase	<u>109,211</u>	
		268,827
Total		<u><u>1,841,457</u></u>

11.2.4 Contingent Liabilities

As at 18 April 2005 (being the latest practicable date prior to the issuance of this Prospectus), there is no contingent liabilities, which upon becoming enforceable, may have a material impact on the profit or net asset value of the Quest Group.

11.2.5 Working Capital

The Directors of Quest are of the opinion that after taking into account the Quest Group's cash flow position and banking facilities available to the Quest Group, the Quest Group will have adequate working capital for the period of twelve (12) months from the issue of Prospectus.

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11. FINANCIAL INFORMATION *(cont'd)*

11.3 PROFORMA CONSOLIDATED BALANCE SHEETS AS AT 31 OCTOBER 2004 AND THE REPORTING ACCOUNTANTS' LETTER THEREON

(Prepared for the inclusion in this Prospectus)



No. 49-4, The Highway Centre,
Jalan 51/205, 46050 Petaling Jaya,
Selangor Darul Ehsan, Malaysia.
Tel: (03)7781 8286
Fax: (03)7782 0886

18 April 2005

The Board of Directors
Ruby Quest Berhad
Lot 15, Jalan Gudang 16/9
Section 16
40200 Shah Alam
Selangor Darul Ehsan

Dear Sirs,

**RUBY QUEST BERHAD AND ITS SUBSIDIARIES
PROFORMA CONSOLIDATED BALANCE SHEETS AS AT 31 OCTOBER 2004**

We have reviewed the Proforma Consolidated Balance Sheets of Ruby Quest Berhad ("Quest"), its subsidiaries, and its proposed subsidiaries ("the Proforma Group") together with notes and assumptions thereto as at 31 October 2004, for which the Directors are solely responsible, as set out in the Prospectus to be dated 27 April 2005 in connection with the public issue of 26,180,000 new ordinary shares of RM0.10 each ("Quest Share(s)") at an issue price of RM0.38 per Quest Share and the listing of and quotation for the entire enlarged issued and paid-up share capital of Quest on the MESDAQ Market of Bursa Malaysia Securities Berhad and should not be relied on for any other purposes.

In our opinion, the Proforma Consolidated Balance Sheets together with the accompanying notes which are provided solely for illustrative purposes only,

- (a) have been properly compiled on the bases of preparation stated;
- (b) such bases are consistent with the accounting policies normally adopted by the Group; and
- (c) the adjustments are appropriate for the purposes of the proforma consolidated balance sheets.

Yours faithfully,

LEONG POOI WAH
Approval number: 2228/03/06 (J)
Partner of the Firm

YONG & LEONARD
(formerly known as K. K. YONG & CO.)
Firm number: AF 0075
Chartered Accountants

11. FINANCIAL INFORMATION (cont'd)

Initialed For Identification Purposes Only

b.
YONG & LEONARD (AF 0072)
 (formerly known as K K Yong & Co)

PROFORMA CONSOLIDATED BALANCE SHEETS OF RUBY QUEST BERHAD AS AT 31 OCTOBER 2004

The Proforma Consolidated Balance Sheets of Ruby Quest Berhad set out below are provided for illustration purposes only to show the effects of the issuance of ordinary shares and the Listing Scheme as set out in the notes below, on the assumption that these transactions were completed on 31 October 2004 and should be read with the notes thereon.

	Audited as at 31st Oct 2004	Proforma (I) Acquisition of EMECS, ETSB&QSE	Proforma (II) After (I) and conversion of CRPS	Proforma (III) After (II) and Bonus Issue & Share Split	Proforma (IV) After (III) and Public Issue and Utilisation	Proforma (V) After (IV) and Proposed ESOS
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Non-current assets						
Plant and equipment	500	1,168	1,168	1,168	3,168	3,168
Interests in associate	7	7	7	7	7	7
Investment in subsidiaries	-	-	-	-	-	-
Deferred tax assets	15	15	15	15	15	15
Goodwill on consolidation	93	200	200	200	200	200
	615	1,390	1,390	1,390	3,390	3,390
Current assets						
Inventories	2,181	2,549	2,549	2,549	2,549	2,549
Trade debtors	5,695	13,413	13,413	13,413	13,413	13,413
Other debtors	452	576	576	576	576	576
Tax refundable	18	18	18	18	18	18
Amount due from related co	200	-	-	-	-	-
Deferred expenditure	404	404	404	404	-	-
Fixed deposits with licensed banks	2,443	2,693	2,693	2,693	8,642	16,090
Cash and bank balances	406	950	950	950	1,268	1,268
	11,799	20,603	20,603	20,603	26,466	33,914
Less: Current Liabilities						
Trade creditors	3,400	7,876	7,876	7,876	7,876	7,876
Other creditors	151	221	221	221	135	135
Amount due to associates	100	-	-	-	-	-
Amount due to directors	158	158	158	158	158	158
Amount due to related co	-	-	-	-	-	-
Provision for royalty	85	85	85	85	85	85
Provision for taxation	162	985	985	985	985	985
Borrowings	1,501	2,395	2,395	2,395	2,395	2,395
	5,557	11,720	11,720	11,720	11,634	11,634
Net current assets	6,242	8,883	8,883	8,883	14,832	22,280
Less: Non-current liabilities						
Borrowings	104	340	340	340	340	340
Deferred taxation	12	22	22	22	22	22
	116	362	362	362	362	362
	6,741	9,911	9,911	9,911	17,860	25,308
Represented by:						
Share capital	415	492	492	7,180	9,798	11,758
Share premium	1,933	3,873	3,873	1,431	7,262	12,750
Revaluation reserve	-	-	-	-	-	-
Retained earnings	2,611	2,611	2,611	1,300	800	800
Reserve on consolidation	1,782	2,935	2,935	-	-	-
Shareholders' equity	6,741	9,911	9,911	9,911	17,860	25,308

11. FINANCIAL INFORMATION (cont'd)

Initialed For Identification Purposes Only

L.

YONG & LEONARD (AF 0075)
(formerly known as K K Yong & Co)

**PROFORMA CONSOLIDATED BALANCE SHEETS
AS AT 31 OCTOBER 2004 (CONT'D)**

Notes to the Proforma Consolidated Balance Sheets

1. The proforma consolidated balance sheets have been prepared for illustration purposes only and are based on the audited financial statements of Quest, QSE, ETSB and EMECS as at 31 October 2004.
2. The proforma consolidated balance sheets are prepared based on the assumptions that the Proforma Group exists on 31 October 2004 and the subsidiary companies are deemed to be acquired at the same date.
3. The proforma consolidated balance sheets have been prepared using the acquisition method of accounting and on accounting principles and bases consistent with those previously adopted by the Group in the preparation of its audited financial statements.
4. It is assumed that cost to be incurred on research and development activities of RM500,000 will be charged to Income Statement.
5. The Audited Consolidated Balance Sheet as at 31 October 2004 has taken into accounts the following transactions:
 - (a) the increase in issued and paid up share capital of Quest through the issuance of 78,000 ordinary shares of RM1.00 each by way of cash on 18 February 2004; and
 - (b) the issuance of 66,666 CRPS of RM1.00 each at an issue price of RM30.00 each by way of cash on 5 April 2004.
6. The following transactions are assumed to be effected on 31 October 2004:

Proforma I

(a) Proposed Acquisition of ETSB

The acquisition of the entire issued and paid-up share capital of ETSB comprising 250,000 ordinary shares of RM1.00 each for a purchase consideration of RM1,444,004 to be satisfied by the issuance of 54,843 new ordinary shares of RM1.00 each in Quest at an issue price of approximately RM26.33 each.

11. FINANCIAL INFORMATION (cont'd)

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h.

YONG & LEONARD (AF 0075)
(formerly known as K K Yong & Co)**PROFORMA CONSOLIDATED BALANCE SHEETS
AS AT 31 OCTOBER 2004 (CONT'D)****Notes to the Proforma Consolidated Balance Sheets (Cont'd)****6. Proforma I****(b) Proposed Acquisition of EMECS**

Acquisition of the entire issued and paid-up share capital of EMECS comprising 100,000 ordinary shares of RM1.00 each for a purchase consideration of RM572,002 to be satisfied by the issuance of 21,724 new ordinary shares of RM1.00 each in Quest at an issue price of approximately RM26.33 each.

(c) Call Options on QSE

Two (2) call options to be exercised to purchase the remaining 80% issued and paid-up share capital of QSE for a purchase consideration of RM80,000 to be satisfied by cash.

Proforma II - Conversion of 3% Convertible Redeemable Preference Shares ("CRPS")

The CRPS are to be converted into ordinary shares of Quest on the basis of one (1) CRPS for one (1) ordinary share of RM1.00 each upon the approval of the Initial Public Offering.

Proforma III**(a) Bonus issue**

A revaluation of subsidiaries based on the net assets of the subsidiaries will be carried at Company's level.

Bonus issue of 6,688,755 ordinary shares of RM1.00 each will be from the utilization of the following reserves:-

	RM'000
Revaluation Reserve	4,246
Share Premium	2,442

(b) Share split

Share split on the entire issued and paid up share capital of Quest after Proforma III (a) above on the basis of one (1) ordinary share of RM1.00 each to ten (10) ordinary shares of RM0.10 each.

11. FINANCIAL INFORMATION (cont'd)

Initialed For Identification Purposes Only

L
YONG & LEONARD (AF 0075)
 (formerly known as K K Yong & Co)

**PROFORMA CONSOLIDATED BALANCE SHEETS
 AS AT 31 OCTOBER 2004 (CONT'D)**

Notes to the Proforma Consolidated Balance Sheets (Cont'd)**6. Proforma IV****(a) Public Issue**

Public Issue of 26,180,000 new ordinary shares of RM0.10 each in Quest at an indicative issue price of RM0.38 per share payable in full on application comprising:

- (i) 5,000,000 new ordinary shares of RM0.10 each available for application by the Malaysian Public;
- (ii) 1,180,000 new ordinary shares of RM0.10 each available for application by eligible directors and employees of Quest and its subsidiaries; and
- (iii) 20,000,000 new ordinary shares of RM0.10 each by way of private placement.

It is assumed that the proceeds from the public issue are utilised as follows:-

Purpose	Amount RM'000
Capital expenditure	2,000
Working capital	5,948
Expansion of existing Research and Development activities	500
Estimated listing expenses	1,500
Total	9,948

(b) Listing

Listing of and quotation for the entire issued and paid-up share capital of Quest comprising 97,980,000 ordinary shares each on the MESDAQ Market of Bursa Securities.

Proforma V

The ESOS for eligible employees and directors of Quest Group up to 20% of the issued and paid-up share capital of Quest upon listing of Quest on the MESDAQ Market of Bursa Securities.

11. FINANCIAL INFORMATION (cont'd)

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YONG & LEONARD (AF 0075;
(formerly known as K K Yong & Co)PROFORMA CONSOLIDATED BALANCE SHEETS
AS AT 31 OCTOBER 2004 (CONT'D)

Notes to the Proforma Consolidated Balance Sheets (Cont'd)

7. The movements of issued and paid up share capital of Quest are as follows:

	Proforma Group RM'000		Total
	3% CRPS	Ordinary shares	
At 1 January 2004	-	270	270
Issuance of 66,666 3% CRPS	67	-	67
Issuance of 78,000 ordinary shares	-	78	78
At 31 October 2004	67	348	415
Acquisition of ETSB, EMECS, QSE Proforma I	-	77	77
Conversion of 66,666 3% CRPS into ordinary shares	67	425	492
Proforma II	(67)	67	-
Bonus issue and share split	-	492	492
Proforma III	-	6,688	6,688
Public issue	-	7,180	7,180
Proforma IV	-	2,618	2,618
Proposed ESOS	-	9,798	9,798
Proforma V	-	1,960	1,960
	-	11,758	11,758

8. The movements of the reserves account are as follows:

	Proforma Group RM'000
Audited as at 31 October 2004	6,326
Acquisition of ETSB, EMECS at a premium of RM25.33 each	1,940
Reserve on consolidation of ETSB and EMECS	1,153
Proforma I	9,419
Bonus issue and share split	(6,688)
Proforma III	2,731
Public issue at premium	7,331
	10,062
Less: Listing expenses charged against share premium account	(1,500)
Expansion cost of existing R&D activities charged to Income Statement	(500)
Proforma V	8,062
Proposed ESOS	5,488
At 31 October 2004 - Proforma VI	13,550