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**7. FLOTATION EXERCISE**

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In conjunction with, and as an integral part of the listing of and quotation for our Shares on the MESDAQ Market, our Company undertook / are undertaking the following corporate proposals which were approved by the SC on 18 April 2005.

**(i) Bonus Issue**

We have implemented a bonus issue of 2,267,000 new ordinary shares of RM1.00 to our existing shareholders on 16 May 2005, on the basis of one (1) new ordinary share of RM1.00 each for approximately 1.65 existing ordinary shares of RM1.00 each by way of capitalisation of RM2,267,000 out of our Company's retained profits as at 31 December 2004.

The Bonus Issue was capitalised from our existing retained earnings as at 31 December 2004 which stood at RM5,532,973. The new ordinary shares of RM1.00 issued pursuant to the Bonus Issue ranked equally with the existing ordinary shares of RM1.00 each, except that they will not be entitled to any dividends, rights, allotments and/or other distributions the entitlement date of which is prior to the allotment of the bonus shares.

Upon completion of the Bonus Issue, our issued and paid-up share capital increased from RM3,733,000 comprising 3,733,000 ordinary shares of RM1.00 each to RM6,000,000 comprising 6,000,000 ordinary shares of RM1.00 each.

**(ii) Share Split**

Upon completion of the Bonus Issue, we undertook the Share Split, whereby every ordinary share of RM1.00 each was sub-divided into 10 new ordinary shares of RM0.10 each on 17 May 2005.

The Share Split resulted in our issued and paid-up share capital of RM6,000,000 comprising 6,000,000 ordinary shares of RM1.00 each being sub-divided to 60,000,000 Shares.

**(iii) Public Issue**

The final stage of the Flotation Exercise (prior to listing) involves a public issue of 15,000,000 new Shares representing approximately 20% of our enlarged issued and paid-up share capital at an issue price of RM0.60 per Share to investors.

The Shares shall be allocated to prospective investors in the following manner:

**(a) Malaysian Public**

2,000,000 new Shares will be made available for application by the Malaysian Public.

**(b) Eligible Directors and employees**

3,000,000 new Shares will be reserved for application by the eligible Directors and employees of our Group.

**(c) Private Placement**

10,000,000 new Shares will be made available for application by way of private placement to selected investors.

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7. FLOTATION EXERCISE *(Cont'd)*

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(iv) **Listing and quotation on the MESDAQ Market**

Upon completion of the Public Issue, we will seek a listing of and quotation for our entire enlarged issued and paid-up share capital of RM7,500,000 comprising 75,000,000 Shares on the MESDAQ Market of Bursa Securities.

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## 8. FINANCIAL INFORMATION

### 8.1 Proforma Consolidated Income Statements

You should read the following summary of our proforma consolidated income statements of our Group for the financial period commencing from the date of incorporation to 30 June 2003, the financial period ended 31 December 2003 and the FYE 31 December 2004. The proforma consolidated income statements has been prepared based on the assumption that the current structure of our Group has been in existence throughout the financial periods/year under review.

	Financial Period from 19.07.2002 to 30.06.2003 RM	Financial Period from 01.07.2003 to 31.12.2003 RM	FYE 31.12.2004 RM
Revenue	3,548,985	3,851,655	15,978,748
Profit before interest expense and depreciation	298,545	1,260,733	3,833,974
Depreciation	(14,590)	(23,628)	(101,644)
Interest Expense	-	-	-
Exceptional items	-	-	-
PBT	283,955	1,237,105	3,732,330
Taxation	(40,153)	(318,849)	94,725
PAT	243,802	918,256	3,827,055
Extraordinary items	-	-	-
Minority interests	-	-	932
PAT and minority interests	243,802	918,256	3,827,987
Gross EPS <sup>#</sup>	0.08*	0.66*	1.00
Net EPS <sup>#</sup>	0.07*	0.49*	1.03
Dividend rate (%)	-	-	-

*Notes:*

- \* *Based on annualised PBT and PAT to achieve a fairer comparison for illustration purpose only.*
- # *Based on issued and paid-up share capital as at 31 December 2004.*
- 1. *For the financial period ended 31 December 2003, the proforma revenue of our Group increased by 105% (annualised) driven by growth in our market share in Singapore and Malaysia, and the increase in market size, approximated by the number of mobile phone users in Singapore and Malaysia.*
- 2. *The significant increase in our proforma PBT for the financial period ended 31 December 2003 is attributed to our Group's successful expansion into the Malaysian market, increase in sales volume from revenue sharing agreements with several telecommunication companies in Singapore and our effort to reduce the outsourcing activities in system integration and application development. These activities were then conducted in-house at a relatively lower cost, thus contributing to cost saving.*

**8. FINANCIAL INFORMATION (Cont'd)**

3. For the FYE 31 December 2004, the proforma revenue of our Group increased by 107% (annualised) driven by the continued growth in our operations in Singapore and Malaysia as a result of the successful implementation of our market penetration strategies. In addition, the commencement of our operations in Thailand and Indonesia has also contributed to the increase in revenue of our proforma Group.
4. For the FYE 31 December 2004, the increase in PBT was largely due to product improvement by our R&D team. In addition, we continued to monitor our spending closely to ensure that costs and operating expenses remained under control.

**8.2 Segmental Analysis****8.2.1 Proforma Turnover****8.2.1.1 Geographical Location / Companies**

The breakdown of our Group's turnover by geographical location / companies are as follows:

	Financial Period from 19.07.2002 to 30.06.2003 RM	Financial Period from 01.07.2003 to 31.12.2003 RM	FYE 31.12.2004 RM
Malaysia (MTB and MTSB)	-	838,276	16,893,674
Singapore (MPL)	3,548,985	3,325,540	5,868,086
Indonesia (PTMT)	-	-	1,529,022
Thailand (MCL)	-	-	513,700
	3,548,985	4,163,816	24,804,482
Less: Consolidated adjustments	-	(312,161)	(8,825,734)
<b>Proforma Group</b>	<b>3,548,985</b>	<b>3,851,655</b>	<b>15,978,748</b>

**8.2.1.2 Products / Services**

The breakdown of our Group's turnover by products / services are as follows:

	Financial Period from 19.07.2002 to 30.06.2003 RM	Financial Period from 01.07.2003 to 31.12.2003 RM	FYE 31.12.2004 RM
<b>Platform Technologies</b>			
- mTouche™ Intelligent Short Messaging Platform	2,484,289	2,619,125	11,185,124
<b>Application and Services</b>			
- mTouche™ Content Provisioning Platform	1,064,696	1,232,530	4,793,624
<b>Proforma Group</b>	<b>3,548,985</b>	<b>3,851,655</b>	<b>15,978,748</b>

## 8. FINANCIAL INFORMATION (Cont'd)

Proforma revenue of our Group during the financial periods/year under review comprises revenue from mTouche™ Intelligent Short Messaging Platform and mTouche™ Content Provisioning Platform.

## 8.2.2 Proforma PBT

## 8.2.2.1 Geographical Location / Companies

The breakdown of our Group's PBT by geographical location / companies are as follows:

	Financial Period from 19.07.2002 to 30.06.2003 RM	Financial Period from 01.07.2003 to 31.12.2003 RM	FYE 31.12.2004 RM
Malaysia (MTB and MTSB)	-	403,094	5,744,755
Singapore (MPL)	283,955	984,907	1,359,197
Indonesia (PTMT)	-	-	(609,585)
Thailand (MCL)	-	-	(597,886)
	283,955	1,388,001	5,896,481
Less: Consolidated adjustments	-	(150,896)	(2,164,151)
<b>Proforma Group</b>	<b>283,955</b>	<b>1,237,105</b>	<b>3,732,330</b>

## 8.2.2.2 Products /Services

The breakdown of our Group's PBT by products / services are as follows:

	Financial Period from 19.07.2002 to 30.06.2003 RM	Financial Period from 01.07.2003 to 31.12.2003 RM	FYE 31.12.2004 RM
<b>Platform Technologies</b>			
-mTouche™ Intelligent Short Messaging Platform	198,768*	841,231*	2,612,631*
<b>Application and Services</b>			
-mTouche™ Content Provisioning Platform	85,187*	395,874*	1,119,699*
<b>Pro Forma Group</b>	<b>283,955</b>	<b>1,237,105</b>	<b>3,732,330</b>

Note:

\* Apportioned according to the percentage of revenue by products / services to the total revenue.

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**8. FINANCIAL INFORMATION (Cont'd)**

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**8.2.3 Taxation**

The statutory tax rates in Malaysia and Singapore are 28% and 22% respectively.

MTB was granted the MSC status on 1 July 2004. No provision for taxation has been made for the period ended 31 December 2004 as there was no income tax liability imposed on the approved qualifying activities of MTB based on the Pioneer Status incentive awarded to MTB as a MSC-status company under Section 4A of the Promotion and Investments Act, 1986.

The lower effective tax charge of MTSB for the period ended 31 December 2003 and for the FYE 31 December 2004 is principally attributed to the eligibility of certain expenses for tax deduction.

The low effective tax charge of MPL for the financial period ended 30 June 2003 is principally attributed to the partial tax exemption of chargeable income under the current corporate tax regime in Singapore.

The tax credit of PTMT for the FYE 31 December 2003 and for the FYE 31 December 2004 is principally attributable to the recognition of deferred tax assets.

No tax has been provided by MCL for the financial period ended 31 December 2004 in view that MCL has incurred losses during the financial period.

**8.2.4 Foreign Exchange**

There has been no material foreign exchange impact on our Group's proforma operating profits for the financial period ended 30 June 2003, the financial period ended 31 December 2003 and the FYE 31 December 2004.

**8.3 Working Capital, Borrowings, Material Capital Commitments, Contingent Liabilities and Material Litigation****8.3.1 Working Capital**

Our Directors are of the opinion that, after taking into consideration the cash flow forecast, the banking facilities available and the net proceeds from the Public Issue, we will have adequate working capital for our present foreseeable requirements and in any case for a period of twelve (12) months from the date of issuance of this Prospectus.

**8.3.2 Borrowings**

As at 17 June 2005, being the latest practicable date prior to the issuance of this Prospectus, we do not have any interest bearing borrowings.

**8.3.3 Material Capital Commitments**

As at the date of this Prospectus, we have not incurred any material commitments for capital expenditure or known to be incurred, which may have a material impact on the financial position of our Group.

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**8. FINANCIAL INFORMATION (Cont'd)**

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**8.3.4 Contingent Liabilities**

As at the date of this Prospectus, there are no contingent liabilities incurred by our Group, which may have a material impact on the financial position of our Group.

**8.3.5 Material Litigation**

As at the date of this Prospectus, save as disclosed in Section 17.5 of this Prospectus, we are not engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial performance and position of our Group and our Directors are not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the financial position or business of our Group.

**8.4 Profit Forecast**

The market for our Group's products and services is characterised by rapid technological advancements, changes in customer requirements and continued development of new products.

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

**8.5 Directors' Declaration on Financial Performance**

Save as disclosed in this Prospectus, the financial performance, position and operations of our Company and Subsidiaries are not affected by any of the following:

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

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**9. SUMMARY OF THE FIVE YEAR BUSINESS DEVELOPMENT PLAN**

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The following is a summary of our business development plan prepared by us for the purpose of inclusion in this Prospectus:

**9.1 Background**

We have received the MSC status awarded by MDC on 1 July 2004. With the MSC status, we stand to benefit from the incentives ascribed to MSC status companies such as tax exemption, freedom of ownership, and freedom of employment of professionals.

Our Company will act as our Group's main R&D centre. Our Group will focus on the local and regional markets and will primarily be involved in the following activities:

- (i) key R&D centre and intellectual property owner;
- (ii) development of mobile messaging technologies for enterprise applications and content providers;
- (iii) provision of mobile messaging technologies to enterprises and third party content providers; and
- (iv) development and management of mobile content and interactive media applications for enterprises as well as for MNOs to reach out to their respective customers and consumers.

**9.2 Our Mission**

In line with our Group's mission which is to be the leading provider of mobile messaging technologies, mobile content and interactive media applications for the mobile telecommunication industry in the Asia Pacific region, our Group has embarked on a plan for the next five (5) years in order to become a leading developer and provider of mobile messaging technologies and solutions in the Asia Pacific region to establish the *mTouche*<sup>TM</sup> brand name.

In view of the above, our Group will focus in the following areas:

- (i) Development of new technologies and applications for our platform technologies as well as content and applications business segments;
- (ii) Continuation of our efforts to collaborate with the MNOs to provide more content and applications for the partnership programs;
- (iii) Intensification of our efforts to expand corporate clientele base;
- (iv) Expansion of our operations to countries such as China and India which will allow our Group to reach out to more than 300 million mobile subscribers. Such establishments are planned to be set up either through direct venture or on a joint venture basis with suitable local partners; and
- (v) Initiation of R&D on 3G applications in line with the technology trend of the mobile telecommunications industry.

Please refer to Section 6.11 of this Prospectus for further information on the strategies and future plans of our Group.



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**9. SUMMARY OF THE FIVE YEAR BUSINESS DEVELOPMENT PLAN (Cont'd)**

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**9.3 Human Resource Policy**

Our Group currently employs a work force of 68 people and plans to increase our staffing resource requirement to approximately 81 people by end of 2006 and thereafter an increase of approximately 13 and 5 employees for 2007 and 2008, respectively.

Our Group constantly provides in-house training and on the job training to our staff in order to increase their effectiveness and productivity. Our Group also invests in external training to equip our staff on new technologies and on future developments of the industry.

Please refer to Section 6.16 of this Prospectus for further information on the management and employees of our Group.

**9.4 Conclusion**

With these strategies in place, our Group will be able to achieve our goals to be a major player in the provision of mobile technologies, mobile services and interactive media application in the Asia Pacific region.

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**10. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL**

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**10.1 Promoters and Substantial Shareholders**

**10.1.1 Profile**

Goh Eugene (Wu Eugene), Tan Wee Meng (Chen Weiming) and Hendra Sie individually and collectively are Promoters and substantial shareholders of our Group.

**(i) Goh Eugene (Wu Eugene)**

Goh Eugene (Wu Eugene), aged 30, is the Chief Executive Officer of our Group. He is the founder of MPL and a major contributor to the setup of MPL's pioneering operations in Singapore. Prior to the setting up, Eugene was the founder of Startech Interactive Pte Ltd ("Startech") which spun off MPL (which was, a division of Startech) subsequently in June 2002. Under his guidance, our Group has grown and expanded into other South East Asia markets such as Malaysia, Indonesia and Thailand with local offices set up in each country. With this, our Directors believe that our Group is one of the mobile technology platform service providers in the South-East Asia to have direct server connections to all MNOs in Malaysia, Singapore, Indonesia and Thailand, thereby offering an unparallel reach to regional customers. Eugene graduated with a Bachelor of Business degree from the National University of Singapore in 1999.

**(ii) Tan Wee Meng (Chen Weiming)**

Tan Wee Meng (Chen Weiming), aged 30, is the Chief Operating Officer and co-founder of MPL. Wee Meng has several years of working experience in the mobile computing and telecommunications industry. Prior to setting up MPL, Wee Meng served as a Senior Account Manager with MobileOne Ltd (formerly known as MobileOne (Asia) Pte Ltd) (a listed mobile operator in Singapore) since November 2000 till July 2002. He defined and developed strategies for channel partnerships, mobile solutions and products dedicated to enterprise businesses. This included market development and marketing of 2.5G services and infrastructure for the corporate sector. He also pioneered the solution sales unit converging hardware, applications and wireless communications technologies via strategic alliances for the business marketplace. Wee Meng graduated with an Upper Class Honours Degree in Accountancy from Nanyang Technological University of Singapore in 1999.

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**10. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)**

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**(iii) Hendra Sie**

Hendra Sie, aged 31, is our Chief Technology Officer. He leads the software development and research activities for mobile technology at our Company. His other responsibilities include the design and architecture of a high performance mobile messaging platform. Prior to joining our Company, Hendra was a Senior Java Software Engineer in Kent Ridge Digital Labs (KRDL) from February 2001 to December 2001, a well-known research centre in the Asia Pacific region where he was responsible for the design and development of a distributed intelligent business and bio-informatic collaboration platform. In his previous employment with a premium partner of IBM/Lotus, Integrasi as a Software Engineer from August 1997 to February 1999, Hendra was actively involved in groupware and software development. He has also gained extensive exposure by working on various large-scale projects in a distributed system environment and providing technical consultation and training. Hendra's expertise in research includes areas such as mobile technology, distributed system and intelligent mobile agent. Hendra gained his Master in Applied Science (IT) from RMIT University, Australia in 2001 and obtained his undergraduate degree in 1998 in Bachelor of Computer (S.Kom), majoring in Information Management from Bina Nusantara University, Indonesia.

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**10. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDER, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)****10.1.2 Promoters and Substantial Shareholders' Shareholdings**

The table below sets forth our Promoters and substantial shareholders' interests in our Shares before and after the Public Issue based on our Register of Member as at 17 June 2005, being the latest practicable date prior to the issuance of this Prospectus:

Name	Designation	Nationality	Before the Public Issue		After the Public Issue					
			Direct		Indirect					
			No. of Shares	%	No. of Shares	%	No. of Shares	%		
Goh Eugene (Wu Eugene)	Chief Executive Officer / Executive Director	Singaporean	26,325,000 <sup>Ⓔ</sup>	43.88	-	-	26,845,000*	35.79	-	-
Tan Wee Meng (Chen Weiming)	Chief Operating Officer / Executive Director	Singaporean	17,325,000 <sup>Ⓔ</sup>	28.88	-	-	17,825,000*	23.77	-	-
Hendra Sie	Chief Technology Officer / Executive Director	Indonesian	7,938,000 <sup>Ⓔ</sup>	13.23	-	-	8,138,000*	10.85	-	-

Notes:

<sup>Ⓔ</sup> Being the date of completion of the Bonus Issue and Share Split.

\* On the assumption that the respective individuals will subscribe all their entitlements of the proposed Pink Form allocation.

**10. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDER, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)****10.1.3 Promoters and Substantial Shareholders' Directorships and Substantial Shareholdings in Other Public Corporations**

None of our Promoters and substantial shareholders have directorships and/or have substantial shareholdings in any other public corporations for the past two (2) years.

**10.1.4 Changes in Promoters, Substantial Shareholders and their respective Shareholdings**

The changes of our Promoters and substantial shareholders and their interests in our Shares with regard to their direct and indirect shareholdings since the date of incorporation on 17 June 2004 up to 17 June 2005, being the latest practicable date prior to the issuance of this Prospectus are as follows:

Name	As at the date of incorporation				After the Acquisition				Before the Public Issue				After the Public Issue			
	Direct		Indirect		Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Ordinary Shares of RMY.00 each	%	No. of Ordinary Shares of RMY.00 each	%	No. of Ordinary Shares of RMY.00 each	%	No. of Ordinary Shares of RMY.00 each	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Seng Siau Lee	1	50.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Seng Yee Ping	1	50.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Goh Eugene (Wu Eugene)	-	-	-	-	1,637,854	43.88	-	-	26,325,000 <sup>®</sup>	43.88	-	-	26,845,000*	35.79	-	-
Tan Wee Meng (Chen Weiming)	-	-	-	-	1,077,904	28.88	-	-	17,325,000 <sup>®</sup>	28.88	-	-	17,825,000*	23.77	-	-
Hendra Sie	-	-	-	-	493,876	13.23	-	-	7,938,000 <sup>®</sup>	13.23	-	-	8,138,000*	10.85	-	-

Note:

<sup>®</sup> Being the date of completion of the Bonus Issue and Share Split.

\* On the assumption that the respective individuals will subscribe all their entitlements of the proposed Pink Form allocation.

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**10. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)**

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**10.2 Directors****10.2.1 Profile**

A brief profile on our Directors are as follows:

- (i) **Goh Eugene (Wu Eugene)**  
See Section 10.1.1(i)
- (ii) **Tan Wee Meng (Chen Weiming)**  
See Section 10.1.1(ii)
- (iii) **Hendra Sie**  
See Section 10.1.1(iii)
- (iv) **Ng Joo How**

Ng Joo How, aged 51, is our Independent Non-Executive Director. Joo How is a Fellow member of The Association of Chartered Certified Accountants, United Kingdom (ACCA). Joo How has been an active member of the Malaysian Chapter of ACCA and served as its vice president from July 1997 to August 1998. Currently, Joo How is the Delegate representing Malaysia in the International Assembly of ACCA in London. He is also a member of the Malaysian Institute of Accountants as a Chartered Accountant and the Malaysian Institute of Taxation. Joo How has more than 25 years experience in the field of accountancy and tax practices. He has been in public practice as an Approved Company Auditor for more than 20 years and is currently the Managing Partner of Messrs. Ng Joo How & Wan, a Chartered Accountants firm.

- (v) **Lai Teik Kin**

Lai Teik Kin, aged 41 is our Independent Non-Executive Director. Teik Kin is a co-founder of Nova MSC Berhad which was listed on the MESDAQ Market in August 2003. He is the Chief Business Development Officer for the Nova MSC Group and Chief Executive Officer of novaHEALTH Pte Ltd. Teik Kin started his career in 1988 as a Supervisor with Baxter Healthcare in Malaysia. From 1989 to 1992, he joined the Housing & Development Board of Singapore as a surveyor. Thereafter, he left to be a Product Specialist of Siemens-Nixdorf Information Systems Pte Ltd from 1992 to 1993. From 1993 to 1995, he was employed in the IT Division of Siemens Pte Ltd as a Senior Consultant. Throughout these positions, he had been involved in the pre-sales, consultancy and project management of large-scale IT projects, both in Singapore and abroad. Among his achievements were the winning of major projects for the development of application software from Singapore's two major hospitals and a private hospital. He holds a Bachelor (Hons) in Surveying from the University of Queensland, Australia.

## 10. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

## 10.2.2 Directors' Shareholdings

The table below sets forth our Directors' interest in our Shares before and after the Public Issue based on our Register of Members as at 17 June 2005, being the latest practicable date prior to the issuance of this Prospectus:

Name	Designation	Nationality	Before the Public Issue				After the Public Issue				
			Direct		Indirect		Direct		Indirect		
			No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	
Goh Eugene (Wu Eugene)	Chief Executive Officer / Executive Director	Singaporean	26,325,000 <sup>@</sup>	43.88	-	-	-	26,845,000*	35.79	-	-
Tan Wee Meng (Chen Weiming)	Chief Operating Officer / Executive Director	Singaporean	17,325,000 <sup>@</sup>	28.88	-	-	-	17,825,000*	23.77	-	-
Hendra Sie	Chief Technology Officer / Executive Director	Indonesian	7,938,000 <sup>@</sup>	13.23	-	-	-	8,138,000*	10.85	-	-
Ng Joo How	Independent Non- Executive Director	Malaysian	-	-	-	-	-	200,000*	0.27	-	-
Lai Teik Kin	Independent Non- Executive Director	Malaysian	1,689,000 <sup>@</sup>	2.82	-	-	-	1,889,000*	2.52	-	-

Notes:

<sup>@</sup> Being the date of completion of the Bonus Issue and Share Split.

\* On the assumption that the respective individuals will subscribe all their entitlements of the proposed Pink Form allocation.

## 10. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

### 10.2.3 Other Directorships and Substantial Shareholdings in Other Public Corporations

None of our Directors have directorships and/or have substantial shareholdings in any other public corporations for the past two (2) years.

### 10.2.4 Directors' Remuneration

The aggregate remuneration and benefits of our Directors for services in all capacities to our Company and our Subsidiaries for the financial period ended 31 December 2003 and the FYE 31 December 2004 amounting to RM437,250 and RM794,485 respectively. For the FYE 31 December 2005, the amount payable to our Directors for services rendered to our Group in the aforesaid capacities is estimated to be RM900,000. Details of aggregate remuneration are as follows:

Range (RM'000)	Financial Period ended 31 December 2003	FYE 31 December 2004	FYE 31 December 2005
	Number of Directors	Number of Directors	Number of Directors
0-50	-	-	2
50-100	1	-	-
100-200	2	1	-
Above 200	-	2	3

### 10.3 Audit Committee

The details of our audit committee, which comprises members of our Board, are as follows:

Name	Designation	Directorship
Ng Joo How	Chairman	Independent Non-Executive Director
Lai Teik Kin	Member	Independent Non-Executive Director
Tan Wee Meng (Chen Weiming)	Member	Executive Director

The main functions of our Audit Committee include the review of audit plans and audit reports with the Auditors, review of Auditors' evaluation of internal accounting controls and management information systems, review of the scope of internal audit procedures, review of balance sheets and income statement and nomination of Auditors.



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**10. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)**

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**10.4 Key Management and Key Technical Personnel****10.4.1 Profile**

Save for the profiles of Goh Eugene (Wu Eugene), Tan Wee Meng (Chen Weiming) and Hendra Sie which have been disclosed in Section 10.1 of this Prospectus, the profile of the other key management and key technical personnel of our Group are as follows:

**(i) Low Keng Fei**

Low Keng Fei, aged 35, is the **Senior Manager** of our Group and is responsible for the products development and overall operations in Malaysia. Prior to joining our Group in August 2004, he was the Assistant Manager in DiGi Telecommunications Sdn Bhd where he was responsible for the product management of content provider access from 2003 to 2004. Before his appointment in DiGi Telecommunications Sdn Bhd, he was working with NTT MSC Sdn Bhd (from 1999 to 2003), a wholly owned subsidiary of the Nippon Telegraph & Telephone Group from Japan. He was actively involved in strategising and the setting up of the Internet Service Provider and the Data Center unit. Prior to that, Keng Fei was involved in property research and valuation and banking industries. Keng Fei obtained his undergraduate degree in 1994 with a Bachelor of Business Administration (Managerial Finance) and gained his Master in Business Administration (Marketing) in 1995 from Mississippi University, United States of America.

**(ii) Onny Robert**

Onny Robert, aged 31, is the **Senior Manager** of our Group and is responsible for the products development and overall operations in Indonesia. Prior to joining the Group on 11 August 2003, he was the Business Manager for PT InTouch Wireless Service, managing the business development, daily business operations and general management functions, working closely within the Wireless and Telecommunication Industry from June 2002 to June 2003. Before his appointment to PT InTouch Wireless Service, he was working with PT Mincom Indoservice from September 2001 to April 2002 as an Account Manager. Prior to that, Onny worked in PT Astra Graphia as an Account Manager representing Xerox Products from June 1997 to July 2001 where he honed his sales and marketing skills. Onny graduated with a Bachelor of Accounting Degree from Trisakti University, Indonesia in 1997.

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**10. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)**

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**(iii) Poramate Rummyakul**

Poramate Rummyakul, aged 26, is the **Senior Manager** responsible for the products development and overall operations in Thailand. Prior to joining our Group in September 2004, he was the Content Management Manager of AKN Messaging Technologies (Thailand) Co., Ltd (“AKN”) from July 2003 to September 2004. Before his appointment to AKN, he was an editor in Teleinfo Media Co., Ltd from April 2001 to June 2003 where he was responsible in monitoring website operations, content management and e-marketing activities of Yellowpages.co.th. Poramate obtained his Post Graduate Degree in Communication / Marketing Communication in 2000 from Canberra University, Australia and gained his Master in Communication Arts / Development Communication from Chulalongkorn University, Thailand in 2003.

**(iv) Lau Bik Yong**

Lau Bik Yong, aged 29, is the **Group Finance Manager** and is responsible for the financial, administration and human resource management of our Group. Prior to joining our Group in March 2005, he was an Assistant Manager in DiGi Telecommunications Sdn Bhd from 2003 to 2005, where he was responsible for the daily financial operation and preparation of reports to the Bursa Securities for DiGi.Com Berhad and also the ultimate holding company in Norway. Before his appointment in DiGi Telecommunications Sdn Bhd, he was an auditor with KPMG (from 2000 to 2003) and a medium size audit firm from 1999 to 2000. Bik Yong is a Chartered Accountant and a member of the Malaysian Institute of Accountant. He also holds a membership in the Association of Chartered Certified Accountants United Kingdom (ACCA). Bik Yong is a graduate from Middlesex University, United Kingdom with a Bachelor of Arts (Hons) Accounting and Finance.

**(v) Tan Choong Leong**

Tan Choong Leong, age 31, is a **Technical Manager** of our Group and is responsible for the research and development of our core business products and the day to day operations of our IT teams in Singapore and Malaysia. Prior to joining our Group in January 2005, Choong Leong was a Research Fellow with the BioInformatics Research Centre of the Nanyang Technological University of Singapore (NTU). During his two years tenure there, he was the project leader leading a group of researchers and PhD candidates on a A\*STAR-funded project on “Detecting Neural Network Systems using Magnetic Resonance Imaging”. He was actively involved in the planning and execution of the research project which involves many disciplines and organisations, including Singapore General Hospital, National University of Singapore and the National Neuroscience Institute. Choong Leong received his Doctor of Philosophy in 2003 from NTU. His thesis is on the “Bayesian Reconstruction and Restoration of Magnetic Resonance Images”. Prior to that, he obtained his Bachelor of Applied Science (Computer Engineering) with Honours in 1998 through the “Accelerated Honours” programme with NTU.

## 10. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

## 10.4.2 Key Management and key Technical Personnels' Shareholdings

The table below set forth, our key management and key technical personnels' interest in our Shares before and after the Public Issue based on our Register of Members as at 17 June 2005, being the latest practicable date prior to the issuance of this Prospectus.

Name	Designation	Before the Public Issue				After the Public Issue			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Goh Eugene (Wu Eugene)	Chief Executive Officer / Executive Director	26,325,000 <sup>@</sup>	43.88	-	-	26,845,000*	35.79	-	-
Tan Wee Meng (Chen Weiming)	Chief Operating Officer / Executive Director	17,325,000 <sup>@</sup>	28.88	-	-	17,825,000*	23.77	-	-
Hendra Sie	Chief Technology Officer / Executive Director	7,938,000 <sup>@</sup>	13.23	-	-	8,138,000*	10.85	-	-
Low Keng Fei	Senior Manager - Head of Products Development & Operation (Malaysia)	-	-	-	-	200,000*	0.27	-	-
Onny Robert	Senior Manager - Head of Products Development & Operation (Indonesia)	-	-	-	-	100,000*	0.13	-	-
Poramate Rummyakul	Senior Manager - Head of Products Development & Operation (Thailand)	-	-	-	-	50,000*	0.07	-	-
Lau Bik Yong	Group Finance Manger	-	-	-	-	150,000*	0.20	-	-
Tan Choong Leong	Technical Manager	-	-	-	-	100,000*	0.13	-	-

Notes:

<sup>@</sup> Being the date of completion of the Bonus Issue and Share Split.

\* On the assumption that the respective individuals will subscribe all their entitlements of the proposed Pink Form allocation.

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**10. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)**

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**10.4.3 Key Management and Key Technical Personnels' Directorships and Substantial Shareholdings in Other Public Corporation**

None of our key management and key technical personnels have directorships and/ or have had substantial shareholdings in any other public corporations during the past two (2) years.

**10.5 Relationship**

None of our substantial shareholders, Promoters, Directors, key management and key technical personnel is related to one another.

**10.6 Executive Directors, Key Management and Key Technical Personnels' Involvement in Other Business and/or Corporation**

None of our Executive Directors, key management and key technical personnel is involved in the operations of other businesses and/or corporations.

**10.7 Declaration by our Directors, Key Management and Key Technical Personnel**

None of our Directors, key management and key technical personnel is or was involved in the following events, whether in or outside Malaysia:

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

**10.8 Service Agreements**

There are no existing or proposed service agreements between our Group and our Directors, key management and key technical personnel.

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**11. RELATED PARTY TRANSACTION / CONFLICT OF INTEREST**

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**11.1 Related-Party Transactions / Conflict of Interest**

Save as disclosed below, there are no transactions, existing or potential, entered or to be entered by us or our Subsidiaries as at the date hereof, which involve the interest, direct or indirect, of our Directors, substantial shareholders and/or persons connected to them as defined under Section 122A of the Act:

- (i) As at 31 December 2003, an amount of SGD400,542 or RM894,891 is due from Startech Interactive Pte Ltd ("Startech"), a company which is owned by certain Directors and Promoters of our Group. Goh Eugene (Wu Eugene) and Tan Wee Meng (Chen Weiming), are also Directors in Startech, who collectively own the entire equity interest in Startech, a company involved in system integration and software development.

The amount owing by Startech of SGD400,542 or RM894,891 to MPL is mostly in respect of previous mobile services billed by Startech to the MNOs on behalf of MPL, based on agreements signed between the MNOs and Startech. All these agreements have since been novated to MPL. On 31 July 2004, Goh Eugene (Wu Eugene) and Tan Wee Meng (Chen Weiming) have divested all interests in Startech and Startech has fully settle the said amount owing to MPL as at 30 April 2005.

**11.2 Interest in Similar Business**

None of our Directors or substantial shareholders of our Company or Subsidiaries has any interest, direct or indirect, in any business carrying on a similar trade as our Group.

**11.3 Loan Made by our Group to Related Parties**

Our Directors are not aware of our Group or any of our Subsidiaries making any amount of the outstanding loans or guarantees to the other Directors and substantial shareholders or persons connected to them, for the past one (1) financial year and the subsequent financial period thereof, immediately preceding the date of this Prospectus.

**11.4 Transactions that are Unusual in their Nature or Conditions**

To the best knowledge and belief of our Directors, they are not aware of any transactions that are unusual in nature or conditions, involving goods, services, tangible or intangible assets, to which our Company or Subsidiaries was a party in respect of the past one (1) financial year and the subsequent financial period thereof, immediately preceding the date of this Prospectus.

**11.5 Promotion of Material Assets**

Save for the Acquisition which details are summarised below, none of our Directors or substantial shareholders has any interest, direct or indirect, in the promotion of or in any assets which have been, within the two (2) years preceding the date of this Prospectus, acquired or disposed of by or leased to or proposed to be acquired, disposed of by or leased to our Group.

**11. RELATED PARTY TRANSACTION / CONFLICT OF INTEREST (Cont'd)**

## Details of the Acquisition:

<b>Vendor</b>	<b>No. of MPL Shares acquired</b>	<b>%</b>	<b>Purchase consideration</b>	<b>No. of new MTB Shares issued</b>
Goh Eugene (Wu Eugene)	43,875	43.875	1,637,879	1,637,853
Tan Wee Meng Chen Weiming)	28,875	28.875	1,077,920	1,077,903
Hendra Sie	13,230	13.230	493,883	493,876
Lai Teik Kin	2,815	2.815	105,086	105,084
Tay Joo Heng	4,750	4.750	177,320	177,317
Sebastian Yeo Boon Kiat	3,595	3.595	134,203	134,201
Tai Say Siang	2,860	2.860	106,765	106,764
<b>Total</b>	<b>100,000</b>	<b>100.000</b>	<b>3,733,056</b>	<b>3,732,998</b>

**11.6 Declaration by Advisers**

- (i) PMBB confirms that there are no existing or potential conflict of interest in its capacity as Adviser, Sponsor, Placement Agent and Underwriter for the IPO.
- (ii) Messrs. Teh & Lee has given its confirmation that there are no existing or potential conflict of interest in its capacity as the Solicitors for the IPO.
- (iii) Messrs. Ernst & Young has given its confirmation that there are no existing or potential conflict of interest in its capacity as the Auditors and Reporting Accountants for the IPO.

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## 12. OTHER INFORMATION CONCERNING OUR GROUP

## 12.1 Approvals, Major Licences and Permits Obtained

## (i) MSC Status

We have been accorded with the MSC status on 1 July 2004. The MSC status granted shall not be transferable in anyway whatsoever without the written consent of MDC. In consideration of MDC granting the MSC status to us, we have agreed to comply with/have complied with the following terms and conditions:

Details of Conditions Imposed	Status of Compliance																		
1. To complete business registration of the proposed entity as a locally incorporated company under the Act within one (1) month from the date of approval.	Complied. Our Company was incorporated on 17 June 2004.																		
2. To commence operation within six (6) months from the date of approval.	Complied. We have commenced business on 29 June 2004 i.e prior to the approval date.																		
3. To undertake the following activities ("MSC Qualifying Activities") specified in the Company's Business Plan within 6 months:																			
(i) To develop the following mobile solutions:-	Complied. Details on the commencement of development on the following mobile solutions are as follows:																		
<ul style="list-style-type: none"> <li>• mTouche™ 3G Platform;</li> <li>• mTouche™ Multimedia Messaging Services (MMS) Platform;</li> <li>• mTouche™ 3G Mobile TV;</li> <li>• mTouche™ 3G Mobile Radio; and</li> <li>• mTouche™ 3G Mobile Corporate Solutions</li> </ul>	<table border="1"> <thead> <tr> <th>Products</th> <th>Status of development</th> <th>Commencement date</th> </tr> </thead> <tbody> <tr> <td>mTouche™ 3G Platform</td> <td>Preliminary draft blueprint</td> <td>July 2004</td> </tr> <tr> <td>mTouche™ MMS Platform</td> <td>Commercialised</td> <td>July 2004</td> </tr> <tr> <td>mTouche™ 3G Mobile TV</td> <td>Preliminary draft blueprint</td> <td>July 2004</td> </tr> <tr> <td>mTouche™ 3G Mobile Radio</td> <td>Preliminary draft blueprint</td> <td>July 2004</td> </tr> <tr> <td>mTouche™ 3G Mobile Corporate Solutions</td> <td>Preliminary draft blueprint</td> <td>July 2004</td> </tr> </tbody> </table>	Products	Status of development	Commencement date	mTouche™ 3G Platform	Preliminary draft blueprint	July 2004	mTouche™ MMS Platform	Commercialised	July 2004	mTouche™ 3G Mobile TV	Preliminary draft blueprint	July 2004	mTouche™ 3G Mobile Radio	Preliminary draft blueprint	July 2004	mTouche™ 3G Mobile Corporate Solutions	Preliminary draft blueprint	July 2004
Products	Status of development	Commencement date																	
mTouche™ 3G Platform	Preliminary draft blueprint	July 2004																	
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mTouche™ 3G Mobile Radio	Preliminary draft blueprint	July 2004																	
mTouche™ 3G Mobile Corporate Solutions	Preliminary draft blueprint	July 2004																	

## 12. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Details of Conditions Imposed	Status of Compliance									
<p>(ii) To enhance or add new features on existing platform namely, mTouche™ Intelligent Short Messaging Platform and mTouche™ Content Provisioning Platform.</p>	<p>Complied. We have enhanced and/or added the following features on our existing platforms:</p> <table border="1" data-bbox="820 432 1335 907"> <thead> <tr> <th data-bbox="820 432 975 517">Products</th> <th data-bbox="975 432 1145 517">New features added/to be added</th> <th data-bbox="1145 432 1335 517">Commencement date</th> </tr> </thead> <tbody> <tr> <td data-bbox="820 517 975 712">mTouche™ Intelligent Short Messaging Platform</td> <td data-bbox="975 517 1145 712">Version added with online reporting and provisioning of statistical information.</td> <td data-bbox="1145 517 1335 712">July 2004</td> </tr> <tr> <td data-bbox="820 712 975 907">mTouche™ Content Provisioning Platform</td> <td data-bbox="975 712 1145 907">Version 1.6 with online revenue and statistical information added.</td> <td data-bbox="1145 712 1335 907">July 2004</td> </tr> </tbody> </table>	Products	New features added/to be added	Commencement date	mTouche™ Intelligent Short Messaging Platform	Version added with online reporting and provisioning of statistical information.	July 2004	mTouche™ Content Provisioning Platform	Version 1.6 with online revenue and statistical information added.	July 2004
Products	New features added/to be added	Commencement date								
mTouche™ Intelligent Short Messaging Platform	Version added with online reporting and provisioning of statistical information.	July 2004								
mTouche™ Content Provisioning Platform	Version 1.6 with online revenue and statistical information added.	July 2004								
<p>(iii) Integration and customisation services for the abovementioned software solutions.</p>	<p>Complied. We have integrated and customised the mTouche™ Content Provisioning Platform to connect to StarHub Ltd's WAP service and DiGi Telecommunications Sdn Bhd's WAP Service in August 2004.</p>									
<p>4. Any changes proposed to the MSC Qualifying Activities as detailed in the Business Plan must receive the prior written consent of MDC.</p>	<p>We will ensure continuous compliance with this condition.</p>									
<p>5. To locate the implementation and operation of the MSC Qualifying Activities in Technology Park Malaysia, within six (6) months from the date of the approval.</p>	<p>Our Group was granted an extension of time until 31 March 2005 by MDC to relocate to a designated Cybercity.</p> <p>We have completed the relocation of our R&amp;D Department to a designated Cybercity on 3 June 2005.</p>									
<p>6. To seek MDC's prior written approval in the event of any changes in the location or address of the Company.</p>	<p>We will ensure continuous compliance with this condition.</p>									
<p>7. To ensure that all times at least 15% of the total number of employees (excluding support staff) shall be "knowledge workers".</p>	<p>Complied. As at 17 June 2005, approximately 90% of our employees (excluding support staff) are "knowledge workers". We will also ensure continuous compliance with this condition</p>									



**12. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)**

Details of Conditions Imposed	Status of Compliance
8. To ensure that knowledge workers shall be employed solely for undertaking the MSC Qualifying Activities.	Complied. All our knowledge workers are employed solely for undertaking the MSC Qualifying Activities and we will ensure continuous compliance with this condition.
9. To note that the employment of foreign knowledge workers (if any) shall be the sole responsibility of MTB and MDC shall not be held responsible for any liability arising from such employment.	Noted.
10. To continue to comply with the MSC's environmental guidelines as determine by MDC from time to time.	We will ensure continuous compliance with this condition.
11. To submit to MDC a copy of the Company's annual report and audited statements in parallel with the submission to Companies Commission of Malaysia.	Noted. We will ensure continuous compliance with this condition.
12. To ensure that all information and/or documents furnished us or any other authority or agency do not contain any false, untrue or inaccurate statements or omit to state any facts, the omission of which would make any statements made therein in the light of the circumstances under which they are made, misleading.	We will ensure continuous compliance with this condition.
13. To inform and obtain the prior approval of MDC for any proposed change in the name in the Company.	Complied. We have informed MDC of the change of our Company's name from mTouche Technology Sdn Bhd to mTouche Technology Bhd on 12 July 2004 and had received acknowledgement from MDC on 18 August 2004.

**12. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)**

Details of Conditions Imposed	Status of Compliance
14. To inform MDC of any change in the equity structure or shareholding structure of our Company, or such other changes that may affect the direction or operation of our Company. MDC must be informed of any change before steps are taken to effect such change.	Noted. We have informed MDC of the change of our Company and our Group's equity structure and shareholding structure on 12 July 2004 and had received acknowledgement from MDC on 18 August 2004.
15. To comply with all such statutory, regulatory and/or licensing requirements as may be applicable.	We will ensure continuous compliance with this condition.

**(ii) General Permission Letter**

We have been accorded with General Permission under the Exchange Control Act 1953 ("ECA") on 31 July 2004. The Controller of Foreign Exchange ("Controller") has given general permission under Section 39(1) (a) of the ECA to us as long as our approved MSC status accorded by the MDC remains valid, to undertake all or any of the following activities:

- (i) Credit facilities to non-residents in foreign currency;
- (ii) Opening of new overseas account;
- (iii) Investment aboard;
- (iv) Offshore loan; and
- (v) Offsetting arrangement.

In consideration for the Controller to grant the above mentioned general permission, our Company has agreed to comply with the following terms and conditions:

Details of Conditions imposed	Status of compliance
1. The company gives a letter of undertaking to the Controller that the permission would only be used for the company and not for the benefit of any other company, within 30 days from 31 July 2004;	Complied. We have submitted an undertaking letter to the Controller on 8 August 2004, which is within 30 days from 31 July 2004.
2. The company submits its audited annual account to Jabatan Pentadbiran Pertukaran Asing (JPPA), Bank Negara Malaysia within 3 months at the end of every financial year;	We will ensure continuous compliance with this condition.
3. The company does not deal in the restricted currencies (the currencies of Israel, Serbia and Montenegro);	We will ensure continuous compliance with this condition.

**12. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)**

Details of Conditions imposed	Status of compliance
4. The company does not deal with specified persons which comprise the residents, authorities, agencies and instrumentalities and any entities owned or controlled, directly or indirectly, by Israel, Serbia and Montenegro;	We will ensure continuous compliance with this condition.
5. The company is to register with JPPA by completing the relevant registration forms before undertaking any of the following transactions for the Controller to assign the relevant identification numbers credit facilities to non-residents; overseas account; investment abroad; offshore loan; and offsetting arrangement; and	We will ensure continuous compliance with this condition.
6. The company submits, if applicable, statistical form/statement/report in relation to, inter-alia, paragraph (5) above.	We will ensure continuous compliance with this condition.

**(iii) Service-based Operator (Class) Licences**

We have been accorded with the Service-based Operator (Class) ("SBO") Licences for Audiotex Services and Store and Retrieve Value Added Network Services from Infocomm Development Authority of Singapore ("IDA") on 27 December 2002 and 14 April 2003 respectively. Both the SBO Licences are valid for three (3) years from the date of registration or renewal.

In consideration of IDA granting the SBO Licences to our Group, we have agreed to comply with the following terms and conditions:

**(a) SBO Licence for Audiotex Services to conduct audiotex services (Chatlines)**

Details of Conditions imposed	Status of compliance
General conditions imposed under Second Schedule of Telecommunications (Class Licences) Regulations 2000:	
1. Access to the audiotex services by users shall be through the public switched network.	We will ensure continuous compliance with this condition.
2. The Licensee shall ensure that all announcements and programmes on the audiotex services are pre-recorded and stored in the audiotex system and shall not enable callers to communicate directly in real-time with other callers.	We will ensure continuous compliance with this condition.

## 12. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Details of Conditions imposed	Status of compliance
<p>3. The Licensee shall comply with the following transmission standards:</p> <p>(a) There shall be no delay in starting the announcement or programme when a call is connected.</p> <p>(b) Each audiotex service shall be assigned a different telephone number.</p> <p>(c) There shall be no interruption during the announcement or programme.</p> <p>(d) Each call shall be for a maximum period of 10 minutes with an option for the caller to extend his/her call.</p> <p>(e) Where callers are required to enter a unique code to access the audiotex services, such codes shall be made available to the public either in lists published by the Licensee or through a telephone answering line available for enquiries 24 hours a day, the number for which shall be published in all advertisements for the audiotex services.</p>	<p>We will ensure continuous compliance with this condition.</p>
<p>4. The Licensee shall ensure that the number of attempted calls at any time does not significantly exceed the number of call-in lines for the audiotex services and, if IDA determines that additional lines are required to adequately handle calls for the audiotex services and to prevent congestion to other users of the public switched telephone system, the Licensee shall subscribe for such number of additional lines as IDA may direct.</p>	<p>We will ensure continuous compliance with this condition.</p>
<p>5. The Licensee shall not, except with the prior approval of IDA, organise any mass calling event which will generate a high influx of calls to its audiotex system.</p>	<p>We will ensure continuous compliance with this condition.</p>
<p>6. The Licensee shall ensure that its current call charging rate is published in all advertisements for the audiotex services and announced via a pre-recorded charge announcement played immediately after every call is connected.</p>	<p>We will ensure continuous compliance with this condition.</p>

## 12. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Details of Conditions imposed	Status of compliance
<p>7. The Licensee shall provide a grace period during which callers are not charged, either:</p> <p>(a) the first 6 seconds of a call where the charge announcement lasts 4 seconds;</p> <p>or</p> <p>(b) the first 12 seconds of a call where the charge announcement lasts 10 seconds</p>	<p>We will ensure continuous compliance with this condition.</p>
<p>8. The Licensee shall not claim any proprietary right to any telephone number assigned to it.</p>	<p>We will ensure continuous compliance with this condition.</p>
<p>9. In the event that the Licensee decides to terminate its audiotex services, it must notify IDA in writing regarding its intent in advance.</p>	<p>We will ensure continuous compliance with this condition.</p>
<p><u>Other conditions</u></p>	
<p>1. MPL to notify IDA of any change in particulars, the descriptions and scope of services run by MPL and any other information submitted to IDA for the registration under the class licence.</p>	<p>We will ensure continuous compliance with this condition.</p>
<p>2. MPL to seek approval from relevant authorities on the information content of the services where necessary; and the Gambling Suppression Branch of the CID on the conduct of games of chance.</p>	<p>We will ensure continuous compliance with this condition.</p>
<p>3. Advertising Standards Authority of Singapore requires advertisers of audiotex services must include the company's name, contact number and cost on their advertisements.</p>	<p>We will ensure continuous compliance with this condition.</p>
<p>4. MPL is required under Section 3.2.2.1 of the Code of Practice for Competition in the Provision of Telecommunications Services to disclose to end users, in advance, the price and non-price terms governing the provision of telecommunication services.</p>	<p>We will ensure continuous compliance with this condition.</p>
<p>5. MPL is required under Regulation 10 (1) of the Telecommunications (Class Licences) Regulations 2000 to publish the services provided, including the company's name in the advertisements for services registered under SBO (Class) Licence.</p>	<p>We will ensure continuous compliance with this condition.</p>

## 12. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

## (b) SBO Licence for Store-and-Retrieve Value -Added Network Services to conduct services in relation to SMS

Details of Conditions imposed	Status of compliance
<p>General conditions imposed under First Schedule of Telecommunications (Class Licences) Regulations 2000: -</p> <ol style="list-style-type: none"> <li>1. A party registered for the Licence (or Licensee) shall ensure that no store-and-forward value-added network telecommunication traffic is carried through its value-added network.</li> <li>2. The Licensee shall not, except with the prior approval of IDA provide value-added network services of another value-added network through a leased circuit connecting its value-added network to the other value-added network.</li> <li>3. In the event that the Licensee decides to terminate its value-added network services, it must notify IDA in writing regarding its intent in advance.</li> </ol>	<p>We will ensure continuous compliance with this condition.</p> <p>We will ensure continuous compliance with this condition.</p> <p>We will ensure continuous compliance with this condition.</p>
<p><u>Other conditions</u></p>	
<ol style="list-style-type: none"> <li>1. MPL to notify IDA of any change or inaccuracy in the descriptions and scope of telecommunication systems and services run by MPL and any other information submitted to IDA.</li> </ol>	<p>We will ensure continuous compliance with this condition.</p>
<ol style="list-style-type: none"> <li>2. MPL is required under Section 3.2.2.1 of the Code of Practice for Competition in the Provision of Telecommunications Services to disclose to end users, in advance, the price and non-price terms governing the provision of telecommunication services.</li> </ol>	<p>We will ensure continuous compliance with this condition.</p>
<ol style="list-style-type: none"> <li>3. MPL is required under Regulation 10 (1) of the Telecommunications (Class Licences) Regulations 2000 to publish the services provided, including the company's name in the advertisements for services registered under SBO (Class) Licence.</li> </ol>	<p>We will ensure continuous compliance with this condition.</p>

**12. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)****(iv) Applications Service Provider Class Licence**

We were accorded with the Applications Service Provider Class ("ASP") Licence on 1 June 2004 by Malaysian Communications and Multimedia Commission ("MCMC") to conduct any one or all the application services as stipulated under Regulation 30 of the Communication and Multimedia (Licencing) Regulation 2000 (as amended) such as audiotex hosting services provided on an opt-in basis, directory services, internet access services, messaging services, private payphones services, telegram services or such other applications services which are not exempt or subject to an individual licence.

In consideration of MCMC granting the ASP Licence to our Group, we have agreed to comply with the following term and condition:

<b>Details of Conditions imposed</b>	<b>Status of compliance</b>
MTSB as the ASP Class Licence holder is not allowed to provide any services relating to Voice-over-IP ("VoIP"). VoIP services require Applications Service Provider Individual Licence as set out in Regulation 21 of the Communications and Multimedia (Licensing) Regulation 2000.	We will ensure continuous compliance with this condition.

**12.2 Approvals and Conditions**

Our listing on the MESDAQ Market is subject to the approval from the SC, of which approval was obtained on 18 April 2005.

The approval from the SC was subjected to, inter-alia, the following conditions:

<b>Details of conditions imposed</b>	<b>Status of compliance</b>
1. MTB to disclose in detail in its public issue prospectus (prospectus) the overall structure of the mobile content and messaging industry, the category/type of each industry participant and their respective role/function, and the role/function of MTB within the same;	Complied. Refer to Section 5.10 of this Prospectus.
2. MTB to disclose in its prospectus the risks related to its short operating track record and the steps taken to/factors that mitigate the same;	Complied. Refer to Section 4.2.14 of this Prospectus.
3. MTB to disclose, in its prospectus, the risks with respect to non-renewal of the agreement with MNOs and the impact and/or consequences thereof and measures undertaken and/or to be undertaken by the Company to mitigate these risks;	Complied. Refer to Section 4.2.11 of this Prospectus.

## 12. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Details of conditions imposed	Status of compliance
4. MTB to adequately disclose, in its prospectus, the risks associated with the vulnerability of MTB's consolidated revenue to renegotiation of revenue sharing agreements with MNOs, and its dependence on revenue sharing arrangements;	Complied. Refer to Section 4.2.12 of this Prospectus.
5. MTB to complete the relocation of its R&D Division from Singapore to an approved MSC location in Malaysia prior to issuance of the prospectus;	Complied. MTB has completed the relocation of its R&D division from Singapore to a designated Cybercity on 3 June 2005.
6. MTB to disclose, in the prospectus, relevant details on the disclosed utilisation of the proceeds, to be raised from the public issue, allocated to overseas expansion of the core and related business of MTB including, specific allocation, the planned utilisation and remarks/ elaboration on the respective allocations. The same proceeds are to be placed in fixed deposit until eventually utilised for the disclosed purpose;	Complied. Refer to Section 3.8 (i) (b) of this Prospectus.
7. All outstanding balances owing by Startech Interactive Pte Ltd ("Startech") to MPL are to be fully repaid prior to the issuance of MTB's prospectus;	Complied. All outstanding balances owing by Startech to MPL amounting to RM894,891 has been fully settle as at 30 April 2005.
8. PMBB / MTB to inform the SC when the proposed flotation on the MESDAQ Market is completed;	To be complied upon MTB's Listing on the MESDAQ Market.
9. The reserves to be capitalised for the bonus issue must be identified and certified by MTB's auditors to be sufficient to cover the bonus issue;	MTB's auditors, namely, Ernst & Young has identified and certified on 17 May 2005 that based on the audited financial statements for the FYE 31 December 2004, the reserves are sufficient to be capitalised for the Bonus Issue.
10. PMBB / MTB to disclose the status of utilisation of proceeds in its periodic and annual reports until the proceeds are fully utilised;	MTB has provided an undertaking that it shall ensure continuous compliance with this condition.



**12. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)**

Details of conditions imposed	Status of compliance
11. PMBB / MTB to include a negative statement in its prospectus on the exclusion of a profit forecast and projections from the prospectus and the reasons thereof;	Complied. Refer to Section 8.4 of this Prospectus.
12. PMBB / MTB to ensure that all provisions under the Listing Requirements of Bursa Securities for the MESDAQ Market are complied with; and	Complied / to be complied with where applicable.
13. Approvals to be obtained from other relevant authorities, if any.	Complied / to be complied with where applicable.

**12.3 Moratorium on the Disposal of Promoters' Shares**

Pursuant to the MMLR, Shares held by Promoters amounting to 45% of the nominal issued and paid-up capital of our Company at the date of admission of our Company to the Official List of the MESDAQ Market, are to be placed under moratorium. The Promoters and details of the Shares that are subjected to moratorium are as follows:

Name Of Promoters	No. Of Shares Held after the Public Issue*	% Of Share Capital	No. Of Shares To Be Held Under Moratorium	% Of Share Capital
Goh Eugene (Wu Eugene)	26,845,000	35.79	17,156,847	22.88
Tan Wee Meng (Chen Weiming)	17,825,000	23.77	11,392,095	15.19
Hendra Sie	8,138,000	10.85	5,201,058	6.93
<b>Total</b>	<b>52,808,000</b>	<b>70.41</b>	<b>33,750,000</b>	<b>45.00</b>

*Note:*

\* On the assumption that the respective individuals will subscribe all their entitlements of the proposed Pink Form allocation.

The moratorium condition has been accepted by our Promoters. Our Promoters will not be allowed to sell, transfer or otherwise dispose of any part of their interest in the Shares held by them in our Company within one (1) year from the date of our admission to the Official List of the MESDAQ Market. Thereafter, they are permitted to sell, transfer or otherwise dispose up to a maximum of one third (1/3) of their shareholdings per annum on a straight-line basis of their respective shareholding under moratorium.

The Share Registrar and Bursa Depository have been informed in writing in relation to the moratorium on the Shares held by our Promoters to ensure that it does not register any transfer not in compliance with the moratorium restriction.