

## 5 INFORMATION ON OUR GROUP

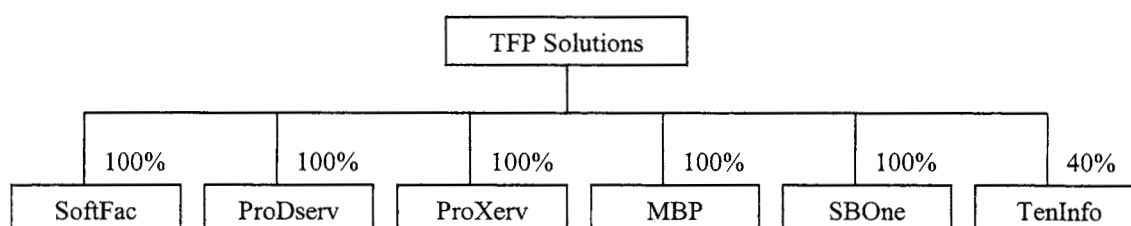
### 5.1 HISTORY AND BUSINESS

TFP Solutions was incorporated in Malaysia on 16 May 2007 under the Act under the name “TFP Solutions Sdn Bhd” with an issued and paid-up share capital of RM0.20 comprising two (2) TFP Shares. On 15 June 2007, TFP Solutions Sdn Bhd was converted into a public limited company and assumed its present name.

TFP Solutions is the company to be listed under the Listing to hold the existing business of the Subsidiary Companies and Associate Company. Our principal activity is investment holding whilst the principal activities of our Subsidiary Companies and Associate Company are as follows:-

Name	Date and place of incorporation	Equity interest %	Issued and paid-up share capital (RM)	Principal activity
<i>Subsidiary Companies</i>				
SoftFac	28 June 2005/ Malaysia	100.00	500,000	Providing HCRM solutions
ProDserv	3 August 2006/ Malaysia	100.00	100,000	Developing and providing EBS value added solutions
ProXerv	20 September 2005/ Malaysia	100.00	100,000	Providing shared services IT outsourcing
MBP	13 March 2004/ Malaysia	100.00	1,000,000	Providing ERP consulting and implementation of Microsoft Dynamics products
SBOne	15 April 2005/ Malaysia	100.00	500,000	Providing ERP consulting and implementation of SAP products
<i>Associate Company</i>				
TenInfo	22 July 2002/ Malaysia	40.00	1,000,000	Providing enterprise systems solutions

The corporate structure of our Group is as set out below:-



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**5.2 LISTING SCHEME**

In conjunction with, and as an integral part of our Listing, we undertook a listing scheme which was approved by the SC, pursuant to Section 212(5) of the Capital Market & Services Act 2007, the MESDAQ IPO Guidelines, the Listing Requirements and the Foreign Investment Committee's Guideline on the Acquisition of Interests, Mergers and Take-Overs by Local and Foreign Interests, via its letter dated 14 November 2007. The listing scheme involved the following steps:-

**(a) Increase in Authorised Share Capital**

In conjunction with our Listing, we increased our authorised share capital from RM100,000 comprising 1,000,000 TFP Shares to RM25,000,000 comprising 250,000,000 TFP Shares.

**(b) Acquisition of Subsidiary Companies and Associate Company****(i) Acquisition of SoftFac**

Pursuant to the SPA we entered into with all the shareholders of SoftFac dated 21 August 2007, we acquired the entire equity interest in SoftFac representing 100.0% of the issued and paid-up share capital of SoftFac for a total purchase consideration of RM1,271,255 satisfied entirely by the issue of 12,712,550 TFP Shares.

<b>Shareholders of SoftFac</b>	<b>Percentage Shareholdings in SoftFac (%)</b>	<b>No. of new TFP Shares issued</b>
Lim Lung Wen	40.00	5,085,020
Lim Geok Hong	30.00	3,813,764
Quah Teik Jin	15.00	1,906,883
Ow Poh Kwang	15.00	1,906,883
<b>Total</b>	<b>100.0</b>	<b>12,712,550</b>

The purchase consideration was arrived at on a willing buyer-willing seller basis based on the audited net assets of SoftFac as at 31 December 2006 of RM1,271,255.

The new TFP Shares issued pursuant to the Acquisition of SoftFac shall rank *pari passu* in all respects with the then existing TFP Shares including voting rights and rights to all dividends and distributions that may be declared, paid or made subsequent to the date of allotment thereof.

The Acquisition of SoftFac was completed on 28 November 2007.

**(ii) Acquisition of ProDserv**

Pursuant to the SPA we entered into with all the shareholders of ProDserv dated 21 August 2007, we acquired the entire equity interest in ProDserv representing 100.0% of the issued and paid-up share capital of ProDserv for a total purchase consideration of RM65,281 satisfied entirely by the issue of 652,810 Shares.

<b>Shareholders of ProDserv</b>	<b>Percentage Shareholdings in ProDserv (%)</b>	<b>No. of new TFP Shares issued</b>
Lim Lung Wen	50.0	326,405
Quah Teik Jin	50.0	326,405
<b>Total</b>	<b>100.0</b>	<b>652,810</b>

The purchase consideration was arrived at on a willing buyer-willing seller basis based on the audited net assets of ProDserv as at 31 December 2006 of RM65,281.

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The new TFP Shares issued pursuant to the Acquisition of ProDserv shall rank *pari passu* in all respects with the then existing TFP Shares including voting rights and rights to all dividends and distributions that may be declared, paid or made subsequent to the date of allotment thereof.

The Acquisition of ProDserv was completed on 28 November 2007.

**(iii) Acquisition of ProXerv**

Pursuant to the SPA we entered into with all the shareholders of ProXerv dated 21 August 2007, we acquired the entire equity interest in ProXerv representing 100.0% of the issued and paid-up share capital of ProXerv for a total purchase consideration of RM386,429 satisfied entirely by the issue of 3,864,290 TFP Shares.

Shareholders of ProXerv	Percentage Shareholdings in ProXerv (%)	No. of new TFP Shares issued
Lim Chee Siong	45.0	1,738,930
Grace Chia Ming Hui	20.0	772,858
Lye Poh Leong	35.0	1,352,502
<b>Total</b>	<b>100.0</b>	<b>3,864,290</b>

The purchase consideration was arrived at on a willing buyer-willing seller basis based on the audited net assets of ProXerv as at 31 December 2006 of RM386,429.

The new TFP Shares issued pursuant to the Acquisition of ProXerv shall rank *pari passu* in all respects with the then existing TFP Shares including voting rights and rights to all dividends and distributions that may be declared, paid or made subsequent to the date of allotment thereof.

The Acquisition of ProXerv was completed on 28 November 2007.

**(iv) Acquisition of MBP**

Pursuant to the SPA we entered into with all the shareholders of MBP dated 21 August 2007, we acquired the entire equity interest in MBP representing 100.0% of the issued and paid-up share capital of MBP for a total purchase consideration of RM1,312,212 satisfied entirely by the issue of 13,122,120 TFP Shares.

Shareholders of MBP	Percentage Shareholdings in MBP (%)	No. of new TFP Shares issued
Lim Lung Wen	18.26	2,396,100
Lim Tiew Ming	30.49	4,000,934
Quah Teik Jin	15.76	2,068,046
Chong Wei Phoi	30.49	4,000,934
Ow Poh Kwang	5.00	656,106
<b>Total</b>	<b>100.00</b>	<b>13,122,120</b>

The purchase consideration was arrived at on a willing buyer-willing seller basis based on the audited net assets of MBP as at 31 December 2006 of RM1,312,212.

The new TFP Shares issued pursuant to the Acquisition of MBP shall rank *pari passu* in all respects with the then existing TFP Shares including voting rights and rights to all dividends and distributions that may be declared, paid or made subsequent to the date of allotment thereof.

The Acquisition of MBP was completed on 28 November 2007.

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**(v) Acquisition of SBOne**

Pursuant to the SPA we entered into with all the shareholders of SBOne dated 21 August 2007, we acquired the entire equity interest in SBOne representing 100.0% of the issued and paid-up share capital of SBOne for a total purchase consideration of RM536,439 satisfied entirely by the issue of 5,364,390 TFP Shares.

<b>Shareholders of SBOne</b>	<b>Percentage Shareholdings in SBOne (%)</b>	<b>No. of new TFP Shares issued</b>
Tan Man Siang	25.00	1,341,098
Lim Lung Wen	27.50	1,475,207
Quah Teik Jin	27.50	1,475,207
Ow Poh Kwang	15.00	804,659
Edward Yee Chee Kheong	5.00	268,219
<b>Total</b>	<b>100.00</b>	<b>5,364,390</b>

The purchase consideration was arrived at on a willing buyer-willing seller basis based on the audited net assets of SBOne as at 31 December 2006 of RM536,439.

The new TFP Shares issued pursuant to the Acquisition of SBOne shall rank *pari passu* in all respects with the then existing TFP Shares including voting rights and rights to all dividends and distributions that may be declared, paid or made subsequent to the date of allotment thereof.

The Acquisition of SBOne was completed on 28 November 2007.

**(vi) Acquisition of TenInfo**

Pursuant to the SPA we entered into with certain shareholders of TenInfo dated 21 August 2007, we acquired 40% of the equity interest in TenInfo representing 40.0% of the issued and paid-up share capital of TenInfo for a total purchase consideration of RM1,266,864 satisfied entirely by the issue of 12,668,638 TFP Shares.

<b>Shareholders of TenInfo</b>	<b>Percentage Shareholdings in TenInfo (%)</b>	<b>No. of new TFP Shares issued</b>
Lim Lung Wen	27.37	8,668,520
Cheah Ui Huat	12.63	4,000,118
<b>Total</b>	<b>40.00</b>	<b>12,668,638</b>

The purchase consideration of RM1,266,864 for 40.0% of the equity interest in TenInfo was arrived at on a willing buyer-willing seller basis based on the adjusted audited net assets of TenInfo amounting to RM3,167,166 (adjusted from TenInfo's audited net assets as at 31 December 2006 of RM2,498,241 after incorporating the revaluation surplus of RM668,925).

The revaluation surplus was arrived at based on the valuation performed by Messrs Henry Butcher Malaysia (SEL) Sdn Bhd on 18 July 2007 on the property, consisting land and buildings of TenInfo. A copy of the valuation certificate is set out in Section 16 of this Prospectus.

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The valuation surplus arising from the revaluation exercise is as follows:-

<b>Location</b>	<b>Description of property / Gross floor area</b>	<b>Net book value as at 31 December 2006 RM</b>	<b>Market value RM</b>	<b>Revaluation surplus RM</b>
No. 20, Jalan Puteri 1/2, Bandar Puteri, 47100 Puchong, Selangor D. E.	Intermediate 4 storey shop office/ 789.65 square metres	1,431,075	2,100,000	668,925

The new TFP Shares issued pursuant to the Acquisition of TenInfo shall rank *pari passu* in all respects with the then existing TFP Shares including voting rights and rights to all dividends and distributions that may be declared, paid or made subsequent to the date of allotment thereof.

The Acquisition of TenInfo was completed on 28 November 2007.

**(c) Acquisition of Property**

Pursuant to the SPA we entered into with Lim Lung Wen and Quah Teik Jin dated 21 August 2007, we acquired property consisting of land and buildings for a purchase consideration of RM2,100,001 to be satisfied by cash of RM1.00 and by the issue of 21,000,000 TFP Shares as follows:-

<b>Owner of property</b>	<b>Ownership in the property (%)</b>	<b>No. of new TFP Shares issued</b>
Lim Lung Wen	50.0	10,500,000
Quah Teik Jin	50.0	10,500,000
<b>Total</b>	<b>100.0</b>	<b>21,000,000</b>

The property is located adjacent to TenInfo's property. Details of the property are as follows:-

<b>Location</b>	<b>Description of property / Gross floor area</b>	<b>Tenure</b>
No. 22, Jalan Puteri 1/2, Bandar Puteri, 47100 Puchong, Selangor D. E.	Intermediate 4 storey shop office/ 789.65 square metres	Freehold

The purchase consideration was based on the valuation performed by Messrs Henry Butcher Malaysia (SEL) Sdn Bhd on 18 July 2007 on the property. A copy of the valuation certificate is set out in Section 16 of this Prospectus.

The new TFP Shares issued pursuant to the Acquisition of Property shall rank *pari passu* in all respects with the then existing TFP Shares including voting rights and rights to all dividends and distributions that may be declared, paid or made subsequent to the date of allotment thereof.

The Acquisition of Property was completed on 19 December 2007.

**(d) Transfer of Shares**

Lim Lung Wen, Quah Teik Jin and Ow Poh Kwang will transfer 42,023,172 TFP Shares, representing 45.0% of our enlarged issued and paid-up share capital to MPSB.

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MPSB was incorporated in Malaysia under the Act as a private limited company on 7 July 2007. The principal activity of MPSB is investment holding. As at the LPD, the authorised share capital of MPSB is RM100,000 comprising 100,000 ordinary shares of RM1.00 each ("MPSB Shares"), of which RM100 comprising 100 MPSB Shares have been issued and fully paid-up.

MPSB is currently held by Lim Lung Wen, Quah Teik Jin and Ow Poh Kwang as follows:-

Shareholders	No. of MPSB Shares	%
Lim Lung Wen	60	60.0
Quah Teik Jin	32	32.0
Ow Poh Kwang	8	8.0
	100	100.0

MPSB will be our substantial shareholder, with an equity interest of 45.0 % upon completion of the Transfer of Shares as follows:-

Transferor	No. of TFP Shares before Transfer of Shares	* %	No. of TFP Shares transferred to MPSB	* %
Lim Lung Wen	28,451,252	30.46	25,213,903	27.00
Quah Teik Jin	16,276,541	17.43	13,447,415	14.40
Ow Poh Kwang	3,367,648	3.61	3,361,854	3.60
	48,095,441	51.50	42,023,172	45.00

**Note:-**

\* Based on the enlarged issued and paid-up share capital of 93,384,800 TFP Shares after the Public Issue but before the Bonus Issue

**(e) Public Issue**

In conjunction with our Listing, we will issue 24,000,000 new TFP Shares at the Public Issue Price to eligible employees, Directors, business associates, individuals, companies, societies, co-operatives and institutions by way of private placement and public offer, subject to the terms and conditions of this Prospectus.

Upon completion of the Public Issue, our issued and paid-up share capital will increase from RM6,938,480 comprising 69,384,800 TFP Shares to RM9,338,480 comprising 93,384,800 TFP Shares credited as fully paid-up.

**(f) Bonus Issue**

We will implement a bonus issue of 46,692,400 new TFP Shares to be issued and credited as fully paid-up on the basis of one (1) new TFP Share for every two (2) existing TFP Shares held after the Public Issue.

Upon completion of the Bonus Issue, our issued and paid-up share capital will increase from RM9,338,480 comprising 93,384,800 TFP Shares to RM14,007,720 comprising 140,077,200 TFP Shares credited as fully paid-up.

**(g) Listing and Quotation on MESDAQ Market**

Upon completion of the Issues, our entire issued and paid-up share capital of RM14,007,720 comprising 140,077,200 TFP Shares will be listed on the MESDAQ Market.

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**5 INFORMATION ON OUR GROUP (Cont'd)**


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**5.3 SHARE CAPITAL**

As at the date of this Prospectus, our authorised share capital is RM25,000,000 comprising 250,000,000 Shares and our issued and paid-up share capital is RM6,938,480 comprising 69,384,800 TFP Shares credited as fully paid-up. Upon completion of the Listing, our enlarged issued and paid-up share capital will increase to RM14,007,720 comprising 140,077,200 TFP Shares credited as fully paid-up.

Details of the changes in our issued and paid-up share capital since incorporation until the date of this Prospectus are as follows:-

<b>Date of allotment</b>	<b>No. of TFP Shares allotted</b>	<b>Par Value (RM)</b>	<b>Consideration</b>	<b>Resultant no. of issued and paid-up shares (cumulative)</b>	<b>Resultant issued and paid-up share capital (cumulative) (RM)</b>
16.5.2007	2	0.10	Subscribers' Shares	2	0.20
28.11.2007	48,384,798	0.10	Issued pursuant to the Acquisition of Subsidiary Companies and Associate Company	48,384,800	4,838,480.00
19.12.2007	21,000,000	0.10	Issued pursuant to the Acquisition of Property	69,384,800	6,938,480.00

**5.4 BUSINESS OVERVIEW****5.4.1 Overview**

Our Group's business intent is focused on enhancing the business productivity of business enterprises by providing end-to-end business solutions and services which will improve the Total Factor Productivity of enterprises.

Our products/ services focus on providing business productivity solutions through the four (4) business pillars of our business i.e. proprietary productivity solutions (Softfac HCRM solutions and *B2LOGIX* solutions), ITO/SSO, ERP consulting and turnkey projects.

The range of products/ services offered represents a close fit which drives our competitive advantage and sustainability. Most of the business generated by us is through the initial adoption of one of the four (4) pillars of our products/ services before implementing further products/ services offered by us.

Over the last five (5) years, we have grown, by leveraging on an increasing customer base as well as achieving business milestones, business partnerships with key IT principals such as Microsoft, SAP, Hewlett Packard and Computer Associates. We have also achieved software development milestones for our proprietary solutions and internal methodologies/ frameworks in services delivery and project execution.

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Our achievements and business milestones are articulated in the following tables:-

**Proprietary solutions**

YEAR	BUSINESS MILESTONES
<b>SoftFac</b>	
2005	Incorporation of SoftFac
2005	Awarded MSC Malaysia Status By MDeC
2005	SoftDev software development methodology was launched
2005	First SoftFac international customer – Western Digital (Thailand) Co. Ltd
2006	Appointed as Microsoft ISV Partner
2006	SoftFac HCRM Software Certified by Microsoft as ISV Platform Partner
2006	Appointed as Microsoft Certified Gold Partner
2006	First customer for payroll shared services outsourcing using SoftFac HCRM – Taisei Corporation
2007	Launched SoftFac HCRM Microsoft.NET web compliance product
<b>ProDserv</b>	
2006	Incorporation of ProDserv
2006	Awarded MSC Malaysia Status Company by MDeC
2006	Appointed as Microsoft Certified Gold Partner
2006	Productized technology and knowledge from existing internally developed integration software used in MBP's and SBOne's projects to <b>B2LOGIX</b> product name
2006	Commenced <b>B2LOGIX</b> Software Development Platform
2007	Developed <b>B2LOGIX</b> SOA

**ERP Consulting**

YEAR	BUSINESS MILESTONES
<b>MBP</b>	
2004	Incorporation of MBP
2004	Appointed as Microsoft Business Solution Certified Partners for AXAPTA (now known as MS Dynamics AX)
2005	Appointed by Microsoft as MSCRM Certified Solution Adviser
2006	Deployment of a component of <b>B2LOGIX</b> software technology (formerly known as Tank Management Solution and Weighing Bridge Solution)
2006	PROMISE methodology for ERP consulting was launched
2006	Appointed by Microsoft as MS Gold Certified Partner for ISV and Microsoft Business Solutions



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<b>YEAR</b>	<b>BUSINESS MILESTONES</b>
2006	Launched FMCG – Distribution add-on module version 1.0 for Microsoft Dynamics AX
2006	Launched Purchase Requisition add-on module version 1.0 for Microsoft Dynamics AX
2007	Launched FMCG – Market intelligence add-on module version 1.0 for Microsoft Dynamics AX
2007	Launched Auto-dealer Management add-on module version 1.0 for Microsoft Dynamics AX
<b>SBOne</b>	
2005	Incorporation of SBOne
2006	Appointed by SAP Malaysia Sdn Bhd as SAP BusinessOne Business Partner
2006	Appointed as Microsoft Certified Gold Partner
2006	Appointed by Enprise Solutions Ltd as Enprise Business Partner for Malaysia, Thailand and Vietnam
2006	Appointed by SAP Malaysia Sdn Bhd as SAP BusinessOne PartnerEdge Channel Partner

**ITO/SSO**

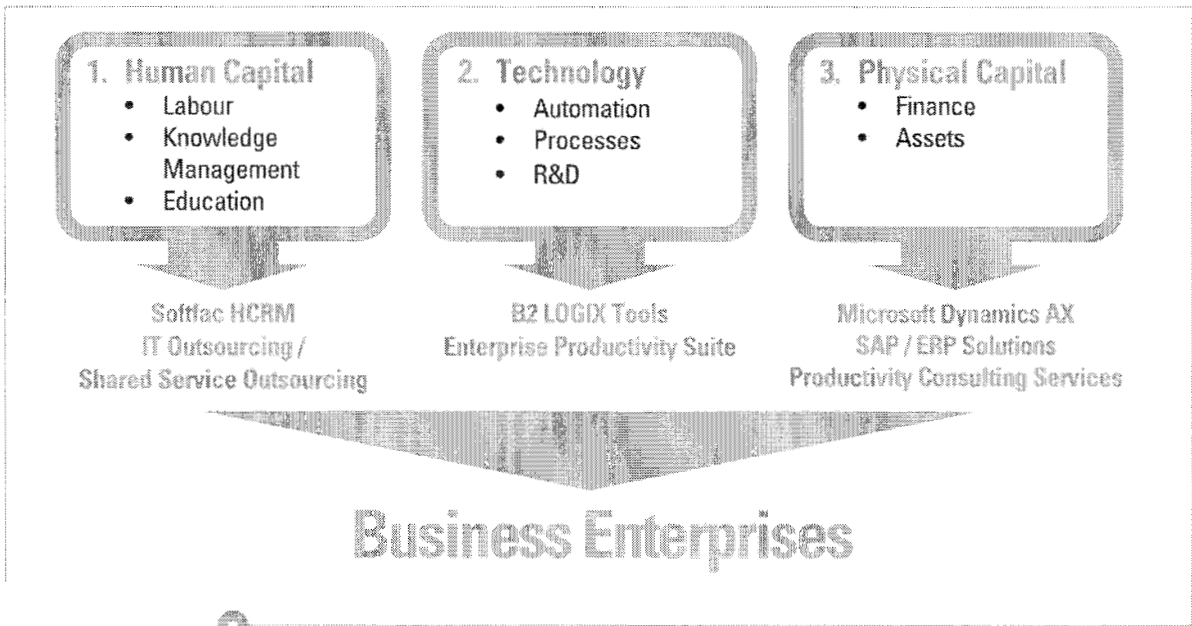
<b>YEAR</b>	<b>BUSINESS MILESTONES</b>
<b>ProXerv</b>	
2005	Incorporation of ProXerv
2005	Launched ProXerv Technical Help Desk Center
2006	Appointed as Microsoft Certified Gold Partner
2006	First technical help desk shared services Malaysian customer – Fraser & Neave (Malaya) Sdn Bhd
2006	First technical help desk shared services international customer – Western Digital Thailand Ltd
2006	First nationwide shared services outsourcing customer – Tan Chong and Sons Motor Company Sdn Bhd
2006	METHOUT I Outsourcing methodology was launched
2007	Launched ITIL (Information Technology Infrastructure Library) Certified Services. ITIL is a widely accepted approach to IT service management. The best practice processes promoted in ITIL are supported by the British Standards Institution's standard for IT service Management (BS15000).
<b>TenInfo</b>	
2002	Incorporation of TenInfo
2003	First major customer - Western Digital (M) Sdn Bhd with contract value of RM2 million for the installation, commissioning and maintenance of an IT infrastructure
2006	Appointed by IBM Malaysia as IBM software business partner

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YEAR	BUSINESS MILESTONES
2006	Awarded by HP Malaysia as Top HP Premium Enterprise Partner and Business Critical Systems
2006	Appointed as Microsoft Gold Certified Partner
2007	Appointed by Hewlett Packard as their IT Outsourcing partner
2007	Awarded HP Premium Partner Storage Award by HP Malaysia

**5.4.2 Products and Services**

**Product & Services Portfolio**



We are an end-to-end business productivity solutions provider for enterprises. Our services include:-

- developing proprietary productivity solutions for HCRM, i.e. the SoftFac HCRM suite of solutions.
- developing proprietary productivity solutions and tools to complement and add value to EBS, i.e. the **B2LOGIX** solutions enterprise application suite.
- providing services for IT outsourcing and support for shared services and outsourcing industry (ITO/SSO).
- providing consulting services for SAP and Microsoft Dynamics ERPs.

We have internally developed our own complementary software, knowledge-base and IT methodologies to facilitate and integrate our business pillars together. In addition, we also provide add-on customised software and support to ensure our services are delivered in a cost effective and efficient manner.

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Our key existing products and services fall in the following categories:-

**(a) SoftFac HCRM solutions**

SoftFac HCRM solutions software provides enterprise wide human resources productivity solution for large-scale industrial and manufacturing environments.

Key features of the SoftFac HCRM solutions are as follows:

➤ SOA enabled

The software is SOA enabled, which means that it is able to interface with any ERP offerings by vendors such as Oracle, SAP and Microsoft without customization. It also integrates with third party software such as MS Office 2007, Crystal Reports, Business Intelligence and Web Service Report.

➤ Modular and scalable

The system is also modular allowing the customer to have add-on functions as and when required and this gives real time connectivity across business functions. The software is also highly scalable which benefit organisations as they grow in size.

➤ Single HR productivity platform – Not just HR processing

SoftFac HCRM solutions software provides a wide range of functions which not only perform HR processing but manages human capital. It is a single human resource productivity platform for the enterprise which merges “Human productivity” and “Manufacturing/Production floor productivity” for optimum productivity.

➤ Focuses on efficiency creation

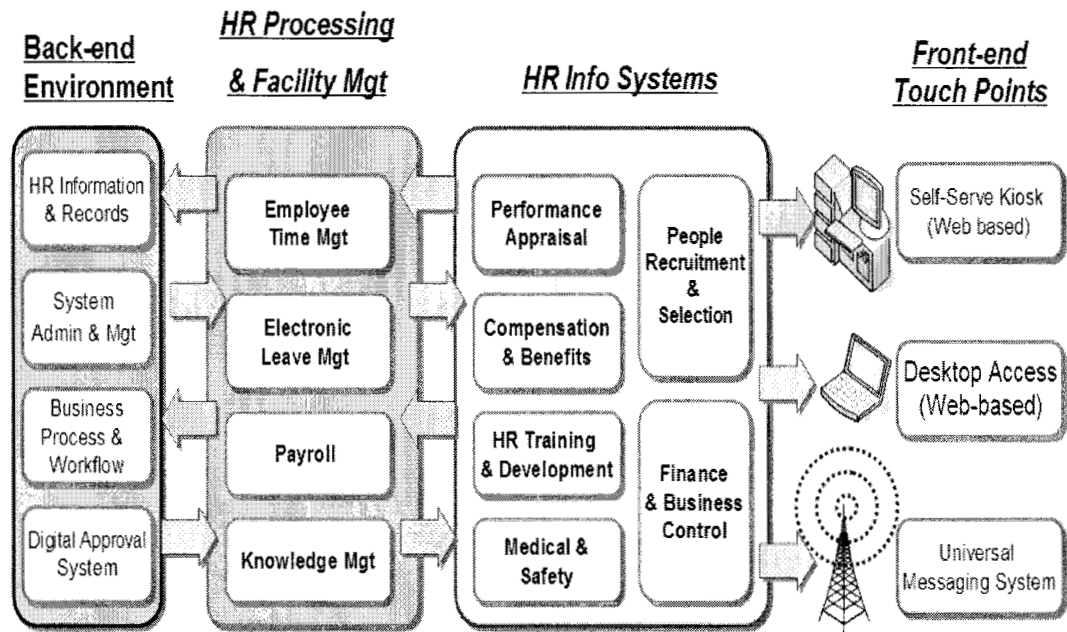
SoftFac HCRM solutions focuses on efficiency-creation by automating low-value, repetitive and non-productivity activities, identifies and systematically enhance high value and productivity-generating activities.

➤ HR Key Results Areas

The software systematically organizes operational milestones into Key Result Areas (KRAs) which are clearly identifiable and understandable parameters.

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## SoftFac HCRM Solution Framework

(b) **B2LOGIX solutions**

**B2LOGIX solutions** is an enterprise application suite developed to enhance and extend the useful life of ERP or legacy IT systems that are already sunk-cost. It will also provide a platform for specialist business solutions to be introduced to legacy back-end systems and address technical interface and re-programming issues and simply technical integration.

With **B2LOGIX solutions**, owners of present ERP systems or prior generation IT backend systems can enjoy cost savings and also enhance their ERP system.

**B2LOGIX solutions** will benefit users by:

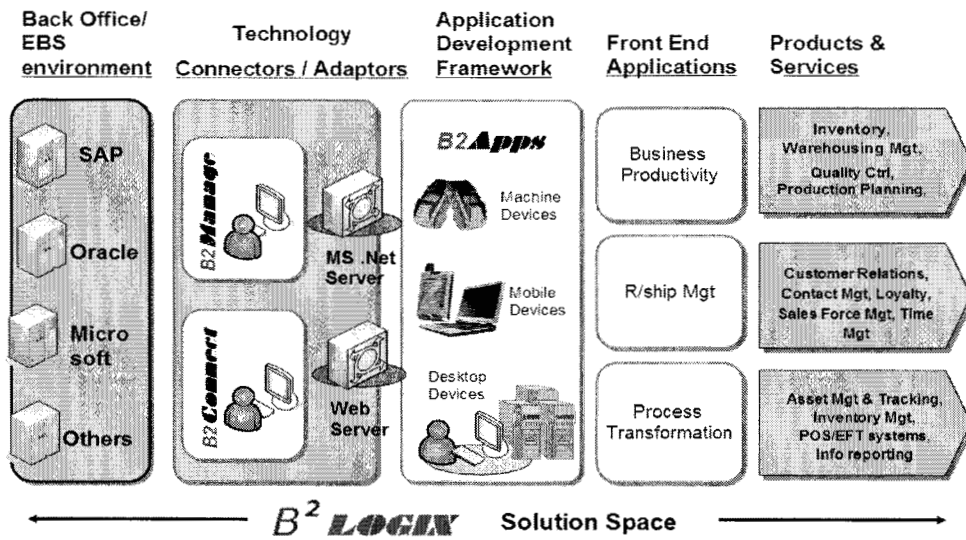
- Integrating all functions and department operations which are fragmented into a coherent entity.
- Aggregating fragmented legacy systems, multiple back-office systems, information records and customer services within a unified service delivery and standard technology platform.
- Facilitate the consolidation of critical information necessary to manage the business position and risks.
- Encourage the development of more specialist business solutions.
- Improve on customer satisfaction by optimising turnaround time in processing customer applications/requests/queries.
- Manage changes in the competitor, customer, regulatory and economic environments.
- Improve "Time-to-market" in the introduction of new services / products

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- Manage crisis or situations which require information as events unfold.
- Provide user-friendly tools, application interfaces, developer tools and enabling technology connectors to reduce the dependency on expensive middleware solutions or technical-specialist / consultants when minor changes in system functions are needed.

*B2LOGIX* solutions comprises development tools, technology convergence solutions and add-on application modules. The solutions architecture is as set out below:-

**B2Logix Solution Framework**



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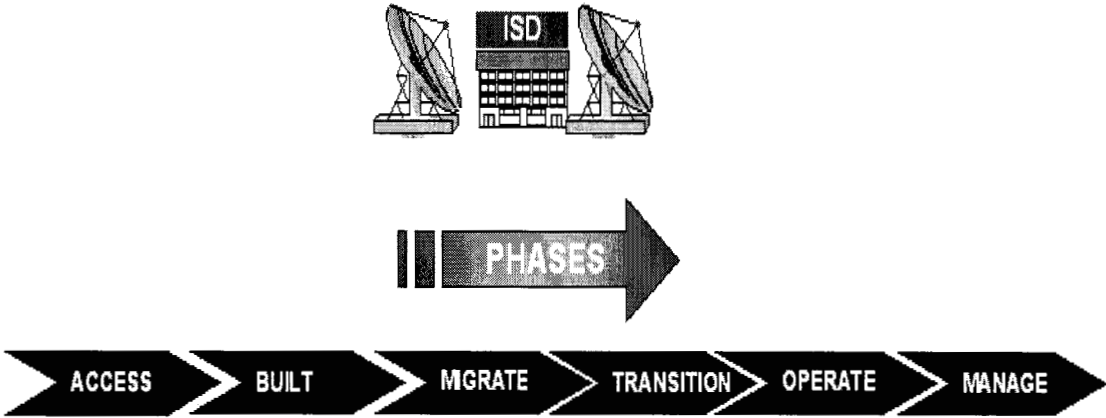
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**(c) ITO/SSO**

We focus our ITO/SSO business on outsourcing IT operations of SMEs. Our methodology is designed to meet their specific needs as we recognise that many SMEs may not have the necessary finances to manage their IT operations all by themselves. Outsourcing reduces costs and increases total factor productivity of SMEs by allowing them to focus on their core competencies.

We target to originate our ITO/SSO business by targeting our existing customer base and use some of our own proprietary IT solutions. Our outsourcing Methodology METHOUT which is developed to meet the outsourcing needs of the SME industries. The METHOUT framework is outlined in the diagram below:

**METHOUT Framework**



Our IT outsourcing support and shared services support plans for the SME market comes with four innovative support packages which are design to meet any organizations needs and budget

Our ITO/SSO are:

- **Complete Care** - The turnkey complete outsourcing solution that provides 100% coverage of all IT needs
- **Essential Care** - IT outsourcing and shared services, but just for key systems and infrastructure
- **Application Care** – Application outsourcing and shared services for data management services
- **Basic Care** - An innovative support solution affordable by even the smallest organizations

**(d) ERP Consulting**

MBP is a Microsoft Gold Certified Partner in Microsoft Dynamics AX & CRM, while SBOne is a Certified SAP Channel Partner and aims to provide corporations an efficient tool in running their business and improving profits. The background of our people includes accounting/finance, logistics and manufacturing professionals, database and networking experts, programmers, and business process re-engineering consultants. With these all-rounded skill-sets, we have the capability to offer our client a one-stop solution in every aspect.

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As a Microsoft Dynamics Business Solution Partner, our team members are well trained and certified by Microsoft. In addition, our team members are also certified by SAP in SAP BusinessOne. These individuals and engineers have specific knowledge and expertise in areas of finance, project management, manufacturing, application development, e-commerce and business processes.

The consulting services we offer are as below:

- Business Productivity Requirement Study
- ERP System Implementation
  1. Implementation advice
  2. Data migration service
  3. Implementation service
  4. Training service
  5. Project management service
- The vertical application software services offer by us are as below:-
  1. Web-Based Add-on Module software development
  2. Systems Integration

Our Project Implementation Methodology (PROMISE) – Over the years of implementation experience, our delivery team has derived a proven implementation methodology to cover every stage of the project implementation with productivity and quality in mind.

**PROMISE** is our proven methodology in providing excellent service with accelerated approach.

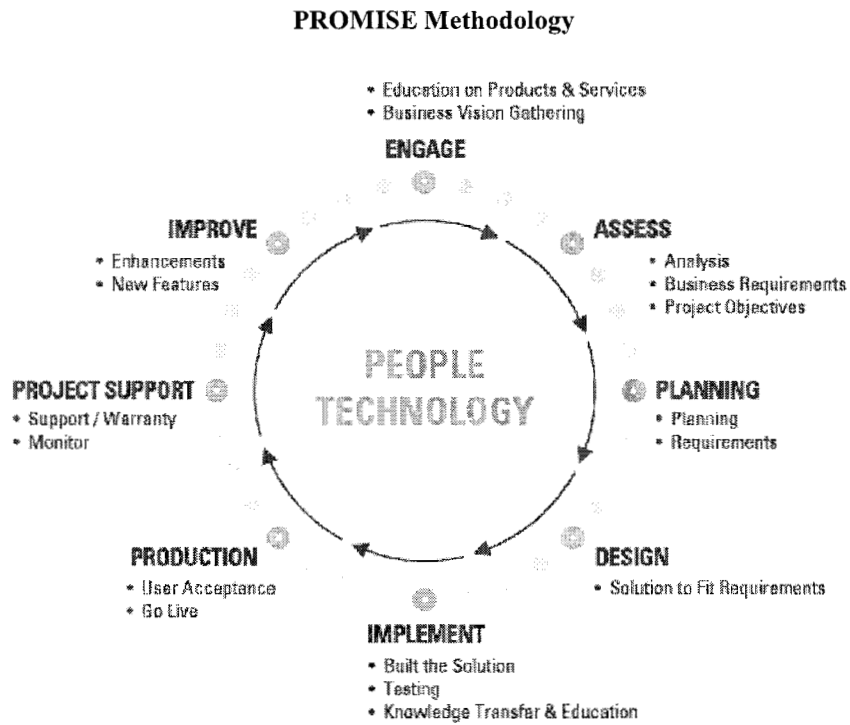
PROMISE offers:-

- proven, comprehensive, repeatable and rich implementation methodology to streamline projects
- aligned framework with templates and tools for performing effective project management

Each phase has a set of deliverables that are produced during the duration of the phase and serve as the input to follow-up phases. Our methodology focuses in consistent engagement, high quality deliverables and covers our whole business cycle from engaging with our prospects to assessing our clients' requirements, designing a solution, implementing our solution, project support and improving the processes. In the heart of these processes are our people and core solutions/technologies.

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**5 INFORMATION ON OUR GROUP (Cont'd)**



**5.4.3 Design and Production Process Flow Chart**

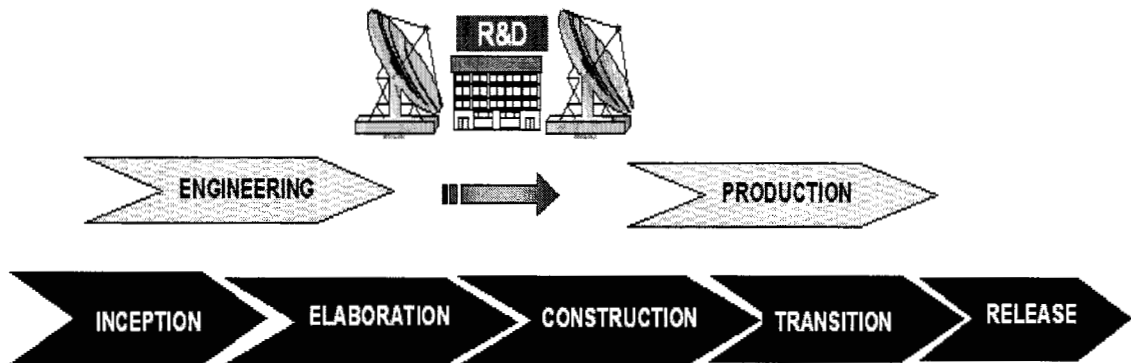
**The SoftDEV Methodology**

SoftDEV is a comprehensive software development framework used by us. This methodology served as a foundation for our software development approach to deliver quality software products to our customers. The methodology focuses in consistent engagement, high quality deliverables and covers our whole software development lifecycle.

Its objectives are:

- To ensure software development projects and its engagement model are clearly defined as this will produce software products and services that are of high quality.
- To ensure project team members fully understand and grasp the best practices of software development, concepts, tools and techniques of the software development methodology adopted and utilize it to assist deployment of all software project.

**Software Development Framework**





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**5 INFORMATION ON OUR GROUP (Cont'd)**

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Our software development team uses this software development framework and engagement model to develop software products and services, and managing our software projects. SoftDev methodology consists the software development best practices and concepts, methods, tools and techniques that we deploy to guide our project team throughout a software development and implementation. It provides a predictable and trustworthy software development environment and works seamlessly with PROMISE, our Project Management Methodology.

It features a:

- Multi-vendor software development environments
- Flexible project engagement level
- Optimized solutions and delivery model
- Promotes communications, discipline, quality and accountability

SoftDev consists of two major stages which are namely the engineering and production stage. It is further broken down into an iterative five lifecycle phases which are describe below:

**Inception** – This phase established the software product/project scope, boundary conditions and provides the vision for the software project and its operational concepts.

**Elaboration** – This phase provides the baselining of the software architecture and established the conceptual design of the software project/product.

**Construction** – This phase established the software functional design and represents the production process of the software project/product.

**Transition** – This phase represents the testing and quality processes a software project/product undergoes to achieve the acceptable quality standards and its acceptance criteria.

**Release** – This phase represent the processes involve to release the software project/product and its software deployment baselines.

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**5 INFORMATION ON OUR GROUP (Cont'd)****5.4.4 Location of Business**

We operate from the following premises:-

	<b>Location</b>	<b>Description of Property/ Existing Use</b>	<b>Gross floor area (sq. m.)</b>	<b>Status</b>
1.	No. 20-2, Jalan Puteri 1/2, Bandar Puteri, 47100 Puchong, Selangor D. E.	2 <sup>nd</sup> floor of intermediate 4-storey shop office/ Corporate office	789.65	Owned
2.	No. 22-2, Jalan Puteri 1/2, Bandar Puteri 47100 Puchong Selangor D.E.	2 <sup>nd</sup> floor intermediate 4-storey shop office/ Corporate office	789.65	Owned
3.	No. 6-1, Jalan Puteri 4/2, Bandar Puteri, 47100 Puchong, Selangor D. E.	1 <sup>st</sup> floor of intermediate 4-storey shop office/ Operational office	789.65	Rented for a tenure of one (1) year expiring 31 December 2008
4.	94-1, Persiaran Bayan Indah, Bayan Bay 11900 Sg. Nibong, Penang	1 <sup>st</sup> floor of 3-storey shop office/ MSC designated office	55.74	Rented for a tenure of two (2) years expiring 31 January 2008 and this tenure will be renewed for another two (2) years
5.	94-1, Persiaran Bayan Indah, Bayan Bay 11900 Sg. Nibong, Penang	1 <sup>st</sup> floor of 3-storey shop office/ MSC designated office	55.74	Rented for a tenure of two (2) years expiring 15 February 2009
6.	B-2-04 Krystal Point, 303 Jalan Sultan Azlan Shah, Sungai Nibong, 11900 Penang	2 <sup>nd</sup> floor of 5-storey shoplot/ Marketing office	55.74	Rented on a month to month basis
7.	No. 20-3, Jalan Puteri 1/2, Bandar Puteri, 47100 Puchong, Selangor D. E.	3 <sup>rd</sup> floor of intermediate 4-storey shop office/ Operational office	789.65	Rented for a tenure of one (1) year expiring 30 August 2008
8.	No. 6-2, Jalan Puteri 4/2, Bandar Puteri, 47100 Puchong, Selangor D. E.	2 <sup>nd</sup> floor of intermediate 4-storey shop office/ Operational office	789.65	Rented for a tenure of one (1) year expiring 31 December 2008

We also have presence in Thailand and Vietnam through our strategic partners. Further information on our owned properties is set out in Section 5.4.19 herein.

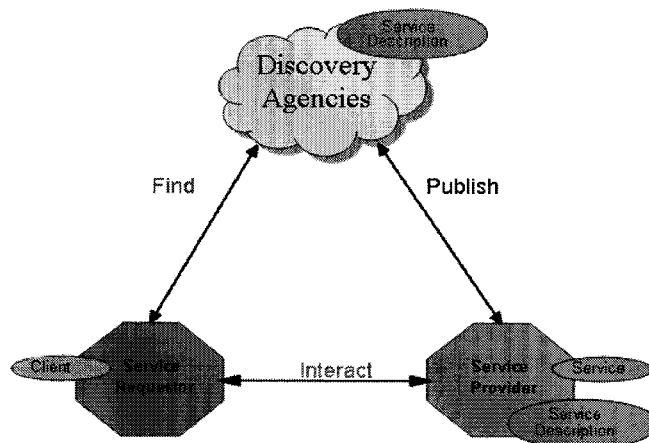
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### 5.4.5 Our Technology Capabilities – SOA and SaaS

SOA is currently a widely accepted technology platform that is used globally. It is an evolution of distributed computing. SOA technology enables the delivery of data needed for business process activities as an integrated service. An application's business logic or individual functions are modularized and presented as services for consumer/client applications. Users no longer have to log into multiple systems, search for relevant data, and integrate the results manually. The information appears as a single application, delivered on a single screen, all with a single login.

What is key to these services is their loosely coupled nature; i.e., the service interface is independent of the implementation. Application developers or system integrators can build applications by composing one or more services without knowing the services' underlying implementations. For example, a service can be implemented either in .Net or J2EE, and the application consuming the service can be on a different platform or language.

## Service Oriented Architecture



The key benefits of deploying SOA are:-

- Improve IT Time to deliver changes to the business.
- Lower IT integration costs.
- Lower IT application maintenance costs.
- Reduce technical complexity.
- Reduce IT operations costs.
- Consolidation of IT infrastructure.

SOA is our underlining technology platform that we use to deliver our products and services. We are using SOA as a service delivery platform to integrate and consolidate our products and services delivery offerings using SaaS delivery model. SaaS is a delivery model in the software application space that utilises SOA as its primary foundation for on-demand services.

SaaS enablers offer services or business functions in the form of software applications to their customers that are to be used using web browser. This means their services are developed using web-native languages. All the customer needs to do is to access the services through the Internet and everything will be done online. The customers only use the services and do not own them, while the SaaS enablers owns the services and are responsible for the infrastructure deployment, operation and maintenance, which include all necessary upgrading.

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## 5 INFORMATION ON OUR GROUP (Cont'd)

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The SOA architecture and the SaaS delivery model will act as key delivery platform for us to position our four (4) product pillars by enhancing our value proposition to our customers and capture more customer references.

Please refer to the Executive Summary of the IMR report set out in Section 12 of this Prospectus for further information on SOA and SaaS.

### 5.4.6 Principal Markets for Products

We are principally involved in providing comprehensive business productivity solutions and services for the manufacturing and services sector in the South East Asia region.

Currently, our revenue is substantially generated locally. However, we have also completed and are currently undertaking several overseas installations in, inter alia, Thailand and Singapore. Going forward, with part of the funds from the Public Issue intended to be utilized for business expansion and capital expenditure, we intend to further expand our business overseas to, inter alia, Thailand, Vietnam and Indonesia.

### 5.4.7 Distribution and Marketing Strategies

We believe that our proposition as an end-to-end business productivity solutions provider for enterprises coupled with the complementary attributes arising from the horizontal integration of our products/ services forms an important and strategic business fit.

Our successful ERP consulting and implementation activities provides us with strong customer reference sites. In addition, our ITO/SSO proposition also contributes to our customer reference sites. Through the initial ERP and/or ITO/SSO projects, we inculcated a better understanding of customers' Total Factor Productivity needs and requirements. This enabled us to offer customers our cost effective end-to-end business productivity solutions, i.e. SoftFac HCRM solutions and/or *B2LOGIX* solutions.

In addition, our proprietary solutions and R&D capabilities allow us to execute our ITO/SSO and ERP consulting proposition more effectively. With our R&D knowledge, we have developed a web based help desk service which allowed us to execute our ITO/SSO services more efficiently. Our *B2LOGIX* solutions proposition to ERP customers, through our ability to integrate all customers' existing fragmented functions and operations into a coherent entity, have also contributed to our Group's customer reference sites.

Further details of our marketing strategies are set out in Section 7 of this Prospectus.

### 5.4.8 Seasonality or cyclical factors

Our operations are not materially affected by any seasonal or cyclical factors other than the general economic environment in which we operate.

### 5.4.9 R&D

#### (i) R&D Policy

In view of increasing competition in the IT industry and the acceleration of product and technology cycles, we are confronted with the challenges on how to increase the speed and creativity of producing software products and services to assist SME industry to increase their business productivity. SME industries in ASEAN confronted with globalization, needs to be competitive in order to compete globally. Coupled with these competitive needs, our Group's R&D strategy is positioned to address such requirements.

Our R&D strategy is aligned towards the realisation of the corporate vision of being a premier Total Factor Productivity solutions provider for the ASEAN region.

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**5 INFORMATION ON OUR GROUP (Cont'd)**

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In view of that our R&D mission is to:

- To enhance our competitive advantage with intellectual properties that is linked with technology and our business strategies.
- To develop a service delivery platform that will enhance the value and competitiveness of delivering our solutions and services offering to our customers.
- To developed products and services which has a global appeal

**(ii) Ongoing R&D Projects**

The R&D activities of the Group are focused on the improvement of its current software and services offerings including its outsourcing methodology:-

- (a) Payroll Management service as SaaS.
- (b) Enterprise Productivity Portal.
- (c) METHOUT II ITO/SSO Outsourcing service.
- (d) Purchase requisition add-on module for Microsoft Dynamics AX.

**(iii) Future R&D Initiatives**

As at the LPD, the R&D activities of the Group is focused to develop a service delivery platform based on SOA technology for the SME industry, thereby helping companies to reap the benefits of deploying the SOA technology. Thus, this will help the SME to enhance companies Total Factor Productivity and their global competitiveness.

With the deployment of SOA technology, we will be able to enhance our service offerings through delivering our software products as a service (SaaS). With this offering, we will be able to deliver their software products and services through shared services (SS) or shared services outsourcing (SSO) mode.

Building on the software products that we developed, a service delivery infrastructure will be built to perform the service delivery. R&D activities to build our own management platform to manage our SOA delivery services are planned.

Our product development plan encompasses the following:-

**(a) Continuous product development of our existing products**

We will continue to enhance the development of our existing products in response to competition, customers' demand and technological advancement. As such, our Group will continue to expand the functionalities and features of the SoftFac HCRM solutions and *B<sup>2</sup>LOGIX* solutions product. With the software trends moving towards SOA, new and updated versions of our software products will be introduced to capitalize on this.

**(b) Broadening of products and services range**

We will also be broadening in our product and services range by introducing new range of software products as SaaS products. The new underlining architecture these new products will be based SOA design. We will continue in its R&D development efforts to integrate all its software products using SOA. R&D efforts will also be put in to integrate our software product with Microsoft and SAP using the SOA technology. Our SaaS products rollout roadmap is as follows:

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**5 INFORMATION ON OUR GROUP (Cont'd)**


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**Our software product roadmap for 2008-2009**

<b>Product Road Map</b>	<b>2008</b>	<b>2009</b>
Payroll Management Service as SaaS	Ver 1	Ver 2
Business Intelligent Service as SaaS	Ver 1	Ver 2
Enterprise Productivity portal for HCRM	Ver 3	Ver 4
Enterprise Payment and Collection Service as SaaS	Ver 1	Ver 2
Enterprise Procurement and Sales Order Processing	-	Ver 1

**Note:-**

Ver      Version

Continuous improvement on our outsourcing methodology, METHOUT, will result in the introduction of more IT outsourcing service products. Using our outsourcing services product together our proprietary software, we will also be introducing more shared services products which will be delivered through the shared services concept.

**Our ITO/SSO services product roadmap for 2008-2009**

<b>ITO/SSO Services Product Road Map</b>	<b>2008</b>	<b>2009</b>
Launch our <i>Methout</i> Outsourcing Methodology	-	Ver 3
SME IT Service Management Outsource Service	Ver 1	Ver 2
SME Data Center Management Outsource Service	Ver 1	Ver 2
SME SSO service for HCRM	Ver 1	Ver 2

**Note:-**

Ver      Version

Our ERP consulting business unit will be continuing its R&D efforts to develop new add-on modules for Microsoft Dynamics AX product and SAP BusinessOne product.

**Our ERP Consulting Product roadmap for 2008-2010**

<b>ERP Consulting Product Road Map</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Purchase Requisition Module in AX 4.0	Ver 2	-	-
FMCG Distribution Management Module in AX 4.0	Ver 2	-	-
Automotive Workshop System in AX 4.0	-	Ver 2	-
FMCG Marketing Intelligence Module in AX 4.0	-	Ver 2	-
SFA Interface Module in AX 4.0	-	-	Ver 1
SOA enabled AR & AP Interface	-	-	Ver 1

**Note:-**

Ver      Version

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**5 INFORMATION ON OUR GROUP (Cont'd)**


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**(iv) Achievements in R&D**

Our Group have, since our commencement in 2004, been actively involved in R&D activities. A summary of our Group's R&D efforts in the development of our products and its respective roll out dates are as follows:-

Proprietary solutions

YEAR	EVENTS
<b>Softfac</b>	
2005	SoftDev software development methodology was launched
2007	Launched SoftFac HCRM Microsoft.NET web compliance product
<b>ProDserv</b>	
2006	Productized technology and knowledge from existing internally developed integration software used in MBP's and SBOne's projects to <b>B2LOGIX</b> product name
2006	Commenced <b>B2LOGIX</b> Software Development Platform
2007	Developed <b>B2LOGIX</b> SOA

ITO/SSO

YEAR	EVENTS
<b>ProXerv</b>	
2005	Launched ProXerv Technical Help Desk Center
2006	METHOUT I Outsourcing methodology was launched
2007	Launched ITIL (Information Technology Infrastructure Library) Certified Services. ITIL is a widely accepted approach to IT service management. The best practice processes promoted in ITIL are supported by the British Standards Institution's standard for IT service Management (BS15000).
2007	Launched second generation web based help desk service

ERP Consulting

YEAR	EVENTS
<b>MBP</b>	
2006	Deployment of a component of <b>B2LOGIX</b> software technology (formerly known as Tank Management Solution and Weighing Bridge Solutions)
2006	PROMISE methodology for ERP consulting was launched
2006	Launched FMCG – Distribution add-on module version 1.0 for Microsoft Dynamics AX
2006	Launched Purchase Requisition add-on module version 1.0 for Microsoft Dynamics AX
2007	Launched FMCG – Market intelligence add-on module version 1.0 for Microsoft Dynamics AX
2007	Launched Auto-dealer Management add-on module version 1.0 for Microsoft Dynamics AX

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**5 INFORMATION ON OUR GROUP (Cont'd)**


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**(v) R&D Expenditure**

The amount spent on R&D for the past three (3) FPE/FYE 31 December 2004 to 2006 and FPE 30 September 2007 is as follows:-

	<--- FPE/ FYE 31 December --->			FPE 30
	2004	2005	2006	September 2007
R&D expenditure (RM'000)	36	145	583	* 380
Revenue (RM'000)	717	3,529	5,871	8,219
% of R&D expenditure over revenue	5.0	4.1	9.9	4.6

**Note:-**

\* Estimated R&D expenditure for FYE 31 December 2007 is RM0.61 million representing approximately 5.6% based on estimated revenue of RM10.90 million.

**(vi) R&D Personnel**

As at the LPD, our R&D team comprises 28 technical staff and is headed by Ooi Chee Hong, Vice President of R&D. His profile is set out in Section 9.4 herein. Our R&D team consists of software engineers and programmers of various experiences and strengths with experience in system design, software programming, system analysis and testing.

**5.4.10 Approvals, Major Licences and Permits**

The major licences and permits for our Group are as follows:-

Authority/ Type	Company	Description of License	Issue Date / Expiry Date	Major Conditions Imposed	Status of Compliance
MDeC/ MSC Malaysia Status	SoftFac	Pioneer Status under Section 4A of the Promotion of Investments Act, 1986	17 August 2005/ 17 August 2010, extendable for a further five (5) years	Please refer to Section 10.1 herein	Please refer to Section 10.1 herein
MDeC/ MSC Malaysia Status	ProDserv	Pioneer Status under Section 4A of the Promotion of Investments Act, 1986	1 September 2006/ 1 September 2011 extendable for a further five (5) years	Please refer to Section 10.1 herein	Please refer to Section 10.1 herein



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**5 INFORMATION ON OUR GROUP (Cont'd)**


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**5.4.11 Business Partnerships and Agreements**

Our Subsidiary Companies has entered into the following agreements of which our Group is highly dependent on for our operations:-

Name	Details of agreements	
ProXerv	(i)	Marketing agreement dated 1 June 2006 entered into between ProXerv and Global Business Management – Joint Stock Company (“ <b>GBM</b> ”) for the sales and marketing of ProXerv’s products in Vietnam.
SBOne	(i)	Reseller Agreement dated 19 September 2006 entered into between SBOne and Enprise Solutions Limited (“ <b>Enprise</b> ”) where Enprise makes the software and the associated maintenance services available to SBOne for the purpose of reselling in Malaysia, Thailand and Vietnam and to provide support to SBOne.
	(ii)	PartnerEdge Channel Agreement Value-Added Resellers (“ <b>VAR</b> ”) dated 24 August 2006 entered into between SBOne and SAP Malaysia Sdn Bhd for where SAP appoints SBOne as its VAR to market and distribute and provide consultancy services for SAP software products, provide training and maintenance to SAP software users in Malaysia.
	(iii)	Marketing agreement dated 1 June 2006 entered into between SBOne and GBM for the sales and marketing of SBOne’s products in Vietnam.
MBP	(i)	Microsoft Solutions Provider Agreement dated 4 July 2007 entered into between MBP and Microsoft Regional Sales Corporation (“ <b>MRSC</b> ”) whereby MRSC gives MBP the non-exclusive rights to provide licensed software and services to customers.
	(ii)	Confirmation letter of Microsoft Gold Certified Partner Status dated 6 March 2007 issued by Microsoft to MBP according MBP with the highest level of partnership in the Microsoft Partner Program demonstrating MBP’s technical depth and business expertise in both ISV/Software Solutions Competency and Microsoft Business Solutions Competency (Axapta Specialisation).
	(iii)	Marketing agreement dated 1 June 2006 entered into between MBP and GBM for the sales and marketing of MBP’s products/ services in Vietnam.
ProDserv	(i)	Marketing agreement dated 1 June 2006 entered into between ProDserv and GBM for the sales and marketing of ProDserv’s products in Vietnam.
SoftFac	(i)	Sale and Purchase Agreement dated 22 September 2005 entered into between SoftFac and Software Factory Sdn Bhd (“ <b>SFSB</b> ”) for, inter alia, SFSB’s rights and interest in the Human Resources and Payroll Software (“ <b>HRES</b> ”) software and SFSB’s ongoing maintenance contract in respect of the HRES.
	(ii)	Marketing agreement dated 1 June 2006 entered into between SoftFac and GBM for the sales and marketing of SoftFac’s products/ services in Vietnam.
TFP Solutions	(i)	Strategic Alliance Agreement dated 21 August 2007 entered into between TFP Solutions and TenInfo (Thailand) Ltd (“ <b>TTL</b> ”) where TTL had appointed TFP Solutions as an exclusive provider of its products and services to TTL.

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## 5 INFORMATION ON OUR GROUP (Cont'd)

### 5.4.12 Employees

As at the LPD, TFP Solutions and our Subsidiary Companies have employed a total of 46 persons, including the directors, which is adequate for our day-to-day operations.

The structure of TFP Solutions and our Subsidiary Companies' workforce are as follows:-

Employee Category	< 1 year	1 to 3 years	> 3 years	Total
Management	2	4	2	8
Technical and R&D	10	18	-	28
Sales & Marketing	2	4	-	6
Finance & Administration	2	2	-	4
<b>Total</b>	<b>16</b>	<b>28</b>	<b>2</b>	<b>46</b>

In order to have an efficient cost delivery model, we employ technical staff on a project basis and on contractual terms typically ranging from three (3) months to one (1) year. As at LPD, we employed ten (10) technical staff on a contractual basis. During FYE 31 December 2007, we employed between one (1) and ten (10) technical staff on such contractual basis.


Our Board believes that the working relationship between our key management and our employees are cordial. There have been no labour or industrial disputes between our employees and our management which have had a material adverse financial impact on the Group. None of our Subsidiary Companies' employees belong to any trade union.

The sustainable and growing asset for our Group is our human resources. We place high emphasis in our HR policy development in the areas of recruiting, developing, training and retaining suitably qualified staff as a basis to grow our knowledge workers.

Having attained the MSC Malaysia Status at certain subsidiary level and with sufficient funds raised from the Public Issue, we will be able to strengthen our marketing team and increase the number of knowledge workers employed by us, as well as our expenditure for R&D activities.

### 5.4.13 Brand Names, Patents, Trade Marks, Licences, Technical Assistance Agreements, Franchises and Other Intellectual Property Rights

As at the date of this Prospectus, we have made an application for the following intellectual property registration:-

Name of Applicant	Application No./ Class/ Date	Description	Status
ProDserv 	07011453/ Class 42/ 15 June 2007	Design and development of computer software; installation of computer software; maintenance of computer software, updating of computer software, computer systems analysis, rental of computer software, data conversion of computer programs and data (not physical conversion)	Applied and pending approval for registration

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## 5 INFORMATION ON OUR GROUP (Cont'd)

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The successful registration of the trade marks will prevent unauthorised third party exploitation of these trademarks which may have an effect on our Group's business. Pending the registration of the trademarks, there can be no assurance that there would not be challenges or disputes over the use of the trademarks or unauthorised copying, usage or exploitation of them by third parties.

### 5.4.14 Our Competitive Strengths and Advantages

We have carefully selected our choice of business to operate in, the target markets to penetrate and the type of products and services to be offered and finally to establish our sustainable competitive advantages.

We strongly believe our set of strategies adopted in our corporate, business and marketing plans builds on to our sustainable competitive advantage in the market place we compete as this drive our business growth and capture new markets. To rationalise our sustainable competitive advantage, we modeled our sustainable competitive advantage based on Aaker SCA Model (2005) which looks at the four (4) aspects of the functional strategies and shown in the figure below:-

- The way we compete

We position ourselves as a software services company. As such, our products and services strategy is based on our "Total Factor Productivity" business model which provides us a competitive positioning to compete in the business productivity market place. Our ability to provide a cost effective solution to our customers by providing end to end business productivity solution provides us the flexibility to address their needs and requirements effectively.

- Our resources

Our proprietary software solutions (SoftFac HCRM solutions and *B2LOGIX* solutions) together with our own proprietary project management methodology (PROMISE), software development methodology (SoftDev) and outsourcing methodology (METHOUT) provide us a basis of competition to compete in the market place. These assets and core competencies together with our experienced management team domain expertise further enhanced our competitive advantages against our competitors.

- Where we compete

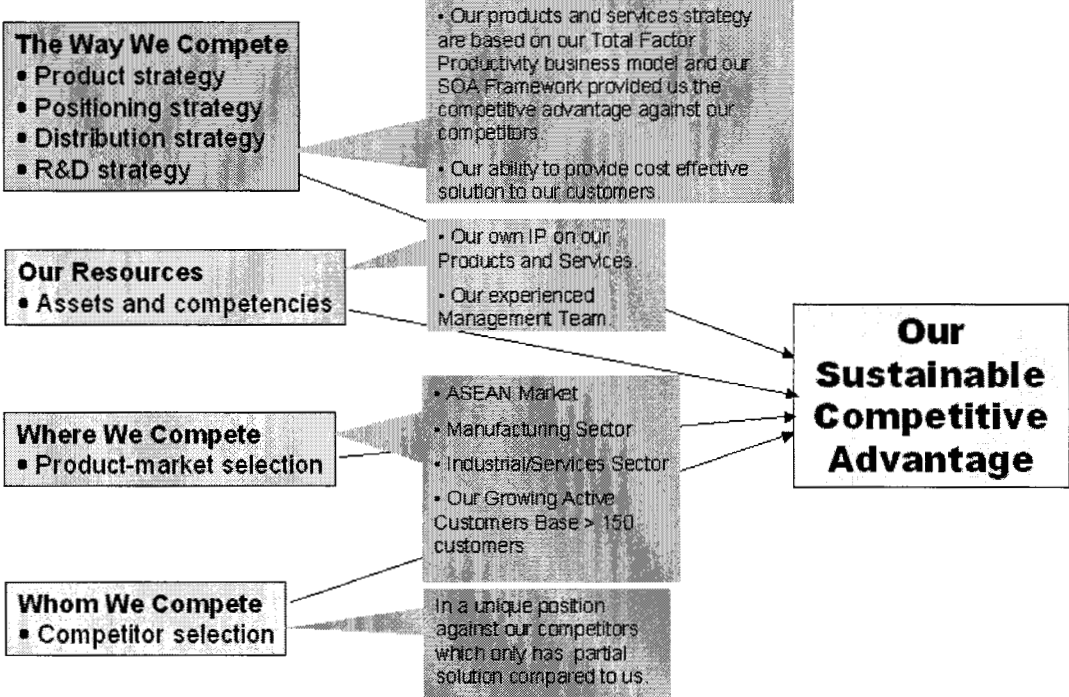
Derived from our focus competitive strategy position, we are focus to compete in the ASEAN market with selective industries in the manufacturing and the services sector. Apart from targeting selective global MNC's manufacturing companies as our customers, our main focus target market is the SMEs. Our existing 150 customers' base will be further nurtured to adapt our end-to-end business productivity solutions.

- Whom we compete

As a software service centric company we compete in our market place with new entrants from the software centric players and service centric players. Our business model has positioned us in a unique position against our competitors which mostly can only offer partial solutions as compared to our end-to-end business productivity solutions.

5 INFORMATION ON OUR GROUP (Cont'd)

Sustainable Competitive Advantage Model



5.4.15 Interruptions in Operations During the Past Twelve (12) Months

There have been no interruptions to our business or operations in the past twelve (12) months.

5.4.16 Exceptional Factors Affecting the Business

Save for the risk factors highlighted in Section 4 of this Prospectus, we do not foresee any exceptional factors, which may affect our business.

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**5 INFORMATION ON OUR GROUP (Cont'd)**


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**5.4.17 Major Customers**

Our major customers, contributing more than 10% of our revenue, for the past three (3) FPE/FYE 31 December 2004 to 2006 and FPE 30 September 2007 are as follows:-

FPE 31 December 2004

<b>Customer</b>	<b>% of revenue</b>
Titan Petrochemicals (M) Sdn Bhd	91

FYE 31 December 2005

<b>Customer</b>	<b>% of revenue</b>
Titan Petchem (M) Sdn Bhd	54
Munchy Food Industries Sdn Bhd	16
General Aluminium Works (M) Sdn Bhd	10

FYE 31 December 2006

<b>Customer</b>	<b>% of revenue</b>
Unique Arena Sdn Bhd	16
Grid Solutions Sdn Bhd	14
TenInfo	10

FPE 30 September 2007

<b>Customer</b>	<b>% of revenue</b>
HP Facilities Services (Malaysia) Sdn Bhd	20

We were dependent on Titan Petrochemicals (M) Sdn Bhd in FPE 31 December 2004. However, as set out above, our dependency on any single customer has been decreasing over the FPE/ FYE in view of the increase in our revenue.

**5.4.18 Major Suppliers**

Our major suppliers, contributing more than 10% of our purchases, for the past three (3) FPE/FYE 31 December 2004 to 2006 and FPE 30 September 2007 are as follows:-

FPE 31 December 2004

<b>Supplier</b>	<b>% of purchases</b>
Hewlett-Packard (M) Sdn Bhd	67
TenInfo	25

FYE 31 December 2005

<b>Supplier</b>	<b>% of purchases</b>
Microsoft Regional Sales Corporation	23
CWIS Systems Sdn Bhd	17
F4 Solution Sdn Bhd	13

FYE 31 December 2006

<b>Supplier</b>	<b>% of purchases</b>
SAP Malaysia Sdn Bhd	20
Smart Unitech Resources	14
One Zero First Corporation Sdn Bhd	11
Microsoft Regional Sales Corporation	10

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**5 INFORMATION ON OUR GROUP (Cont'd)**

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FPE 30 September 2007

<u>Supplier</u>	<u>% of purchases</u>
HPD Systems Sdn Bhd	37
Microsoft Regional Sales Corporation	15
TenInfo	10

As set out above, we are dependent on our ERP software principles, namely SAP and Microsoft. Save for the aforementioned, we are not dependent on any single supplier.

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**5 INFORMATION ON OUR GROUP (Cont'd)****5.4.19 Owned/ Rented Property**

As at the LPD, the details of the properties owned by us are as follows:-

Owner	Postal address	Description	Existing usage	Approximate age of building (years)	Tenure	Total land area (sq. m.)	Certificate of Fitness of Fitness	Restriction in interest	Encumbrances	Total built up area (sq. m.)	Open market value/ Date of valuation
TFP Solutions	No. 22, Jalan Puteri 1/2, Bandar Puteri, 47100 Puchong, Selangor D. E. <sup>(1)</sup>	Intermediate four (4) storey shop office	Office	2	Freehold	197.42	3 April 2006	n/a	None	789.68	RM2,100,000/ 18 July 2007
TenInfo	No. 20, Jalan Puteri 1/2, Bandar Puteri, 47100 Puchong Selangor D.E.	Intermediate four (4) storey shop office	Office	2	Freehold	197.42	3 April 2006	n/a	Charged to Malayan Banking Berhad	789.68	RM2,100,000 <sup>(2)</sup> / 18 July 2007

**Notes:-**

n/a not applicable

(1) We purchased this property on 19 December 2007 as part of the Listing, details of which are set out in Section 5.2 (c) of this Prospectus.

(2) The surplus of RM0.67 million, being the difference between the open market value of RM2.10 million and the audited net book value of RM1.43 million as at FYE 31 December 2006 is not recognised in our Group's income statement as the revaluation of the property was carried to determine the net fair value of the associate's identifiable assets, liabilities and contingent liabilities in accordance with FRS 3, Business Combination

The valuation of the abovementioned properties have been carried out by Messrs Henry Butcher Malaysia (SEL) Sdn Bhd, a firm of independent registered valuers, on 18 July 2007 using the Comparison and Investment Methods of Valuation in arriving at the market value of the properties.

**5 INFORMATION ON OUR GROUP (Cont'd)**

As at the LPD, the details of the properties rented by us are as follows:-

<b>Registered owner</b>	<b>Postal address</b>	<b>Description</b>	<b>Existing usage</b>	<b>Total built up area (sq. m.)</b>	<b>Certificate of Fitness</b>
Linear Online Sdn Bhd	94-1, Persiaran Bayan Indah, Bayan Bay 11900 Sg. Nibong, Penang	1 <sup>st</sup> floor of three (3) storey shop office	MSC designated office	55.74	22 December 1998
Bold-Pack Industries Sdn Bhd	B-2-04 Krystal Point, 303 Jalan Sultan Azlan Shah, Sungai Nibong, 11900 Penang	2 <sup>nd</sup> floor of five (5) storey shop office	Office	55.74	October 1998
Lim Lung Wen	No. 6-1, Jalan Puteri 4/2, Bandar Puteri, 47100 Puchong, Selangor D. E.	1 <sup>st</sup> floor of intermediate 4-storey shop office	Office	789.65	9 October 2003
Lim Lung Wen	No. 6-2, Jalan Puteri 4/2, Bandar Puteri, 47100 Puchong, Selangor D. E.	2 <sup>nd</sup> floor of intermediate 4-storey shop office	Office	789.65	9 October 2003

We are not aware of breach of any law, rules and building regulations in relation to the use of the buildings owned and/or rented by us.

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**5 INFORMATION ON OUR GROUP (Cont'd)**


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**5.5 SUBSIDIARY COMPANIES****5.5.1 Information on SoftFac****(a) History and business**

SoftFac was incorporated in Malaysia under the Act as a private limited company on 28 June 2005 and commenced operations on 1 October 2005. The principal activity of SoftFac is providing SoftFac HCRM solutions. SoftFac HCRM solutions provides enterprise wide solution for large-scale industrial and manufacturing environments.

SoftFac obtained MSC Malaysia Status on 17 August 2005.

**(b) Share capital**

As at the LPD, the authorised share capital of SoftFac is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each ("SoftFac Shares"), of which 500,000 SoftFac Shares have been issued and fully paid-up.

Details of the changes in issued and paid-up share capital of SoftFac since its incorporation is as follows:-

<b>Date of Allotment</b>	<b>No. of SoftFac Shares Allotted</b>	<b>Par Value (RM)</b>	<b>Consideration</b>	<b>Total issued and paid-up share capital (RM)</b>
28.06.2005	100	1.00	Cash	100
28.11.2005	499,900	1.00	Cash	500,000

**(c) Substantial Shareholders**

As at the LPD, SoftFac is our wholly-owned subsidiary.

**(d) Subsidiary and Associated Companies**

SoftFac does not have any subsidiary and/or associated companies.

**5.5.2 Information on ProDserv****(a) History and business**

ProDserv was incorporated in Malaysia under the Act as a private limited company on 3 August 2006 and commenced operations on 1 January 2007. The principal activity of ProDserv is developing and providing EBS value added solutions.

ProDserv obtained MSC Malaysia Status on 1 September 2006.

ProDserv develops *B2LOGIX* solutions, an enterprise application suite to develop and enhance business productivity. *B2LOGIX* solutions comprises development tools, technology convergence solutions and add-on application modules.

**(b) Share capital**

As at the LPD, the authorised share capital of ProDserv is RM100,000 comprising 100,000 ordinary shares of RM1.00 each ("ProDserv Shares"), of which 100,000 ProDserv Shares have been issued and fully paid-up.

## 5 INFORMATION ON OUR GROUP (Cont'd)

Details of the changes in issued and paid-up share capital of ProDserv since its incorporation is as follows:-

Date of Allotment	No. of ProDserv Shares Allotted	Par Value (RM)	Consideration	Total issued and paid-up share capital (RM)
03.08.2006	2	1.00	Cash	2
07.08.2006	20,000	1.00	Cash	20,002
22.11.2006	79,998	1.00	Cash	100,000

(c) **Substantial Shareholders**

As at the LPD, ProDserv is our wholly-owned subsidiary.

(d) **Subsidiary and Associated Companies**

ProDserv does not have any subsidiary and/or associated companies.

### 5.5.3 Information on ProXerv

(a) **History and business**

ProXerv was incorporated in Malaysia under the Act as a private limited company on 20 September 2005 and commenced operations on 1 January 2006. The principal activity of ProXerv is providing shared services IT outsourcing.

(b) **Share capital**

As at the LPD, the authorised share capital of ProXerv is RM100,000 comprising 100,000 ordinary shares of RM1.00 each ("ProXerv Shares"), of which 100,000 ProXerv Shares have been issued and fully paid-up.

Details of the changes in issued and paid-up share capital of ProXerv since its incorporation is as follows:-

Date of Allotment	No. of ProXerv Shares Allotted	Par Value (RM)	Consideration	Total issued and paid-up share capital (RM)
20.09.2005	100	1.00	Cash	100
23.12.2005	99,900	1.00	Cash	100,000

(c) **Substantial Shareholders**

As at the LPD, ProXerv is our wholly-owned subsidiary.

(d) **Subsidiary and Associated Companies**

ProXerv does not have any subsidiary and/or associated companies.

### 5.5.4 Information on MBP

(a) **History and business**

MBP was incorporated in Malaysia under the Act as a private limited company on 13 March 2004 and commenced operations on 1 April 2004. The principal activity of MBP is providing ERP consulting & implementation of Microsoft Dynamics products. MBP has been a certified Microsoft Dynamics partner since 28 May 2004.

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**5 INFORMATION ON OUR GROUP (Cont'd)**


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**(b) Share capital**

As at the LPD, the authorised share capital of MBP is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each ("MBP Shares"), of which 1,000,000 MBP Shares have been issued and fully paid-up.

Details of the changes in issued and paid-up share capital of MBP since its incorporation is as follows:-

<b>Date of Allotment</b>	<b>No. of MBP Shares Allotted</b>	<b>Par Value (RM)</b>	<b>Consideration</b>	<b>Total issued and paid-up share capital (RM)</b>
13.03.2004	100	1.00	Cash	100
24.03.2004	499,900	1.00	Cash	500,000
19.11.2004	500,000	1.00	Cash	1,000,000

**(c) Substantial Shareholders**

As at the LPD, MBP is our wholly-owned subsidiary.

**(d) Subsidiary and Associated Companies**

MBP does not have any subsidiary and/or associated companies.

**5.5.5 Information on SBOne****(a) History and business**

SBOne was incorporated in Malaysia under the Act as a private limited company under the name SoftFac Solutions Sdn Bhd on 15 April 2005 and assumed its current name on 29 December 2005. SBOne commenced operations on 1 January 2006. The principal activity of SBOne is providing ERP consulting & implementation of SAP products. SBOne has been a certified SAP partner since 2 January 2006.

**(b) Share capital**

As at the LPD, the authorised share capital of SBOne is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each ("SBOne Shares"), of which 500,000 SBOne Shares have been issued and fully paid-up.

Details of the changes in issued and paid-up share capital of SBOne since its incorporation is as follows:-

<b>Date of Allotment</b>	<b>No. of SBOne Shares Allotted</b>	<b>Par Value (RM)</b>	<b>Consideration</b>	<b>Total issued and paid-up share capital (RM)</b>
15.04.2005	100	1.00	Cash	100
24.01.2006	499,900	1.00	Cash	500,000

**(c) Substantial Shareholders**

As at the LPD, SBOne is our wholly-owned subsidiary.

**(d) Subsidiary and Associated Companies**

SBOne does not have any subsidiaries and/or associated companies.

## 5 INFORMATION ON OUR GROUP (Cont'd)

### 5.6 ASSOCIATE COMPANY

#### 5.6.1 Information on TenInfo

##### (a) History and business

TenInfo was incorporated in Malaysia under the Act as a private limited company on 22 July 2002 and commenced operations on 1 July 2003. The principal activity of TenInfo is providing enterprise systems solutions.

##### (b) Share capital

As at the LPD, the authorised share capital of TenInfo is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each ("TenInfo Shares"), of which 1,000,000 TenInfo Shares have been issued and fully paid-up.

Details of the changes in issued and paid-up share capital of TenInfo since its incorporation is as follows:-

Date of Allotment	No. of TenInfo Shares Allotted	Par Value (RM)	Consideration	Total issued and paid-up share capital (RM)
22.07.2002	100	1.00	Cash	100
18.09.2002	99,900	1.00	Cash	100,000
24.12.2003	100,000	1.00	Cash	200,000
19.03.2004	100,000	1.00	Cash	300,000
14.10.2004	200,000	1.00	Cash	500,000
28.11.2005	500,000	1.00	Cash	1,000,000

##### (c) Substantial Shareholders

As at the LPD, the substantial shareholders of TenInfo are as follows:-

Name	Nationality/ Country of incorporation	Direct		Indirect	
		No. of TenInfo Shares	%	No. of TenInfo Shares	%
TFP Solutions	Malaysia	400,000	40.0	-	-
Davi Ethel John A/P RA John	Malaysian	200,000	20.0	-	-
Khooi Chu Boon	Malaysian	120,000	12.0	-	-
Lim Yau Tong	Malaysian	280,000	28.0	-	-

##### (d) Subsidiary and Associated Companies

TenInfo does not have any subsidiary and/or associated companies.