

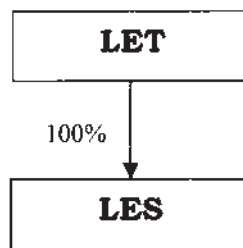
1. INFORMATION SUMMARY

THIS INFORMATION SUMMARY IS ONLY A SUMMARY OF THE SALIENT INFORMATION ABOUT THE GROUP. INVESTORS SHOULD READ AND UNDERSTAND THE WHOLE PROSPECTUS PRIOR TO DECIDING WHETHER TO INVEST.

1.1 HISTORY AND PRINCIPAL ACTIVITIES

LET was incorporated in Malaysia as a private limited company on 25 March 2004 under the Act under the name of “Litespeed Education Technologies Sdn Bhd”. On 15 April 2004, LET converted into a public limited company and adopted its present name. The authorised share capital of LET is RM25,000,000 comprising 250,000,000 Shares, of which 105,500,000 Shares have been issued and fully paid-up as at 30 September 2005. The principal activities of LET are investment holding and engaging in E-Learning product and services development, while its sole subsidiary, LES, is principally involved in the provision of education programmes.

The corporate structure of the LET Group is depicted as follows:



A summary of the details of LES is as follows:

Date And Place Of Incorporation	Issued And Paid-Up Share Capital (SGD)	Effective Equity Interest Held	Principal Activities
17.10.2000 Singapore	1,410,000	100%	Provision of educational programmes

LES is LET’s key investment and core asset. LES traces its history to Litespeed Sports Services, a business partnership formed in 1998 by Pok Vic Sent with ex-educators, which provided sports and sports-related services to schools in Singapore. With a growing repertoire of services, Litespeed Sports Services changed its name to Litespeed Training and Educational Services in 1999. The growing business of this partnership led towards a corporatisation move, hence the birth of LES.

LES was incorporated on 17 October 2000 in Singapore, being founded by Pok Vic Tor and Pok Vic Sent, two (2) brothers whose passion for education brought together their respective expertise in educational training and software engineering to establish the strong foundation that is LES.

LES’s initial objective was to undertake the provision of sports development services to schools in Singapore with the objective of complementing the students’ academic programme with sports activities to develop all-rounded students. This sports development programme called “CATCH THEM YOUNG” is now run by LES in more than ten (10) schools in Singapore as at 30 September 2005.

1. INFORMATION SUMMARY (Cont'd)

Whilst sports development services remains a component of LES's business today, LES has since 2000 shifted its focus to providing E-Learning solutions or programmes to its customers, who comprise principally of educational institutions, governmental bodies and corporations with interest in academia. Dr. Series, one (1) of LES's first brainchild, is powered by a unique AI system which allows for multimedia lesson to take place in a virtual platform. The DTAS and ICAM, two (2) other innovative solutions developed in-house by LES, have also revolutionised teaching and learning methods using the Web by providing an immediate value-added assessment and feedback system, simulating classroom environments.

In 2001, LES was awarded the "Innovator Award" by The Enterprise Challenge ("TEC") organised by Singapore's Prime Minister's Office (through the Public Service Division) for the successful trial testing of DTAS in four (4) primary schools. The following year, the "Innovator Award" was again awarded to LES, this time for the successful testing of ICAM across 30 primary schools in Singapore. In 2003, LES bagged the "TEC Achievement Award" in recognition of DTAS and ICAM's success to be commercialised both locally and internationally. The international PlugFest award for E-Learning was also awarded to LES in 2002 and 2004 for meeting international E-Learning standards such as IMS and SCORM, respectively.

Dr. Series in combination with DTAS and ICAM continue today as an inspiration for the belief that education is available at your fingertips at any time wherever you are.

The LET Group's vision is to become a world leader in the development, marketing and distribution of education technologies. It aims to develop E-Learning technologies and solutions targeted at public sector markets, educational companies and multinational corporations who supply educational products to the public sector market worldwide.

LET obtained its MSC status on 11 August 2004. Amongst the key MSC benefits LET enjoys as an MSC status company are five (5) years free of tax, renewable for another five (5) years, and exclusion from NDP requirements.

Further information on LET and LES are disclosed in Section 4 of this Prospectus.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

1. INFORMATION SUMMARY (Cont'd)**1.2 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL**

The direct and indirect shareholdings of the Promoters, substantial shareholders, Directors, key management and key technical personnel of the LET Group before and after the Public Issue are set out below. The illustrated shareholdings after the Public Issue take into consideration the Public Issue Shares entitled for subscription by the eligible Directors and employees of the LET Group.

1.2.1 Promoters

Name	Nationality/ Country of Incorporation	Before Public Issue				After Public Issue			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Pok Vic Tor	Singaporean	37,547,615	35.6	-	-	37,947,615	27.5	-	-
Fock Mun Hong	Singaporean	19,083,700	18.1	-	-	19,483,700	14.1	-	-
Pok Vic Sent	Singaporean	16,901,106	16.0	-	-	17,301,106	12.5	-	-
Dr. Wong Kai Choo @ Wong Ka Chon	Malaysian	10,361,940	9.8	-	-	10,461,940	7.6	-	-
PELH	Singapore	6,900,000	6.5	7,116,255 ¹	6.7	6,900,000	5.0	7,116,255 ¹	5.2
Tham Siew Keong	Singaporean	1,404,516	1.3	-	-	1,604,516	1.2	-	-

Note:

1. Deemed interested pursuant to Section 6A of the Act by virtue of its shareholding of more than 15% in EPL.

1.2.2 Substantial Shareholders

Name	Nationality/ Country of Incorporation	Before Public Issue				After Public Issue			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Pok Vic Tor	Singaporean	37,547,615	35.6	-	-	37,947,615	27.5	-	-
Fock Mun Hong	Singaporean	19,083,700	18.1	-	-	19,483,700	14.1	-	-
Pok Vic Sent	Singaporean	16,901,106	16.0	-	-	17,301,106	12.5	-	-
Dr. Wong Kai Choo @ Wong Ka Chon	Malaysian	10,361,940	9.8	-	-	10,461,940	7.6	-	-
EPL	Singapore	7,116,255	6.7	-	-	7,116,255	5.2	-	-
Richard Yen Tsan-Kwong	American	-	-	7,116,255 ¹	6.7	100,000	0.1	7,116,255 ¹	5.2
Transpac Capital Pte Ltd	Singapore	-	-	7,116,255 ¹	6.7	-	-	7,116,255 ¹	5.2
PELH	Singapore	6,900,000	6.5	7,116,255 ¹	6.7	6,900,000	5.0	7,116,255 ¹	5.2
PHL	Singapore	-	-	14,016,255 ²	13.2	-	-	14,016,255 ²	10.2
World Holdings (Pte) Limited	Singapore	-	-	14,016,255 ³	13.2	-	-	14,016,255 ³	10.2
Chou Cheng Ngok	Singaporean	-	-	14,016,255 ⁴	13.2	-	-	14,016,255 ⁴	10.2

1. INFORMATION SUMMARY (Cont'd)*Notes:-*

1. Deemed interested pursuant to Section 6A of the Act by virtue of his shareholding of more than 15% in EPL.
2. Deemed interested pursuant to Section 6A of the Act through EPL and PELH.
3. Deemed interested pursuant to Section 6A of the Act by virtue of its shareholding of more than 15% in PHL.
4. Deemed interested pursuant to Section 6A of the Act by virtue of his shareholding of more than 15% in World Holdings (Pte) Limited.

1.2.3 Directors

Name	Designation	Before Public Issue				After Public Issue			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Pok Vic Tor	Executive Chairman/ Group Chief Executive Officer	37,547,615	35.6	-	-	37,947,615	27.5	-	-
Pok Vic Sent	Executive Director/ Group Chief Technology Officer	16,901,106	16.0	-	-	17,301,106	12.5	-	-
Fock Mun Hong	Executive Director/ Group Chief Financial Officer	19,083,700	18.1	-	-	19,483,700	14.1	-	-
Hee Joh Liang	Non-Independent Non-Executive Director	-	-	-	-	100,000	0.1	-	-
Dr. Wong Kai Choo @ Wong Ka Chon	Non-Independent Non-Executive Director	10,361,940	9.8	-	-	10,461,940	7.6	-	-
Ng Hock Ching	Independent Non-Executive Director	-	-	-	-	100,000	0.1	-	-
Dr. Nik Rahimah Nik Yacob	Independent Non-Executive Director	-	-	-	-	100,000	0.1	-	-
Ong Seng Pheow	Independent Non-Executive Director	-	-	-	-	100,000	0.1	-	-

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

1. INFORMATION SUMMARY (Cont'd)**1.2.4 Key Management and Key Technical Personnel**

Name	Designation	Before Public Issue				After Public Issue			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Pok Vic Tor	Group Chief Executive Officer	37,547,615	35.6	-	-	37,947,615	27.5	-	-
Pok Vic Sent	Group Chief Technology Officer	16,901,106	16.0	-	-	17,301,106	12.5	-	-
Fock Mun Hong	Group Chief Financial Officer	19,083,700	18.1	-	-	19,483,700	14.1	-	-
Tham Siew Keong	Group Chief Operating Officer	1,404,516	1.3	-	-	1,604,516	1.2	-	-
Tia Hui Yee	Group Financial Controller	-	-	-	-	300,000	0.2	-	-
Lee Han Chuan	Head of Research and Development	-	-	-	-	30,000	#	-	-
Lim Mei Yen, Adeline	Technical Operations Supervisor	-	-	-	-	60,000	#	-	-
Mohd Suhaimi Rahman	Head of Multimedia	-	-	-	-	60,000	#	-	-
Wong Chin Yee	Head of Academic Content Development	-	-	-	-	25,000	#	-	-

Note:

Less than 0.1%

Further details of the Promoters, the substantial shareholders, the Directors, the key management and key technical personnel of the LET Group, are set forth in Section 5 of this Prospectus.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

1. INFORMATION SUMMARY (Cont'd)

1.3 TECHNOLOGY AND INTELLECTUAL PROPERTY

E-Learning products offered by the LET Group are powered by its proprietary E-Learning systems, namely, DTAS and ICAM. The LET Group's E-Learning solutions riding on these technologies are built on an open-sourced platform, Linux. The open sourced platform gives customers using the LET Group's E-Learning products the option of using non-Windows based computers to access the various products. At the same time, it also caters to existing Windows-based operating systems which make the E-Learning products available online easily. E-Learning solutions of the LET Group also comply with international standards such as SCORM and IMS, allowing for inter-operability.

The software for texture knowledge processing capable of processing texture knowledge in English language incorporating the existing base technology for ICAM, that is the Neural Cortex Technology, is exclusively licensed to LES from Neural Cortex Global Holdings Limited for use solely in relation to E-Learning and educational applications for a period of one (1) year commencing from 30 April 2004 and is renewable every year thereafter at the option of LES. This licence has been renewed for a further year, and will now expire on 30 April 2006, subject to further renewal at the option of LES.

The LET Group regards its intellectual property rights as critical to its continued success and has taken steps, which it believes to be necessary and customary in its industry, to protect its rights to that intellectual property. The LET Group's intellectual property includes copyright in relation to the proprietary technologies and solutions which the LET Group has developed.

The LET Group has made applications to the Intellectual Property Office of Singapore to register the trademarks "LITESPEED" and "CATCH THEM YOUNG", as used in the logos and the logos themselves. Save for trademark "LITESPEED" as used in the logo which was registered on 27 April 2004, the other applications are still pending as at 30 September 2005.

Further details of the LET Group's technology and intellectual property rights are set forth in Section 6.8 of this Prospectus.

1.4 R&D CAPABILITIES

The LET Group is committed to developing new products and enhancing the technologies employed in its E-Learning solutions to meet the demands of the local and overseas E-Learning markets. The LET Group has to date developed leading E-Learning systems such as ICAM, DTAS and ALP, and continues to undertake R&D activities to develop new technologies such as DBA and DART to create new E-Learning products and applications. The LET Group is currently in the process of enhancing its existing technologies to cater for multi-lingual applications as well as media-rich environments.

The LET Group's R&D strategies for the immediate future are to achieve efficient cost of development of new technologies using open-sourced tools and to identify new E-Learning trends and technology to achieve quick time to market of the LET Group's E-Learning products.

The R&D activities of the LET Group, which was initially based in Singapore, has gradually moved to Malaysia from the second half of 2004 in accordance with the Group's technology transfer plans. The R&D team based at Technology Park Malaysia, Kuala Lumpur now comprise of both experienced R&D personnel of LES as well as recently recruited R&D technical and multimedia staff. The Malaysian R&D team is presently principally involved in the development of the new E-Learning technologies, whilst the more established Singapore team focuses on E-Learning content and applications.

Further details of the LET Group's R&D capabilities are set forth in Section 6.9 of this Prospectus.

1. INFORMATION SUMMARY (Cont'd)**1.5 FINANCIAL HIGHLIGHTS****1.5.1 Proforma Consolidated Income Statement**

The following table sets out a summary of the proforma consolidated income statement of the LET Group for the eleven and a half (11.5) months financial period ended 30 September 2001, seven (7) months financial period ended 30 April 2002 and three (3) financial years ended 30 April 2005 based on the assumption that the current structure of the LET Group has been in existence throughout the financial years and periods under review. The following table is presented for illustrative purposes only and has been extracted from the Accountants' Report set out in Section 11 of this Prospectus and should be read in conjunction with the notes and assumptions thereto.

	Eleven and a half (11.5) months financial period ended 30 September 2001 RM'000	Seven (7) months financial period ended 30 April 2002 RM'000	2003 RM'000	FYE 30 April 2004 RM'000	2005 RM'000
Revenue	696	509	4,063	11,233	16,044
EBITDA	(668)	(1,500)	1,291	2,896	8,359
Interest expense	-	#	(4)	(11)	(29)
Depreciation expense	(61)	(55)	(200)	(505)	(580)
Amortisation expense	(66)	(37)	(864)	(712)	(846)
LBT/PBT	(795)	(1,592)	223	1,668	6,904
Tax expense*					
- deferred	-	-	-	58	(613)
(LAT)/PAT	(795)	(1,592)	223	1,726	6,291
No. of ordinary shares ('000)^	52,750	52,750	52,750	52,750	52,750
Proforma gross LPS/EPS (sen)	(1.51)	(3.02)	0.42	3.16	13.09
Proforma net LPS/EPS (sen)	(1.51)	(3.02)	0.42	3.27	11.93
Exchange rate used per one SGD (RM)	2.14	2.08	2.16	2.23	2.28

Notes:

Less than RM500.

* There was no tax charge for the financial periods ended 30 September 2001 and 30 April 2002 in view of the losses incurred. For the financial years ended 30 April 2003 and 2004, LES utilised its brought forward unabsorbed tax losses to offset against taxable profits. LET was granted MSC Status on 11 August 2004 and therefore enjoys exemption of tax on business income for the FYE 30 April 2005. Deferred taxation arises in 2005 primarily from taxable temporary differences in respect of development costs incurred by LES.

^ Based on enlarged share capital of LET after Acquisition but before Public Issue and Rights Issue.

(1) There were no exceptional or extraordinary items in all the financial periods/years under review.

(2) There were no minority interests in all the financial periods/years under review.

1. INFORMATION SUMMARY (Cont'd)

1.5.2 Proforma Consolidated Balance Sheets

The following table sets out the summary of the Proforma Consolidated Balance Sheets of the LET Group as at 30 April 2005, for illustrative purposes only, to show the effects of the Rights Issue, the Public Issue and the utilisation of Public Issue and Rights Issue proceeds on the assumption that the Listing will be completed as at that date and should be read with the notes and assumptions to the proforma consolidated balance sheets of the LET Group as set forth in Section 10.5 and Section 11 of this Prospectus.

	Audited as at 30 April 2005 RM'000	Proforma I After Rights Issue RM'000	Proforma II After Proforma I and Public Issue RM'000	Proforma III After Proforma II and Utilisation of Public Issue and Right Issue Proceeds RM'000
NON-CURRENT ASSETS				
Property, plant and equipment	688	688	688	6,288
Developments costs	2,670	2,670	2,670	2,670
Goodwill	30	30	30	30
	3,388	3,388	3,388	8,988
CURRENT ASSETS				
Trade debtors*	10,640	10,640	10,640	10,640
Other debtors, deposits and prepayments	914	914	914	914
Fixed Deposit	230	230	230	230
Cash and bank balances	256	5,531	20,806	13,406
	12,040	17,315	32,590	25,190
CURRENT LIABILITIES				
Other creditors and accruals	2,383	2,383	2,383	2,383
Finance lease creditors	27	27	27	27
Bank overdrafts (secured)	598	598	598	598
	3,008	3,008	3,008	3,008
NET CURRENT ASSETS	9,032	14,307	29,582	22,182
	12,420	17,695	32,970	31,170
Financed by:				
SHARE CAPITAL AND RESERVE				
Share capital	5,275	10,550	13,800	13,800
Share premium	151	151	12,176	10,376
Other reserves	2,881	2,881	2,881	2,881
Retained profits	3,553	3,553	3,553	3,553
	11,860	17,135	32,410	30,610
NON-CURRENT LIABILITY				
Deferred taxation	560	560	560	560
	12,420	17,695	32,970	31,170
Number of shares in issue	52,750,000	105,500,000	138,000,000	138,000,000
Net Tangible Assets (RM'000)	9,160	14,435	29,710	27,910
Net Tangible Assets per share (RM)	0.17	0.14	0.22	0.20

Note:

The Directors of the Company are of the opinion that the outstanding trade receivables of the Group are collectible in view of the historical collection trends of the Group, repayment plan via installments and the customer profiles of the Group which are primarily made up of schools and governmental education agencies/ministries. Further details on the trade debtors have been set out in Sub-Section G(5) of Section 11 of this Prospectus.

1. INFORMATION SUMMARY (Cont'd)**1.5.3 Qualification to Financial Statements**

The audited financial statements of LET for the financial period from the date of its incorporation of 25 March 2004 up to 30 April 2005 have not been subjected to any audit qualification.

The audited financial statements of LES for the eleven and a half (11.5) months financial period ended 30 September 2001, seven (7) months financial period ended 30 April 2002 and three (3) financial years ended 30 April 2005 have not been subjected to any audit qualification. The audited financial statements of LES for the FYE 30 April 2003 included an emphasis of matter that as at 30 April 2003, LES's current liabilities exceeded its current assets raising substantial doubt that LES is able to continue as a going concern. Notwithstanding this, the audited financial statements of LES for the FYE 30 April 2004 indicated that LES had been operational for a full financial year as a going concern. Further details on the aforementioned emphasis of matter are set out in Sub-Section B of Section 11 of this Prospectus.

1.6 RISK FACTORS

The following is a summary of risk factors (which may not be exhaustive), both specific to the LET Group and relating to the general business environment, which may impact on the operating performance and financial position of the Group. To appreciate the risk factors associated with an investment in LET, this Prospectus should be read in its entirety. Details of the key risk factors listed below (which may not be exhaustive) of which investors should be aware are set out in Section 3 of this Prospectus:

1.6.1 Risk relating to Business and Operations of LET Group

- (i) Operating Risks
- (ii) Dependence on Key Management and Key Technical Personnel
- (iii) Technological Risks
- (iv) Protection of the LET Group's Proprietary Technology and Intellectual Property Rights
- (v) Delays in Research and Development
- (vi) Investment Risks
- (vii) Foreign Exchange Risks
- (viii) Change in MSC Status
- (ix) Risks in Foreign Operations
- (x) Risks in New Geographical Markets

1.6.2 Risks relating to LET Shares

- (i) No Prior Market for LET Shares and Possible Volatility of Share Price
- (ii) Delay or Failure in Listing
- (iii) Control by Certain Shareholders

1.6.3 Industry Risks

- (i) Competition
- (ii) Rapid Technological Changes

1.6.4 Other Risks

- (i) Political and Economic Conditions
- (ii) Difficulty in Managing Future Growth
- (iii) Forward-looking Statements

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

1. INFORMATION SUMMARY (Cont'd)**1.7 PRINCIPAL STATISTICS RELATING TO THE PUBLIC ISSUE**

The following statistics relating to the Public Issue are derived from the full text of this Prospectus and should be read in conjunction with that text.

1.7.1 Profit Forecast**(i) Consolidated Profit Forecast**

	Profit Forecast for FYE 30 April 2006 RM'000
Consolidated Revenue	19,886
Consolidated PBT	7,287
Add: Taxation	224*
Consolidated PAT	<u>7,511</u>

Based on enlarged issued and paid-up share capital of 138,000,000 LET Shares after Public Issue

Gross EPS (sen)	5.3
Net EPS (sen)	5.4
Net PE multiple based on issue price of 47 sen per Public Issue Share (times)	8.6

Note:

* The portion of deferred taxation recognised in the FYE 30 April 2005, which arose from taxable temporary differences in respect of development costs is expected to be reversed in the FYE 30 April 2006.

Further information on the consolidated profit forecast of the LET Group is set out in Section 10.6 of this Prospectus.

(ii) Dividend Forecast

For the coming FYE 30 April 2006, the Directors of the Company do not intend to declare any dividend. Nevertheless, the Directors will endeavour to declare dividends in the future, subject to the profitability of the Group for the relevant financial year, adequacy of reserves for the future growth of the Group and sufficiency of cash flows to meet any dividend payments.

Further information on the dividend forecast of the LET Group is set out in Section 10.9 of this Prospectus.

1.7.2 Share Capital

	RM
Authorised share capital 250,000,000 ordinary shares of 10 sen each	<u>25,000,000</u>
Issued and fully paid-up share capital as at 30 September 2005 105,500,000 ordinary shares of 10 sen each	10,550,000
To be issued pursuant to the Public Issue 32,500,000 new ordinary shares of 10 sen each	3,250,000
Enlarged share capital upon Listing 138,000,000 ordinary shares of 10 sen each	<u>13,800,000</u>

1. INFORMATION SUMMARY (Cont'd)**1.7.3 Issue Price**

The issue price for each Public Issue Share 47 sen

1.7.4 Proforma Consolidated NTA

Proforma consolidated NTA (after the Public Issue and deducting the total estimated listing expenses of RM1,800,000) (RM'000) 27,910

Proforma consolidated NTA per share (based on the enlarged issued and paid-up share capital of 138,000,000 Shares) 20 sen

1.7.5 Classes of Shares and Ranking

There is only one (1) class of shares in LET, being ordinary shares of 10 sen each. The Public Issue Shares, when issued, shall rank *pari passu* in all respects with the other then existing issued and paid-up ordinary shares of 10 sen each in LET, including voting rights and rights to all dividends and distribution that may be declared, paid or made subsequent to the date of this Prospectus.

Subject to special rights attaching to any share which may be issued by LET in the future, the shareholders of LET shall, in proportion to the amount paid-up on the shares held by them, be entitled to share in the whole of the profits paid out by LET as dividends and other distributions, and the whole of any surplus in the event of liquidation of LET, such surplus to be distributed amongst the members in proportion to the capital paid-up at the commencement of the liquidation, in accordance with LET's articles of association.

Each shareholder shall be entitled to vote at any general meeting of LET in person, by proxy or by attorney, and, on a show of hands, every person present who is a shareholder, or a representative, proxy or attorney of a shareholder, shall have one (1) vote, and on a poll, every shareholder present in person, by proxy, by attorney or by duly authorised representative shall have one (1) vote for each ordinary share held. A proxy may but need not be a member of LET.

1.8 PROCEEDS FROM THE RIGHTS ISSUE AND THE PUBLIC ISSUE AND UTILISATION

Based on the issue price of 47 sen per Public Issue Share, it is anticipated that the gross proceeds of the Public Issue will be RM15,275,000. These proceeds together with the proceeds raised from the Rights Issue amounting to RM5,275,000 will total RM20,550,000 and are expected to be utilised as follows:

	Amount RM'000	To be utilised by FYE 30 April [#]
Regional offices set up	8,500	2007
R&D expenditure	7,700	2007
Working capital	2,550	2006
Estimated listing expenses*	1,800	2006
	20,550	

Notes:

* *The proceeds to be utilised for working capital will be adjusted accordingly in the event of any variation in the actual listing expenses from their estimated amount.*

Assuming proceeds will be received by end November 2005.

Details of the utilisation of the gross proceeds receivable from the Rights Issue and the Public Issue are highlighted in Section 2.7 of this Prospectus.

1. INFORMATION SUMMARY (Cont'd)**1.9 MATERIAL LITIGATION**

As at 30 September 2005, neither LET nor its subsidiary is engaged in any litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the financial positions of LET or its subsidiary, and the Directors of LET 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 positions or business of LET and/or its subsidiary.

1.10 CONTINGENT LIABILITIES

The Directors of LET are not aware of any contingent liabilities as at 30 September 2005 which, upon becoming enforceable, may have a material effect on the financial performance or financial position of the Group.

1.11 CAPITAL COMMITMENTS

As at 30 September 2005, the Directors of LET are not aware of any capital commitment which, upon becoming enforceable, may have a material impact on the financial position of the LET Group.

1.12 BORROWINGS

As at 30 September 2005, the LET Group has RM566,842 in outstanding borrowings, all of which are interest bearing, the summary of which is as follows:

Outstanding borrowings	SGD	RM
Payable within twelve (12) months		
Interest Bearing	254,189	566,842

There has been no default on payments of either interest and/or principal sums in respect of any borrowings throughout the past FYE 30 April 2005 and the subsequent financial period immediately preceeding 30 September 2005.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

2. DETAILS OF THE PUBLIC ISSUE

2.1 INTRODUCTION

This Prospectus is dated 27 October 2005. A copy of this Prospectus has been registered by the SC and lodged with the ROC, and neither the SC nor the ROC take any responsibility for its contents.

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

Approval has been obtained from the SC on 28 February 2005 for the listing of the Company on the MESDAQ Market of Bursa Securities. Approval-in-principle has been obtained from Bursa Securities on 20 July 2005 for the admission of LET to the Official List of the MESDAQ Market of Bursa Securities and for the listing of and quotation for the entire enlarged issued and paid-up LET Shares, including the Public Issue Shares which are the subject of this Prospectus, on the MESDAQ Market of Bursa Securities.

Pursuant to the Listing Requirements, at least 25% but not more than 49% of the total number of shares of the Company for which the listing is sought must be held by a minimum number of 200 public shareholders upon completion of the Public Issue and at the point of listing. In the event that the above requirement is not met pursuant to the Public Issue, the Company may not be allowed to proceed with its listing on the MESDAQ Market of the Bursa Securities. In the event thereof, monies paid in respect of all applications will be returned without interest.

These LET Shares will be admitted to the Official List of the MESDAQ Market of Bursa Securities and official quotation will commence after receipt of confirmation from Bursa Depository that all CDS Accounts of the successful applicants have been duly credited and notices of allotment have been dispatched to all successful applicants. Admission to the MESDAQ Market of Bursa Securities is not to be taken as an indication of the merits of the Company or of its Shares.

An applicant must have a CDS Account when applying for the Public Issue Shares. In the case of an application by way of Application Form, an applicant should state his/her CDS Account number in the space provided in the Application Form. In the case of an application by way of Electronic Share Application or Internet Share Application, only an applicant who is an individual and has a CDS Account can make an Electronic Share Application or Internet Share Application. A corporation or institution cannot apply for the Public Issue Shares by way of Electronic Share Application or Internet Share Application. Further details on the application procedures are set out in Section 16 of this Prospectus.

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

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

If you are in any doubt about this Prospectus, you should consult your stockbroker, bank manager, solicitor, professional accountant or any other professional adviser immediately.

2. DETAILS OF THE PUBLIC ISSUE *(Cont'd)*

2.2 OPENING AND CLOSING OF APPLICATION

Applications will be accepted from 10.00 a.m. on 27 October 2005 and will close at 5.00 p.m. on 14 November 2005 or for such later period or periods as the Directors of LET and the Managing Underwriter may in their absolute discretion mutually decide. Late applications will not be accepted. Should the closing date of the application be extended, the dates for the balloting, despatch of notice of allotment and listing of and quotation for the entire issued and paid-up share capital of LET on the MESDAQ Market will be extended accordingly. LET will notify the public via an advertisement in widely circulated English and Bahasa Malaysia newspapers in the event there is an extension of time on the closing date of the application. The indicative timing of events leading up to the Listing is as follows:

Event	Date
Opening of application	27 October 2005
Closing of application	14 November 2005
Balloting of application	16 November 2005
Despatch of notice of allotment to successful applicants	23 November 2005
Listing of LET's entire enlarged issued and paid-up share capital on the MESDAQ Market	24 November 2005

2.3 DETAILS OF THE PUBLIC ISSUE

The Public Issue of 32,500,000 new LET Shares is an invitation by the Company to eligible Directors, employees and business associates of the LET Group and the Malaysian Public to apply for the Public Issue Shares at the issue price of 47 sen per Public Issue Share, payable in full on application and upon such terms and conditions as set out in this Prospectus.

The 32,500,000 Public Issue Shares will be allocated in the following manner:

2.3.1 Eligible Directors, Employees and Business Associates

4,243,000 new Shares representing approximately 3.1% of the enlarged issued and paid-up share capital of LET are reserved for Directors and eligible employees ("Eligible Employees") and business associates of the LET Group.

The Board of Directors of LET is given the discretion to determine the allocation of new Shares to the Eligible Employees. The criteria for allocation of securities to the Eligible Employees include length of service, position in the Group, performance and contribution to the success of the Group. As at 30 September 2005, a total of 51 employees are eligible for allocation of the new Shares reserved for Eligible Employees. As at 30 September 2005, the following Directors of LET are eligible for the allocation of LET Shares:

Name of Director	No of LET Shares
Pok Vic Tor	400,000
Pok Vic Sent	400,000
Fock Mun Hong	400,000
Hee Joh Liang	100,000
Dr. Wong Kai Choo @ Wong Ka Chon	100,000
Ng Hock Ching	100,000
Dr. Nik Rahimah binti Nik Yacob	100,000
Ong Seng Pheow	100,000

2. DETAILS OF THE PUBLIC ISSUE *(Cont'd)*

The criteria for allocation of securities to business associates of the LET Group is generally based on the length of relationship and the significance of contribution to the success of the LET Group. As at 30 September 2005, a total of six (6) business associates are eligible for the allocation of the new Shares reserved for business associates of the LET Group.

2.3.2 Malaysian Public

5,000,000 new Shares representing approximately 3.6% of the enlarged issued and paid-up share capital of LET to be made available for application by the Malaysian Public.

2.3.3 Private Placement

23,257,000 new Shares representing approximately 16.8% of the enlarged issued and paid-up share capital ("Placement Shares") are placed/to be placed by the Placement Agent with identified investors. Irrevocable undertaking to subscribe has been obtained for the subscription of 8,000,000 Placement Shares and the remaining 15,257,000 Placement Shares are underwritten ("Underwritten Placement Shares").

The Public Issue Shares under Sections 2.3.1 and 2.3.2 of this Prospectus and the Underwritten Placement Shares are fully underwritten by the Underwriters via the underwriting agreement referred to in Section 2.9 of this Prospectus.

Any Public Issue Shares not taken up by the Eligible Employees and/or business associates of the LET Group will be firstly made available for application by the other Eligible Employees, and the subsequent untaken Public Issues Shares shall be made available for application by the Malaysian Public.

Clawback and Reallocation

The allocation of Public Issue Shares under Section 2.3.2 of this Prospectus ("Public Ballot Portion") and the Underwritten Placement Shares ("Underwritten Placement Portion") is subject to adjustment. In the event of over-application in the Public Ballot Portion and a corresponding under-application in the Underwritten Placement Portion, the Public Issue Shares may be clawed back from the Underwritten Placement Portion to the Public Ballot Portion. If there is an under-application in the Public Ballot Portion and a corresponding over-application in the Underwritten Placement Portion, the Public Issue Shares may be clawed back from the Public Ballot Portion to the Underwritten Placement Portion. The clawback and reallocation set out in this paragraph will not apply in the event of over-application in the Public Ballot Portion and Underwritten Placement Portion.

2.4 SHARE CAPITAL AND RIGHTS ATTACHING TO LET SHARES

2.4.1 Share Capital

	RM
Authorised share capital 250,000,000 ordinary shares of 10 sen each	25,000,000
Issued and fully paid-up share capital as at 30 September 2005 105,500,000 ordinary shares of 10 sen each	10,550,000
To be issued pursuant to the Public Issue 32,500,000 new ordinary shares of 10 sen each	3,250,000
Enlarged share capital upon Listing 138,000,000 ordinary shares of 10 sen each	13,800,000

2. DETAILS OF THE PUBLIC ISSUE (Cont'd)

2.4.2 Class of Shares and Ranking

There is only one (1) class of shares in LET, namely ordinary shares of 10 sen each. The Public Issue Shares, when issued, shall rank *pari passu* in all respects with the other then existing issued and paid-up ordinary shares of 10 sen each in LET, including voting rights and rights to all dividends and distributions that may be declared, paid or made subsequent to the date of this Prospectus.

Subject to special rights attaching to any share which may be issued by LET in the future, the shareholders of LET shall, in proportion to the amount paid-up on the shares held by them, be entitled to share in the whole of the profits paid out by LET as dividends and other distributions, and the whole of any surplus in the event of liquidation of LET, such surplus to be distributed amongst the members in proportion to the capital paid-up at the commencement of the liquidation, in accordance with LET's articles of association.

Each shareholder shall be entitled to vote at any general meeting of LET in person, by proxy or by attorney, and, on a show of hands, every person present who is a shareholder, or a representative, proxy or attorney of a shareholder, shall have one (1) vote, and on a poll, every shareholder present in person, by proxy, by attorney or by duly authorised representative shall have one (1) vote for each ordinary share held. A proxy may but need not be a member of the Company.

2.5 BASIS OF ARRIVING AT THE ISSUE PRICE

Prior to the Public Issue, there has been no public market for the LET Shares. The issue price of 47 sen per Public Issue Share was determined and agreed upon by LET and Hwang-DBS, as the Adviser and Managing Underwriter, after taking into consideration the following factors:

- (i) the prospects, future plans and strategies of the LET Group as described in Sections 6, 7 and 8 of this Prospectus;
- (ii) the LET Group's operating and financial history and conditions as described in Sections 9, 10 and 11 of this Prospectus;
- (iii) the industry review;
- (iv) prevailing market conditions; and
- (v) the proforma consolidated NTA per share of LET of 20 sen after the Rights Issue and the Public Issue as at 30 April 2005.

Investors should also note that market price of the Public Issue Shares upon and subsequent to the Listing are subject to the vagaries of market forces and other uncertainties, which may affect the price of the said shares. Investors should bear in mind the investment considerations and risk factors set forth in Section 3 of this Prospectus before deciding on whether or not to invest in the Public Issue Shares.

2.6 PURPOSE OF THE PUBLIC ISSUE

The purposes of the Public Issue are as follows:

- (i) obtain the listing of and quotation for the entire issued and paid-up share capital of LET on the MESDAQ Market, which is expected to enhance the business, profile and future prospects of the LET Group;
- (ii) enable the LET Group to gain access to the capital market to raise funds for its future expansion and continued growth of the Group;
- (iii) provide an opportunity for identified investors, eligible Directors, employees and business associates of the LET Group, and the public to participate in the continuing growth of the LET Group by way of equity participation; and

2. DETAILS OF THE PUBLIC ISSUE (Cont'd)

- (iv) raise funds for the LET Group's operations and expansion plan.

2.7 PROCEEDS FROM THE RIGHTS ISSUE AND THE PUBLIC ISSUE AND UTILISATION

Based on the issue price of 47 sen per Public Issue Share, it is anticipated that the gross proceeds of the Public Issue will be RM15,275,000. These proceeds together with the proceeds raised from the Rights Issue amounting to RM5,275,000 will total RM20,550,000 and are expected to be utilised as follows:

	Note	Amount RM'000	To be utilised by FYE 30 April [#]
Regional offices set-up	(1)	8,500	2007
R&D expenditure	(2)	7,700	2007
Working capital	(3)	2,550	2006
Estimated listing expenses*	(4)	1,800	2006
		20,550	

Notes:

* The proceeds to be utilised for working capital will be adjusted accordingly in the event of any variation in the actual listing expenses from their estimated amount.

Assuming proceeds will be received by end November 2005.

(1) As part of its business expansion, the Group has set up a regional headquarters in Malaysia. It also plans to set up regional offices in the Asian region such as Hong Kong, Vietnam and China. The capital expenditure involved in such expansion includes renovation costs, office furniture and fittings, the salaries of administration and support staff such as overseas office representatives, marketing managers, account executives and legal and secretarial staff and the purchase of IT hardware and software.

(2) The Group will allocate RM7,700,000 for R&D expenditure which will be used to increase the number of R&D professionals in the regional headquarters in Malaysia such as development engineers, operations engineers, multimedia developers and curriculum developers, in line with the Group's planned R&D efforts and future product development.

(3) With the planned business expansion, the Group expects to require additional working capital to fund its operations. The Group plans to set aside RM2,550,000 of the proceeds for the day-to-day working capital requirements.

(4) The expenses of the Listing are estimated at approximately RM1,800,000 with the following estimated breakdown:

	RM'000
Professional fees	685
Fees to the authorities	68
Fees to Issuing House	125
Underwriting, placement fees and brokerage fees	502
Printing and advertising	250
Miscellaneous	170
	1,800

2. DETAILS OF THE PUBLIC ISSUE *(Cont'd)*

2.8 BROKERAGE, UNDERWRITING AND PLACEMENT FEES

2.8.1 Brokerage

Brokerage is payable by LET at the rate of 1.0% of the issue price of 47 sen per Public Issue Share in respect of successful applications which bear the stamps of either the Adviser, a participating organisation of Bursa Securities, a member of the Association of Banks in Malaysia, a member of the Association of Merchant Banks in Malaysia or Issuing House.

2.8.2 Underwriting

The Underwriters as mentioned in the Corporate Directory of this Prospectus had on 17 October 2005 agreed to underwrite 24,500,000 Public Issue Shares on the terms set out in the underwriting agreement referred to in Section 2.9 of this Prospectus. The underwriting commission is payable by LET at the rate of 2.0% of the issue price of 47 sen per Public Issue Share, the total of which is RM230,300.

2.8.3 Placement

The Placement Agent has agreed to place out 23,257,000 Public Issue Shares which are reserved for the identified investors. Placement fee shall be payable by the Company to the Placement Agent at a rate of 2.0% of the issue price of 47 sen per Public Issue Share placed out which are not underwritten, being the 8,000,000 Placement Shares as set out in Section 2.3.3 of this Prospectus.

2.9 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

The salient terms of the Underwriting Agreement are summarised as follows:-

- (i) The obligations of the Managing Underwriter and Underwriters are conditional upon:
 - (a) the listing of and quotation for the entire enlarged issued and paid-up share capital of LET on the MESDAQ Market having been approved in principle by Bursa Securities;
 - (b) the Public Issue having been approved by SC, on or prior to the Closing Date;
 - (c) there not having been, on or prior to the Closing Date, any adverse change in the condition (financial or otherwise) of the Company from that set forth in the Prospectus which is material in the context of the Public Issue, nor the occurrence of any event rendering untrue or incorrect to an extent which is material as aforesaid any representation or warranty contained in the Underwriting Agreement and in the Prospectus as though they have been given or made on such date;
 - (d) the registration with the SC and the lodgement with the ROC of the Prospectus in accordance with the requirements of the Securities Commission Act 1993;
 - (e) the offering of the Public Issue Shares in accordance with the provisions hereof not being prohibited by any statute, order, rule, regulation, directive or guideline (whether or not having the force of law) promulgated or issued by any legislative, executive or regulatory body or authority of Malaysia (including Bursa Securities);
 - (f) the Underwriting Agreement having been duly executed by all parties and stamped;
 - (g) all necessary approvals and consents required in relation to the Public Issue (including but not limited to shareholders' and governmental approvals) having been obtained and being in full force and effect;
 - (h) the Managing Underwriter having been satisfied that adequate arrangements have been made by the Company to ensure payment of the expenses referred to in Clause 6 of the Underwriting Agreement;

2. DETAILS OF THE PUBLIC ISSUE (Cont'd)

- (i) the Managing Underwriter having been satisfied that the Company has complied and that the Public Issue is in compliance with the policies, guidelines and requirements of the SC and all revisions, amendments and/or supplements thereto;
 - (j) the delivery to the Managing Underwriter prior to the date of issuance of the Prospectus of a certified true copy by an authorised officer of the Company of all the resolutions of the directors of the Company and the shareholders in general meeting approving the Underwriting Agreement, the Prospectus, the Public Issue and authorising the execution of the Underwriting Agreement and the issuance of the Prospectus; and
 - (k) the Kuala Lumpur Composite Index is at no less than 650 points on or prior to 5.00 p.m. on the closing date of application for the Public Issue.
- (ii) If any of the above conditions are not satisfied, the Managing Underwriter shall be entitled to terminate the Underwriting Agreement by notice in writing given to the Company, and in that event (except for the liability of the Company for the payment of the expenses as provided in Clause 7 of the Underwriting Agreement, and any right and/or liability of the Managing Underwriter and/or the Company under Clauses 4 or 5 as provided in the Underwriting Agreement), the parties to the Underwriting Agreement shall be released and discharged from their respective obligations under the Underwriting Agreement, provided that the Managing Underwriter may at its discretion waive compliance with any provision of this Clause of the Underwriting Agreement (in which case any condition so waived shall be deemed to have been satisfied in relation to it).
- (iii) Upon any material misrepresentation or material breach of any representation or warranties, or any failure to perform the undertakings in any material respect as contained in Clause 4 of the Underwriting Agreement, coming to the notice of the Managing Underwriter, the Managing Underwriter shall be entitled (but not bound), without prejudice to any other right or remedy which any of them may have, by notice to the Company following prior consultation with the Company, to elect to treat such material misrepresentation, breach or failure as releasing and discharging it from its obligations under the Underwriting Agreement.
- (iv) Notwithstanding anything herein contained, if in the reasonable opinion of the Managing Underwriter:
- (a) there shall have been such a change in national or international monetary, financial, political or economic conditions, or in exchange control or currency exchange rates;
 - (b) there shall have occurred, happened or come into effect any event or series of events beyond the reasonable control of the Managing Underwriter and Underwriters by reason of Force Majeure which would have, or can reasonably be expected to have, a material adverse effect on the business or the operations of the Company or the success of the Public Issue, or which is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms. In this Clause, "Force Majeure" means an event or cause which is unpredictable and beyond the reasonable control of the party claiming the same, and which could not have been avoided or prevented by reasonable foresight, planning and/or implementation, and includes (without limitation) war, hostilities, riot, uprising, flood, fire, storm, epidemic, explosion, disease, earthquake, hijacking, sabotage, crimes, and acts of God;
 - (c) the imposition of any moratorium, suspension or material restriction on trading in all securities generally on Bursa Securities;
 - (d) any change in any law, regulation, directive, policy or ruling in any relevant jurisdiction;
 - (e) any relevant government requisition or occurrence of any nature;
 - (f) the Company has committed a breach of any of the representations, warranties, undertakings, covenants or other provisions of the Underwriting Agreement, the breach

2. DETAILS OF THE PUBLIC ISSUE (Cont'd)

of which is either incapable of remedy or if capable of remedy, the Company has failed to remedy such breach within a period of fourteen (14) days from the date of a notice in writing by the Managing Underwriter notifying the Company of such breach and requiring the Company to remedy the same;

- (g) there is a failure on the part of the Company to perform any of its obligations contained in the Underwriting Agreement;
- (h) there is withholding of information of a material nature from the Managing Underwriter which is required to be disclosed pursuant to the Underwriting Agreement which, in the opinion of the Managing Underwriter, would have or can reasonable be expected to have, a material adverse effect on the business or operations of the Company, the success of the Public Issue, or the distribution or sale of the Public Issue Shares;
- (i) there shall have occurred, or happened any material and adverse change in the business or financial condition of the Company; or
- (j) the Kuala Lumpur Composite Index has dropped to below 650 points and stayed below 650 points for at least five (5) consecutive market days,

which would prejudice materially the success of the Public Issue, then the Managing Underwriter shall be entitled may by notice in writing to the Company terminate this Agreement, and thereupon the parties to the Underwriting Agreement shall (except for the liability of the Company for the payment of costs and expenses referred to in Clause 7 as provided in the Underwriting Agreement incurred prior to and/or in connection with such termination) be released and discharged from their respective obligations under the Underwriting Agreement.

2.10 APPROVALS AND CONDITIONS

The Public Issue and the Listing were approved by the SC on 28 February 2005 under the SC Guidelines and the Guidelines of the FIC on Acquisition, Merger and Take-Overs by Local and Foreign Interests, subject to the following terms:

Authority	Details of conditions imposed	Status of compliance
SC	<p>LET is to complete all three phases of the transfer/establishment of the LET Group's R&D centre to/in Malaysia prior to issuance of prospectus.</p> <p>LET is to disclose in its public issue prospectus the Company's consolidated financial accounts assuming it has used the acquisition method for the acquisition of LES and to explain the rationale for adopting the merger method. LET is also to explain in its prospectus the difference arising from these two methods.</p> <p>Hwang-DBS/LET is to inform the SC on the appointment of Independent Directors and to provide confirmation that they qualify as Independent Directors defined in the Listing Requirements.</p> <p>Hwang-DBS/LET to disclose the status of the utilisation of proceeds raised in its periodic and annual reports until the proceeds are fully utilised.</p>	<p>Complied. A confirmation has been provided to the SC vide a letter dated 5 August 2005.</p> <p>Complied. As disclosed in the Reporting Accountant's Report in Section 11 of this Prospectus.</p> <p>Complied. The confirmation letter was furnished to the SC on 5 August 2005.</p> <p>To be complied with.</p>

2. DETAILS OF THE PUBLIC ISSUE (Cont'd)

Authority	Details of conditions imposed	Status of compliance
	Hwang-DBS/LET to ensure that all provisions under the Listing Requirements are complied with.	Complied with respect to the Listing. To be complied with respect to post-Listing requirements.
	Hwang-DBS/LET to include a negative statement in its prospectus on the exclusion of a profit forecast and projections from the prospectus and the reasons thereof.	Not applicable as the profit forecast is included under Sections 10.6 and 10.7 of this Prospectus.
	Hwang-DBS/LET to inform the SC when the proposed flotation on MESDAQ Market is completed.	To be complied with upon Listing.
	Approvals are to be obtained from other relevant authorities, if any.	No other approval is required.

As LET is an MSC status company, no equity condition has been imposed on LET in conjunction with the Listing under the Guidelines of the FIC for the Acquisition, Merger and Takeovers by Local and Foreign Interests.

2.11 MORATORIUM ON SALE OF SHARES

Pursuant to the Listing Requirements, 62,100,000 Shares held by the Promoters of LET amounting to 45% of the issued and paid-up share capital of the Company at the date of admission of the Company to the Official List of the MESDAQ Market are to be placed under moratorium.

The promoters whose Shares are subject to moratorium are set out below:

Promoters	<-----Shares under moratorium upon Listing----->	
	No. of Shares	% of the enlarged issued and paid-up capital
Pok Vic Tor	36,620,000	26.6
Pok Vic Sent	14,534,000	10.5
PELH	6,900,000	5.0
Dr. Wong Kai Choo @ Wong Ka Chon	2,346,000	1.7
Fock Mun Hong	1,250,000	0.9
Tham Siew Keong	450,000	0.3
	62,100,000	45.0

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

The restriction is specifically endorsed on the notices of allotment representing the respective shareholdings of the Promoters which are under moratorium to ensure that the Company's Share Registrar shall not register any transfer not in compliance with the aforesaid restrictions. The public is deemed to have notice of this restriction.

3. INVESTMENT CONSIDERATIONS AND RISK FACTORS

NOTWITHSTANDING THE PROSPECTS OF THE LET GROUP OUTLINED IN THIS PROSPECTUS, APPLICANTS SHOULD CAREFULLY CONSIDER THE FOLLOWING INVESTMENT CONSIDERATIONS (WHICH MAY NOT BE EXHAUSTIVE), BOTH SPECIFIC TO THE LET GROUP AND RELATING TO THE GENERAL BUSINESS ENVIRONMENT, THAT MAY HAVE A SIGNIFICANT IMPACT ON THE FUTURE PERFORMANCE OF THE LET GROUP, IN ADDITION TO OTHER INFORMATION CONTAINED ELSEWHERE HEREIN, BEFORE APPLYING FOR THE PUBLIC ISSUE SHARES.

Investors should rely on their own evaluation to assess the merits and risks of the investment. Investors who are in any doubt as to the information contained in this section should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser.

3.1 RISKS RELATING TO BUSINESS AND OPERATIONS OF LET GROUP

3.1.1 Operating Risks

LET Group has been profitable for the last three (3) financial years ended 30 April 2005 although it had in its initial years suffered some losses. There is no assurance that the LET Group will be profitable in future years.

The Group's revenue and operating results are difficult to forecast and could be adversely affected by many factors. These may include, amongst others, the ability of the Group to secure new contracts from their clients, the ability of the LET Group to control unforeseen costs, unforeseen changes to the Group's operating expenses, the availability of human resources to meet market demand, reliance on performance of other industries, competition, the ability of the Group to develop and market, on a timely basis, new products, market acceptance of new products or services, and other business risks common to going concerns.

3.1.1.1 *Dependence on Public Sector*

The Group presently relies on the public sector market for most of its revenue. Its major customers include primary and secondary schools in Singapore as well as educational departments in Hong Kong and Malaysia. The revenues of the Group from this segment of its target market depend on the budgets allocated towards educational expenditure by governments. Additionally, developing countries have yet to have a clear understanding of the benefits associated with introducing E-Learning into the education system. There is small school of thought amongst some educators who are sceptical about the extent of E-Learning that can be implemented especially those related to distance learning in schools or universities, hence E-Learning may be slow to be received by developing countries.

To avoid heavy reliance on the public sector market in Singapore, Hong Kong and Malaysia as a source of income for the Group, the Group intends to venture into the corporate sector and also to other countries such as Vietnam and China. However, there is no assurance that venturing into the corporate sector and the diversification to other countries will enable the LET Group to reduce its heavy reliance on the public sector in Singapore, Hong Kong and Malaysia.

3.1.1.2 *Dependence on Network Infrastructure*

As the LET Group's business is Web-based, the Group depends on the network and lease line infrastructure of network operators to ensure reliable connectivity at requisite speed, data capacity and security. Delays in the transmission of data as a result of damage to any part of this infrastructure may cause frustration to users of the Group's products and services, which could affect the revenues of the Group. However, the LET Group operates Internet Application Servers or "Web Farm" which stores, processes and handles the LET Group's E-Learning applications, housed in Pacific Internet Data Centre in Singapore and is currently sufficient to support the future regional expansion plans of the Group. This data centre provides 24-hour security, fire protection, air-conditioning, power backup and service level arrangements to ensure 99.9% reliability of internet connection. However, there can be no assurance that the LET Group will not face any disruptions to its business in the event of interruptions to connectivity.

3. INVESTMENT CONSIDERATIONS AND RISK FACTORS (Cont'd)

3.1.1.3 Dependence on Neural Cortex Technology

The Neural Cortex Technology, which is the existing base technology for ICAM, is presently exclusively licensed to LES from Neural Cortex Global Holdings Limited for use solely in relation to E-Learning and educational applications for a period of one (1) year commencing from 30 April 2004 and is renewable every year thereafter at the option of LES. This license has now been renewed for a further one (1) year, expiring on 30 April 2006 subject to further renewals at the discretion of LES. Any discontinuance, termination or suspension of the licence for Neural Cortex Technology may result in the loss of use of ICAM, which may adversely affect the operations of the LET Group. Nevertheless, the option to renew such licence is with LES, which retains the discretion on the continued use of the Neural Cortex Technology. In addition, the LET Group is continually developing new educational engines to minimise any interruptions to the operations of the LET Group arising from the loss of use of ICAM.

3.1.2 Dependence on Key Management and Key Technical Personnel

The LET Group's future performance will depend to a certain extent on the continued efforts and abilities of its Directors and key management and technical personnel. The loss of the services of any of these individuals may have a material and adverse effect on the LET Group. Although the LET Group presently has a young management team, the LET Group will make efforts to ensure there is sufficient understudy of its existing management team to ensure smooth transition in the event of loss of any key personnel.

Pok Vic Tor and Pok Vic Sent have been the driving force of the LET Group since its inception. The loss of their services and guidance may impact on the future performance of the LET Group. However, the moratorium on their shareholdings together with their substantial interests in LET will mitigate against the risk of their exit from the LET Group.

Due to the nature of its business, the LET Group also depends on its ability to attract and retain sufficiently skilled employees. In its E-Learning division, content development processes requires skilled personnel to develop academic content, to translate content into storyboards and to format content for presentation. In its education services division, the LET Group is dependent on service content developers and trainers to deliver sports and academic programmes to schools. Presently the LET Group enjoys cordial relationships with its employees, and these employees do not belong to any trade union. As part of its staff retention program, the employees are sent to various courses from time to time to further upgrade their knowledge and skills. The LET Group will also evaluate the need for an employee share option scheme, which will provide incentive for commitment of employees to the LET Group. However, there can be no assurance that these measures will be able to counter the risks of loss of the LET Group's skilled personnel.

3.1.3 Technological Risks

The LET Group operates in an environment where its operations are exposed to risks of computer viruses, industrial espionage, theft, hacking and fraud. Any of these risks may disrupt the operations of the LET Group.

In response to this, the LET Group makes all reasonable efforts to minimise potential security breaches by the use of layers of security systems such as firewalls, encrypted keys, anti-cloning algorithms, self-destruct mechanisms and to date, there has not been any material disruption or damage to the LET Group's computer systems. However, going forward, there is no assurance that the appropriate security systems will be able to prevent these risks from occurring.

3.1.4 Protection of the LET Group's Proprietary Technology and Intellectual Property Rights

One of the principal threats to the ICT industry is infringement of copyright and illegal copying of proprietary software. The LET Group relies on a combination of trademark applications and common law copyright protection and contractual restrictions to protect its intellectual property rights. The LET Group's success is dependent upon its ability to protect its intellectual property rights. Accordingly, there can be no assurance that the LET Group will be able to continue to protect its proprietary rights

3. INVESTMENT CONSIDERATIONS AND RISK FACTORS (Cont'd)

against infringement, unauthorised third-party copying, use or exploitation, any of which may have a material and adverse impact on the LET Group's business, operating results and financial condition.

However, the LET Group's proprietary E-Learning systems requires a high level of domain knowledge as well as the requisite pedagogical expertise before it can be applied or replicated for commercial exploitation. Additionally, the LET Group's technologies are server-based which the LET Group believes will be harder to duplicate. Thus, the LET Group's products may be less affected by risks of widespread unauthorised use, copying and exploitation.

As with the LET Group's employees who are required to enter into agreements with the Group to limit the possibility of unauthorised copying and exploitation when they leave the Group's employ, the Group's customers are also bound by user/ non-disclosure agreements, which prohibit them from the same.

The LET Group has made applications to the Intellectual Property Office of Singapore to register the trademarks "LITESPEED" and "CATCH THEM YOUNG", as used in the logos and the logos themselves. Save for trademark "LITESPEED" as used in the logo which was registered on 27 April 2004, the other applications are still pending as at 30 September 2005. The Directors of LET intends to pursue trademark registrations in other countries where its products are sold to ensure protection of its brand names.

Nevertheless, there can be no assurance that the steps taken by the LET Group to protect its intellectual property rights will prevent fully the risks of infringement.

3.1.5 Delays in Research and Development

The LET Group carries on continuous R&D activities to expand its product range as well as to enhance its E-Learning tools and technologies. The LET Group aims to continue improving its products so as to meet international E-Learning standards through intensive R&D programmes. There can, however, be no assurance that these R&D programmes will be successfully completed on time so as to enable timely roll-out of new products and enhancements which meet the demands of the market.

However, the LET Group believes that its existing products and services range have been well received by its clients and their continued availability will mitigate against any delays in its R&D.

3.1.6 Investment Risks

If appropriate opportunities present themselves, whether in Malaysia or elsewhere, the LET Group may decide to acquire businesses, products or technologies, or enter into joint ventures, alliances or partnerships with third parties, or to expand into other geographical markets.

There can be no assurance that the LET Group will be able to successfully identify, negotiate, finance or implement these ventures or investments, to successfully integrate these ventures or investments with its current business and operations, or to benefit from the same. These ventures and investments may also require additional capital, which may or may not be available on terms satisfactory to the LET Group. However, any venture or investment of such nature will be carefully considered by the Directors of LET.

The LET Group may also from time to time invest in new ventures and products. These investments may not be successful, or may have a delayed gestation period. In this event, the LET Group may not be able, or may be slow, to recover its investments and/or achieve satisfactory returns. Whilst any venture or investment of such nature will be carefully considered by the Directors of LET, there can be no assurance that new ventures or investments will be successful.

3.1.7 Foreign Exchange Risks

The Group has operations in Singapore and Malaysia, and its products are additionally presently sold in Hong Kong and Indonesia. Sales to the overseas markets are often transacted in local currencies, and expenditure of the LET Group in these markets will also be incurred in local currencies. In such instances, the Group will be exposed to foreign exchange fluctuations.

3. INVESTMENT CONSIDERATIONS AND RISK FACTORS *(Cont'd)*

Fluctuations in the conversion rate of RM against USD may have material financial impact on the Group's financial performance. The risk of foreign exchange fluctuation is mitigated by the managed float mechanism by the BNM adopted since 21 July 2005 on the RM-USD conversion rate which may prevent extreme exchange rate fluctuation. No assurance can be given that the managed float mechanism will be maintained in the future and that if the said managed float mechanism is removed or revised, it will not have an adverse material effect on the performance of the Group.

3.1.8 Change in MSC Status

LET obtained its MSC status on 11 August 2004. With its MSC status, it is expected to enjoy financial and non-financial incentives.

MDC is the body responsible for monitoring all MSC status companies. MDC has the right to withdraw any company's MSC status at any time. There can be no assurance that LET will continue to retain its MSC status or that it will continue to enjoy, or it will not experience delays in enjoying, the incentives granted to MSC status companies, all of which could materially and adversely affect the LET Group's business, operating results and financial condition.

3.1.9 Risks in Foreign Operations

LET's key investment is LES, which carries on business in Singapore. Like any other foreign investments, LET's investment in LES is subject to investment risks occurring in and policies of that foreign jurisdiction, in this case, Singapore.

At present, there are no restrictions in Singapore against the repatriation of profits by LET arising from its investment in LES. However, there can be no assurance that any change to the policies and/or legislation of Singapore and/or Malaysian Governments with respect to foreign investment will not materially and adversely affect the rights and/or performance of LET with respect to its investment in LES.

As with any other business, the LET Group's business is also subject to the overall economic, political, legislative, business and/or credit condition both domestically and internationally. There can be no assurance that the LET Group's performance or financial condition will not be affected by any change in any such condition and that it will be able to achieve its operational targets and investment contributions. The LET Group aims to limit its exposure to these uncertainties through careful monitoring and planning and the appointment of experienced personnel.

3.1.10 Risks in New Geographical Markets

Presently, LET's products are sold in Singapore, Indonesia, Malaysia and Hong Kong. LET intends to expand its markets to other parts of Asia, covering principally Vietnam as well as China. In line with these expansion plans, there are risks associated with market expansions to these regions.

The availability of personal computers and efficient Internet services are prerequisites for the provision of real time, interactive E-Learning services. Personal computer ownership and Internet penetration rates are low in developing countries in Southeast Asia except for Singapore and Malaysia. *(Source: Infocredit D&B Report)*

One of the most common ways of promoting IT literacy is through education. For less developed countries, this issue is a challenge compared to the more developed countries like Hong Kong, Singapore, Taiwan and Japan. Low IT literacy rate translates to low availability of qualified IT personnel. In Malaysia, it has been projected that the demand for core ICT occupations such as hardware engineers, software engineers, systems analysts, computer programmers and technical support personnel will increase from 108,000 in 2000 to 181,600 in 2005.

In countries like Vietnam, the shortage of IT personnel becomes more acute due to the language barrier as competency in IT requires knowledge of the English language. The low IT literacy rate and the lack of qualified IT personnel may inhibit the growth of the LET Group's business in these developing countries. *(Source: Infocredit D&B Report)*

3. INVESTMENT CONSIDERATIONS AND RISK FACTORS *(Cont'd)*

Nevertheless, the LET Group intends to focus its marketing efforts on target countries with ready ICT infrastructure and leverage on strengths of MNCs as its strategic partners to bundle its products in the less developed countries with inadequate infrastructure.

If LET is not successful in penetrating these new geographical markets, it may suffer revenue shortfalls and an increase in operating costs. Substantial management resources would also have been devoted to launch its products and grow its operations in these targeted markets. There can be no assurance that sales and marketing efforts of the LET Group's business development team will be successful or generate significant revenue. The LET Group will be subject to further risks when it operates in foreign countries that could affect its financial conditions and operating results, including:-

- (i) local regulatory requirements;
- (ii) costs and risks in localisation of its products for these new markets;
- (iii) fluctuations in currency exchange rates;
- (iv) an imposition of currency exchange controls;
- (v) unexpected change in regulatory requirements; and
- (vi) poor market acceptance.

Detailed analyses of new target markets will be conducted and evaluated prior to making these decisions.

3.2 RISKS RELATING TO LET SHARES

3.2.1 No Prior Market for LET Shares and Possible Volatility of Share Price

There has been no prior public market for LET Shares. The Issue Price was determined based on several factors and may not be an indication of the market price of LET Shares after the Listing. Please refer to Section 2.5 of this Prospectus on the basis for the determination of the Issue Price.

A variety of factors may cause the price of LET Shares to fluctuate, including (without limitation), sales of substantial amounts of LET Shares in the public market in the immediate future, announcements of developments relating to the Group's business, fluctuations in the Group's operating results and sales levels, general industry conditions or the world-wide economy, announcements of new products or product enhancements by the Group and/or of its competitors and developments in copyright or other intellectual property rights.

There can be no assurance that an active public market in LET Shares will be developed or be sustained after this Listing, or that the market price of LET Shares will not decline below the Issue Price.

3.2.2 Delay or Failure in Listing

The success of the Listing is also exposed to the risk of delay or failure in the event any of the following events occur:

- (i) the Underwriting Agreement is terminated based on its terms;
- (ii) the Underwriters fail to honour their obligations under the Underwriting Agreement; or
- (iii) LET is unable to meet public spread requirements, that is, at least 25% of the issued and paid up capital of LET must be held by a minimum of 200 public shareholders.

In the event of the failure of the Listing, investors shall be reimbursed their application monies without interest.

3. INVESTMENT CONSIDERATIONS AND RISK FACTORS (Cont'd)

3.2.3 Control by Certain Shareholders

LET is controlled by the Promoters, namely Pok Vic Tor, Pok Vic Sent, PELH, Dr. Wong Kai Choo @ Wong Ka Chon, Fock Mun Hong and Tham Siew Keong who together control 67.9% of LET's enlarged issued and paid-up share capital after the Listing. Consequently, the aforesaid shareholders, if acting in concert, may be able to influence the outcome of certain matters such as the appointment of Directors and the approval of business and investments requiring the vote of LET's shareholders unless they are required to abstain from voting by law and/or by the relevant authorities.

Nonetheless, the existence of the Audit Committee and the appointment of three (3) Independent Non-Executive Directors should be an effective mechanism to promote good corporate governance to ensure future transactions of the LET Group including related party transactions, if any, are made on arms-length basis. The Audit Committee will in that sense represent the interest of the minority shareholders and general public at large.

3.3 INDUSTRY RISKS

3.3.1 Competition

The E-Learning market is competitive in nature, with providers of E-Learning competing for a share in the education market. However, most vendors of E-Learning products are providing educational materials as stand-alone CD-ROM packages. These CD-ROM packages contain multimedia interactive lessons and are often distributed through major retail bookstores and publishing chains. The LET Group supplies Web-based E-learning products, which focuses on a different medium of delivery of E-Learning products. The LET Group is confident that it has competitive advantages such as its innovative E-Learning technologies employing pedagogical expertise and its open-sourced platform which will differentiate its E-Learning products from those of its competitors. Please refer to Section 6.2 of this Prospectus for competitive advantages of the LET Group. However, if the LET Group does not keep pace with product and technological advances, the LET Group's competitive position and prospects for growth could be adversely affected, especially where there can be no assurance that the Group's competitors will not develop technologies or products that are more effective than those of the Group.

Whilst the LET Group will take every measure to limit the risks of competition through continuous R&D activities in enhancing its E-Learning technologies and provision of innovative and comprehensive E-Learning products to the education market, there can be no assurance that the LET Group will be able to compete successfully against current or future competitors.

3.3.2 Rapid Technological Changes

Rapid technological changes in computer operating environments and software and hardware applications may affect the LET Group's products. Such technological changes may also affect the LET Group's customers' requirements to change swiftly. The LET Group's products may become obsolete due to changes in technology used in ICT and in developing the software. The LET Group's future depends substantially upon its ability to meet the more sophisticated needs of its customers. The LET Group's business, operating results and financial position can be affected by competing products and services, which better address customer requirements. Additionally, the introduction of new open-sourced platforms may require the LET Group to adapt to these new platforms in the event of a change in its customers' preferred operating systems. In this regard, the LET Group aims to keep abreast with technological advancements and to develop its products using the latest appropriate technology in order to deliver new products or enhancements, which address the demands of its customers and the market.

The LET Group is also actively continuing its on-going R&D programme to mitigate this risk. However, there can be no assurance that these R&D programmes will be sufficient to meet the rapid evolving technologies in ICT.

3. INVESTMENT CONSIDERATIONS AND RISK FACTORS (Cont'd)

3.4 OTHER RISKS

3.4.1 Political and Economic Conditions

The Group's performance are expected to be closely linked to the future economic conditions and development in the country within which it operates and sell its products which in turn, may be affected by local, regional or global political and economic uncertainties, including but not limited to the risks of war, changes in political leadership, changes in interest and foreign exchange rates and method of taxation.

Whilst the Group strives to continue to take effective measures such as prudent financial management and efficient operating procedures, there is no assurance that adverse political and economic factors will not materially affect the Group.

3.4.2 Difficulty in Managing Future Growth

In order to achieve the proposed Business Development Plan, the Group relies on the availability of management, financial, customer support, operational and other resources. The Group's future plans and prospects will be dependent upon certain factors, including the Group's ability to enter into strategic marketing arrangements on a timely basis and on favourable terms, to hire and retain skilled personnel, to successfully monitor its business growth and to obtain adequate financing when needed. There can be no assurance that the Group will be able to successfully implement its Business Development Plan or to manage its growth. There can be no assurance that there are no unanticipated expenses, problems or technical difficulties, which may result in material delays in the implementation or deviations from its original plans. In addition, the actual results may deviate from the Business Development Plan due to rapid technological and market changes and competitive pressures.

3.4.3 Forward-looking Statements

This Prospectus contains forward-looking statements, which are statements other than statements of historical facts that are based on assumptions that are subject to uncertainties and contingencies. The words, such as "believes", "plans", "expects" and similar expression, are used to identify such forward-looking statements. The Group believes that the forward-looking statements are reasonable at this point in time. There can be no assurance that such expectations will prove to have been correct and that any deviations from such expectations will not have any adverse impact on the performance of the Group.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

4. INFORMATION ON THE LET GROUP

4.1 INFORMATION ON LET

4.1.1 Background

LET was incorporated in Malaysia as a private limited company on 25 March 2004 under the Companies Act 1965 with the name of "Litespeed Education Technologies Sdn Bhd". On 15 April 2004, LET converted into a public limited company and adopted its present name. The principal activities of LET are investment holding and engaging in E-Learning product and services development. It is also involved in regional sales of E-Learning products.

LES is LET's key investment and core asset. LES traces its history to Litespeed Sports Services, a business partnership formed in 1998 by Pok Vic Sent with ex-educators, which provided sports and sports-related services to schools in Singapore. With a growing repertoire of services, Litespeed Sports Services changed its name to Litespeed Training and Educational Services in 1999. The growing business of this partnership led towards a corporatisation move, hence the birth of LES.

LES was incorporated on 17 October 2000 in Singapore, being founded by Pok Vic Tor and Pok Vic Sent, two (2) brothers whose passion for education brought together their respective expertise in educational training and software engineering to establish the strong foundation that is LES.

LES's initial objective was to undertake the provision of sports development services to schools in Singapore with the objective of complementing student's academic programme with sports activities to develop all-rounded students. This sports development programme called "CATCH THEM YOUNG" is now run by LES in more than ten (10) schools in Singapore as at 30 September 2005.

Whilst sports development services remains a component of LES's business today, LES has since 2000 shifted its focus to providing E-Learning solutions or programmes to its customers, who comprise principally of educational institutions, governmental bodies and corporations with interest in academia. Dr. Series, one of LES's first brainchild, is powered by a unique AI system which allows for multimedia lesson to take place in a virtual platform. The DTAS and ICAM, two (2) other innovative solutions developed in-house by LES, have also revolutionised teaching and learning methods using the Web by providing an immediate value-added assessment and feedback system, simulating classroom environments.

In 2001, LES was awarded the "Innovator Award" by TEC organised by Singapore's Prime Minister's Office (through the Public Services Division) for the trial testing of DTAS in four (4) primary schools. The following year, the "Innovator Award" was again awarded to LES, this time for the successful testing of ICAM across 30 primary schools in Singapore. In 2003, LES bagged the "TEC Achievement Award" in recognition of DTAS and ICAM's success to be commercialised both locally and internationally. The international PlugFest award for E-Learning standardization was also awarded to LES in 2002 and 2004 for meeting international E-Learning standards such as IMS and SCORM respectively. Dr. Series in combination with DTAS and ICAM continue today as an inspiration for the belief that education is available at your fingertips at any time wherever you are.

The LET Group's vision is to become a world leader in the development, marketing and distribution of education technologies. It aims to develop E-Learning technologies and solutions targeted at public sector markets, educational companies and MNCs who supply educational products to the public sector market worldwide.

As at 30 September 2005, the LET Group has successfully expanded its market coverage to Singapore, Indonesia, Malaysia and Hong Kong and intends to expand its regional presence to countries such as Vietnam, China, Thailand, South Korea, Taiwan and Japan. The LET Group will embark on its expansion plans through strategic alliances with local and international partners. Its existing strategic partners comprise some formidable names such as Hewlett-Packard Asia Pacific Ltd ("HP"), IBM Asia Pacific Ltd ("IBM") and SNP Panpac Pte Ltd ("SNP Panpac").

LET obtained its MSC status on 11 August 2004. Amongst the key MSC benefits LET enjoys are the exemption of tax on business income for five (5) years, renewable for another five (5) years and exclusion from the NDP requirements.

4. INFORMATION ON THE LET GROUP (Cont'd)

The LET Group maintains its head office and a R&D centre in Technology Park Malaysia, Kuala Lumpur, Malaysia, an MSC-designated area, with a Singapore office located in Beach Road, Singapore.

4.1.2 Restructuring and Listing Exercise

As an integral part of and in conjunction with the Listing, LET implemented a restructuring exercise, which was approved by the SC vide its letter dated 28 February 2005.

The restructuring scheme entails the following:

4.1.2.1 Acquisition

On 25 May 2004, LES issued 140,484 LES RCPS at an issue price of SGD7.00 (equivalent to RM15.61 based on an exchange rate of RM2.23 for every SGD1.00) per LES RCPS in favour of Faridah Bt Hj Tun Mohd Fuad Stephens and Dr. Wong Kai Choo @ Wong Ka Chon in the proportions of 98,339 LES RCPS and 42,145 LES RCPS respectively.

On 25 May 2004, LET entered into a Sale and Purchase Agreement with the Vendors to acquire all of the issued and paid-up share capital of LES comprising 1,410,000 ordinary shares of nominal value SGD1.00 each (on the basis that the RCPS Conversion is completed) for a consideration of RM5,350,637 (equivalent to SGD2,399,389 based on an exchange rate of RM2.23 for every SGD1.00), which was satisfied by the issuance by LET of 52,000,000 new Shares at an issue price of approximately 10 sen per Share.

The consideration was arrived at based on the audited consolidated net assets less goodwill of LES as at 29 February 2004 of RM5,350,637 (equivalent to SGD2,399,389 based on an exchange rate of RM2.23 for every SGD1.00) after adjustment for the issuance of 140,484 LES RCPS and its conversion into 140,484 new LES Shares. Hwang-DBS, as the Adviser, is of the opinion that the Acquisition which is based on the adjusted net assets less goodwill of LES as at 29 February 2004 of RM5,350,637, is fair and reasonable.

On 3 March 2005, Faridah Bt Hj Tun Mohd Fuad Stephens and Dr. Wong Kai Choo @ Wong Ka Chon collectively converted 140,484 LES RCPS into 140,484 LES Shares on the basis of one (1) LES Share for each LES RCPS.

The Acquisition was completed on 31 March 2005.

Upon completion of the Acquisition, the issued and paid up share capital of LET increased from RM75,000 comprising 750,000 Shares to RM5,275,000 comprising 52,750,000 Shares. The new LET Shares issued pursuant to the Acquisition ranked *pari passu* in all respects with the then existing Shares except that they did not rank for any dividend, rights, allotment and/or distribution declared or paid prior to allotment thereof.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

4. INFORMATION ON THE LET GROUP (Cont'd)

The new LET Shares issued pursuant to the Acquisition were allotted to the Vendors in the following manner as agreed:

Vendors of LES	No of shares held in LES #	No. of new LET Shares issued as consideration
Pok Vic Tor	412,579	15,215,680
Pok Vic Sent	229,140	8,450,553
Fock Mun Hong	50,779	1,872,701
Tham Siew Keong	19,042	702,258
PELH	301,500	11,119,149
EPL	192,960	7,116,255
BCEA	63,516	2,342,434
Faridah Bt Hj Tun Mohd Fuad Stephens	98,339	3,626,679
Dr. Wong Kai Choo @ Wong Ka Chon	42,145	1,554,291
	1,410,000	52,000,000

Note:

Being immediately prior to the completion of the Acquisition.

On 21 July 2005, PELH entered into an agreement to transfer its shareholding of 7,669,149 LET Shares including its rights subscription entitlement under the Rights Issue, representing 14.5% of the enlarged paid-up share capital after the Acquisition to Fock Mun Hong. The aforementioned share transfer was completed on 28 July 2005, pursuant to which PELH have a remaining 6.5% stake in LET and Fock Mun Hong saw his shareholding in LET increased from 3.6% to 18.1% based on the share capital of LET after the Acquisition.

On 25 July 2005, Faridah bt Hj. Tun Mohd Fuad Stephens ("Faridah") entered into an agreement to transfer her shareholding of 3,626,679 LET Shares including her rights subscription entitlement under the Rights Issue, representing 6.9% of the enlarged paid-up share capital after the Acquisition to Dr. Wong Kai Choo @ Wong Ka Chon ("Dr. Wong"). The aforementioned share transfer was completed on 25 July 2005, pursuant to which Faridah ceased to be a shareholder and a promoter of LET and Dr. Wong saw his shareholding in LET increased from 2.9% to 9.8% based on the share capital of LET after the Acquisition.

4.1.2.2 Rights Issue

On 29 July 2005, LET completed the Rights Issue of 52,750,000 new Shares at an issue price of 10 sen per Share, paid in full upon acceptance, on the basis of one (1) rights share for every one (1) existing Share held. These new Shares issued ranked pari passu in all respects with the then existing Shares except that they did not rank for any dividend, rights, allotment and/or distribution declared or paid prior to allotment thereof. Upon completion of the Rights Issue, the issued and paid-up share capital of LET increased from RM5,275,000 comprising 52,750,000 Shares to RM10,550,000 comprising 105,500,000 Shares.

4. INFORMATION ON THE LET GROUP (Cont'd)

Under the Rights Issue, EPL renounced its portion of rights of allotment under the Rights Issue in favour of Pok Vic Tor. The new LET Shares issued pursuant to the Rights Issue were allotted to the shareholders of LET in the following manner as agreed:

Shareholders of LET immediately after the Acquisition	No of new LET Shares issued under the Rights Issue	←-----After the Rights Issue -----→	
		No. of LET Shares held	% of enlarged issued share capital in LET
Subscriber shareholders	750,000	1,500,000	1.4
Pok Vic Tor	22,331,935	37,547,615	35.6
Pok Vic Sent	8,450,553	16,901,106	16.0
Fock Mun Hong	9,541,850	19,083,700	18.1
Tham Siew Keong	702,258	1,404,516	1.3
PELH	3,450,000	6,900,000	6.5
EPL	-	7,116,255	6.7
BCEA	2,342,434	4,684,868	4.4
Dr. Wong Kai Choo @ Wong Ka Chon	5,180,970	10,361,940	9.8
	52,750,000	105,500,000	100.0

4.1.2.3 Public Issue

Following the completion of the Rights Issue and in conjunction with the listing of LET on the MESDAQ Market, LET will be implementing a public issue of 32,500,000 new Shares at an issue price of 47 sen each. Upon completion of the Public Issue, the issued and paid-up share capital of LET will increase from RM10,550,000 comprising 105,500,000 Shares to RM13,800,000 comprising 138,000,000 Shares.

The Public Issue comprising 32,500,000 Shares, representing 23.5% of the enlarged issued and paid-up share capital are to be issued to the following parties:

- (i) 4,243,000 new Shares, representing 3.1% of the enlarged issued and paid-up share capital of LET reserved for eligible Directors and employees, and business associates of the LET Group;
- (ii) 5,000,000 new Shares, representing 3.6% of the enlarged issued and paid-up share capital of LET reserved for application by the Malaysian Public; and
- (iii) 23,257,000 new Shares representing 16.8% of the enlarged issued and paid-up share capital placed/to be placed with identified investors by the Placement Agent.

The Public Issue Shares will rank pari passu in all respects with the other existing issued and paid-up Shares in LET including voting rights and dividends and distributions that may be declared subsequent to the date of allotment of the Public Issue Shares.

4. INFORMATION ON THE LET GROUP (Cont'd)

4.1.2.4 Listing

Pursuant to the Public Issue, LET will seek admission for the Official List of the Bursa Securities and for the listing of and quotation for the entire issued and paid-up share capital of RM13,800,000 comprising 138,000,000 LET Shares on the MESDAQ Market.

4.1.3 Share Capital and Changes in Share Capital

As at 30 September 2005, LET has an authorised share capital of RM25,000,000 comprising 250,000,000 LET Shares, of which 105,500,000 LET Shares have been issued and fully paid-up giving rise to an issued and paid-up share capital of RM10,550,000.

The details of the changes in the issued and paid-up share capital of LET since incorporation are as follows:

Date of Allotment	No. of Ordinary Shares	Par Value (Sen)	Consideration	Cumulative Paid-up Share Capital (RM)
25.03.2004	200	10	Subscribers' shares	20
29.03.2004	749,800	10	Cash	75,000
31.03.2005	52,000,000	10	Shares issued pursuant to the Acquisition at an issue price of approximately 10 sen per share	5,275,000
29.07.2005	52,750,000	10	Rights Issue on the basis of one (1) new share for one (1) existing share held at par	10,550,000

Upon completion of the Public Issue, the enlarged issued and paid-up share capital of LET shall be RM13,800,000 comprising 138,000,000 LET Shares.

4.1.4 Subsidiaries and Associated Companies

LET has only one (1) wholly-owned subsidiary, namely LES. LET does not have any associated company. The principal activity of LES is as follows:

Date and Place of Incorporation	Issued and Paid-Up Share Capital (SGD)	Effective Equity Interest Held	Principal Activity
17.10.2000 Singapore	1,410,000	100%	Provision of educational programmes

4.2 INFORMATION ON LES

4.2.1 History and Business

LES was incorporated as a private limited company in Singapore under the Singaporean Companies Act (Chapter 50) on 17 October 2000 and commenced its business immediately.

LES is principally engaged in the provision of educational programmes. It began as a partnership of ex-school teachers to provide sports and sports related services to schools in Singapore, under the name Litespeed Sports Services. It assumed its present identity in 2000.

4. INFORMATION ON THE LET GROUP (Cont'd)**4.2.2 Share Capital**

The issued and paid-up share capital of LES as at 30 September 2005 is as follows:

	SGD
Authorised	
2,500,000 shares of SGD1.00 each	2,500,000
Issued and paid-up share capital	
1,410,000 shares of SGD1.00 each	1,410,000

4.2.3 Changes in Share Capital

The changes in the issued and paid-up share capital of LES since its incorporation are as follows:

Ordinary shares of SGD1.00 each

Date of Allotment	No. of Ordinary Shares of SGD1.00 each Allotted	Consideration	Cumulative Paid-up Share Capital (SGD)
17.10.2000	700	Subscribers' share	700
25.02.2001	100	Cash	800
26.02.2001	120	Partly in cash and partly in kind	920
26.09.2001	80	Cash	1,000
01.10.2001	125	Cash	1,125
05.10.2001	454	Cash	1,579
08.10.2001	315,800	Bonus issue (200:1)	317,379
19.01.2004	952,137	Bonus issue (3:1)	1,269,516
03.03.2005	140,484	Conversion of RCPS on the basis of one (1) RCPS for one (1) LES Share ¹	1,410,000

Note:

- Pursuant to two (2) separate RCPS Subscription Agreements both dated 21 May 2004, Faridah Bt Hj Tun Mohd Fuad Stephens and Dr. Wong Kai Choo @ Wong Ka Chon respectively subscribed for, and LES allotted and issued to Faridah Bt Hj Tun Mohd Fuad Stephens and Dr. Wong Kai Choo @ Wong Ka Chon, 98,339 and 42,145 RCPS. The RCPS were convertible into LES Shares on the basis of one (1) RCPS for one (1) LES Share upon the receipt of the relevant authorities' approval on the listing scheme of LET. Pursuant to the conversion of 140,484 RCPS into 140,484 LES Shares, there are no further preference share capital in LES.

RCPS of SGD1.00 each

Date Of Allotment/ (Conversion)	Number Of RCPS Of SGD1.00 each Allotted/(Converted)	Consideration	Cumulative Paid-up Share Capital (SGD)
25.05.2004	140,484	Cash	140,484
(03.03.2005)	(140,484)	Conversion of RCPS on the basis of one (1) RCPS for every one (1) ordinary share	-

4. INFORMATION ON THE LET GROUP (Cont'd)

As at 30 September 2005, LES does not have any outstanding options or convertible securities.

4.2.4 Substantial Shareholder

As at 30 September 2005, LES is wholly-owned by LET.

4.2.5 Subsidiary and Associated Companies

As at 30 September 2005, LES does not have any subsidiary or associated company.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK
