5 INDUSTRY OVERVIEW

5.1 GLOBAL AND MALAYSIAN ECONOMIES OVERVIEW AND OUTLOOK

Global Economic Overview and Outlook

The global economy continues to grow despite high crude palm oil prices and monetary policies tightening in major economies. Economic activities in developed countries continue to expand, with the euro area improving on the back of positive consumer and business sentiments, while in Japan, growth continues to firm up with further strengthening in business and consumer confidence. The United States (US) economy is showing signs of moderation. Among developing economies, growth continues to be strong in China, India and other nations in Asia, supported by rising exports, investment and consumption.

For the year 2006, world gross domestic product (GDP) is projected to expand further to 4.9% (if compared to 4.8% in 2005). The strong growth forecast could be impeded by several downside risks, notably, a further increase in crude oil prices and global interest rates, disorderly adjustments of the global imbalances – the diverging current account positions of the world's main economic regions – as well as heightened geopolitical uncertainties in the Middle East.

Growth among the advanced economies is more broadly based, with the US continuing as the main engine growth, supported by the ongoing expansion in Japan and sustained recovery in the euro area. Going forward, these economies nevertheless continue to remain vulnerable to crude oil price shocks given production capacity constraints as well as the disorderly adjustment of global imbalances.

Developing economies of Asia, with GDP growth averaging 8.5%, have outpaced other regions for the past three years. Leading economies are China and India with growth forecast at 10.4% (2005:9.9%) and 7.3%(2005: 8.4%), respectively for 2006. The Association of Southeast Asian Nations (ASEAN) member countries are also expected to register strong growth ranging from 4.5% (Thailand) to 8% (Vietnam). Other Asian economies anticipated to show strong performance include Bhutan (13.2%), Afghanistan (11.7%) and Maldives (8%).

Buoyed by the strong rebound in global electronics demand in the second half of 2005, East Asian export growth continued into 2006. Real GDP growth in the region is anticipated to hold steady at 7.7% in 2006, supported by the sustained expansion in Japan and recovery in Republic of Korea alongside the continued growth of ASEAN member countries and China. Inflation is expected to rise marginally to 2.4% in 2006 as economies in the region adjust to more costly crude oil. The ASEAN region is poised to chalk an estimated growth rate of 5.8% in 2006 (2005: 5.5%), underpinned by strengthening domestic demand and exports.

In an environment of high crude oil prices, tightening monetary conditions and deepening global imbalances, growth in the US is forecast to register 3% to 3.25% in 2007 (as compared to 3.25% - 3.5% in 2006), euro area 1.9% (as compared to 2.1% in 2006) and Japan 2.1% (as compared to 2.8% in 2006), with inflation in advanced economies forecasted to remain subdued at 2.1% (as compared to 2.3% in 2006). Growth in the East Asian region, in particular China, will nevertheless continue to be robust supported by domestic demand and export growth. With growth in major economies generally on a moderating trend, global output in 2007 is projected to be lower at 4.7% (as compared to 4.9% in 2006).

(Source: Economic Report of Malaysia 2006/2007)

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Malaysia Economic Overview and Outlook

Malaysia has achieved significant progress in developing the economy and improving the quality of life of its people, despite the difficult and volatile external environment in recent years. Economic management in 2006 remains challenging amidst an environment of persistently high crude oil prices, rising global interest rates and increasing competition from China, India and other emerging regional economies. With pragmatic macroeconomic policies coupled with strong economic fundamentals, including robust private investment, low unemployment as well as steady consumer spending, real Gross Domestic Product (GDP) is projected to grow at 5.8% in 2006 (2005: 5.2%).

The growth momentum in Malaysia remains strong, driven by robust domestic demand and favourable export performance. Growth is supported by favourable financing and stable labour market conditions. The Government's strategic decision to move from a fixed exchange rate regime to a managed float was well-received and contributed to further boosting investor and consumer confidence. These factors, coupled with pro-business policies and political stability, continue to provide the enabling environment for the economy.

Growth in 2006 is expected to be broad-based with positive contribution by all sectors, led by services, manufacturing and agriculture. Strong domestic consumption and continued expansion in trade-related activities are expected to support growth in the services sector, especially in the wholesale and retail trade, hotel and restaurants; transport, storage and communication; and financial services sub-sectors. The global uptrend in demand for electronics will impact positively on Malaysia's exports of electrical and electronic (E&E) products, leading to a stronger growth in manufacturing output.

The manufacturing sector is expected to expand further, increasing by 7.3% in 2006 (2005: 5.1%), with production in the export-oriented industries contributing 63.6% to total output. The robust performance of the manufacturing sector is based on higher output growth of 8.7% registered in the first six months of 2006 (January-June 2005: 3.8%) and anticipated continued expansion in the second half.

The economic growth momentum in 2006 is expected to continue into 2007 at a stronger pace of 6%, supported by sound domestic economic fundamentals and a conducive business environment.

(Source: Economic Report of Malaysia 2006/2007)

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5.2 GLOBAL AND MALAYSIAN M&E INDUSTRY

Worldwide Hydraulic Equipment Market Overview

Hydraulic equipment, a key constituent of the fluid power industry's revenues, outdistances the nearest competing technology - pneumatic equipment, leveraging on the strength of soaring demand from end use applications. While the overwhelmingly mature Industrial hydraulic equipment segment is likely to satiate with sluggish growth rates on account of slouching demand across globe, mobile hydraulics, comprised of earthmoving and construction machinery, is slated for sturdy growth banking upon advanced built-in controls that are surging volumes of new equipment.

The world market for hydraulic equipment is estimated to be US$23.54 billion in 2005 as compared to US$22.19 billion estimated for 2004. The market, expected to reach US$25.19 billion by 2006, is further projected to grow at a compounded annual rate of 5.87% over the 2004-2010 analysis period.

World Historic Market Review for Hydraulic Equipment by Geographic Region – US, Canada, Japan, Europe, Asia Pacific (excluding Japan), Middle East and Latin America Independently Analyzed with Annual Sales Figures (USD'Million)

Region/Country	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	CAGR %
US	6116.02	6632.81	7240.45	7725.55	8199.85	8548.34	8732.12	8273.69	7964.22	7848.76	2.81
Canada	649.50	690.43	760.59	810.93	855.61	902.14	913.30	869.20	842.08	830.62	2.77
Japan	2140.59	2364.75	2646.91	2910.49	2628.42	2429.03	2706.43	2538.71	2508.75	2598.04	2.18
Europe	5198.31	5449.41	5742.09	5911.54	6080.43	6247.81	6388.44	6207.66	6139.87	6138.17	1.86
Asia Pacific	961.19	1033.30	1101.84	1204.97	1311.44	1415.02	1502.94	1664.82	1732.82	1830.72	7.42
Middle East	834.36	865.07	902.62	951.77	1020.22	1081.29	1152.16	1198.79	1236.25	1251.46	4.61
Latin America	695.71	737.59	791.73	835.86	891.87	910.44	947.28	891.91	863.19	852.92	2.29
Total	**16595.67**	**17773.36**	**19186.22**	**20351.11**	**20987.84**	**21534.07**	**22342.69**	**21644.79**	**21287.20**	**21350.70**	**2.84**

(*) All figures are at the Manufacturers' Level. Exchange rate used is 1US$ = 1.24 Canadian Dollars; 105.56 Japanese Yen; 0.75 Euro, 0.52 British Pound; and 27.97 Russian Rubles

World Current & Future Market Analysis for Hydraulic Equipment by Geographic Region – US, Canada, Japan, Europe, Asia Pacific (excluding Japan), Middle East and Latin America Independently Analyzed with Annual Sales Figures (*) in US$ Million for Years 2004 through 2010

Region/Country	2004	2005	2006	2007	2008	2009	2010	CAGR %
US	8103.04	8527.58	9052.94	9664.01	10190.69	10771.57	11435.15	5.91
Canada	877.58	944.80	1015.19	1096.54	1133.94	1199.37	1261.96	6.24
Japan	2731.09	2899.06	3067.51	3105.55	3261.78	3460.62	3700.56	5.19
Europe	6330.70	6712.68	7260.08	7754.64	8106.96	8423.36	8770.45	5.58
Asia Pacific	1959.23	2120.67	2274.21	2416.45	2552.74	2677.06	2821.37	6.27
Middle East	1299.52	1382.96	1501.49	1625.21	1750.67	1841.01	1930.13	6.82
Latin America	889.09	952.12	1028.39	1110.28	1181.78	1255.30	1321.09	6.82
Total	**22190.25**	**23539.87**	**25199.81**	**26772.68**	**28178.54**	**29628.27**	**31240.70**	**5.87**

(*) All figures are at the Manufacturers' Level. Exchange rate used is 1US$ = 1.24 Canadian Dollars; 105.56 Japanese Yen; 0.75 Euro, 0.52 British Pound; and 27.97 Russian Rubles

US, the largest market for hydraulic equipment, is estimated to be US$8.53 billion in 2005 and it is expected to reach US$11.43 billion by 2010. Middle East and Latin America are projected to register a CAGR of 6.82%, representing the fastest growing regions during 2004-2010.

The world market for hydraulic equipment was US$16.59 billion in 1994, which grew to US$21.35 billion in 2003, reflecting a CAGR of 2.84%. Asia-Pacific represented the fastest growing region with a CAGR of 7.42%, while US symbolized for the largest region with sales of US$7.85 billion in 2003. During the review period, Pumps and motors denoting the most prospective segment, at a CAGR of 3.14% represented fastest growing as well as largest segment with sales of US$5.48 billion in 2003.

Worldwide Market for Hydraulic Equipment – Current & Future Analysis by Product Segment for Accumulators and Filters, Cylinders, Power Packs, Pumps and Motors, Valves and Other Hydraulic Equipment Independently Analyzed with Annual Sales Figures (*) in US$ Million for Years 2004 through 2010

Product Segment	2004	2005	2006	2007	2008	2009	2010	CAGR %
Accumulators and Filters	2,677	2,834	3,015	3,198	3,354	3,508	3,698	5.53
Cylinders	3,430	3,634	3,890	4,129	4,347	4,573	4,816	5,82
Power Packs	1,873	1,981	2,121	2,261	2,359	2,459	2,584	5.51
Pump & Motors	5,713	6,073	6,531	6,953	7,362	7,747	8,183	6.17
Valves	4,092	4,349	4,678	4,968	5,210	5,480	5,773	5.90
Other Hydraulic Equipments	4,405	4,668	4,966	5,264	5,546	5,862	6,186	5.82

Asia-Pacific Market for Hydraulic Equipment – Current & Future Analysis by Product Segment for Accumulators and Filters, Cylinders, Power Packs, Pumps and Motors, Valves and Other Hydraulic Equipment Independently Analyzed with Annual Sales Figures (*) in US$ Million for Years 2004 through 2010

Product Segments	2004	2005	2006	2007	2008	2009	2010	CAGR %
Accumulators and Filters	141.46	152.90	163.97	174.23	183.03	192.48	203.70	6.27
Cylinders	295.84	319.37	341.59	363.43	383.42	400.49	421.23	6.07
Power Packs	145.77	157.78	168.97	180.03	189.67	198.10	210.19	6.29
Pumps and Motors	811.71	878.81	942.43	1001.14	1059.64	1114.99	1172.00	6.31
Valves	316.61	343.97	370.47	393.40	415.59	433.95	460.73	6.45
Other Hydraulic Equipment	247.84	267.84	286.78	304.23	321.39	337.04	353.52	6.10
Total	1959.23	2120.67	2274.21	2416.45	2552.74	2677.06	2821.37	6.27

(Source: A Global Strategic Business Report on Hydraulic Equipment by Global Industrial Analysts, February 2005)

Malaysia M&E Imports Overview

The government has introduced special incentives to encourage investments in the M&E sectors. 100% tax exemption on corporate income tax for 10 years or Investment Tax Allowance of 100% on qualifying capital expenditure incurred within a period of 5 years are granted to companies proposing to manufacture any of the following M&E:

- Machine tools
- Plastic injection machinery
- Plastic extrusion machinery
- Packaging machinery
- Material handling equipment
- Robotics and factory automation equipment
- Specialised/process machinery or equipment for specific industries

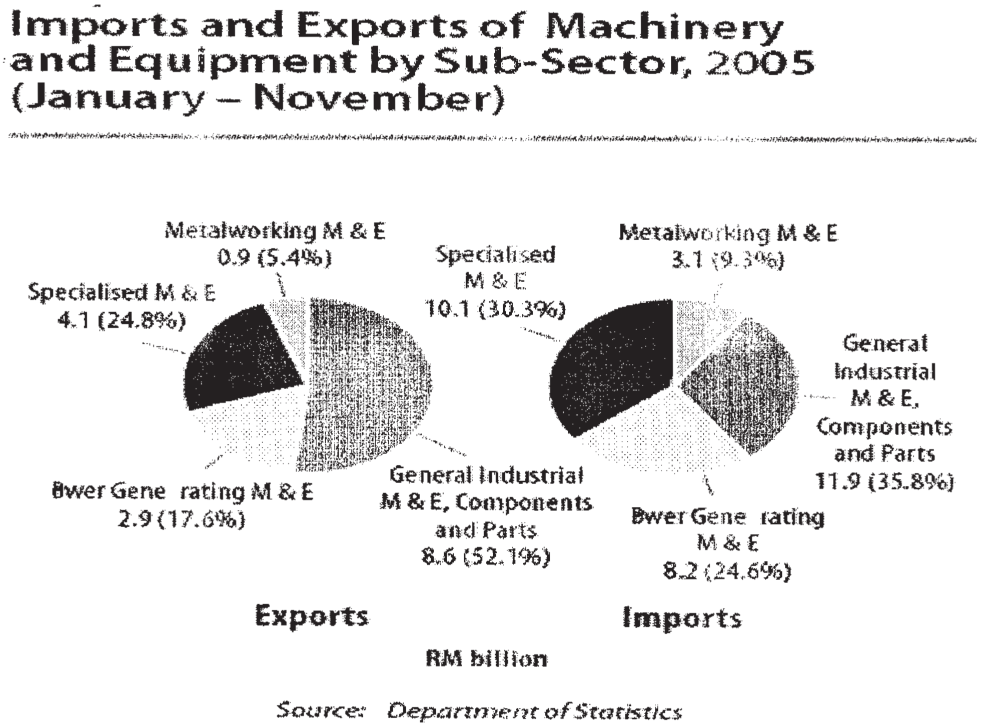
Malaysia aims to nurture the M&E industry to be a resilient, broad-based, cost efficient and competitive sector while focusing on R&D, engineering design, state-of-the-art technology and market development.

Although the M&E manufacturing industry has grown significantly over the last three decades to support the growth of other industries in Malaysia, there is still a large potential for import substitution as shown by import figures for M&E.

Malaysia Machinery and Equipment Imports 1999-2003:

Sub-sector / Year	1999	2000	2001	2002	2003	Major Source
	USD (Million)					
Power Generating M&E	1,251	1,442	1,793	1,871	1,472	USA, Japan, China, Singapore, Thailand
M&E for Specific Industries	1,934	3,379	2,290	1,992	2,106	Japan, Taiwan, USA, Germany, Singapore
Metalworking M&E	594	851	726	652	614	Japan, Taiwan, USA, Germany, Singapore
General Industrial M&E, Components & Parts	2,530	2,610	2,688	2,461	2,400	Japan, Taiwan, USA, Germany, Singapore
TOTAL	**6,309**	**8,283**	**7,497**	**6,976**	**6,592**	

(Source: Malaysia's Machinery and Equipment Industry by MIDA, September 2004)



(Source: Performance of the Manufacturing and Related Sectors 2005 by MIDA)

5.3 PROSPECTS AND OUTLOOK OF THE GROUP AND HYDRAULIC EQUIPMENT INDUSTRY

Given the prospects and positive outlook of the global economy, the Malaysian economy and the various primary industries, our Group is optimistic that its business will grow capitalising on the strengths and opportunities present to our Group in today's market outlook. The trend towards one stop solution provider which moves away from the traditional component suppliers approach have put a lot of current players in the market into consolidation mode due to their over focus on component segmentation. As our Group concentrates on providing solutions and technologies, we will be in the position to pose strong growth in addition to minimize cost-based competition through product differentiation.

Furthermore, by capitalising on the support and incentives given by the government and also our infrastructure and personnel strength and capabilities, our Group will strive to maintain our reputation as a reliable hydraulic solutions provider to our customers. We believe that the success of a market player in this sector is largely dependent on its capability to meet the customers' specifications in terms of timely delivery, high quality products and competitive pricing.

5.4 RELEVANT LAWS AND REGULATIONS GOVERNING THE HYDRAULIC EQUIPMENT INDUSTRY AND PECULIARITIES OF THE HYDRAULIC EQUIPMENT INDUSTRY

Save for the laws and regulations generally applicable to all companies carrying out business and those carrying out manufacturing activities in Malaysia, there are no special or peculiar laws and regulations governing the hydraulic equipment industry only.

5.5 INDUSTRY PLAYERS AND COMPETITION

The main competitors to our Group include foreign-based companies such as Eaton Corporation, Parker Hannifin Corporation, Moog Incorporated and Bosch Rexroth AG.

The said companies are foreign competitors of our Group where eHAS forms part of their range of products and services. These companies are operating from overseas and have either representative or sales offices in Malaysia and/or Singapore.

As for locally established companies, there are many local players who are distributors in nature and are mainly focusing on trading hydraulic automation systems' spare parts and components of foreign brand products. To our Directors' best knowledge, there is no direct comparable company in Malaysia that offers integrated eHAS due to the complexity of technical expertise which is lacking in the local market.

5.6 COMPETITIVE STRENGTHS AND ADVANTAGES

The strengths and advantages of our Group are as follows:

(i) Cost Effective Products and Services

Being an integrated eHAS provider in Malaysia, our Group is able to compete effectively against the foreign providers with its lower operating cost and geographical advantage which enables its eHAS to be competitively priced.

(ii) In-depth domain knowledge

The products which our Group developed, involve the disciplines of advanced engineering capabilities, covering both the electro-hydraulic and electro-mechanical application solutions. In order to enable our Group to succeed in the hydraulic equipment market, it is essential that our Group has an in-depth knowledge of the industries in which it serves.

The founders of our Group, Chan Ah Ba and Ooi Chai Huat, have been devoting themselves in the hydraulic equipment market for more than twenty (20) years. They have been with the Group since 1988. Their past credentials and accomplishments include designing and setting up of new hydraulic automation systems, managing project operations, technical engineering, R&D and business development for various types of industries (e.g. oil palm, steel, wood-based, logistics, semiconductor, paper & pulp etc.) Our experienced management team in turn leads a team of highly skilled and technically strong work force. The Directors and key management personnel of our Group possess strong technical, engineering, R&D and business development backgrounds. The know-how and skills of this group of people have been honed through years of relevant industrial experience, on-the-job training, and apprenticeship and training programs. Their experience and backgrounds are evident in their systematic approach in problem solving, meticulous attention to details and strong quality control practices.

As such, they have the requisite in-depth experience and domain knowledge in the various aspects of the aforementioned industries and hydraulic equipment market, and this aspect poses one of the major barriers to entry for new players to the eHAS solutions market. Our Group's domain knowledge and experience in these industries have armed our Group with the necessary knowledge in developing its integrated eHAS solutions.

(iii) Wide Customer Base and Multiple Industries

Our Group has a wide customer base of over 200 corporations in multiple industries. Users of our Group's solutions including established foreign companies and some listed public companies group are such as:-

Customers	**Industries**
Vickers Systems Sdn Bhd	OEM Hydraulic Manufacturer
Vickers Systems Asia Pacific Pte Ltd	OEM Hydraulic Manufacturer
Megasteel Sdn Bhd	Steel Mill
Muda Paper Mills Sdn Bhd	Pulp and Paper Mill
Southern Steel Bhd	Steel Mill
Y&L Tractor Parts	Trading
Amsteel Mills Sdn Bhd	Steel Mill
Antara Steel Mill Sdn Bhd	Steel Mill
Merbok MDF Sdn Bhd	Wood Based Manufacturer
Malayawata Steel Bhd	Steel Mill
A.S.T Palm Oil Co. Ltd	Palm Oil
SPO Agro Industry Co. Ltd	Palm Oil
Alam Bumi Palm Oil Mills Sdn Bhd	Palm Oil

In addition, TTB Group currently focuses on marketing its solutions/products to palm oil, steel, logistic industries which are important industries in Malaysia.

(iv) R&D Capabilities and skilled workforce

The possession of strong R&D capabilities is vital to our Group's success. We have the ability to continually develop enhanced integrated eHAS solutions in response to changes in technological development. Our R&D team will continue its effort to develop new solutions in subsequent years.

The level of technology in hydraulic automation is determined by the ability to integrate electro-hydraulic and electro-mechanical advancement into its application. As a dynamic and versatile integrated eHAS solution provider, our Group's ability to offer total solutions to its potential customers gives our Group competitive advantage.

Our Group is equipped with modern facilities to ensure implementation of design standards. Our Group has a strong development team whose talents and skills have contributed towards the design and development of HMB, ESC, hydraulic power pack and hydraulic actuator/cylinder. As a result, our Group is able to offer comprehensive in-house eHAS to its customers.

(v) Proprietary in-house eHAS & total solutions provider

The founders of our Group believe that our Group does not have any direct competitors in Malaysia as it is an eHAS specialist that offers total in-house eHAS solutions from the design and development of the following:-

(i) HMB and valves systems;
(ii) ESC;
(iii) actuator namely cylinders and hydraulic motors; and
(iv) hydraulic power pack system.

Our Group also provides a wide range of hydraulic parts such as hose, fittings, accessories, jigs and fixture, sealing solutions and other components. With the wide base selection of hose, and more fitting sizes and configurations, our Group is able to provide subsequent maintenance and after sales support to most of its customers.

Hence, our Group is a total solutions provider in the equipment hydraulic industry. TTB Group is the pioneer of the HMB technology for eHAS in Malaysia as it uses this technology in all its eHAS solutions since 2001.

Registrations for its intellectual property, i.e. trade marks "TEJARI" and the Industrial designs for the HMB has been made. The Industrial Designs for "Double Pump Block" and "Saxon Lift Block" for hydraulic systems have been successfully registered on 20 January 2005 and will expire on 20 January 2010 and may be extended for two consecutive terms of 5 years each. As such, this will help prevent unauthorised third party exploitation. In addition, it will create an identity for all the future products and services of the TTB Group.

(vi) Industry Opportunities

Based on the Global Strategic Business Report on Hydraulic Equipment by Global Industry Analyst, Inc dated February 2005, ("Business Report"), the world market for hydraulic equipment is estimated to be US$23.54 billion in 2005 as compared to US$22.19 billion estimated for 2004. The market, expected to reach US$25.19 billion by 2006, is further projected to grow at a compounded annual rate of 5.87% over the 2004-2010 analysis period.

According to the Business Report, the Asia Pacific region represents a market size of USD2.1 billion in 2005 and USD2.8 billion by 2010.

The Malaysian general industrial M&E, components and parts sub-sector covers a broad category of products such as air-conditioning plants, cold room equipment, elevators, cranes, conveyor systems, pumps, compressors, welding machines, fans & blowers, heat exchangers, pressure vessels, filtering equipment, valves, bearings, gears, actuators, etc.

Although the M&E manufacturing industry has grown significantly over the last three decades to support the growth of other industries in Malaysia, there is still a large potential for import substitution as shown by import figures for M&E.

Thus, our Group expects to retain and expand its market share in the hydraulic equipment industry by continuously aggressively seeking new customers, promote the cost effective local source of hydraulic automation systems as oppose to foreign imports, increasing its range of hydraulic solution development and penetrating new segments of the industry.

5.7 DEMAND AND SUPPLY

Our Board believes that the demand for our Group's solutions is expected to achieve promising growth due to the increased global market awareness of the importance of hydraulic automation solutions to enhance manufacturing efficiencies.

Demand for solutions to the aforesaid industries is substantially dependent on the ability to develop solutions to keep abreast with the changing technological standards and requirements. The engineering related industries in which we are operating, are characterised by constant change in technologies and frequent introductions of new and more advanced products and services, changes in client demands and evolving industry standards. As such, companies with proven product track records and domain knowledge in the underlying industries will sustain.

There are not many suppliers of eHAS solutions in the local market apart from the main foreign-based companies that have either representative or sales office in Malaysia and/or Singapore. As for local established companies, there are many local players who are distributors in nature and are mainly focus on trading hydraulic automation systems' spare parts and components of foreign brand products.

5.8 INDUSTRY'S RELIANCE ON AND VULNERABILITY TO IMPORTS

Imported raw materials are frequently included in our comprehensive hydraulic automation solutions. There is limited choice of local manufacturers, and as such we rely on the import of these raw materials. However, imported raw materials required can be readily sourced from many suppliers and/or authorised distributors. Furthermore, our Group has developed and maintained strong and cordial supplier- and principal- relationships. Thus, the above mitigates the risk of disruption in the supply of raw materials to our Group.

Premised on the above, our Directors believe that our reliance on and vulnerability to imports are not material.

5.9 SUBSTITUTE PRODUCTS AND SERVICES

To the best knowledge and belief of the management of the Group, there are no direct substitute to its products and services. However, the application of the conventional hydraulic automation system in the industrial world is in the process of migrating to highly integrated eHAS. Our Group's R&D effort has positioned itself in developing ESC, which plays an indispensable role in eHAS. These R&D efforts are detailed in section 4.4.9.4 of this Prospectus.

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6 FINANCIAL INFORMATION

6.1 FINANCIAL HIGHLIGHTS

6.1.1 Proforma Consolidated Income Statements

The following is a summary of proforma consolidated income statements for the past three (3) FYE 30 November 2004 to FYE 30 November 2006 which have been prepared on the assumptions that the current structure of our Group had been in existence throughout the years/period under review.

	2004 RM'000	2005 RM'000	2006 RM'000
Revenue	14,278	16,796	20,948
Gross profit	6,240	8,495	9,319
Earnings before interest, depreciation, taxation, amortisation and R&D	2,710	4,384	4,721
R&D expenses	(279)	(309)	(336)
EBITDA	2,431	4,075	4,385
Depreciation and amortisation	(428)	(514)	(712)
Interest expenses	(163)	(142)	(165)
PBT	1,840	3,419	3,508
Taxation	(511)	(405)	(148)
PAT	1,329	3,014	3,360
Proforma no. of shares ('000)[N1]	123,000	123,000	123,000
Gross Profit margin (%)	44%	51%	44%
PAT margin (%)	9%	18%	16%
Gross EPS (sen)[N2]	1.5	2.8	2.9
Net EPS (sen)[N3]	1.1	2.4	2.7

N1 *Based on the enlarged share capital after the Acquisitions and Sub-Division of Shares but before the Public Issue.*

N2 *The gross EPS has been calculated based on the PBT and on the assumption that the issued and paid-up share capital of TTB of 123,000,000 Shares had been in issue throughout the financial years/period under review.*

N3 *The net EPS has been calculated based on the PAT and on the assumption that the issued and paid-up share capital of TTB of 123,000,000 Shares had been in issue throughout the financial years/period under review.*

Basis of preparation

The Proforma Consolidated Income Statements are provided for illustrative purpose only and have been prepared:-

(i) based on the audited financial statements of all the companies within TTB Group after making such adjustments considered necessary (as referred to in notes 3.2 to 3.4 of Section 14 of this Prospectus) and on the assumption that TTB Group had been in existence throughout the years/period under review;

(i) in compliance with applicable approved accounting standards in Malaysia;

(iii) based on the basis stated which is consistent with the accounting policies normally adopted by TTB Group in its audited financial statements for the FYE 30 November 2006;

(iv) all significant inter-company transactions are eliminated on consolidation and the proforma TTB Group results reflect external transactions only;

(v) the effective interest of TSB in the subsidiaries acquired during the years under review have been adjusted to reflect the effective interest of 100% as follows:

	FYE 30 November 2004		FYE 30 November 2005	
	Audited effective interest	After adjustments	Audited effective interest	After adjustments
	%	%	%	%
TCSB	84.40	100.00	90.00	100.00
TCJSB	78.40	100.00	80.00	100.00
THSSB	65.00	100.00	65.00	100.00

(vi) there were no extraordinary or exceptional items included in the proforma consolidated income statements for the relevant years/period under review.

Our auditors have reported our financial statements above without any qualification for the financial years/period under review. For more details on the proforma consolidated financial information, please refer to Section 14 of this Prospectus.

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6.1.2 Proforma Consolidated Balance Sheets

The proforma consolidated balance sheets as at 30 November 2006 as set out below have been prepared to show the effects of the Listing on the assumption that it had been completed on 30 November 2006 and our Group had been in existence throughout the years/period under review.

	Audited TTB Group as at 30 November 2006 RM'000	Adjustment I (Public Issue and Utilisation of proceeds) RM'000	Proforma I (After Public Issue and Utilisation of proceeds) RM'000	Adjustment II (Full exercise of ESOS options) RM'000	Proforma II (After Full exercise of ESOS options) RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	3,870	4,750	8,620		8,620
Other investments	120		120		120
	3,990		8,740		8,740
CURRENT ASSETS					
Inventories	7,374		7,374		7,374
Receivables, deposits and prepayments	8,173		8,173		8,173
Tax recoverable	158		158		158
Cash and bank balances	445	1,800	2,245	6,846	9,091
	16,150		17,950		24,796
CURRENT LIABILITIES					
Payables	2,213		2,213		2,213
Hire purchase payables	347	(48)	299		299
Bank borrowings	1,032	(1,032)	0		0
Taxation	19		19		19
	3,611		2,531		2,531
NET CURRENT ASSETS	12,539		15,419		22,265
	16,529		24,159		31,005
SHARE CAPITAL	12,300	4,000	16,300	2,445	18,745
SHARE PREMIUM	0	5,850	5,850	4,401	10,251
RESERVE ON CONSOLIDATION	2,298		2,298		2,298
RETAINED PROFITS/ (ACCUMULATED LOSSES)	1,113	(2,000)	(887)		(887)[N1]
SHAREHOLDERS' EQUITY	15,711		23,561		30,407
NON-CURRENT LIABILITIES					
Hire purchase payables	583		583		583
Term loan	220	(220)	0		0
Deferred taxation	15		15		15
	818		598		598
	16,529		24,159		31,005
Net tangible assets per share (RM)	0.13		0.14		0.16

N1 The accumulated losses are due to the utilisation of the listing proceeds on R&D expenses and sales and marketing expenses of RM 1.0 million each. The utilisation of these expenses are assumed to be immediate rather than over the three FYE 2008 as per the R&D plan as detailed out in Section 4.4.9.3 of this Prospectus. We expect these R&D and marketing expenses to generate future revenue over the future financial years when they are incurred

6 FINANCIAL INFORMATION (Cont'd)

The proforma consolidated balance sheets of TTB, for which the Directors of TTB are solely responsible, have been prepared for illustrative purposes based on accounting principles and bases consistent with those previously adopted in the preparation of the audited financial statements of TTB Group as at 30 November 2006 which have been prepared in accordance with the applicable MASB approved accounting standards in Malaysia and after making such adjustments that are considered necessary for Public Issue and ESOS had they been completed on that day. The details of the adjustments have been set out in the proforma consolidated balance sheets of Section 14 in this Prospectus.

Our auditors have reported our financial statements above without any qualification for the financial years/period under review. For more details on the proforma consolidated financial information, please refer to Section 14 of this Prospectus.

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6.1.3 Proforma Consolidated Cash Flow Statement

The proforma consolidated cash flow statement for the FYE 30 November 2006 has been prepared, solely for illustrative purposes, to show the cash flow of our Group had our Group been in existence during the financial year presented.

	RM'000
CASH FLOW FROM OPERATING ACTIVITIES	
Profit before taxation for the financial year	1,508
Adjustments for:	
Allowance for doubtful debts	201
Bad debts written off	37
Depreciation	712
Property, plant and equipment written off	3
Loss on disposal of property, plant and equipment	1
Gain on disposal of property, plant and equipment	(46)
Interest income	(#)
Interest expense	165
Operating profit before working capital changes	2,581
Inventories	8
Receivables, deposits and prepayments	(2,077)
Payables	3
Cash generated from operations	515
Interest received	#
Interest paid	(166)
Net taxation paid	(334)
Net cash flow from operating activities	15
CASH FLOW FROM INVESTING ACTIVITIES	
Proceeds from disposal of property, plant and equipment	50
Purchase of property, plant and equipment (Note a)	(5,993)
Net cash flow from investing activities	(5,943)
CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from Public Issue	9,850
Proceeds from full exercise of ESOS	6,846
Net repayment of bank borrowings	(670)
Net repayment of term loan	(600)
Repayment of hire purchase payables	(389)
Net cash flow from financing activities	15,037
NET CHANGE IN CASH AND CASH EQUIVALENTS	9,109
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	(18)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR (Note b)	9,091

 # Less than RM1,000.00

Notes:

	RM'000
(a) **Purchase of property, plant and equipment:**	
- financed by hire purchase arrangement	585
- financed by cash	5,993
- additions during the financial year	6,578
(b) **Analysis of cash and cash equivalents:**	
- cash and bank balances	9,091

Our auditors have reported our financial statements above without any qualification for the financial years/ period under review.

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6.1.4 Proforma Statement of Assets and Liabilities

The proforma statement of assets and liabilities of our Group, for which our Directors are solely responsible, have been prepared for illustrative purpose based on accounting principles and bases consistent with those previously adopted in the preparation of the audited financial statements of our Group as at 30 November 2006. This Proforma Statement of Assets and Liabilities which have been prepared in accordance with the applicable MASB approved accounting standards in Malaysia and after showing the effects of the transactions described in Adjustment I and Adjustment II as referred to in the proforma consolidated balance sheets as set out in Section 14 of this Prospectus on the assumption that the respective transactions have been completed on 30 November 2006 and should be read in conjunction with the notes thereon.

	NOTE	TTB Group RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	a	8,620
Investments	b	120
		8,740
CURRENT ASSETS		
Inventories	c	7,374
Receivables, deposits and prepayments	d	8,173
Tax recoverable		158
Cash and bank balances		9,091
		24,796
CURRENT LIABILITIES		
Payables	e	2,213
Hire purchase payables	f	299
Taxation		19
		2,531
NET CURRENT ASSETS		22,265
		31,005
SHARE CAPITAL	i	18,745
SHARE PREMIUM		10,251
RESERVE ON CONSOLIDATION		2,298
ACCUMULATED LOSSES		(887)
SHAREHOLDERS' EQUITY		30,407
NON-CURRENT LIABILITIES		
Hire purchase payables	f	583
Deferred taxation	j	15
		598
		31,005

6.1.4 PROFORMA STATEMENT OF ASSETS AND LIABILITIES AS AT 30 NOVEMBER 2006 (CONTINUED)

NOTES TO THE PROFORMA STATEMENT OF ASSETS AND LIABILITIES AS AT 30 NOVEMBER 2006

a. PROPERTY, PLANT AND EQUIPMENT

Net book value	Audited TTB Group RM'000	Proforma adjustments RM'000	Proforma TTB Group RM'000
Freehold buildings	1,042	2,650	3,692
Furniture and fittings	77		77
Office equipment	224		224
Motor vehicles	597		597
Plant and machinery	1,930	2,100	4,030
	3,870		8,620

As at 30 November 2006, the freehold buildings that have been pledged as security for banking facilities are as follows:

	Audited/Proforma TTB Group RM'000
Net book value	
Freehold buildings	864

As at 30 November 2006, the net book value of property, plant and equipment acquired under hire purchase arrangements are as follows:

	Audited/Proforma TTB Group RM'000
Net book value	
Motor vehicles	597
Plant and machinery	630
	1,227

b. INVESTMENTS

	Audited/Proforma TTB Group RM'000
Transferable club memberships	90
Unquoted shares in Malaysia	30
	120

c. INVENTORIES

	Audited/Proforma TTB Group RM'000
At cost	
Raw materials	4,234
Trading merchandise	2,922
Work-in-progress	218
	7,374

6.1.4 PROFORMA STATEMENT OF ASSETS AND LIABILITIES AS AT 30 NOVEMBER 2006 (CONTINUED)

NOTES TO THE PROFORMA STATEMENT OF ASSETS AND LIABILITIES AS AT 30 NOVEMBER 2006 (CONTINUED)

d. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Audited/Proforma TTB Group RM'000
Trade receivables	7,356
Less: Allowance for doubtful debts	(254)
	7,102
Non-trade receivables	44
Deposits	62
Prepayments	965
	8,173

The credit terms of trade receivables given by our Group vary from 0 to 120 days.

The foreign currency exposure of trade receivables is as follows:

	Audited/Proforma TTB Group RM'000
US Dollar	86

e. PAYABLES

	Audited/Proforma TTB Group RM'000
Trade payables	2,061
Non-trade payables	10
Accruals	141
Deposit received	1
	2,213

The credit terms of trade payables granted to our Group range from 30 to 120 days.

The foreign currency exposure of trade payables of our Group is as follows:

	Audited/Proforma TTB Group RM'000
Euro	51
Singapore Dollar	1,391
US Dollar	79

6.1.4 PROFORMA STATEMENT OF ASSETS AND LIABILITIES AS AT 30 NOVEMBER 2006 (CONTINUED)

NOTES TO THE PROFORMA STATEMENT OF ASSETS AND LIABILITIES AS AT 30 NOVEMBER 2006 (CONTINUED)

f. HIRE PURCHASE PAYABLES

	Audited TTB Group RM'000	Proforma adjustments RM'000	Proforma TTB Group RM'000
Present value of hire purchase liabilities:			
- not later than 1 year	347	(48)	299
- later than 1 year and not later than 5 years	583		583
	930		882
Hire purchase liabilities:			
Minimum hire purchase repayments			
- not later than 1 year	391	(48)	343
- later than 1 year and not later than 5 years	625		625
	1,016		968
Future finance charges on hire purchase	(86)		(86)
Present value of hire purchase	930		882
Representing hire purchase liabilities:			
- current	347		299
- non-current	583		583
	930		882

Hire purchase payables are subject to fixed interest rates ranging from 2.45% to 5.50% per annum.

Our Group's hire purchase payables are secured by the financial institutions charge over the assets under hire purchase arrangement.

g. BANK BORROWINGS

	Audited TTB Group RM'000	Proforma adjustments RM'000	Proforma TTB Group RM'000
Secured			
Bank overdrafts	410	(410)	0
Bankers' acceptance	423	(423)	0
Term loan (Note 6.1.4.h)	199	(199)	0
	1,032		0

As at 30 November 2006, the bank borrowings are secured by legal charge over our Group's freehold buildings as referred to in Note 6.1.4.a.

The effective interest rates at 30 November 2006 for borrowings are as follows:

	Audited TTB Group 2006 %
Bank overdrafts	8.25 to 9.25
Bankers' acceptance	4.05 to 5.52
Term loan	5.00

6 FINANCIAL INFORMATION (Cont'd)

6.1.4 PROFORMA STATEMENT OF ASSETS AND LIABILITIES AS AT 30 NOVEMBER 2006 (CONTINUED)

NOTES TO THE PROFORMA STATEMENT OF ASSETS AND LIABILITIES AS AT 30 NOVEMBER 2006 (CONTINUED)

h. TERM LOAN

	Audited TTB Group RM'000	Proforma adjustments RM'000	Proforma TTB Group RM'000
Secured			
Representing term loan:			
- current (Note 6.1.4.g)	199	(199)	0
- non-current	220	(220)	0
	419		0
Maturity of term loan:			
- not later than 1 year	199	(199)	0
- later than 1 year and not later 5 years	220	(220)	0
	419		0

i. SHARE CAPITAL

	Audited/Proforma TTB Group RM'000
Authorised	
250,000,000 ordinary shares of RM0.10 each	25,000
Issued and fully paid	
At beginning of the financial year	#
Pursuant to the TSB acquisition	12,300
Pursuant to the Public Issue	4,000
Pursuant to the full exercise of ESOS	2,445
At end of the financial period	18,745

On 30 September 2006, the authorised and issued and paid-up share capital was increased to RM25,000,000 consisting of 25,000,000 ordinary shares of RM1 each and RM12,300,000 consisting of 12,300,000 ordinary shares of RM1 each respectively. On 2 October 2006, the Company subdivided its shares par value of RM1.00 each into RM0.10 each.

2 ordinary shares at RM1 each.

j. DEFERRED TAXATION

	Audited/Proforma TTB Group RM'000
At beginning of the financial year	0
On acquisition of subsidiary companies	8
Recognised in the income statement:	
- property, plant and equipment	7
- overprovision in respect of prior years	(#)
At end of the financial year	15

6 FINANCIAL INFORMATION (Cont'd)

6.1.4 PROFORMA STATEMENT OF ASSETS AND LIABILITIES AS AT 30 NOVEMBER 2006 (CONTINUED)

NOTES TO THE PROFORMA STATEMENT OF ASSETS AND LIABILITIES AS AT 30 NOVEMBER 2006 (CONTINUED)

j. DEFERRED TAXATION (CONTINUED)

Subject to income tax:	
Deferred tax liabilities (before offsetting)	
Property, plant and equipment	32
Offsetting	(17)
Deferred tax liabilities (after offsetting)	15
Deferred tax asset (before offsetting)	
Property, plant and equipment	17
Offsetting	(17)
Deferred tax asset (after offsetting)	0

k. CAPITAL COMMITMENTS

	Audited/Proforma TTB Group RM'000
Capital expenditure	
Approved and contracted for:	
Property, plant and equipment	2,820

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6.2 OPERATING AND FINANCIAL REVIEW AND PROSPECTS

THE FOLLOWING DISCUSSION AND ANALYSIS SHOULD BE READ IN CONJUNCTION WITH OUR GROUP'S FINANCIAL HIGHLIGHTS INCLUDED IN SECTION 6.1 OF THIS PROSPECTUS.

6.2.1 Segmental Analysis

The following tables demonstrate the breakdown of our Group's revenue and gross profit contribution by companies, products and markets respectively.

By Companies

	Proforma Group														
	<------for the FYE 30 November------>														
	2004					2005					2006				
	Revenue		Gross Profit (GP)		GP Margin	Revenue		Gross Profit (GP)		GP Margin	Revenue		Gross Profit (GP)		GP Margin
	RM'000	%	RM'000	%	%	RM'000	%	RM'000	%	%	RM'000	%	RM'000	%	%
TTB	0	0	0	0	0	122	0.73	108	1.27	88.52	390	1.86	336	3.60	86.15
TSB	7,242	50.72	2,912	46.67	40.21	9,392	55.92	5,014	59.02	53.39	13,569	64.78	5,532	59.36	40.77
TCSB	3,336	23.36	1,240	19.87	37.17	4,083	24.31	1,128	13.28	27.63	4,147	19.80	1,417	15.21	34.17
TCJSB	1,936	13.56	581	9.31	30.01	1,823	10.85	623	7.34	34.17	2,317	11.06	624	6.70	26.93
THSSB	4,296	30.09	1,507	24.15	35.08	4,661	27.75	1,622	19.09	34.80	7,481	35.71	1,410	15.13	18.85
Sub Total	16,810	117.73	6,240	100.00	37.12	20,081	119.56	8,495	100.00	42.30	27,904	133.21	9,319	100.00	33.40
Less: Proforma consolidation adjustment	(2,532)	(17.73)	0	0	0	(3,285)	(19.56)	0	0	0	(6,956)	(33.21)	0	0	0
Total	14,278	100.00	6,240	100.00	43.70	16,796	100.00	8,495	100.00	50.58	20,948	100.00	9,319	100.00	44.49

6 FINANCIAL INFORMATION (Cont'd)

By Products

	Proforma Group														
	< ---------- for the FYE 30 November ---------- >														
	2004					2005					2006				
	Revenue		Gross Profit (GP)		GP Margin	Revenue		Gross Profit (GP)		GP Margin	Revenue		Gross Profit (GP)		GP Margin
	RM'000	%	RM'000	%	%	RM'000	%	RM'000	%	%	RM'000	%	RM'000	%	%
eHAS	10,431	73.06	4,100	65.71	39.31	13,225	78.74	6,121	72.06	46.28	15,045	71.83	7,285	78.17	48.42
Embedded Hydraulic Parts and Components	4,443	31.11	1,559	24.98	35.09	5,033	29.97	1,751	20.61	34.79	10,542	50.32	1,410	15.13	13.38
Project Management and Proactive Maintenance	1,936	13.56	581	9.31	30.01	1,823	10.85	623	7.33	34.17	2,317	11.06	624	6.70	26.93
Sub Total	16,810	117.73	6,240	100.00	37.12	20,081	119.56	8,495	100.00	42.30	27,904	133.21	9,319	100.00	33.40
Less: Proforma consolidation adjustment	(2,532)	(17.73)	0	0	0	(3,285)	(19.56)	0	0	0	(6,956)	(33.21)	0	0	0
Total	14,278	100.00	6,240	100.00	43.70	16,796	100.00	8,495	100.00	50.58	20,948	100.00	9,319	100.00	44.49

6 FINANCIAL INFORMATION (Cont'd)

By Markets

	Proforma Group														
	<--- for the FYE 30 November --->														
	2004					2005					2006				
	Revenue		Gross Profit (GP)		GP Margin	Revenue		Gross Profit (GP)		GP Margin	Revenue		Gross Profit (GP)		GP Margin
	RM'000	%	RM'000	%	%	RM'000	%	RM'000	%	%	RM'000	%	RM'000	%	%
Local^	13,725	96.13	5,952	95.38	43.37	15,321	91.22	7,460	87.82	48.69	20,044	95.68	8,868	95.16	44.24
Export:-															
Direct^^^	156	1.09	88	1.41	56.41	1,017	6.06	735	8.65	72.27	429	2.05	253	2.71	58.97
Indirect^^	397	2.78	200	3.21	50.38	458	2.72	300	3.53	65.50	475	2.27	198	2.13	41.68
Total	14,278	100.00	6,240	100.00	43.70	16,796	100.00	8,495	100.00	50.58	20,948	100.00	9,319	100.00	44.49

Notes: -

^ *Local represents sales derived primarily from Peninsular Malaysia.*

^^ *Indirect export represents sales to companies located in the Free Trade Zone and Licensed Manufacturing Warehouse.*

^^^ *The direct export sales for the above financial years/ periods were mainly to Singapore, Indonesia and Thailand*

6.2.2 Overview of Proforma Group's Revenue, Gross Profits and Pre-Tax Profits Growth and Factors contributing thereto

FYE 30 November 2004

Revenue

For the FYE 30 November 2004, all the companies under our Group were enjoying growth. The Group's revenue growth was driven mainly by the increase in demand in the embedded hydraulic parts and components as evident by the increased by RM1.4 million or approximately 45% as compared to previous year (FYE 30 November 2003 : RM3.056 million from embedded hydraulic part and components) as THSSB had expanded the product range in this segment and hence contributed the majority of the total revenue growth of our Group.

Gross Profit

The gross profit margin for the FYE 30 November 2004 improved from approximately 42% to approximately 44% as a result of the lower production cost incurred. This was mainly due to the lower cost of production as our Group has started producing self-developed parts and components which have cut down certain imported material costs.

PBT

The PBT for our Group for the FYE 30 November 2004 increased by approximately RM589,000 or 47% in line with the increase in revenue.

FYE 30 November 2005

Revenue

Our Group had achieved approximately 17.6% growth in revenue for the FYE 30 November 2005. The growth was mainly due to the contribution from our eHAS products which increased by approximately RM2.8 million or by approximately 26.7% as compared to previous year. This was mainly due to our Group's ability to integrate both electro-hydraulic and electro-mechanical capabilities into the hydraulic system design which has gradually gained market acceptance resulting in increased market share in the OEM segment in FYE 30 November 2005 and also the continuous migration from being an OEM to an OBM whereby our Group sells directly to our end users under the "Tejari" brand which allows us to command higher selling prices.

Gross Profit

The gross profit margin for the FYE 30 November 2005 continued to improve from approximately 44% to 51% as a result of continuous OBM sales whereby our selling price is higher coupled with volume efficiency in our control of raw material price which resulted in reduction of our production cost. In addition, we managed to have obtained good discounts in the bulk purchase of raw materials which resulted in lower costs of production.

PBT

The PBT for our Group for the FYE 30 November 2005 increased by approximately RM1.579 million or 86% in line with the increase in revenue.

FYE 30 November 2006

Revenue

Our Group had achieved approximately 24.7% growth in revenue for the FYE 30 November 2006. The growth was mainly due to the contribution from our embedded hydraulic parts and components which increased by approximately RM5.5 million or by approximately109% and also the eHAS products which increased by approximately RM1.8 million or by approximately 14% as compared to previous year. This was mainly due to the increase in the overall repeated sales for the year as compared to the previous year whereby our Group continued to focus on selling directly to our end users under the "Tejari" brand which allows us to command higher selling prices. In addition, the increase in revenue is also due to our Group's effort in securing sales by offering our customers' attractive pricing via the clearance of slow-moving stocks mainly from the embedded hydraulic parts and components segment. As a result of our continuous migration from being an OEM to an OBM, sales of the OEM segment has reduced proportionately.

Gross Profit

Our Group's gross profit margin has decreased from approximately 51% for the FYE 30 November 2005 to approximately 44% for the FYE 30 November 2006 due to the change in the pricing strategy for certain eHAS projects for our potential customers in the palm oil industry which resulted in some erosion of our gross profit margins without the corresponding adjustment in our material cost. The lower gross profit margin is also due to selling of our slow-moving stocks from the embedded hydraulic parts and components at attractive pricing which is a move taken by us to help convert partial slow-moving stocks to finance working capital requirement for new projects. In addition, the drop in our gross profit margin was also due to the shift into a higher proportion of lower margins products which consists mainly of hoses. However, we expect the increased demand for such products to be temporary in nature and growth from higher margin OBM products will continue to improve the margin of our Group.

PBT

The PBT for our Group for the FYE 30 November 2006 increased marginally by RM89,000 or 2.6% despite the substantial increase in revenue as a result of the erosion of the overall gross profit as explained above.

6.2.3 Impact of Foreign Exchange/ Interest Rates

Our Group is exposed to foreign currency fluctuations as a result of sales and purchases transactions denominated in foreign currencies mainly USD, Euro, SGD and other currencies. Our Group does not use derivative financial instruments to hedge its foreign currency risk.

As at 30 November 2006, our Group's foreign currency exposure of trade receivables and trade payables are approximately RM86,000 and RM1.52 million respectively. As such, our Group is exposed to exchange risks.

Any future significant fluctuation in the exchange rates may have material impact on our Group's financial performance.

As at 30 November 2006, total borrowings for our Group was approximately RM2.2 million with interest rates ranging from 2.45% to 9.25% per annum. The interest expense for the FYE 30 November 2006 of our Group was approximately RM165,000. There was minimal impact of interest rates on our Group's historical operating profits.

The interest coverage of our Group for the 3 FYE 30 November 2006 is as follows:

	Proforma Group		
	< --------FYE 30 November ----- >		
	2004	**2005**	**2006**
Interest Expense (RM'000)	163	142	165
Profit before interest and taxation (RM'000)	2,003	3,561	3,673
Interest coverage (times)	12.29	25.08	22.26

6.2.4 Taxation

The effective tax rate of our Group for the FYE 30 November 2004 of 27.77% was slightly below the statutory tax rate of 28% mainly due to the enactment of the 20% income tax rate on first chargeable income of RM500,000. Our Group's effective tax rate has further decreased from 27.77% in FYE 30 November 2004 to 11.85% in FYE 30 November 2005 and to 4.22% for the FYE 30 November 2006. This was mainly due to the Pioneer Status under High Technology Industry from MITI and Ministry of Finance granted to TSB for a period of 5 years from 1 June 2005. In addition, on 25 July 2005, TTB has been granted MSC Status by the government. The financial incentive awarded to TTB is Pioneer Status under the Promotion of Investment Act, 1986 for a period of 5 years from 4 August 2005. Extension for a further period of 5 years will be dependent on TTB meeting the requirements of the conditions imposed and subject to the approval of the MDC.

6.2.5 Exceptional and Extraordinary Items

There was no exceptional and extraordinary items for the financial years/period under review.

6.2.6 Other Significant Factors affecting our operating profits

As at the LPD, there are no unusual, infrequent events or transactions or any significant economic changes that would materially affect the financial performance, position and operations of our Group.

6.2.7 Trend Information

Business and Financial Prospects

Our Board believes that the demand for our Group's eHAS solutions is expected to achieve promising growth due to the increased global market awareness of the importance of hydraulic automation solutions to enhance manufacturing efficiencies. As mentioned in Section 5.2 of this Prospectus, the world market for hydraulic equipment is estimated to be US$23.54 billion in 2005 as compared to US$22.19 billion estimated for 2004. The market, expected to reach US$25.19 billion by 2006, is further projected to grow at a compounded annual rate of 5.87% over the 2004-2010 analysis period. Our future plans and strategies are outlined in Section 7 of this Prospectus. Based on the consolidated profit forecast for the FYE 30 November 2007 and our Directors analyses and commentaries thereof, as set out in Sections 6.3 and 6.6 of this Prospectus, our Board is expecting an improvement in our Group's PAT of approximately 26% as compared to the PAT of the FYE 30 November 2006.

Revenue

As demonstrated in Section 6.2.1 of this Prospectus, our Group's revenue is on an upward trend basis for the past 3 FYE 30 November 2006 as the revenue increased from RM14.298 million (FYE 30 November 2004) to RM20.948 million (FYE 30 November 2006) i.e. an increase of approximately 46%. It can also be seen in the table below that eHAS has been the main contributor to our total Group's revenue for the past 3 FYE 30 November 2006 as we continuously moved from being an OEM to an OBM whereby we sell directly to the end users under the "Tejari" brand name.

	Proforma Group FYE 30 November		
Revenue	**2004**	**2005**	**2006**
	%	**%**	**%**
eHAS	73.06	78.74	71.83
Embedded Hydraulic Parts and Components	31.11	29.97	50.32
Project Maintenance and Proactive Maintenance	13.56	10.85	11.06
Sub Total	117.73	119.56	133.21
Less: Proforma Consolidation adjustment	(17.73)	(19.56)	(33.21)
Total	**100.00**	**100.00**	**100.00**

Inventory

The trend analysis of our inventory for the past 3 FYE 30 November 2006 are discussed in Section 6.2.10 of this Prospectus.

Production

There is no particular trend which has emerged for the total number of eHAS projects completed and delivered to our customers for the past 3 FYE 30 November 2006 as each project varies in size, value, specification, customisation features, functionality and other factors.

Cost and selling price

The prices of our raw materials have been increasing gradually over the past 3 FYE 30 November 2006 and our Group has minimised the cost increase mainly by volume efficiency in control of the raw material price, buying in bulk to obtain discounts and selling of its slow-moving stocks.

There is no particular trend for the selling price of our eHAS solutions as each project varies from one another due to the various specification, size, functions, technical capabilities etc. As for the selling price of embedded hydraulic parts and components, there is no particular trend as they are dependent on our Group's marketing strategies.

State of Order Book

As the hydraulic equipment markets for our products are characterized by technological changes, continuous development and improvement, our customers do not award long-term sales contracts. Customers will normally initiate projects discussions at least three (3) to six (6) months prior to awarding us with their secured contracts and orders. As at 15 January 2007, total secured contracts and orders amounted to approximately RM1.5 million.

Save for the risk factors, information on the TTB Group, financial information as disclosed in Sections 3, 4 and 5 of this Prospectus respectively, there is no trend, demand, commitment, event or uncertainties that:-

(i) have had, or that the corporation reasonably expects to have, a material favourable or unfavourable impact on the financial performance, position and operations of the Group; and

(ii) would cause the historical financial statements to be not necessarily indicative of future financial information.

6.2.8 Liquidity and Capital Resources

Working Capital

Our Group has been financing its operations through cash generated from its operations and external source of funds. The Group's external source of funds mainly comprise shareholders equity and bank borrowings.

As at LPD, the Group's material sources of unutilised liquidity comprises cash and bank balances and total borrowings of approximately RM369,000 and approximately RM2.6 million. Further details of our borrowings are set out in Section 2.5 (iii) of this Prospectus.

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

Proforma Group Cashflow Summary

The following are the net cash flow from the respective activities of our Group:

	(With ESOS options exercised) Proforma Group FYE 30 November 2006 Cash Inflow/ (Outflow) RM'000	**(Without ESOS options exercised) Proforma Group FYE 30 November 2006 Cash Inflow/ (Outflow) RM'000**
Operating Activities	15	15
Investing Activities	(5,943) [N1]	(5,943) [N1]
Financing Activities	15,037 [N1 & N2]	8,191 [N3]
	9,109	2,263
Net Cash Flow at the beginning of FYE	(18)	(18)
Net Cash Flow	9,091	2,245

Notes:

N1 *Includes the assumptions of the receipt of the net proceeds from the Public Issue amounting to RM 9.85 million and the utilisation of proceeds.*

N2 *Includes the assumption of the receipt of the proceeds from the ESOS options of 24.45 million TTB shares at the exercise price of RM0.28 per TTB share which amounts to RM6.846 million.*

N3 *Excludes the proceeds from the exercise of ESOS options and hence the net cash flow will amount to RM2.245million.*

FYE 30 November 2006 (With ESOS scenario)

Our Group generated cash inflow from its operations amounting to approximately RM515,000. After the payment of interest and taxation of approximately RM165,000 and RM334,000 respectively, the net cash inflow from its operating activities amounted to approximately RM15,000.

Our Group's net cash outflow from its investing activities amounted to approximately RM5,943,000 and this was due to investment of approximately RM5,993,000 for the purchase of property, plant and equipment. However, this was offset by proceeds from disposal of property, plant and equipment amounted to approximately RM50,000.

In addition, net cash inflow from financing activities of approximately RM15,037,000 as a result of the assumption of the receipt of the proceeds of the Public Issue and the full exercise of the ESOS options. As such, the net cash inflow generated for the Group for the FYE 30 November 2006 amounted to RM9,109,000. Further details pertaining to our proforma consolidated cashflow are set out in Section 6.1.3 of this Prospectus.

Borrowings

As at 30 November 2006, the total borrowings for our Group was approximately RM2.2 million with average interest rates ranging from 2.45% to 9.25% per annum as follows:-

	FYE 30 November 2006 RM'000
Long term	803
Short term	1,379
Total Borrowings	2,182
Shareholders equity (before Public Issue and utilisation of proceeds)	15,711
Gearing ratio (times)	0.139

Note: All of the above borrowings are interest bearing and denominated in RM.

There have been no defaults on payment of either interest and/or principal sums in respect of any borrowing throughout the past three (3) FYE 30 November 2006 and the subsequent financial period thereof as at the date of this Prospectus.

The interest expense for the FYE 30 November 2006 was approximately RM165,000. There was minimal impact of interest rates on our Group's historical operating profits.

6.2.9 Other Key Financial Ratios

	Proforma Group < --------FYE 30 November ------ >		
	2004	**2005**	**2006**
Trade receivables turnover period (days)[N1]	145	156	138
Trade payables turnover period (days)[N2]	69	75	85
Inventory turnover period (days)[N3]	256	325	231
Current ratio (times)[N4]	2.59	3.40	4.47

Notes:

N1 *In practice, the normal credit period extended to customers by our Group ranges from 0 to 120 days. For detailed analysis of the trade receivables turnover period please refer to section 6.2.11 of this Prospectus*

N2 *In practice, the normal credit term granted by overseas and local suppliers ranges from 30 days to 120 days. Hence, trade payables turnover period for the FYE 30 November 2004 to 2006 is considered reasonable.*

N3 *Our Group's inventory turnover period for the past 3 FYE 30 November 2006 ranges from 256 days to 325 days. For detailed explanation for the inventory turnover period for the past 3 FYE 30 November 2006, please refer to Section 6.2.10 of this Prospectus.*

N4 *The increase in the current ratio for FYE 30 November2006 is mainly due to increase in receivables by 24.7% as compared to FYE 30 November 2005. The increase in the current ratio for FYE 30 November 2005 is mainly due to increase in inventories and receivables by 30.85% and 21.05% respectively as compared to FYE 30 November 2004. On the other hand the current liabilities from the FYE 30 November 2004 to 30 November 2006 have been on a decreasing trend from approximatelyRM4.4 million to RM3.6 million.*

6.2.10 Inventories Aging Analysis and Turnover Period

TTB Group Inventories as at 30 November 2004

PROFORMA GROUP	0 - 6 MONTHS	7 - 12 MONTHS	13 - 18 MONTHS	19 - 24 MONTHS	ABOVE 24 MONTHS	TOTAL
INVENTORIES (RM'000)	2,130	1,010	814	937	750	5,641
Inventories (%)	37.76	17.90	14.43	16.61	13.30	100.00
Cost of Goods sold (RM'000)						8,038
Inventory turnover period (days)						256

As at 30 November 2004, approximately 44% of the inventories are over 12 months old.

According to our Directors, the normal range of our Group's inventory turnover period is in the region of 230-250 days. For FYE 30 November 2004, the inventory turnover period was 256 days.

Our Directors believe that this inventory turnover period is reasonable in view that the average lead time required for delivery of inventories is on average 180 days and the increase in sales of our eHAS solutions requires our Group to provide additional warranty assurance to ensure reliability over a 6 months period. As a result, our Group is required to maintain spare parts in order to meet the demand of our customers in the event of system downtime and also for system maintenance services so as to ensure optimal reliability and performance levels of these systems at our customers' operations.

TTB Group Inventories as at 30 November 2005

PROFORMA GROUP	0 - 6 MONTHS	7 - 12 MONTHS	13 - 18 MONTHS	19 - 24 MONTHS	ABOVE 24 MONTHS	TOTAL
INVENTORIES (RM'000)	2,519	1,716	1,001	434	1,711	7,381
Inventories (%)	34.13	23.25	13.56	5.88	23.18	100.00
Cost of Goods sold (RM'000)						8,301
Inventory turnover period (days)						324

As at 30 November 2005, approximately 43% of the inventories are over 12 months old. The marginal decrease in the percentage of over 12 months old inventories from 44% to 43% indicates that our Group has taken steps to progressively clear the slow-moving inventories first. However, as at 30 November 2005, the inventory turnover period has increased from 256 days to 324 days as compared to that of previous year. Higher levels of stocks were maintained in order to meet the requirements of our customers than in the previous year in view of the long average delivery lead time of 180 days required before the items are delivered from overseas, the imposition of minimum order quantities by our suppliers. There were additional procurements on special price components (which mainly comprise steel/metal base components) whereby bulk discounts are given to our Group.

TTB Group Inventories as at 30 November 2006

PROFORMA GROUP	0 - 6 MONTHS	7 - 12 MONTHS	13 - 18 MONTHS	19 - 24 MONTHS	ABOVE 24 MONTHS	TOTAL
INVENTORIES (RM'000)	3,751	1,016	857	520	1,230	7,374
Inventories (%)	50.87	13.78	11.62	7.05	16.68	100.00
Cost of Goods sold (RM'000)						11,629
Inventory turnover period (days)						231

As at 30 November 2006, approximately 35% of the inventories are over 12 months old. The inventory turnover period has improved significantly from 324 days to 231 days as compared to previous year. This was mainly due to our Group's pro-active measures to clear the earlier slow-moving stocks which consist mainly of embedded hydraulic parts and components and the reduction in the purchases for the said financial year as a result of the earlier year build up in inventories which consist mainly of the slow-moving embedded hydraulic parts and components. As such, the inventory turnover period for the FYE 30 November 2006 is within our Group's normal range of 230-250 days.

Notwithstanding the above stock aging analysis and the high inventory turnover period for the past 3 FYE 30 November 2004 to 2006, no allowance for slow moving and obsolete inventories is required as the inventories are mainly spare parts that are made of steel which are kept to support our customers' solutions or systems, and the build up of inventories is a result of minimum order of quantity purchases and bulk purchases for discount purposes. According to the Directors and management of TTB, there is no direct comparable company to the TTB Group business and hence there is no direct industry comparison for the inventory turnover period.

The Directors of our Group are of the opinion that no allowance for slow moving and obsolete inventories is required as at 30 November 2006 as the inventories are mainly spare parts that are made of steel which are kept to support our customers' solutions or systems, and the build up of inventories is a result of minimum order of quantity purchase and bulk purchase for discount purposes.

This can be further supported by the Reporting Accountants' opinion letters dated 15 December 2006 and 15 January 2007 that there were no allowance for slow moving and obsolete inventories due to the following:-

(i) inventories are mainly made of steel with indefinite shelf life;
(ii) slow moving inventories mainly comprise spare parts that are kept to support the solutions or systems that have been sold;
(iii) the purchase of certain parts are subject to minimum order quantity; and
(iv) the Group had purchased in bulk to enjoy better discount rate and hence reduce its production cost.

6.2.11 Debtors' Aging Analysis

An aging analysis of the trade receivables of our Group as at 30 November 2006 is set out as follows:-

	DAYS							TOTAL
	0 - 30	> 30 TO 60	> 30 TO 90	> 90 TO 120	> 120 TO 150	> 150 TO 180	> 180	
	CURRENT	1 MONTH	2 MONTHS	3 MONTHS	4 MONTHS	5 MONTHS	6 MONTHS	TOTAL
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Trade Receivables	1,699	1,254	1,946	1,222	530	438	267	7,356
Less: allowance for doubtful debts	-	-	-	-	-	-	(254)	(254)
Trade receivables debtors net of allowance for doubtful debts	1,699	1,254	1,946	1,222	530	438	13	7,102

The normal credit period given by our Group to our trade receivables range from 0 to 120 days.

As at 30 November 2006, there were RM1,235,000 trade receivables exceeding 120 days. Of these trade receivables, approximately RM254,000 has been provided for as doubtful debts (as shown in the above table). The balance of RM981,000 was not provided for due to the following reasons:
(a) receipts subsequent to 30 November 2006 from certain debtors;
(b) historical experience in collection of account receivables that exceeds the credit period granted but which is not more than 180 days.

According to the Directors and management of TTB, there is no direct comparable company to TTB Group business and hence there is no direct industry comparison for the debtors' turnover period.

Our Directors had on 15 December 2006 and 15 January 2007 confirmed to the SC that adequate allowance has been made for debts exceeding the normal credit periods granted (ranging from 0-120 days) based on the above reasons.

The Reporting Accountants has also given its opinion that adequate allowance has been made for debts exceeding the normal credit period granted and no allowance for doubtful debts has been made for certain debts exceeding the credit period as:-
(i) there are receipts subsequent to 30 November 2006 from certain debtors; and
(ii) for certain debtors were no payment has been made subsequent to 30 November 2006, payments are normally made after the credit period granted and there were payments made throughout the FYE 30 November 2006.

To mitigate the risk of bad and doubtful debts, our Group performs credit checks on customers' financial status before granting them any credit term. Further, monthly credit review process are carried out by our management to review the credit standing and credit limit of our customers.

Should the debts be long overdue, our Group will send reminder letters and formulate repayment plans with our customers to ensure the repayments are received. Should these actions still fail to ensure collection, our Group may pursue legal action as a last resort.

6.2.12 Material Capital Commitment

Save for those disclosed below, as at the LPD, our Group has no contracted material capital commitments not provided for in the accounts:

(i) By a sale & purchase agreement dated 10 November 2006 between Island Court Sdn Bhd (the "Vendor") and TSB, the Vendor has agreed to sell and TSB has agreed to purchase all that two (2) pieces of land known as Lot 3880 and Lot 3886, both of Mukim 13, Daerah Seberang Perai Tengah, Penang held under HSD 42626 and HSM 1492 respectively together with a factory building erected thereon for a cash consideration of RM2,760,089.25. An earnest deposit of RM10,000 has been paid and accounted for in the financial statements of our Group for the FYE 30 November 2006.

Simultaneous to the above, the Vendor and TSB have also entered into a reimbursement agreement dated 10 November 2006 wherein TSB shall reimburse the Vendor for improvement works done on the above factory building for a cash consideration of RM500,000.00 to be paid by TSB upon completion of the above sale & purchase agreement, which is six (6) months from the date of the sales and purchase agreement.

(ii) one unit of equipment amounting to approximately RM69,000.

Our Group funds the above capital commitment from internally generated funds.

6.2.13 Material Litigation

As at the LPD, our Group is not engaged as plaintiff or defendant in any other legal action, proceeding, arbitration or prosecution for any criminal offences, which has a material and adverse effect on the financial position of our Group and our Board does not know of any other proceeding pending or threatened or of any fact likely to give rise to any proceeding which might materially and adversely affect the position or business of our Group.

6.2.14 Contingent Liabilities

As at the LPD, there are no contingent liabilities incurred by our Group.

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6.3 FUTURE FINANCIAL INFORMATION

Consolidated Profit Forecast FYE 30 November 2007

Our Directors forecast the following financials of our Group for the FYE 30 November 2007 will be as follows:

FYE 30 November	Forecast 2007 RM'000	
Revenue	23,568	
Gross profit	11,555	
Consolidated PBT	4,397	
Tax expense	177	
MI	-	
Consolidated profit after taxation and MI	4,220	
Gross EPS (sen)	2.89	*N1*
Net EPS (sen)	2.77	*N1*
Gross PE Multiple (times)	9.69	*N1 & N2*
Net PE Multiple (times)	10.11	*N1 & N2*
Gross profit margin (%)	49.03	
PBT margin (%)	18.66	

Notes:

N1 *Based on the weighted average number of shares of 152,260,274 TTB Shares assuming the Public Issue is completed by March 2007.*

N2 *Based on our Issue price of RM0.28 per TTB Share.*

The principal assumptions upon which the consolidated profit forecast have been made are set out in Section 6.7 of this Prospectus.

6.4 DIVIDEND FORECAST AND POLICY

It is the policy of our Directors in recommending dividends to allow shareholders to participate in the profits of our Company as well as leaving adequate reserves for the future growth of our Group.

In determining the size of any dividends recommendation, our Directors will take into account a number of factors, including its financial results, cash flow requirements, availability of distributable reserves and tax credits, future expansion plans, compliance with regulatory requirements and other factors deemed relevant by our Directors.

Our Directors intend to recommend the declaration of a tax-exempt interim dividend of 1.5 sen or 15% per Share amounting to RM2.445 million for the FYE 30 November 2007:

	FYE 30 November 2007
Gross/Net dividend per share	1.5 sen
Gross/Net dividend yield based on the IPO price of RM0.28 per share	5.36%
Gross/Net dividend cover based on Consolidated profit after taxation	1.73 times

Notwithstanding the above, investors should note that the intention to recommend the abovementioned dividend should not be treated as a legal obligation on our Company nor should it be treated as an indication of our Company's future dividend policy. Our Directors have full discretion to propose the waiver of any future dividend payment as and when deemed necessary, if it is in the best interests of our Company.

Any final dividends paid by us must be approved by an ordinary resolution of our shareholders at a general meeting and must not exceed the amount recommended by our Board. Our Board may, without the approval of our shareholders also declare interim dividends.

6.5 SENSITIVITY ANALYSES

The following sensitivity analyses are prepared by the management of our Group based on the forecast assumptions set out in Section 6.3 of this Prospectus and assuming all factors remain unchanged except for the 5% and 10% upward or downward variations in the revenue and in cost of sales. Notwithstanding the impact of the variations in the revenue and cost of sales as outlined here, there may exist other factors which have not been taken into account, of which the variations may have significant effect, either positively or negatively, on the financials of our Group. Accordingly, these sensitivity analyses should be considered with these limitations in mind.

Variations in Revenue

Revenue represents invoiced value of goods sold and invoiced value of services rendered. The sensitivity analyses on revenue are prepared based on the assumption that all other things (including cost of sales) remain unchanged except for the 5% and 10% upward and downward variations in the invoiced value of goods sold and services rendered by our Group.

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6 FINANCIAL INFORMATION (Cont'd)

Forecast for FYE 30 November 2007

	Revenue (RM'000)	Cost of Sales (RM'000)	Gross Profit (RM'000)	PBT (RM'000)	PAT (RM'000)	Gross Profit Margin %
As Forecasted	23,568	(12,013)	11,555	4,397	4,220	49.03
Up to 10%	25,925	(12,013)	13,912	6,754	6,577	53.66
Up to 5%	24,746	(12,013)	12,733	5,575	5,398	51.45
Down 5%	22,390	(12,013)	10,377	3,219	3,042	46.35
Down 10%	21,211	(12,013)	9,198	2,040	1,863	43.36

Variations in Cost of Sales

The sensitivity analyses on cost of sales are prepared based on the assumption that all other things remain unchanged except for the 5% and 10% upward and downward variations in the cost of sales. It is also assumed that the increase in the cost of sales will not have a corresponding increase in revenue as the increase in cost of production cannot be passed on to customers and vice versa.

Forecast for FYE 30 November 2007

	Revenue (RM'000)	Cost of Sales (RM'000)	Gross Profit (RM'000)	PBT (RM'000)	PAT (RM'000)	Gross Profit Margin %
As Forecasted	23,568	(12,013)	11,555	4,397	4,220	49.03
Up to 10%	23,568	(13,214)	10,354	3,196	3,019	43.93
Up to 5%	23,568	(12,614)	10,954	3,796	3,619	46.48
Down 5%	23,568	(11,412)	12,156	4,998	4,821	51.58
Down 10%	23,568	(10,812)	12,756	5,598	5,421	54.12

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6.6 DIRECTORS' ANALYSES AND COMMENTARIES ON THE CONSOLIDATED PROFIT FORECAST

Our Directors have prepared and analysed the bases and assumptions used in arriving at the consolidated profit forecast of our Group for the FYE 30 November 2007 and are of the opinion that the consolidated profit forecast are fair and reasonable in light of the future plans, future prospects of our industry, strategies and prospects of our Group as set out in Section 5 and Section 7 of this Prospectus and after taking into consideration the forecasted gearing levels, liquidity and working capital requirements of our Group as well as our existing level of gearing, liquidity and working capital requirements as set out in Section 6.2.8 of this Prospectus.

Nevertheless, these bases and assumptions cover future periods for which there are inherent risks, and therefore, should be treated with caution. These bases and assumptions are subject to significant uncertainties and contingencies, which are often outside the control of our Group. Therefore, certain assumptions used in the preparations of our consolidated profit forecast may differ significantly from the actual situation after the date of this profit forecast.

Based on the table as shown in Section 6.3 of this Prospectus, the forecasted revenue of our Group is RM23.568 million for the FYE 30 November 2007, representing an increase of approximately 13% over the audited proforma Group revenue for the FYE 30 November 2006 of RM20.948 million. This forecasted increase in the Group's revenue is attributed mainly to its product expansion plan of eHAS, which is expected to contribute approximately 70.10% of Group revenue for the FYE 30 November 2007.

Our Group has reinvented itself from an ordinary hydraulic system solutions provider and a distributor to a fully integrated solution providers of eHAS. Our Group is migrating from an OEM to OBM as we have the ability to integrate both electro-hydraulic and electro-mechanical capabilities into our hydraulic system design which has resulted in increased market share for the FYE 30 November 2006 by selling directly to its end users under the "Tejari" brand which allows the Group to command higher selling prices and hence enable our Group to achieve gross profit margin of approximately 49% for the FYE 30 November 2007. Barring any unforeseen circumstances, the management of the Group is confident that the margin is achievable over the said forecast year. As a result of our strategy to become an OBM provider, we will continuously decrease our OEM customers and as such we will expect our margins to be higher than that for the FYE 30 November 2006 as our Group will be able to utilise our resources to cater and deliver high margin products via our direct and end-user customers.

Nevertheless, as part of the strategy to penetrate new markets, the Group has adjusted its pricing strategy for certain eHAS projects for the potential customers in the palm oil industry which resulted in the erosion of its gross profit margin without the corresponding adjustment in the material cost. The management believes that such strategy will bring long term positive effects to the TTB Group's market position in this industry.

As the hydraulic equipment markets for our products are characterized by technological changes, continuous development and improvement, our customers do not award long-term sales contracts. Customers will normally initiate projects discussions at least three (3) to six (6) months prior to awarding us with their secured contracts and orders. As at the LPD , total secured contracts and orders amounted to approximately RM1.5 million.

The increase in the GP margin from 44.49% to 49.03% from FYE 30 November 2006 to FYE 30 November 2007 is expected as we will focus on selling our products and services to the end-users directly. By the FYE 30 November 2007, we expect to successfully secure new projects and introduce new products in the palm oil industry which will fetch higher margin eHAS projects.

Our Group's forecasted PBT is RM4.397 million for the FYE 30 November 2007, translating to a PBT margin of 18.66%, which is higher than the previous year's PBT margin of 16.75%. This is in line with our Group's plan of products expansion to our existing key customers and foreign market penetration into markets such as Thailand, Indonesia and other countries in Asia.

6 FINANCIAL INFORMATION (Cont'd)

Our Group's PAT for the FYE 30 November 2007 is forecasted at RM4.22 million, representing a PAT margin of approximately 17.9%. The effective tax rate for our Group is forecasted to be approximately 4.03% for FYE 30 November 2007. The effective tax rate is expected to be lower than the statutory income tax rate for FYE 30 November 2007 as TTB and TSB are entitled to the tax exemption on our statutory business income under the pioneer status granted by MITI and Ministry of Finance.

As at the LPD, we are not aware of any likely change in business and operating conditions that may have a material impact on our Group's forecast as disclosed above.

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6.7 Reporting Accountants' Letter on the Consolidated Profit Forecast for the FYE 30 November 2007

UHY DIONG (AF 1411)
Chartered Accountants

51-21-F, Menara BHL Bank
Jalan Sultan Ahmad Shah
10050 Penang, Malaysia.

Tel 604-2276888
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25 JAN 2007

The Board of Directors
Tejari Technologies Berhad
51-21-A Menara BHL Bank
Jalan Sultan Ahmad Shah
10050 Penang

Dear Sirs,

TEJARI TECHNOLOGIES BERHAD ("TTB")
CONSOLIDATED PROFIT FORECAST
FOR THE FINANCIAL YEAR ENDING 30 NOVEMBER 2007

We have reviewed the consolidated profit forecast of TTB and its subsidiaries ("the Group") for the financial year ending 30 November 2007 as set out in the accompanying statement in accordance with the standard, ISA 810, applicable to the review of forecasts. The forecast has been prepared for inclusion in this Prospectus in connection with the proposed new issue and subsequent listing and quotation of the entire issued and fully paid-up share capital of TTB on the MESDAQ Market of the Bursa Malaysia Securities Berhad ("Bursa Securities") and should not be relied on for any other purposes.

Our review has been undertaken to enable us to form an opinion as to whether the forecast, in all material respects, are properly prepared on the basis of the assumptions made by the Directors and is presented on a basis consistent with the accounting policies adopted and disclosed by the Group in its audited financial statements for the financial year ended 30 November 2006. The Directors of TTB are solely responsible for the preparation and presentation of the forecast and the assumptions on which the forecast are based.

Forecast, in this context, means prospective financial information prepared on the basis of assumptions as to future events which management expects to take place and the actions which management expects to take as of the date the information is prepared (best-estimate assumptions). While information may be available to support the assumptions on which the forecast are based, such information is generally future oriented and therefore uncertain. Thus, actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variation could be material.

Subject to the matters stated in the preceding paragraphs:-

(i) nothing has come to our attention which causes us to believe that the assumptions made by the Directors, as set out in the accompanying statement, do not provide a reasonable basis for the preparation of the profit forecast; and

(ii) in our opinion, the profit forecast, so far as the calculations are concerned, are properly prepared on the basis of the assumptions made by the Directors and are presented on a basis consistent with the accounting policies adopted and disclosed by the Group in its audited financial statements for the financial year ended 30 November 2006.

Yours faithfully,

UHY DIONG
AF-1411
Chartered Accountants

KOAY THEAM HOCK
2141/04/07 (J)
Partner

A member of UHY, an international association of independent accounting and consulting firms

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TEJARI TECHNOLOGIES BERHAD
(COMPANY NO.: 679361-D)

UHY DIONG Chartered Accountants

CONSOLIDATED PROFIT FORECAST AND ASSUMPTIONS FOR THE FINANCIAL YEAR ENDING 30 NOVEMBER 2007

Barring unforeseen circumstances, the Directors of Tejari Technologies Berhad ("TTB") forecast that the consolidated profit after taxation and minority interest of TTB and its subsidiaries ("the Group") for the financial year ending 30 November 2007 will be as follows:

Financial Year Ending 30 November	Forecast 2007 RM'000
Consolidated profit after taxation and minority interest	4,220

The principal assumptions upon which the consolidated profit forecast has been made are set out in the notes below.

1.0 Listing Scheme

The Listing Scheme ("the Proposal"), which is inter conditional are as follows:

1.1 Proforma 1

Pursuant to the Conditional Share Sale Agreement between TTB and the shareholders of Tejari Sdn. Bhd. ("TSB") dated 26 January 2006, TTB acquired 2,407,500 ordinary shares of RM1.00 each in TSB, representing the entire issued and paid-up capital of TSB for a purchase consideration of RM12,299,998 satisfied entirely by the issue of 12,299,998 ordinary shares of RM1.00 each in TTB credited as fully paid-up.

The purchase consideration was arrived at on a willing-buyer, willing-seller basis after taking into consideration the proforma consolidated audited NTA as at 30 November 2005 of TSB of RM12,273,391 and its earnings potential. The acquisition of TSB was completed as at 30 September 2006.

1.2 Proforma 2

Pursuant to the Conditional Share Sale Agreement between TTB and TSB dated 26 January 2006, TTB acquired the following shares from TSB:

a) 1,250,000 ordinary shares of RM1.00 each in Tejari Controls Sdn. Bhd. ("TCSB"), representing the entire issued and paid-up capital of TCSB for a nominal purchase consideration of RM1 satisfied entirely by cash;

b) 300,000 ordinary shares of RM1.00 each in Tejari Controls (JB) Sdn. Bhd. ("TCJSB"), representing the entire issued and paid-up capital of TCJSB for a nominal purchase consideration of RM1 satisfied entirely by cash; and

c) 350,000 ordinary shares of RM1.00 each in Tejari Hoseal Solutions Sdn. Bhd. ("THSSB"), representing the entire issued and paid-up capital of THSSB for a nominal purchase consideration of RM1 satisfied entirely by cash.

UHY DIONG (AF 1411) Chartered Accountants
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TEJARI TECHNOLOGIES BERHAD
(COMPANY NO.: 679361-D)

UHY DIONG Chartered Accountants

CONSOLIDATED PROFIT FORECAST AND ASSUMPTIONS FOR THE FINANCIAL YEAR ENDING 30 NOVEMBER 2007 (CONTINUED)

1.0 Listing Scheme (Continued)

1.2 Proforma 2 (Continued)

The above acquisitions are an internal reorganisation of the group structure and a nominal purchase consideration was used. The acquisitions of TCSB, TCJSB and THSSB were completed as at 2 October 2006.

1.3 Proforma 3

Mr. Siew Yoke Lam and Ms. Chan Seok Lay have transferred their 2 ordinary shares of RM1.00 each in TTB to Mr. Chan Ah Ba as at 2 October 2006.

1.4 Proforma 4

TTB has on 2 October 2006 subdivided its shares par value of RM1.00 each into RM0.10 each ("Sub-division").

Upon completion of the Sub-Division of Shares, the Company's issued and paid-up capital of RM12,300,000 where 12,300,000 ordinary shares of RM1.00 each have been sub-divided into 123,000,000 TTB Shares.

1.5 Proforma 5

Public issue of 40,000,000 new ordinary shares of RM0.10 each at an issue price of RM0.28 per ordinary share comprising the following:-

- 3,000,000 new ordinary shares of RM0.10 each available for application by the public;
- 32,000,000 new ordinary shares of RM0.10 each available for placement to selected investors; and
- 5,000,000 new ordinary shares of RM0.10 each available for application by the eligible directors, employees and business associates of TTB and its subsidiary companies.

The estimated listing expenses of approximately RM1,350,000 will be charged against the share premium account.

Upon completion of the Public Issue, the entire issued and paid-up share capital of TTB of RM16,300,000 comprising 163,000,000 TTB Shares will be listed on the MESDAQ Market.

1.6 Proforma 6

Employee Share Option Scheme (ESOS) of up to a maximum of 24,450,000 ordinary shares of RM0.10 representing 15% of 163,000,000 ordinary shares of RM0.10 each of the issued and paid-up share capital will only be granted after the financial year ending 2008.

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TEJARI TECHNOLOGIES BERHAD
(COMPANY NO.: 679361-D)

UHY DIONG Chartered Accountants

CONSOLIDATED PROFIT FORECAST AND ASSUMPTIONS FOR THE FINANCIAL YEAR ENDING 30 NOVEMBER 2007 (CONTINUED)

2.0 Specific bases and assumptions

2.1 Revenue

The forecasted revenue is based on both secured contracts or orders of approximately RM1.5 million as at 15 January 2007 and historical trend of the group performance.

2.2 Expenditure

a) Direct cost will be forecasted without any material variation in price and volume.

b) A general allowance for doubtful debts ranging from 1% to 2% of trade receivables is forecasted.

c) Staff costs are estimated based on current salary and an average annual increment of 8% based on historical trend.

d) Depreciation for the financial year ending 2007 will be amounting to approximately RM1,103,000.

e) Drawdown and repayment of banking facilities will be as planned.

2.3 Employee Share Option Scheme (ESOS)

No ESOS will be granted during the forecasted period under review.

2.4 Taxation

TTB will continue to qualify for 5 years exemption of its statutory income under pioneer status granted by Ministry of International Trade and Industry and Ministry of Finance from 4 August 2005.

TSB will continue to qualify for 5 years 100% tax exemption on its statutory income under pioneer status granted by Ministry of International Trade and Industry and Ministry of Finance from 1 June 2005.

2.5 Dividend

The Group forecasted a tax exempt interim dividend of 15% amounting to RM2,445,000 for the financial year ending 30 November 2007.

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TEJARI TECHNOLOGIES BERHAD
(COMPANY NO.: 679361-D)

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CONSOLIDATED PROFIT FORECAST AND ASSUMPTIONS FOR THE FINANCIAL YEAR ENDING 30 NOVEMBER 2007 (CONTINUED)

2.0 Specific bases and assumptions (Continued)

2.6 Utilisation of proceeds

The proceeds from the Public Issue are expected to be received by March 2007 and the proceeds will be utilised in the following manner:

Proceeds:	**RM'000**
Proceeds from Public Issue	11,200
Utilisation:	
Expansion of factory building	2,650
Research and development expenditure	1,240
Repayment of bank borrowings	1,300
Purchase of machinery and equipment	1,860
Sales and marketing expenditure	1,000
Working capital	1,800
Estimated listing expenses	1,350
	11,200

3.0 General bases and assumptions

The general bases and assumptions upon which the above proforma consolidated profit forecast has been made are set out below:

3.1 There will be no significant changes to the prevailing economic and political conditions in Malaysia and overseas that may directly or indirectly have an adverse impact on the activities or performance of the Group and the business of its major customers and suppliers.

3.2 There will be no significant changes to the present legislation or Government regulations, rates and bases of duties, levies and taxes which will adversely affect the activities or operations of the Group or the markets in which it operates.

3.3 There will be no significant fluctuations in inflation rates and interest rates from their present levels which would adversely affect the activities and operations of the Group.

3.4 There will be no significant fluctuations in foreign currency exchange rates from their present levels. The principal rates used in the profit forecast are as follows:

1 Singapore Dollar	RM2.34
1 US Dollar	RM3.68
1 Euro	RM4.72

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CONSOLIDATED PROFIT FORECAST AND ASSUMPTIONS FOR THE FINANCIAL YEAR ENDING 30 NOVEMBER 2007 (CONTINUED)

3.0 General bases and assumptions (Continued)

3.5 There will be no major industrial disputes, breakdown or disruptions to the Group's machineries and facilities or other abnormal factors, which will adversely affect the financial performance of the Group and the extent to which the financial position and operations of the Group will also be affected.

3.6 There will be no significant changes in the present management and existing accounting, management and operation policies adopted by the Group.

3.7 Existing financing facilities will remain available to the Group and that the level of interest rates will not be changed materially from those presently prevailing. The Group will also be able to obtain new financing facilities at the present prevailing rates.

3.8 There will be no material acquisitions or disposals of property, plant and equipment or investments other than those that have been planned for.

3.9 There will be no material changes in the current principal activities and structure of the Group.

3.10 The Group will not be engaged in any material litigation and there will be no legal proceedings which will adversely affect its activities or performance or give rise to any additional contingent liabilities which will materially affect the position or business.

3.11 There will be no significant changes in staff cost, purchases, operating costs and other costs (other than those disclosed in Notes 2 of the specific bases and assumptions) that will adversely affect the performance of the Group.

3.12 There will be no significant changes in the selling prices and purchases that may cause adverse effect to the Group's profitability.

3.13 There will be no material capital and revenue costs items variations that are beyond the control of the Group.

3.14 The existing terms and conditions of contracts and agreements entered into by the Group will continue to remain in force.

3.15 There will be no significant incidences of bad debts or other abnormal circumstances which will affect the operations of the Group other than general allowance for doubtful debts as disclosed in Note 2.2(b) of the Specific Bases and Assumptions.

3.16 The rates and bases of taxation including the tax incentives applicable to the Group will be consistent with their present levels.

3.17 Revenue by the Group will be in line with forecasted levels.

3.18 The demand for and selling price of products and services provided by the Group will be in line with the forecasted levels.

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CONSOLIDATED PROFIT FORECAST AND ASSUMPTIONS FOR THE FINANCIAL YEAR ENDING 30 NOVEMBER 2007 (CONTINUED)

3.0 General bases and assumptions (Continued)

3.19 The current trend of increasing demand for the Group's existing products will be maintained.

3.20 There will be no material changes to the existing customers of the Group.

3.21 Existing trading relationships with major suppliers will be maintained. There will be no limitation or delay in supply of critical products or services by these suppliers that will materially affect the operations and performance of the Group.

3.22 There will be no material changes to the Group's current management and existing management. The Group will be able to attract and retain key personnel. The Group will have adequate manpower resources to support its estimated growth in business.

3.23 The proposal will be completed by March 2007.

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7 SUMMARY OF THE BUSINESS DEVELOPMENT PLAN

Our Group aims to be a leading integrated eHAS provider in South-East Asia. In order to achieve the aforesaid objective, our Group will carry out the following:-

7.1 ENHANCEMENT AND DEVELOPMENT ON EXISTING PRODUCTS AND SERVICES

We will continue to carry out our key business activities in the designing of hydraulic systems. Our major concentration will be on the enhancement and continuous development of our eHAS solutions. Our Group will also continue to create and encourage an environment of continuous learning and improvement for the R&D staff to ensure that our R&D team constantly keeps abreast with new technologies and market trends. Based on our Group's R&D direction, our R&D focus can be divided into two areas namely hydraulic application development and electronic controllers design.

Under the hydraulic application development division, resources will be dedicated for the exploration and path finding on improving the hydraulic efficiency and resolve current limitation on the existing systems. Improvement and development of hardware and software design will be carried out with focus on improving the performance and accuracy tolerance of various modules of the hydraulic system.

Our path-finding development of hydraulic filtration system was initiated in mid-2005 and currently it is still on-going for conceptual and prototype development. Our Group intends to develop a "smart" filtration system leveraging on the electronic advancement in hydraulic automation system. The "smart filtration system will be able to provide our customers proactive maintenance system and reduce down time for the production. Barring any unforeseen circumstances, the "smart filtration system", an innovative product of our Group, will be expected to be commercialised by the first half of year 2008.

In order to enhance our eHAS solutions, and increase its overall efficiency in the production process, our Group has obtained the ISO 9001:2000 quality management systems compliance status on 28 March 2006.

At present, our Group's existing products and services are mainly focused on industrial hydraulic applications. It is our Group's future plan to also expand its R&D activities into mobile hydraulic segments especially in logistic and harvesting applications.

7.2 MARKETING EXPANSION

Our Group plans to increase our market share by further expanding into Thailand, Indonesia and other countries in Asia. To ensure effective expansion to these countries, our Group will be actively establishing and supporting the distribution network to provide better support and customer service to potential customers in these countries.

Our Group expects to expand our market share in the hydraulic automation systems industry by continuously seeking new customers, promoting the cost effective local source of eHAS as opposed to foreign imports, increasing our range of hydraulic solution development and penetrating new segments of the industry.

Our Group has formulated new marketing strategies for business expansion:-

(i) Tapping into Existing Customer Base

Having established a good working relationship with our existing customers, our Group will further grow its business by exploring other types of services which our Group can provide to these customers.

7 SUMMARY OF THE BUSINESS DEVELOPMENT PLAN (Cont'd)

(ii) Penetration into Overseas Market and Broadening of Regional Markets

Our Group is determined to maintain and expand our market share by continuously setting up and expanding our sales and marketing network into major developing geographical areas especially in Thailand, Indonesia and other countries in Asia. Our Group will continue to maintain good relationships with our customers. Such close ties have enabled our Group to be at the forefront of acquiring information on the needs of our customers in terms of future trends and requirements. Regular participation in local and overseas exhibitions will be strategically coordinated to increase awareness of its products and services. Our detailed marketing strategies are set out in Section 4.4.5 herein.

(iii) Expanding into New Industry or Application Segments

Besides expanding the range of product and services provided to our existing customers, our Group is also looking to expand into other new industry or application segments. Specifically, our Group is looking at venturing into the pharmaceutical, aeronautics, automotive (to other eHAS applications and to other OEM customers) and marine industry where highly customisations are the key elements in these industries.

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8 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT

8.1 PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND DIRECTORS

8.1.1 Shareholdings in TTB

Our promoters, substantial shareholders and Directors and their respective shareholdings in TTB are set out in the table below:-

			Before the Public Issue				After the Public Issue[N1]			
			Shareholding				Shareholding			
Name	Country of Incorporation/ Nationality	Designation	Direct	%	Indirect	%	Direct	%	Indirect	%
Promoters										
Komsama	Malaysia	-	30,882,810	25.11	-	-	30,882,810	18.95	-	-
Chan Ah Ba	Malaysian	Executive Chairman	31,300,340	25.45	-	-	31,300,340	19.20	-	-
Ooi Chai Huat	Malaysian	Managing Director	16,682,940	13.56	-	-	16,682,940	10.23	-	-
Fong Sai Chong	Malaysian	Executive Director	6,558,000	5.33	-	-	6,558,000	4.02	-	-
Chan Boon Seng	Malaysian	Technical Manager	13,233,450	10.76	-	-	13,233,450	8.12	-	-
Substantial Shareholders										
Komsama	Malaysia	-	30,882,810	25.11	-	-	30,882,810	18.95	-	-
Chan Ah Ba	Malaysian	Executive Chairman	31,300,340	25.45	-	-	31,300,340	19.20	-	-
Ooi Chai Huat	Malaysian	Managing Director	16,682,940	13.56	-	-	16,682,940	10.23	-	-
Fong Sai Chong	Malaysian	Executive Director	6,558,000	5.33	-	-	6,558,000	4.02	-	-

8 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

			Before the Public Issue Shareholding				After the Public Issue[N1] Shareholding			
Name	Country of Incorporation/ Nationality	Designation	Direct	%	Indirect	%	Direct	%	Indirect	%
Teoh Geok Cheng	Malaysian	Executive Director	15,048,920	12.23	-	-	15,048,920	9.23	-	-
Chan Boon Seng	Malaysian	Technical Manager	13,233,450	10.76	-	-	13,233,450	8.12	-	-
Directors										
Chan Ah Ba	Malaysian	Executive Chairman	31,300,340	25.45	-	-	31,300,340	19.20	-	-
Ooi Chai Huat	Malaysian	Managing Director	16,682,940	13.56	-	-	16,682,940	10.23	-	-
Fong Sai Chong	Malaysian	Executive Director	6,558,000	5.33	-	-	6,558,000	4.02	-	-
Teoh Geok Cheng	Malaysian	Executive Director	15,048,920	12.23	-	-	15,048,920	9.23	-	-
Ong Eng Choon	Malaysian	Non-Executive Independent Director	-	-	-	-	100,000[N2]	0.06	-	-
Dato' Dr. Chong Eng Keat @ Teoh Eng Keat	Malaysian	Non-Executive Independent Director	-	-	-	-	100,000[N2]	0.06	-	-

Note:
N1 *On the assumption that none of the ESOS options will be exercised.*
N2 *On the assumptions that the respective individuals will subscribe for all their pink form allocation*

8 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.1.2 Profiles of our Promoters, Substantial Shareholders and Directors

Komsama was incorporated on 10 February 1987 in Malaysia under the Act as a private exempt company. Komsama is an investment holding company. As at 15 January 2007, its authorised share capital was RM1,000,000 divided into 1,000,000 ordinary shares of RM1.00 each of which RM909,533 comprising 909,533 ordinary shares of RM1.00 each are issued and fully paid-up.

The substantial shareholders and directors of Komsama and their respective shareholdings in Komsama as at 15 January 2007 are as follow:-

Name	No. of ordinary shares of RM1.00 each held in Komsama before and after the Public Issue			
	Direct	**%**	**Indirect**	**%**
Substantial Shareholders				
Chan Ah Ba	127,153	13.98	-	-
Teoh Geok Cheng	127,083	13.97	-	-
Teoh Teck Kin	127,138	13.98	-	-
Kang Boon Seng	73,455	8.08	-	-
Ng Bak Lee	127,083	13.97	-	-
Cheang Yik Ming	127,083	13.97	-	-
Tan Kaa Tiam (Deceased)	127,083	13.97	-	-
Ng Bak Khoon	73,455	8.08	-	-
Directors				
Kang Boon Seng	73,455	8.08	-	-
Ng Bak Lee	127,083	13.97	-	-
Cheang Yik Ming	127,083	13.97	-	-
Teoh Teck Kin	127,138	13.98	-	-

Chan Ah Ba, aged 59, is the Executive Chairman of TTB and was appointed to the Board on 6 October 2006. He is a Mechanical Engineer by profession and holds a Bachelor of Science in Mechanical Engineering Degree from Cheng Kung University, Taiwan. Mr Chan is the founder of TSB. Prior to the formation of TSB, he was attached to Vickers Systems (Malaysia) Sdn Bhd in 1980 as an application engineer before he teamed up with other business associates to form TSB in 1986. He has over 25 years of experience in engineering, business development, project consultation and management in various mechanical and hydraulic engineering fields.

Ooi Chai Huat, aged 44, is the Managing Director of TTB and was appointed to the Board on 6 October 2006. He holds a Certificate in Electrical Engineering from Perak Institute of Electronics. Prior to joining the company, he worked for Mattel Sdn Bhd. He joined TSB as the General Manager and has been a key person for R&D, design and marketing activities of the company. He has 24 years experience in business development, design and development and marketing of hydraulic systems for industrial automation. He is currently responsible for the operation of the Group.

Fong Sai Chong, aged 47, is the Executive Director of TTB and was appointed to the Board on 6 October 2006. He started his career as a Sales Executive with Eng Hin Leong Co. Sdn Bhd in 1980. He joined United Hydraumatic Sdn Bhd as Sales Manager where he brought along years of business development experience which are valuable to the growth of the company. In 1990, he started his entrepreneur career when he co-founded THSSB. His experience from his prior career have set the sound foundation for the Group growth and successfully helped developed a strong distribution network. He is responsible for the Group's Sales and Marketing division.

Teoh Geok Cheng, aged 55, is the Executive Director of TTB and was appointed to the Board on 6 October 2006. He graduated with Bachelor of Science in Electrical Engineering degree from National Taiwan University, Taiwan in 1974. He worked for Northern Telecom Industries Sdn Bhd in Penang since 1976 for 22 years. He had held various senior positions in the company before he was promoted to the position of Managing Director in 1998. He continued to hold that position until 2002. Northern Telecom Industries Sdn Bhd changed its name to Astec Advanced Power System Sdn Bhd in 1998 after Northern Telecom sold its power business to Astec Electronics Co Ltd, a subsidiary of Emerson Electric Co, USA. He was the Managing Director of Action Multimedia Solutions Sdn Bhd and also the Vice President, of Action Industries (M) Sdn Bhd from 2005 to 2006. He has with him over 25 years experience in ICT and consumer electronics industries.

Ong Eng Choon, aged 54, is the Independent Non-Executive Director of TTB and was appointed to the Board on 6 October 2006. He graduated from Tunku Abdul Rahman College, Kuala Lumpur with a Diploma in Business Administration and has twenty-seven years of experience in tax. He spent three years with the Inland Revenue Board and ten years with one of the top four accounting firms before he was appointed as the Managing Director of Taxnet Consultants Sdn. Bhd. He is a Chartered Accountant (Malaysia), a fellow of the Chartered Association of Certified Accountants (FCCA), an Associate Member of the Institute of Chartered Secretaries and Administrators (ICSA) and an Associate Member of the Malaysian Institute of Taxation. He also sits on the Board of Directors of several public listed companies i.e. as an Independent Non-Executive Director of Chin Well Holdings Berhad, Tek Seng Holdings Berhad, Elsoft Research Berhad and Wimems Corporation Berhad.

Dato' Dr. Chong Eng Keat @ Teoh Eng Keat, aged 60, is the Independent Non-Executive Director of TTB and was appointed to the Board on 6 October 2006. He is currently the President and Chief Executive Officer of Kolej Disted-Stamford.

He graduated from Universiti Sains Malaysia ("USM") in 1975 with an Honours Degree in Chemistry and went on an Australian National University Scholarship to do his PhD in Chemistry in 1976. After obtaining his PhD in 1979, he returned to USM as a lecturer in the School of Chemistry.

In 1980, he left USM to join Intel Technology Sdn Bhd ("Intel") as a Senior Process Engineer. During his 22 years in Intel, he held various general management positions in manufacturing as well as in Technology Development. He started up the Intel Kulim site as the pioneer Managing Director in 1995 and at the time of his retirement in 2002 he was the Vice-President and General Manager of Intel's worldwide Board and Systems operations.

He also serves in a number of state and industry committees to promote business connectivity, growth of local industries and strengthening of industry-university linkages. He also sits on the Board of Directors of several public listed companies i.e. as a non-executive Director of Globetronics Technology Bhd, MQ Technology Bhd and a non-executive Chairman of Elsoft Research Bhd.

Chan Boon Seng, aged 50, is the Technical Manager for the Group. He graduated with a Bachelor of Science degree in Electro-Mechanical Engineering from University of Wales, United Kingdom in 1980. He is an engineer by profession and a graduate registered with the Board of Engineers Malaysia and the Institution of Engineers Malaysia. He started his career as a process engineer with Carter Semiconductor (M) Sdn Bhd in 1980. Later, Mr Chan joined Geoservices International S.A. in 1981 as a mud logging engineer. In 1982, he joined Valdun Associates Sdn Bhd as a M&E Consulting Engineer. In 1989, driven by the expansion of TSB's business, he then left his promising career to join his brother as the technical manager of the Group. His experience from his prior career contributed significantly to the growth of the Group especially in the start-up of Ipoh operation. He is currently responsible for the R&D function of the Group.

8.1.3 Promoters', Substantial Shareholders' and Directors' Directorships and Substantial Shareholdings in Other Public Corporations

Save as disclosed below, none of our Promoters, substantial shareholders and Directors hold or have held any directorships or substantial shareholdings as at the LPD (5% or more of the issued and paid-up share capital) in other public corporations for the past two (2) years.

			Directorship		Substantial Shareholding as at 15 January 2007	
	Company	Director Designation	Date of Appointment	Date of Resignation	Direct (%)	Indirect (%)
Ong Eng Choon	Chin Well Holdings Berhad	Independent Non Executive Director	27.12.95	-	-	-
	Hiap Teck Venture Berhad	Independent Non Executive Director	06.06.03	04.01.06	-	-
	Tek Seng Holdings Berhad	Independent Non Executive Director	16.08.04	-	-	-
	Elsoft Research Berhad	Independent Non Executive Director	03.06.05	-	-	-
	Wimems Corporation Berhad	Independent Non Executive Director	22.08.05	-	-	-
Dato' Dr. Chong Eng Keat @ Teoh Eng Keat	MQ Technology Berhad	Independent Non-Executive Director	26.11.04	-	-	-
	Globetronics Technology Berhad	Independent Non Executive Director	03.03.03	-	-	-
	Elsoft Research Berhad	Independent Non Executive Director	03.06.05	-	-	-
		Independent Non Executive Chairman	18.08.06	-	-	-

8.1.4 Directors' Remuneration and Benefits

The remuneration paid to our Directors of our Company for services rendered in all capacities to the Group for the FYE 30 November 2005 and FYE 30 November 2006 amounted to RM413,383 and RM472,947 respectively. The proposed remuneration payable for the FYE 30 November 2007 to our Directors is RM752,037.

8 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

The number of Directors in the various remuneration bands are set out below:-

	<------Aggregate Remuneration------>								
	Audited FYE 30 November 2005			Audited FYE 30 November 2006			Proposed FYE 30 November 2007		
	Executive Director	Non-Executive Director	Total	Executive Director	Non-Executive Director	Total	Executive Director	Non-Executive Director	Total
Up to RM50,000	-	-	-	Teoh Geok Cheng	-	1	-	Ong Eng Choon Dato' Dr. Chong Eng Keat	2
Between RM50,001 and RM100,000	Fong Sai Chong	-	1	Fong Sai Chong	-	1	-	-	-
Between RM100,001 and RM150,000	Ooi Chai Huat	-	1	Ooi Chai Huat	-	1	Fong Sai Chong	-	1
Between RM150,001 and RM200,000	Chan Ah Ba	-	1	Chan Ah Ba	-	1	Ooi Chai Huat Teoh Geok Cheng	-	2
Between RM200,001 and RM250,000	-	-	-	-	-	-	Chan Ah Ba	-	1

8 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.1.5 Appointment of Directors

All our Directors were appointed to the Board on 6 October 2006 and have served in their respective capacity since the date of appointment and are subject to retirement by rotation at the next AGM and are eligible to offer themselves for re-election according to our Company's Articles of Association.

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8 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.2 AUDIT, RENUMERATION AND NOMINATION COMMITTEES

Audit Committee

The composition of our Audit Committee is as follows:-

Name	Designation	Directorship
Ong Eng Choon	Chairman of the Audit Committee	Independent Non-Executive Director
Dato' Dr. Chong Eng Keat @ Teoh Eng Keat	Member of the Audit Committee	Independent Non-Executive Director
Chan Ah Ba	Member of the Audit Committee	Executive Chairman

Our Audit Committee, comprising two (2) Independent Non-Executive Directors and the Executive Chairman of TTB, is responsible for rendering recommendations to our Board regarding the selection of the external auditors, reviewing the results and scope of the audit and other services provided by our Company's external auditors. In addition, the Audit Committee reviews and evaluates our Company's quarterly report and annual financial statements prior to our Board's approval, internal audit and control functions. Our Audit Committee is also responsible for the assessment of financial risks and matters relating to related party transactions and conflict of interests. Our Audit Committee may obtain advice from independent parties and other professionals in the performance of its duties.

Remuneration Committee

The composition of our Remuneration Committee is as follows:-

Name	Designation	Directorship
Dato' Dr. Chong Eng Keat @ Teoh Eng Keat	Chairman of the Remuneration Committee	Independent Non-Executive Director
Ong Eng Choon	Member of the Remuneration Committee	Independent Non-Executive Director
Teoh Geok Cheng	Member of the Remuneration Committee	Executive Director

Our Remuneration Committee, comprising two (2) Independent Non-Executive Directors and the Executive Director of TTB, recommends the remuneration package for our Executive Directors. The determination of the remuneration package of our Non-Executive Directors shall be a decision of our Board as a whole. The individuals concerned should abstain from discussion of their own remuneration and no Director shall be involved in deciding his own remuneration. The remuneration of Directors is generally based on market conditions, responsibilities held and the Company's overall financial performance. Decisions and recommendations of our Remuneration Committee shall be reported to our Board and Shareholders for approval where required by the rules and regulations governing the Company.

8 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Nomination Committee

The main function of a Nomination Committee normally covers the recommendations to the Board of public listed companies for all Board appointments including re-nominations, having regard to a Director's contribution and performance as well as assisting the Board to review on an annual basis, the appropriate balance and size of non-executive participation. In this respect, we are of the opinion that the composition of our Board comprises members with different qualifications and experience from various fields and will be able to effectively carry out the function of a Nomination Committee. As such, the functions of the Nomination Committee will be assumed by our Board as a whole.

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8 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.3 KEY PERSONNEL

8.3.1 Shareholdings in TTB

			Before the Public Issue				After the Public Issue[N1]			
			Shareholding				Shareholding			
Name	Nationality	Designation	Direct	%	Indirect	%	Direct	%	Indirect	%
Key Personnel										
Chan Ah Ba	Malaysian	Executive Chairman	31,300,340	25.45	-	-	31,300,340	19.20	-	-
Ooi Chai Huat	Malaysian	Managing Director	16,682,940	13.56	-	-	16,682,940	10.23	-	-
Fong Sai Chong	Malaysian	Executive Director	6,558,000	5.33	-	-	6,558,000	4.02	-	-
Teoh Geok Cheng	Malaysian	Executive Director	15,048,920	12.23	-	-	15,048,920	9.23		
Chan Boon Seng	Malaysian	Technical Manager	13,233,450	10.76	-	-	13,233,450	8.12	-	-
Kok Seng Loong	Malaysian	Group Financial Controller	4,075,000	3.31	-	-	4,075,000	2.50	-	-
Ewe Liew San	Malaysian	Operation Manager	1,597,490	1.30	-	-	1,597,490	0.98	-	-
Teoh Tun Ching	Malaysian	Operation Manager	997,850	0.81	-	-	997,850	0.61	-	-

Note:
N1 On the assumption that none of the ESOS options will be exercised.

8 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.3.2 Profiles of Key Personnel

Chan Ah Ba, Executive Chairman of TTB. Profile of Mr. Chan Ah Ba is set out in Section 8.1.2 above.

Ooi Chai Huat, Executive Director of TTB. Profile of Mr Ooi Chai Huat is set out in Section 8.1.2 above.

Fong Sai Chong, Executive Director of TTB. Profile of Mr Fong Sai Chong is set out in Section 8.1.2 above.

Teoh Geok Cheng, Executive Director of TTB. Profile of Mr Teoh Geok Cheng is set out in Section 8.1.2 above.

Chan Boon Seng, Technical Manager of the Group. Profile of Mr Chan Boon Seng is set out in Section 8.1.2 above.

Kok Seng Loong, aged 30, is Group Financial Controller. He graduated with a professional accountancy qualification from Association of Chartered Certified Accountants in 1998 and later with a Master Degree in Business Administration from Edinburgh Business School in 2000. He is also a Chartered Accountant and a member of the Malaysian Institute of Accountants. He started his career in the public practice with KPMG in 1998. He then joined the manufacturing industry sectors where he gained years of operation and corporate finance experience with the MNCs i.e. Intel Corporation and Dell Computer Corporation since 1999. He is experienced in supporting various set up of production operation of Intel worldwide and also in planning and setting up the Intel Malaysia R&D Centre. He is also the independent non-executive director of MQ Technology Berhad, a public listed company on MESDAQ market. He is also the member of the Board of Directors of a private limited company.

Ewe Liew San, aged 34, is the Operation Manager for central Malaysia region of the Group. He graduated with a Diploma in Electronic Engineering from Federal Institute of Technology in 1993. Upon graduation, he begins his career as a technician with Texchem Resources Bhd. It is not too long for Mr Ewe to discover his strength in Technical Marketing and he decided to join Setia Raya Teknik Sdn Bhd as the Sales Executive in 1993. He later left for Matco Engineering & Trading in 1996 as the Senior Sales Executive. His strong interest in business development later brought him to the TTB Group when he helped the Group start up the operation with TCSB. Mr Ewe's strength in both technical and marketing have been the key factor of success for the fast growth of central region operation.

Teoh Tun Ching, aged 33, is the Operation Manager for southern Malaysia region of the Group. He started his career as a technician with a local company Mecon Engineering Trading in 1993. He then joined Uniform Components Sdn Bhd to head the maintenance department in 1996. Through his years of technical and management experience, Mr Teoh has brought along with him valuable expertise especially in the provision of hydraulic automation solutions when he decided to join the Group in 2000. He has been the key person of setting up TCJSB in Johor. His strong experience on maintenance issues have helped grow the TTB Group's customers based especially in the proactive maintenance solutions.

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8 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.4 INVOLVEMENT OF OUR EXECUTIVE DIRECTORS AND KEY PERSONNEL IN OTHER BUSINESSES/ CORPORATIONS

As at the LPD, save as disclosed below, none of our executive Directors and key personnel are involved in the operations of other businesses or corporations:-

Executive Director of TTB/ Key Personnel	Name of Company	Principal Activities	Designation	Date of Becoming Director
Chan Ah Ba	Komsama	Investment Holding	Shareholder	-
Teoh Geok Cheng	Komsama	Investment Holding	Shareholder	-
	Penpo (M) Sdn Bhd	Trading of electrical components	Director and shareholder	05.12.89
	Komsama Trading Sdn Bhd	Trading company for industrial supplies (Currently dormant)	Director and shareholder	02.05.90
Chan Boon Seng	Camden Pharmacy Sdn Bhd.	Pharmaceutical Retail/ Wholesale	Director	29.8.96
	Vital Oasis Sdn Bhd	Pharmaceutical Retail/ Wholesale	Director	21.1.03
	K-Pharma Sdn Bhd	Pharmaceutical Retail/ Wholesale	Director	27.11.03
Kok Seng Loong	MQ Technology Berhad	An investment holding company whilst its subsidiaries are involved in providing rapid tooling and prototyping, product development and manufacturing solutions.	Independent Non-Executive Director	26.11.04
	Lite-Tech Solutions Sdn Bhd (formerly known as Quantcom Sdn Bhd)	Development, design & manufacturing of light-source components & system in ultra-violet & laser technologies	Director and shareholder	12.10.06

The involvement in the above companies' operations by the respective executive Directors and key personnel will not affect their contribution to the Group as they do not spend a significant portion of their time in the above companies.

8.5 DECLARATION OF OUR DIRECTORS AND KEY PERSONNEL

None of our Directors and key personnel are or were involved in the following events whether in or outside Malaysia:-

(a) A petition under any bankruptcy or insolvency laws filed against such person or any partnership in which he was a partner or any corporation of which he was a director or key personnel;

(b) Disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;

(c) Conviction in a criminal proceedings or is a named subject of a pending criminal proceedings;

(d) Judgment was entered against such person involving a breach of any law or regulatory requirement that relates to the securities or futures industry; and

(e) The subject of any order, judgement or ruling of any court of competent jurisdiction, tribunal or government body temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

8.6 RELATIONSHIPS AND ASSOCIATION

Save for Chan Boon Seng, our Technical Manager who is the brother of Chan Ah Ba, our Executive Chairman, there are no family relationships or associations amongst our substantial shareholders, Promoters, Directors and key personnel.

8.7 SERVICE AGREEMENTS

As at the LPD , none of our Directors and key personnel has entered into any service agreements, which is not terminable by notice without payments or compensation other than statutory compensation, with our Company.

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8 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.8 CHANGES IN SUBSTANTIAL SHAREHOLDERS/PROMOTERS AND THEIR RESPECTIVE SHAREHOLDINGS IN TTB SINCE INCORPORATION

The changes in the shareholdings of our substantial shareholders since incorporation on 25 January 2005 are as follows:-

	(i) As at Incorporation Date ◄— No. of Ordinary Shares of RM1.00 each —►				(ii) After (i) and the Acquisitions ◄— No. of Ordinary Shares of RM1.00 each —►			
	Direct	%	Indirect	%	Direct	%	Indirect	%
Sumami Binti Kiman	1	50.00	-	-	-	-	-	-
Saharuddin Bin Abdullah	1	50.00	-	-	-	-	-	-
Siew Yoke Lam	-	-	-	-	1[N5]	N2	-	-
Chan Seok Lay	-	-	-	-	1[N5]	N2	-	-
Komsama	-	-	-	-	3,088,281	25.11	-	-
Chan Ah Ba	-	-	-	-	3,130,032	25.45	-	-
Teoh Geok Cheng	-	-	-	-	1,504,892	12.23	-	-
Ooi Chai Huat	-	-	-	-	1,668,294	13.56	-	-
Fong Sai Chong	-	-	-	-	655,800	5.33	-	-
Chan Boon Seng	-	-	-	-	1,323,345	10.76	-	-

	(iii) After (ii) and the Sub-Division of Shares ◄— No. of TTB Shares —►				(iv) After (iii) and Public Issue ◄— No. of TTB Shares[N1] —►			
	Direct	%	Indirect	%	Direct	%	Indirect	
Komsama	30,882,810	25.11	-	-	30,882,810	18.95	-	-
Chan Ah Ba	31,300,340	25.45	-	-	31,300,340	19.20	-	-
Teoh Geok Cheng	15,048,920	12.23	-	-	15,048,920	9.23	-	-
Ooi Chai Huat	16,682,940	13.56	-	-	16,682,940	10.23	-	-
Fong Sai Chong	6,558,000	5.33	-	-	6,558,000	4.02	-	-
Chan Boon Seng	13,233,450	10.76	-	-	13,233,450	8.12	-	-

	(v) After (iv) and assuming full exercise of ESOS ◄— No. of TTB Shares —►			
	Direct	%	Indirect	%
Komsama	30,882,810	18.60	-	-
Chan Ah Ba	31,800,340[N3 & N5]	19.16	-	-
Teoh Geok Cheng	15,548,920[N3]	9.37	-	-
Ooi Chai Huat	17,182,940[N3]	10.35	-	-
Fong Sai Chong	7,058,000[N3]	4.25	-	-
Chan Boon Seng	13,483,450[N4]	8.12	-	-

Notes:

N1 On the assumption that the respective individuals will subscribe for all their pink form allocation and none of the ESOS options will be exercised.

N2 Negligible

N3 Assuming full grant and exercise of 500,000 ESOS Options to these Directors

N4 Assuming full grant and exercise of 250,000 ESOS Options to Chan Boon Seng

N5 As at 19 September 2005, the 2 subscribers' shares are being held by Siew Yoke Lam and Chan Seok Lay. These shares are subsequently transferred to Mr. Chan Ah Ba on 2 October 2006.

8 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.9 EMPLOYEES

The total number of employees with breakdown into categories and average number of years in service are shown in the table below:

Category:	**No. of Employees As at LPD**	**Avg. No. of Years in Service**
Management	9	10
Engineering / R&D	11	5
Production / Assembly	37	3
Finance & Administration	12	4
Sales, Application and Marketing	19	4
Total:	88	4

As at the LPD, the number of contractual workers of our Group is seven (7) and they are employed in the sales, engineering and production/ assembly department.

We place strong emphasis on human resources development. Our employees are given various training to improve their skills and knowledge and also the on-the-job training.

Our employees do not belong to any labour union and enjoy a cordial relationship with the management and therefore there has been no labour or industrial dispute between the employees and the management.

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