

# PROSPECTUS

## SOLUTION

### SOLUTION ENGINEERING HOLDINGS BERHAD

(Company No. 654575-P)

(Incorporated in Malaysia under the Companies Act, 1965)

PUBLIC ISSUE OF 34,000,000 NEW ORDINARY SHARES OF RM0.10 EACH AT AN ISSUE PRICE OF RM0.25 PER SHARE PAYABLE IN FULL ON APPLICATION COMPRISING:

- 6,326,100 NEW ORDINARY SHARES OF RM0.10 EACH AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC
- 21,347,800 NEW ORDINARY SHARES OF RM0.10 EACH BY WAY OF PRIVATE PLACEMENT TO IDENTIFIED INVESTORS
- 6,326,100 NEW ORDINARY SHARES OF RM0.10 EACH AVAILABLE FOR APPLICATION BY THE ELIGIBLE DIRECTORS, ELIGIBLE EMPLOYEES AND BUSINESS ASSOCIATES OF SOLUTION ENGINEERING HOLDINGS BERHAD AND ITS SUBSIDIARY

IN CONJUNCTION WITH THE LISTING OF SOLUTION ENGINEERING HOLDINGS BERHAD ON THE MESDAQ MARKET OF BURSA MALAYSIA SECURITIES BERHAD

*Adviser, Sponsor, Managing Underwriter And Placement Agent*



Aseambankers Malaysia Berhad (15030-H)

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" IN SECTION 4 HEREOF.

THIS PROSPECTUS IS DATED 30 JUNE 2005



THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTERS OF SOLUTION ENGINEERING HOLDINGS BERHAD (COMPANY NO.: 654575-P) ("SOLUTION" OR "THE COMPANY") AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF ALL INFORMATION CONTAINED HEREIN AND CONFIRM THAT, AFTER HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO FALSE AND/OR MISLEADING STATEMENTS OR OTHER FACTS THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN FALSE AND/OR MISLEADING.

ASEAMBANKERS MALAYSIA BERHAD (15938-H), BEING THE ADVISER, SPONSOR, MANAGING UNDERWRITER AND PLACEMENT AGENT, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE PUBLIC ISSUE (AS HEREINAFTER DEFINED) AND IS SATISFIED THAT ANY INFORMATION AND DOCUMENTS PREPARED FOR INCLUSION IN THIS PROSPECTUS HAVE BEEN STATED BY THE DIRECTORS AFTER DUE AND CAREFUL ENQUIRY.

THE SECURITIES COMMISSION ("SC") HAS APPROVED THE ISSUE, OFFER OR INVITATION IN RESPECT OF THE PUBLIC ISSUE AND THE APPROVAL SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE PUBLIC ISSUE.

THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF SOLUTION AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. INVESTORS SHOULD RELY ON THEIR OWN EVALUATIONS TO ASSESS THE MERITS AND RISKS OF THE INVESTMENTS. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

BURSA SECURITIES MALAYSIA BERHAD ("BURSA SECURITIES") SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF SOLUTION AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS CORRECTNESS OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. ADMISSION TO THE OFFICIAL LIST IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE PUBLIC ISSUE, SOLUTION OR OF ITS SECURITIES.

A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SC. A COPY OF THIS PROSPECTUS, TOGETHER WITH THE FORM OF APPLICATION, HAS ALSO BEEN LODGED WITH THE REGISTRAR OF COMPANIES WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

**CHARACTERISTICS OF THE MESDAQ MARKET OF BURSA MALAYSIA SECURITIES BERHAD: -**

INVESTORS SHOULD BE AWARE THAT MESDAQ IS A DISTINCT MARKET FROM THE MAIN AND SECOND BOARDS IN MANY RESPECTS. IN PARTICULAR, COMPANIES LISTED ON MESDAQ ARE SUBJECT TO DIFFERENT QUANTITATIVE AND QUALITATIVE REQUIREMENTS, WHICH HAVE BEEN PRIMARILY DESIGNED TO ACCOMMODATE HIGH-GROWTH AND/OR TECHNOLOGY COMPANIES. COMPANIES THAT ARE LISTED ON MESDAQ MAY NOT HAVE AN OPERATING HISTORY OR ANY PROFIT TRACK RECORD PRIOR TO LISTING. AS SUCH, WHILST POTENTIAL INVESTMENT RETURNS MAY BE RELATIVELY HIGH, COMPANIES LISTED ON MESDAQ MAY BE OF HIGHER INVESTMENT RISK. THE REGULATORY PHILOSOPHY UNDERLYING THE MESDAQ MARKET IS THAT THE MARKET SHOULD BE ALLOWED TO DETERMINE THE MERITS OF THE SECURITIES / INSTRUMENTS IN A PARTICULAR COMPANY. HENCE, AS WITH ALL INVESTMENTS, PROSPECTIVE INVESTORS SHOULD BE AWARE OF ALL POTENTIAL RISKS IN INVESTING IN SUCH COMPANIES AND SHOULD MAKE THE DECISION TO INVEST AFTER DUE AND CAREFUL CONSIDERATION BY REFERRING TO, AMONGST OTHERS, THE PROSPECTUS, LATEST FINANCIAL STATEMENTS AND CORPORATE ANNOUNCEMENTS. IN THIS RESPECT, ADVICE FROM A SECURITIES PROFESSIONAL / ADVISER IS STRONGLY RECOMMENDED.

THE PROSPECTUS CAN ALSO BE VIEWED OR DOWNLOADED FROM BURSA SECURITIES'S WEBSITE AT <http://www.bursamalaysia.com>.

THE CONTENTS OF THE ELECTRONIC PROSPECTUS AND THE COPY OF THIS PROSPECTUS REGISTERED WITH THE SC ARE THE SAME. YOU MAY OBTAIN A COPY OF AN ELECTRONIC PROSPECTUS (AS DEFINED HEREINBELOW) FROM THE WEBSITE OF CIMB SECURITIES SDN. BHD. at [www.cipocimb.com](http://www.cipocimb.com) AND MALAYAN BANKING BERHAD AT [www.maybank2u.com.my](http://www.maybank2u.com.my).

THE INTERNET IS NOT A FULLY SECURE MEDIUM. YOUR INTERNET SHARE APPLICATION MAY BE SUBJECT TO RISKS IN DATA TRANSMISSION, COMPUTER SECURITY THREATS SUCH AS VIRUSES, HACKERS AND CRACKERS, FAULTS WITH COMPUTER SOFTWARE AND OTHER EVENTS BEYOND THE CONTROL OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION. THESE RISKS CANNOT BE BORNE BY THE INTERNET PARTICIPATING FINANCIAL INSTITUTION. IF YOU DOUBT THE VALIDITY OR INTEGRITY OF AN ELECTRONIC PROSPECTUS, YOU SHOULD IMMEDIATELY REQUEST FROM US, OUR ADVISER OR THE ISSUING HOUSE, A PAPER/PRINTED COPY OF THE PROSPECTUS. IF THERE IS ANY DISCREPANCY BETWEEN THE CONTENTS OF THE ELECTRONIC PROSPECTUS AND THE PAPER/PRINTED COPY OF THIS PROSPECTUS, THE CONTENTS OF THE PAPER/PRINTED COPY OF THIS PROSPECTUS WHICH ARE IDENTICAL TO THE COPY OF THE PROSPECTUS REGISTERED WITH THE SC SHALL PREVAIL.

IN RELATION TO ANY REFERENCE IN THIS PROSPECTUS TO THIRD PARTY INTERNET SITES (REFERRED TO AS "THIRD PARTY INTERNET SITES"), WHETHER BY WAY OF HYPERLINKS OR BY WAY OF DESCRIPTION OF THE THIRD PARTY INTERNET SITES, YOU ACKNOWLEDGE AND AGREE THAT:

- (i) WE DO NOT ENDORSE AND ARE NOT AFFILIATED IN ANY WAY TO THE THIRD PARTY INTERNET SITES. ACCORDINGLY, WE ARE NOT RESPONSIBLE FOR THE AVAILABILITY OF, OR THE CONTENT OR ANY DATA, FILES OR OTHER MATERIAL PROVIDED ON THE THIRD PARTY INTERNET SITES. YOU BEAR ALL RISKS ASSOCIATED WITH THE ACCESS TO OR USE OF THE THIRD PARTY INTERNET SITES;
- (ii) WE ARE NOT RESPONSIBLE FOR THE QUALITY OF PRODUCTS OR SERVICES IN THE THIRD PARTY INTERNET SITES, PARTICULARLY IN FULFILLING ANY OF THE TERMS OF ANY OF YOUR AGREEMENTS WITH THE THIRD PARTY INTERNET SITES. WE ARE ALSO NOT RESPONSIBLE FOR ANY LOSS OR DAMAGE OR COST THAT YOU MAY SUFFER OR INCUR IN CONNECTION WITH OR AS A RESULT OF DEALING WITH THE THIRD PARTY INTERNET SITES OR THE USE OR RELIANCE ON ANY DATA, FILE OR OTHER MATERIAL PROVIDED BY SUCH PARTIES; AND
- (iii) ANY DATA, FILE OR OTHER MATERIAL DOWNLOADED FROM THE THIRD PARTY INTERNET SITES IS DONE AT YOUR OWN DISCRETION AND RISK. WE ARE NOT RESPONSIBLE, LIABLE OR UNDER OBLIGATION FOR ANY DAMAGE TO YOUR COMPUTER SYSTEM OR LOSS OF DATA RESULTING FROM THE DOWNLOADING OF ANY SUCH DATA, INFORMATION, FILES OR OTHER MATERIAL.

WHERE AN ELECTRONIC PROSPECTUS IS HOSTED ON THE WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, YOU ARE ADVISED THAT:

- (i) THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS ONLY LIABLE IN RESPECT OF THE INTEGRITY OF THE CONTENTS OF AN ELECTRONIC PROSPECTUS, TO THE EXTENT OF THE CONTENT OF THE ELECTRONIC PROSPECTUS ON THE WEB SERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION WHICH MAY BE VIEWED VIA YOUR WEB BROWSER OR OTHER RELEVANT SOFTWARE. THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS NOT RESPONSIBLE FOR THE INTEGRITY OF THE CONTENTS OF AN ELECTRONIC PROSPECTUS WHICH HAS BEEN OBTAINED FROM THE WEB SERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION AND SUBSEQUENTLY COMMUNICATED OR DISSEMINATED IN ANY MANNER TO YOU OR OTHER PARTIES.

- (ii) WHILE ALL REASONABLE MEASURES HAVE BEEN TAKEN TO ENSURE THE ACCURACY AND RELIABILITY OF THE INFORMATION PROVIDED IN AN ELECTRONIC PROSPECTUS, THE ACCURACY AND RELIABILITY OF AN ELECTRONIC PROSPECTUS CANNOT BE GUARANTEED BECAUSE THE INTERNET IS NOT A FULLY SECURE MEDIUM.

THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS NOT LIABLE (WHETHER IN TORT OF CONTRACT OR OTHERWISE) FOR ANY LOSS, DAMAGE OR COSTS, YOU OR ANY OTHER PERSON MAY SUFFER OR INCUR DUE TO, AS A CONSEQUENCE OR IN CONNECTION WITH ANY INACCURACIES, CHANGES, ALTERATIONS, DELETIONS OR OMISSIONS IN RESPECT OF THE INFORMATION PROVIDED IN AN ELECTRONIC PROSPECTUS WHICH MAY ARISE IN CONNECTION WITH OR AS A RESULT OF ANY FAULT WITH THE WEB BROWSERS OR OTHER RELEVANT SOFTWARE, ANY FAULT ON YOUR OR ANY THIRD PARTY'S PERSONAL COMPUTER, OPERATING SYSTEM OR OTHER SOFTWARE, VIRUSES OR OTHER SECURITY THREATS, UNAUTHORISED ACCESS TO INFORMATION OR SYSTEMS IN RELATION TO THE WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, AND/OR PROBLEMS OCCURRING DURING DATA TRANSMISSION WHICH MAY RESULT IN INACCURATE OR INCOMPLETE COPIES OF INFORMATION BEING DOWNLOADED OR DISPLAYED ON YOUR PERSONAL COMPUTER.

YOU SHOULD NOT TAKE THE AGREEMENT BY THE UNDERWRITERS TO UNDERWRITE THE INITIAL PUBLIC OFFERING AS AN INDICATION OF THE MERITS OF OUR SHARES.

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**INDICATIVE TIMETABLE**

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The indicative timing of events leading up to the listing of and quotation for the entire enlarged issued and paid-up share capital of Solution on the MESDAQ Market of Bursa Securities is as follows:-

<b>EVENTS</b>	<b>DATE</b>
DATE OF PROSPECTUS	: 30 June 2005
OPENING OF APPLICATION FOR THE PUBLIC ISSUE	: 30 June 2005
CLOSING OF APPLICATION FOR THE PUBLIC ISSUE	: 13 July 2005
TENTATIVE BALLOTING DATE OF APPLICATIONS	: 18 July 2005
TENTATIVE ALLOTMENT DATE	: 25 July 2005
TENTATIVE LISTING DATE	: 1 August 2005

THIS TIMETABLE IS TENTATIVE AND IS SUBJECT TO CHANGE WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES. THE APPLICATION PERIOD WILL REMAIN OPEN UNTIL 5.00 PM ON 13 JULY 2005 OR SUCH FURTHER PERIOD OR PERIODS AS THE DIRECTORS OF SOLUTION TOGETHER WITH THE UNDERWRITERS IN THEIR ABSOLUTE DISCRETION MAY DECIDE. SHOULD THE APPLICATION PERIOD BE EXTENDED, THE DATES FOR THE BALLOTING AND ALLOTMENT OF THE PUBLIC ISSUE SHARES AND THE LISTING OF AND QUOTATION FOR THE ENTIRE ENLARGED ISSUED AND FULLY PAID-UP SHARE CAPITAL OF SOLUTION ON THE MESDAQ MARKET OF BURSA SECURITIES WOULD BE EXTENDED ACCORDINGLY. ANY EXTENSION OF THE APPLICATION PERIOD WILL BE NOTIFIED TO THE INVESTING PUBLIC VIA ANNOUNCEMENTS IN WIDELY CIRCULATED ENGLISH AND BAHASA MALAYSIA NEWSPAPERS.

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**DEFINITIONS**


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“8 <sup>th</sup> MP”	: Eighth Malaysia Plan 2001-2005 ( <i>Kuala Lumpur: Government Press, 2001</i> )
“8 <sup>th</sup> Mid-Term Review”	Mid-Term Review of Eighth Malaysia Plan 2001-2005 ( <i>Kuala Lumpur: Government Press, 2003</i> )
“Act”	: The Companies Act, 1965 or any statutory modification, amendment or re-enactment thereof for the time being in force
“Acquisition”	: The acquisition by Solution of 1,000,000 ordinary shares of RM1.00 each in SESB representing the entire equity interest in SESB for a total purchase consideration of RM9,252,105, satisfied by the issuance of 92,521,050 new ordinary shares of RM0.10 each in Solution at an issue price of RM0.10 per share
“ADA”	: Authorised Depository Agent
“ADA Code”	: ADA (Broker) Code
“Adviser”	: Aseambankers
“Agreement”	: The sale and purchase agreement executed between Solution and the Vendors of SESB on 28 June 2004 in respect of the Acquisition
“Application”	: The application for the Public Issue Shares by way of Application Form, Electronic Share Application or Internet Share Application
“Application Form(s)”	: The printed application form(s) for the application for the Public Issue Shares
“Aseambankers”	: Aseambankers Malaysia Berhad (15938-H)
“ATM”	: Automated Teller Machine
“Authorised Financial Institution”	: Authorised financial institution participating in the Internet Share Application, with respect to payments for the Public Issue Shares. Presently Malayan Banking Berhad is the sole Authorised Financial Institution
“Board” or “Directors”	: The Board of Directors of Solution
“Bursa Depository”	: Bursa Malaysia Depository Sdn Bhd (165570-W)
“Bursa Securities”	: Bursa Malaysia Securities Berhad (635998-W)
“CCM”	: Companies Commission of Malaysia
“CDS”	: Central Depository System
“Central Depositories Act”	: The Securities Industry (Central Depositories) Act, 1991 or any statutory modification, amendment or re-enactment thereof for the time being in force
“COGS”	: Cost of Goods Sold
“Deposited Security”	: A security in the Company standing to the credit of a Securities Account of a Depositor subject to the provisions of the Central Depositories Act and the Rules

**DEFINITIONS (Cont'd)**

“Depositor”	: A holder of a Securities Account
“EBITDA”	: Earnings before interest, taxation, depreciation and amortisation
“Electronic Prospectus”	: Copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/or an electronic storage medium, including but not limited to CD-ROMs or floppy disks
“Electronic Share Application”	: Application for the Public Issue Shares through a Participating Financial Institution’s ATM
“EPS”	: Earnings per share
“FIC”	: Foreign Investment Committee
“FYE”	: Financial year ended / ending
“GP”	: Gross Profit
“GDP”	: Gross Domestic Product
“ICT”	: Information and communications technology
“Infocredit D&B”	: Infocredit D&B (Malaysia) Sdn Bhd, an independent market researcher
“Infocredit D&B Report”	: Infocredit D&B Independent Market Research Report on the Malaysian Engineering Education & Training Solutions Industry, dated 17 June 2005 prepared for inclusion in this Prospectus
“Internet Participating Financial Institution”	: Participating organisation participating in the Internet Share Application. Presently, Malayan Banking Berhad and CIMB Securities Sdn. Bhd. are the sole Internet Participating Financial Institutions
“Internet Share Application”	: Application for the Public Issue Shares through the Internet financial services websites of Malayan Banking Berhad at <a href="http://www.maybank2u.com.my">www.maybank2u.com.my</a> or CIMB Securities Sdn. Bhd. at <a href="http://www.eipocimb.com">www.eipocimb.com</a>
“IT”	: Information Technology
“Issue Price”	: The price of RM0.25 per Public Issue Share
“Issue Share(s)”	: 34,000,000 new Solution Shares to be issued pursuant to the Public Issue
“Issuing House” or “MIH”	: Malaysian Issuing House Sdn. Bhd. (258345-X)
“Listing”	: The admission and the listing of and quotation for the entire enlarged issued and paid-up share capital of Solution of RM12,652,200 comprising of 126,522,000 ordinary shares of RM0.10 each on the Official List of the MESDAQ Market
“Listing Requirements”	: The Listing Requirements of Bursa Securities for the MESDAQ Market
“Malaysian Public”	: The public in general, including individuals, companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia

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**DEFINITIONS (Cont'd)**


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“Managing Underwriter”	: Aseambankers
“Market Day”	: A day on which Bursa Securities is open for the trading of securities
“MARA”	: Majlis Amanah Rakyat
“MDC”	: Multimedia Development Corporation Sdn. Bhd. (389346-D)
“MESDAQ”	: Malaysian Exchange of Securities Dealing & Automated Quotation
“MESDAQ Market”	: MESDAQ Market of Bursa Securities
“MI”	: Minority Interest
“MICET”	: Malaysian Institute of Chemical Engineering Technology
“MOE”	: Ministry of Education
“MOHE”	: Ministry of Higher Education
“MSC”	: Multimedia Super Corridor
“MTDC”	: Malaysian Technology Development Corporation Berhad (235796-U)
“NDP”	: National Development Policy
“NDP Requirement”	: NDP requiring a minimum of 30% Bumiputera equity participation upon admission of the Company to the MESDAQ Market of Bursa Securities
“NTA”	: Net Tangible Assets
“OPP2”	: Second Outline Perspective Plan 1991-2000 ( <i>Kuala Lumpur: Government Press, 1991</i> )
“OPP3”	: Third Outline Perspective Plan 2001-2010 ( <i>Kuala Lumpur: Government Press, 2001</i> )
“Participating Financial Institution(s)”	: Participating financial institution(s) for Electronic Share Application
“PAT”	: Profit after taxation
“PBT”	: Profit before taxation
“PE Multiple”	: Price Earnings Multiple
“PHEI”	: Private Higher Education Industry



**DEFINITIONS (Cont'd)**

“Public Issue”	: Public issue of 34,000,000 new ordinary shares of RM0.10 each in Solution comprising of: -  - 6,326,100 new ordinary shares of RM0.10 each available for application by the Malaysian Public;  - 21,347,800 new ordinary shares of RM0.10 each by way of private placement to identified investors; and  - 6,326,100 new ordinary shares of RM0.10 each available for application by the eligible directors, eligible employees and business associates of the Solution Group  at the Issue Price of RM0.25 per Solution Share payable in full upon application
“Public Issue Shares”	: The 34,000,000 new ordinary shares of RM0.10 each in Solution which are the subject of the Public Issue
“Promoters”	: Collectively, Lim Yong Hew (NRIC – 591115-10-6225), Lim Hai Guan (NRIC – 670704-10-5875), Mohd Shahrin bin Saparin (NRIC – 631221-10-5027), Zainuddin bin Muhamad (NRIC – 470804-10-5577), Lim Chiou Kim (NRIC – 720427-14-5416) and Solvest
“QA”	: Quality Assurance
“QVF”	: QVF Engineering GmbH
“Record of Depositors”	: A record provided by the Central Depository to the Company under Chapter 24 of the Rules
“Reporting Accountants”	: Messrs. Ernst & Young
“Rules”	: The Rules of the Central Depository or any statutory modification, amendment or re-enactment thereof for the time being in force
“RM” and “sen”	: Ringgit Malaysia and sen, respectively
“ROC”	: Registrar of Companies
“R&D”	: Research and Development
“SC”	: Securities Commission
“SC Guidelines”	: Policies and Guidelines on Issue/Offer of Securities of the SC or any statutory modification, amendment or re-enactment thereof for the time being in force
“Securities Account”	: An account established by the Central Depository for a Depositor for the recording of deposit of securities and for dealing in such securities by the Depositor
“SESB”	: Solution Engineering Sdn Bhd (174876-M)
“SME”	: Small to medium enterprise

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**DEFINITIONS (Cont'd)**

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“Solution” or “the Company”	: Solution Engineering Holdings Berhad (654575-P)
“Solution Group” or “the Group”	: Collectively, Solution and its subsidiary, SESB
“Solution Share(s)” or “Share(s)”	: Ordinary share(s) of RM0.10 each in Solution
“Solvest”	: Solvest Sdn Bhd (638220-H)
“Substantial Shareholders”	: Lim Yong Hew, Lim Hai Guan, Lim Chiou Kim and Solvest, the substantial shareholders of Solution having direct and/or indirect interest in 5% or more of the entire issued and fully paid-up capital of the Company
“TPM”	: Technology Park Malaysia
“UK”	: United Kingdom
“Underwriters”	: Collectively, the Managing Underwriter and Mercury Securities Sdn. Bhd.
“Underwriting Agreement”	: The Underwriting Agreement dated 17 June 2005 entered into between Solution and the Underwriters to underwrite 12,652,200 Solution Shares under the Public Issue
“USD”	: United States Dollars
“Vendors of SESB”	: Collectively, Datuk Dr. Syed Muhamad bin Syed Abdul Kadir, Lim Yong Hew, Lim Hai Guan, Mohd Shahrin bin Saparin, Zainuddin bin Muhamad, Lim Chiou Kim and Solvest

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine gender and vice versa. Reference to persons shall include corporation, unless otherwise specified.

Any reference in this Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of a day or a day in this Prospectus shall be a reference to Malaysian time, unless otherwise stated.

**TECHNICAL DEFINITIONS**

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“AD/DA”	:	Analogue to Digital / Digital to Analogue
“ASRS”	:	Automated Storage and Retrieval System
“CIM”	:	Computer Integrated Manufacturing
“CNC”	:	Computer Numerical Control
“IO”	:	Input-Output
“PCS”	:	Process Control System
“PLC”	:	Programmable Logic Controller

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