

## 9. INFORMATION ON THE ATIS GROUP

### 9.1 Incorporation

ATIS was incorporated in Malaysia under the Companies Act, 1965 on 8 September 1997 as a public limited company under the name of KVC Corporation Berhad. Its name was changed to ATIS Corporation Berhad on 23 May 2002. The principal activity of ATIS is that of investment holding with interests in eighteen (18) subsidiaries. The Group is engaged in providing a broad range of standard and customised industrial products and services that are required by a diverse range of industries such as manufacturing, engineering, power and utilities, electronics, hard disk drive and semiconductor. The principal activities of its subsidiaries are summarised as follows:

<b>Subsidiaries of ATIS</b>	<b>Principal activities</b>
KVCM Group	Industrial supply and distribution of a comprehensive range of industrial electrical, electronic and industrial hardware products and their related components and accessories.
GT	Design and manufacture of customized factory automation equipment and vision systems from design, development of prototypes to mass replication of machines and manufacture of high precision tooling, die sets and parts and high precision jigs and fixtures.
WPI/GPT	Manufacture of plastic injection moulding products, customized and standard engineering products from mould design, fabrication to injection moulding, sub-assembly and secondary processes such as printing and spraying.

### 9.2 Share Capital

The authorised and issued and paid-up share capital of ATIS are as follows:

	<b>RM</b>
<b><i>Authorised</i></b>	
200,000,000 Shares	<u>100,000,000</u>
<b><i>Issued and paid-up</i></b>	
100,980,000 Shares	<u>50,490,000</u>

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

<b>Date of Allotment</b>	<b>No. of shares allotted</b>	<b>Par value RM</b>	<b>Consideration</b>	<b>Total issued and paid-up share capital RM</b>
08.09.97	2	1.00	Subscribers' shares	2
26.06.01	299,998	1.00	Rights issue of 149,999 new shares for every 1 share held at RM1.00 per share	300,000
17.05.02	36,051,000	1.00	Issued pursuant to the Acquisition of KVCM at approximately RM1.12 per share	36,351,000
17.05.02	3,076,000	1.00	Issued pursuant to the Acquisition of WPI at approximately RM1.12 per share	39,427,000
17.05.02	2,023,000	1.00	Issued pursuant to the Acquisition of GT at approximately RM1.12 per share	41,450,000

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

Date of Allotment	No. of shares allotted	Par value RM	Consideration	Total issued and paid-up share capital RM
22.05.02	9,040,000	1.00	Rights Issue of 1 new share for approximately every 4.6 shares held at RM1.10 per share	50,490,000
-	50,490,000	0.50	Reduction in par value of RM1.00 per share to RM0.50 per share*	50,490,000

**Note:**

\* The Company had on 24 May 2002 implemented and completed a reduction in the par value of ordinary shares in ATIS from RM1.00 each to RM0.50 each.

## 9.3 Restructuring and Listing Exercise

In conjunction with and as an integral part of the listing of and quotation for the entire issued and paid-up share capital of ATIS on the Main Board of the KLSE, the Company undertook a restructuring exercise, which has been approved by the SC, FIC and MITI on 8 March 2002 and 29 April 2002; 14 August 2001 and 9 September 2001 respectively, involving the following:

## (i) Acquisition of KVCN

On 28 June 2001, ATIS entered into a Conditional Sale and Purchase Agreement with the vendors of KVCN, for the acquisition of the entire issued and paid-up share capital of KVCN comprising 200,000 ordinary shares of RM1.00 each for a purchase consideration of RM40,433,999 which was satisfied by the issuance of 36,051,000 new ordinary shares of RM1.00 each at an issue price of approximately RM1.12 per ordinary share credited as fully paid-up. Subsequently, the issued and paid-up share capital was increased from 200,000 ordinary shares to 500,000 ordinary shares after a bonus issue of three (3) new ordinary shares for every two (2) existing ordinary shares. A supplemental agreement was signed on 18 July 2001 to reflect the increase in the share capital. All other terms stated in Conditional Sale and Purchase Agreement dated 28 June 2001 remain unchanged. The details of the acquisition are as follows:

Vendors	Shareholdings in ←KVCN→		Purchase consideration RM	No. of new shares issued
	No. of ordinary shares of RM1.00 each held	% held		
Chen Khai Voon	297,218	59.44	24,035,384	21,431,000
Hamidon bin Abdullah	135,182	27.04	10,931,938	9,747,000
Mohd Nizam Mohamed	32,445	6.49	2,623,762	2,339,000
Ab Manan bin Ab Majid	11,250	2.25	909,765	811,000
Chen Kim Lian	5	*	405	*
Mohd Shahrom bin Abd Rahim	23,900	4.78	1,932,745	1,723,000
	500,000	100.00	40,433,999	36,051,000

**Note:**

\* Negligible.

The 500,000 ordinary shares of RM1.00 each in KVCN were acquired free from all claims, charges, liens and encumbrances whatsoever together with all rights attaching thereto. The Acquisition of KVCN was completed on 23 May 2002.

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

The purchase consideration of RM40,433,999 for the Acquisition of KVCM was arrived at on a willing buyer-willing seller basis after taking into consideration the audited consolidated NTA of KVCM of RM40,433,999 as at 31 December 2000 and the earnings potential of the KVCM Group.

### (ii) Acquisition of WPI

On 28 June 2001, ATIS entered into a Conditional Sale and Purchase Agreement with the vendors of WPI, for the acquisition of the entire issued and paid-up share capital of WPI comprising 700,000 ordinary shares of RM1.00 each for a purchase consideration of RM3,448,432 which was satisfied by the issuance of 3,076,000 new ordinary shares of RM1.00 each at an issue price of approximately RM1.12 per ordinary share credited as fully paid-up. The details of the acquisition are as follows:

Vendors	Shareholdings in WPI		Purchase consideration RM	No. of new shares issued
	No. of ordinary shares of RM1.00 each held	% held		
Ab Manan bin Ab Majid	210,000	30.00	1,034,530	923,000
Mohd Shahrom bin Abd Rahim	147,000	21.00	724,171	646,000
Chen Khai Voon	147,000	21.00	724,171	646,000
Goh Chong Chuang	196,000	28.00	965,560	861,000
	700,000	100.00	3,448,432	3,076,000

The 700,000 ordinary shares of RM1.00 each in WPI were acquired free from all claims, charges, liens and encumbrances whatsoever together with all rights attaching thereto. The Acquisition of WPI was completed on 23 May 2002.

The purchase consideration of RM3,448,432 for the Acquisition of WPI was arrived at on a willing buyer-willing seller basis after taking into consideration the audited NTA of WPI of RM3,448,432 as at 31 December 2000 and the earnings potential of WPI.

### (iii) Acquisition of GT

On 28 June 2001, ATIS entered into a Conditional Sale and Purchase Agreement with the vendors of GT, for the acquisition of 51% of the issued and paid-up share capital of GT comprising 510,000 ordinary shares of RM1.00 each for a purchase consideration of RM2,268,701 which was satisfied by the issuance of 2,023,000 new ordinary shares of RM1.00 each at an issue price of approximately RM1.12 per ordinary share credited as fully paid-up. The details of the acquisition are as follows:

Vendor	Shareholdings in GT		Purchase consideration RM	No. of new shares issued
	No. of ordinary shares of RM1.00 each held	% held		
Chen Khai Voon	510,000	51.00	2,268,701	2,023,000

The 510,000 ordinary shares of RM1.00 each in GT were acquired free from all claims, charges, liens and encumbrances whatsoever together with all rights attaching thereto. The Acquisition of GT was completed on 23 May 2002.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

The purchase consideration of RM2,268,701 for the Acquisition of GT was arrived at on a willing buyer-willing seller basis after taking into consideration 51% of the audited consolidated NTA of GT amounting to RM2,268,701 as at 31 December 2000 and the earnings potential of the GT Group.

As consideration for the above Acquisitions, the issued and fully paid-up share capital of ATIS was increased from RM300,000 comprising 300,000 ordinary shares of RM1.00 each to RM41,450,000 comprising 41,450,000 ordinary shares of RM1.00 each.

The 36,051,000 shares, 3,076,000 shares and 2,023,000 shares issued pursuant to the Acquisition of KVCN, Acquisition of WPI and Acquisition of GT respectively rank pari passu in all respects with the existing ordinary shares of ATIS and carry all rights to receive in full all dividends and other distributions declared and paid subsequent to the allotment thereof.

**(iv) Rights Issue**

Following the allotment of the above consideration shares for the Acquisitions, the Company undertook a renounceable rights issue of 9,040,000 ordinary shares of RM1.00 each at an issue price of RM1.10 per share on the basis of one (1) new share for approximately every 4.6 existing shares held.

Upon completion of the Rights Issue on 22 May 2002, the issued and fully paid-up share capital of ATIS increased from RM41,450,000 comprising 41,450,000 ordinary shares of RM1.00 each to RM50,490,000 comprising 50,490,000 ordinary shares of RM1.00 each.

The 9,040,000 shares issued pursuant to the Rights Issue rank pari passu in all respects with the existing ordinary shares of ATIS and carry all rights to receive in full all dividends and other distributions declared and paid subsequent to the allotment thereof.

**(v) Reduction in Par Value**

Subsequent to the Rights Issue, the Company had on 24 May 2002 implemented and completed a reduction in the par value of ordinary shares in ATIS from RM1.00 each to RM0.50 each.

Upon completion of the reduction in the par value, the issued and paid-up share capital of the Company was subdivided from 50,490,000 ordinary shares of RM1.00 each to 100,980,000 ordinary shares of RM0.50 each.

**(vi) Public Issue**

Following the completion of the Acquisitions and the Rights Issue and in conjunction with the flotation of ATIS on the Main Board of the KLSE, the Company will implement the Public Issue whereby:

- (a) 6,000,000 of the Public Issue Shares have been reserved for eligible employees and Directors of the ATIS Group;
- (b) 9,020,000 of the Public Issue Shares have been reserved for private placement to identified investors, of which at least 30% is to be placed, to the extent possible, to Bumiputera investors; and
- (c) 4,000,000 of the Public Issue Shares will be made available for application by Malaysian citizens, companies, co-operatives, societies and institutions, of which at least 30% will be set aside strictly for Bumiputera individuals, companies, co-operatives, societies and institutions.

9. INFORMATION ON THE ATIS GROUP (Cont'd)

Details of the utilisation of the proceeds raised from both the Rights Issue and Public Issue are set out in Section 5.5 of this Prospectus.

Upon completion of the Public Issue, the issued and fully paid-up share capital of ATIS will increase from RM50,490,000 comprising 100,980,000 Shares to RM60,000,000 comprising 120,000,000 Shares.

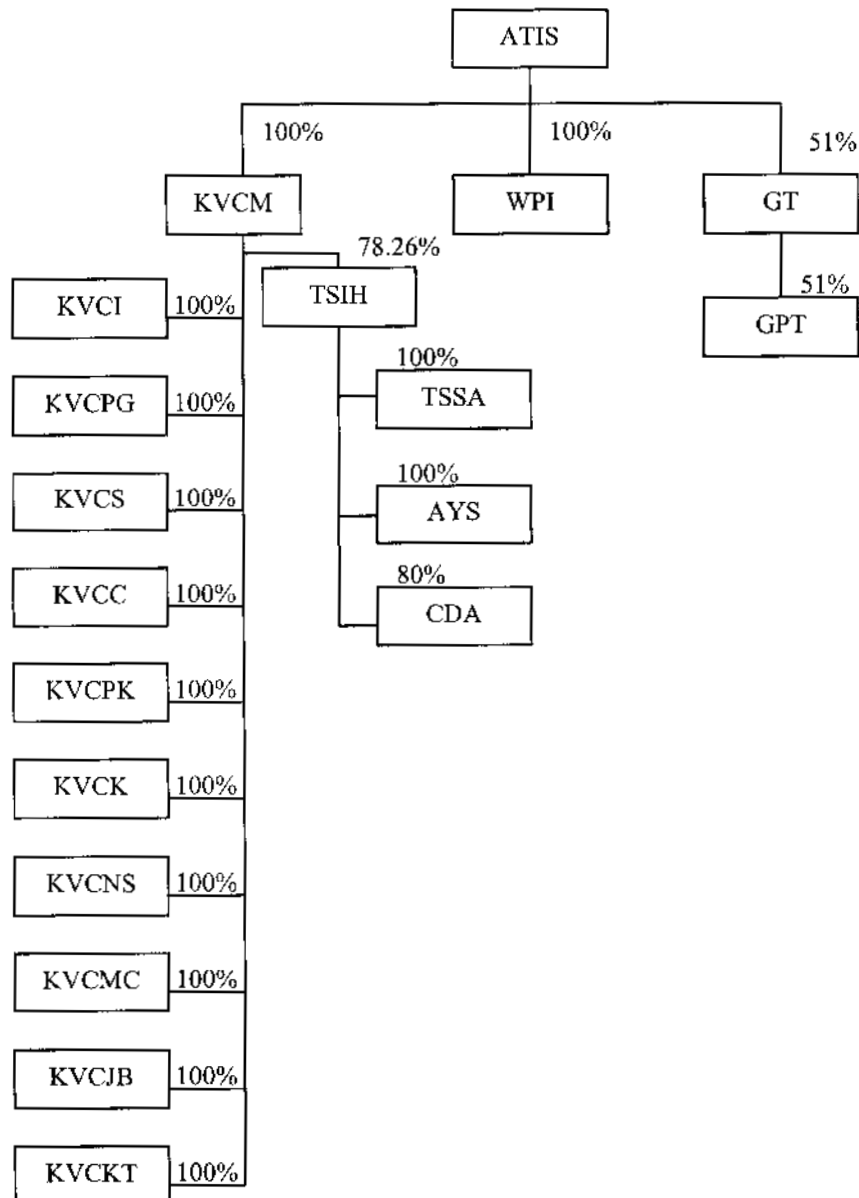
(vii) Listing and Quotation

Listing of and quotation for the 120,000,000 Shares, representing the entire enlarged issued and fully paid-up share capital of ATIS, will be sought on the Main Board of the KLSE.

9.4 Business Overview

9.4.1 Group Structure

The ATIS Group structure is as follows:



## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

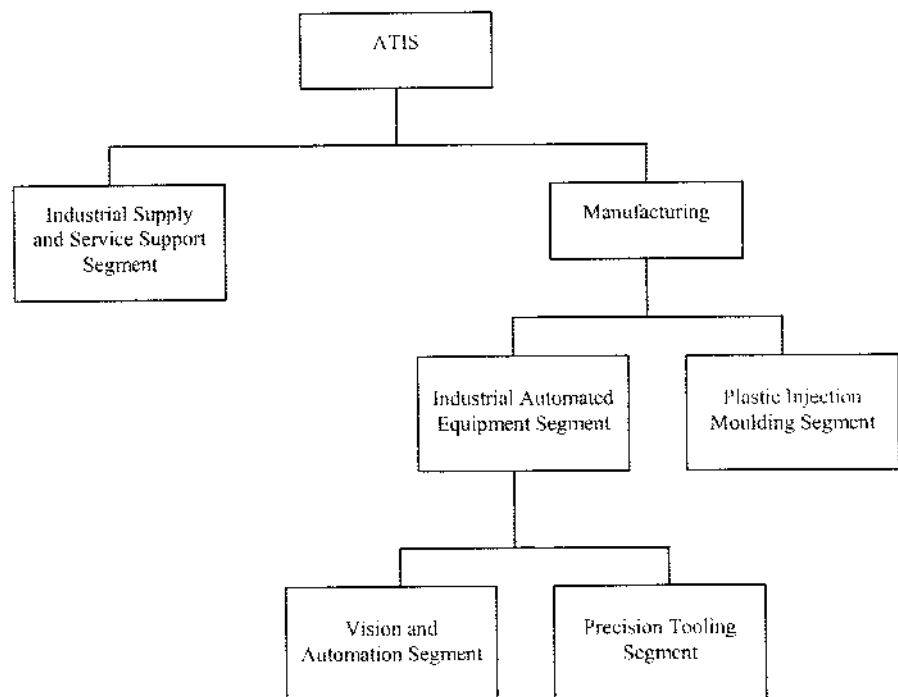
### 9.4.2 History and Business Activities

#### (i) Overview

ATIS was incorporated in Malaysia under the Companies Act, 1965 on 8 September 1997 as a public limited company under the name of KVC Corporation Berhad. Its name was changed to ATIS Corporation Berhad on 23 May 2002. ATIS is principally an investment holding company with interests in eighteen (18) subsidiaries.

The Group is engaged in providing a broad range of standard and customised industrial products and services that are required by a diverse range of industries such as manufacturing, engineering, power and utilities, electronics, hard disk drive and semiconductor. The Group's activities are segregated into two (2) core businesses, namely the industrial supply and service support division and manufacturing division. The Industrial Supply and Service Support division provides a broad range of industrial electrical, electronics and industrial hardware products to over 7,000 active industrial customers.

The ATIS Group's interest in manufacturing activities are divided into two (2) principal manufacturing business units, namely the Industrial Automated Equipment Segment and Plastic Injection Moulding Segment.



#### Principal Activity by Segment

- |     |                                       |
|-----|---------------------------------------|
| (a) | Industrial Supply and Service Support |
| (b) | Industrial Automated Equipment        |
| (c) | Plastic Injection Moulding            |

#### Companies involved

- |            |
|------------|
| KVCM Group |
| GT         |
| WPI/GPT    |

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

The analysis of revenue and PBT by divisions are as follows:

(a) Analysis of revenue by divisions

	<-----Financial years ended 31 December----->				
	1997	1998	1999	2000	2001
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Divisions</b>					
- Industrial Supply and Service Support	103,133	86,444	105,564	135,354	149,917
- Industrial Automated Equipment	1,665	4,997	10,852	14,310	14,959
- Plastic Injection Moulding	4,203	5,129	6,122	10,385	6,496
	109,001	96,570	122,538	160,049	171,372

(b) Analysis of PBT by divisions

	<-----Financial years ended 31 December----->				
	1997	1998	1999	2000	2001
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Divisions</b>					
- Industrial Supply and Service Support	9,763	10,295	12,362	16,686	21,842
- Industrial Automated Equipment	355	1,065	1,384	2,061	1,684
- Plastic Injection Moulding	809	367	715	1,510	(1,164)
	10,927	11,727	14,461	20,257	22,362

The revenue contribution from the Industrial Supply and Service Support segment, Industrial Automated Equipment segment and Plastic Injection Moulding segment are 87.5%, 8.7% and 3.8% respectively and the profit contribution of the Industrial Supply and Service Support segment and Industrial Automated Equipment segment are 92.8% and 7.2% respectively for the financial year ended 31 December 2001

(ii) **Business**

The history of the Group's Industrial Supply and Service Support division dates back to 1989 when KVCM established its first sales center off Jalan Sungai Besi, Kuala Lumpur. Since then, the KVCM Group has rapidly grown into an established network chain with eighteen (18) sales centers throughout Malaysia. Today, the Group provides a broad range of industrial electrical, electronic and hardware products directly to over 7,000 active industrial customers throughout Malaysia. The Group also represents some of the most established names in the electrical and electronics industry such as Entelco, Fluke, AMP, KSS, KS, Omron, Osram, Belden and Thermoweld. There is an increase in customer base of about 25% from approximately 5,600 in year 2000 to over 7,000 in year 2001 mainly due to an increase in customers in its sales centers as a result of extensive marketing efforts, products expansion as well as the setting-up of the two (2) additional sales centers, namely KVCKT and KVCK.

**Industrial Supply and Service Support segment**

The Group offers more than 20,000 products in major industrial categories such as electrical, electronic and hardware. These products are constantly required for the maintenance of factories, buildings and machinery and are heavily consumed by companies involved in a diverse range of activities such as manufacturing, utilities, infrastructure and hospitality sectors.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**

---

Over the years, the Group has built a solid reputation amongst its customers through reliability and prompt service. Its sales and customer support team are well trained in product knowledge and service. To further enhance its service, the Group has a technical team, which provides support and advice to customers. The Group also provides value-added services such as cutting-to-size the length of non-ferrous products required by the customers.

**Industrial Automated Equipment segment**

As an extension of its specialization in the Industrial Supply and Service Support segment, the Group, through GT, ventured into the business of design and development of customised and standard industrial automated and semi-automated equipment for manufacturing companies in September 1997. The Group is able to provide integrated engineering solutions from the conceptual stage to design, development of prototypes and machine replications for manufacturing industries, focusing on the hard disk drive and semiconductor industries. This business has been endorsed by the MITI as a pioneer activity under the Promotions of Investment Allowance Act, 1986, Income Tax Act 1967 and on 1 February 1998, GT was granted a five (5)-year Pioneer Status.

The Industrial Automated Equipment segment is equipped with complete manufacturing facilities for fabrication of machine parts and tools and a team of design and R&D engineers. Its R&D team is well trained and has vast experience and exposure in various engineering fields such as mechanical, electrical and electronic systems. They also have experience and exposure to the production processes of hard disk drive and semiconductor industries. With this engineering edge, the Group has managed to secure automation projects from customers, which are leading manufacturers in the hard disk drive industry. Amongst its customers are the Read-Rite Group of Companies, Western Digital, Seagate and Nidec Hitech Motor (Thailand) Co. Ltd. ("Nidec").

Its manufacturing facilities offer a range of precision engineering services such as milling, grinding, wire cut and computerised numerical control ("CNC") machining of tools, jigs and machine parts required for the mass replication of the customised machines. Besides providing in-house support, this segment also offers its services to external customers such as the Read-Rite Group of Companies, Western Digital and Nidec.

**Plastic Injection Moulding segment**

The Group further capitalises on its engineering edge and customer base in the hard disk drive and semiconductor industries by venturing into plastic injection moulding activities. The Group designs and manufactures moulds as well as develops and manufactures both custom and standard engineering plastic products such as HGA tray, slider debond tray and shipping tray. Besides the hard disk drive and semiconductor industries, the Group also produces plastic parts and components for customers in the consumer electronics, automotive, telecommunication and industrial electrical segments. This segment is fully equipped for injection moulding and secondary processes such as printing, tampo printing and silk screening as well as sub-assembly activities. In 1999, WPI, one of the Group's manufacturing arms, received the International Organisation for Standardization ("ISO") 9002 accreditation for the manufacture of plastic injection moulding parts components and secondary processes. Amongst its major customers are ALPS and the Read-Rite Group of Companies.



---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**9.4.3 The Industrial Supply and Service Support Segment****(i) Product Range**

The Group offers a broad and diversified range of industrial electrical, electronic and industrial hardware products directly to end-users. This division has over 20,000 different items, which can be broadly classified into the following categories:

- (a) Cable and wiring products
- (b) Wiring accessories
- (c) Lighting products
- (d) Electrical products and accessories
- (e) Fuses & fuse holders
- (f) Testing & measuring equipment
- (g) Automation products
- (h) Electronic components
- (i) Non ferrous metal such as stainless steel, bronze, copper and aluminium
- (j) Engineering techno plastics
- (k) Pipe & fitting & valve
- (l) Abrasive products
- (m) Industrial bolt & nuts
- (n) Castor wheel & trolleys
- (o) Industrial hose & fittings
- (p) Hydraulic pipe & fittings
- (q) Packaging products
- (r) Measuring equipment
- (s) Welding equipment
- (t) Industrial tools
- (u) Industrial locks
- (v) Switchboard OEM accessories
- (w) Fiberoptic products

**(ii) List of Distributorships**

There are over 150 different brands of products available to the customers of the Group. Out of this total, the Group holds distributorships for 24 international brand names such as AMP, GE, Entrelec, Osram and Philips. Certain of these brand names such as Entrelec, KSS and KS are only offered in Malaysia by the Group, which is their sole appointed and/or exclusive agent in Malaysia. It is the norm in this industry for principals to grant non-exclusive yearly renewable distributorships.

The following is the list of distributorships held by the Group as at 17 June 2002:

Name of Supplier/ Principal	Type of Products	Type of Arrangement	Year of commencement of distributorship
AMP Connectors (Malaysia) Sdn Bhd	} Electrical and } Electronic connectors } and interconnection } systems	Authorised Distributor	1997
AMP Products (Malaysia) Sdn Bhd			

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

Name of Supplier/ Principal	Type of Products	Type of Arrangement	Year of commencement of distributorship
Belden International Inc.	Industrial and control cable products	Authorised Distributor	2000
Entrelec SA	Connection and control products	Sole/Exclusive Agent	1995
Fluke Singapore Pte. Ltd.	Electronic test tools	Authorised Dealer	1996
General Electrical International Inc.	Lighting products	Authorised Dealer	2000
Heavy Power Co. Ltd.	Connectors and terminals	Authorised Agent	1995
Highly Electric Co. Ltd.	Limit switches	Authorised Distributor	1995
Indiana International	Cable lugs	Authorised Agent	1998
Kai Suh Suh Enterprise Co. Ltd.	Cable ties and related wiring accessories	Sole Distributor	1994
KS Terminals Inc.	Terminals and copper tubing cable lugs	Authorised Exclusive Distributorship	1993
Schneider Scott & English Electric Sdn Bhd	Low-voltage electrical distribution and industrial control components under the brand names of Merlin Gerin & Telemecanique of France	Authorised Distributor	1998
Nemic-Lambda (Singapore) Pte. Ltd.	Switching power supplies	Authorised Distributor in Peninsular Malaysia	1999
Osram Singapore Pte. Ltd.	Lighting products	Authorised Distributor	1999
Panduit Asia Pacific Pte. Ltd.	Cables accessories	Authorised Agent	1998
Philips Malaysia Sdn Bhd	Lighting products	Authorised Dealer	2000
Phoenix Mecano S.E. Asia Pte. Ltd.	Rose junction box	Main Stockist	2000
Plastronic (H.K.) Ltd.	Plastronic heat shrink tubing	Authorised Dealer	1998
RTR DNA Energia, S.A.	Capacitor banks	Authorised Agent	1999
Siba Singapore Pte Ltd	High/low voltage fuses	Main Authorised Distributor	2000

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

Name of Supplier/ Principal	Type of Products	Type of Arrangement	Year of commencement of distributorship
Taiflex Hose Mfg. Co.	Flexible conduit	Authorised Distributor	1996
Omron Electronics Sales & Services (M) Sdn Bhd	LV control components	Authorised Dealer in the Central Region (Selangor, Wilayah Persekutuan, Negeri Sembilan, Pahang, Terengganu and Kelantan	1998
Top Best Electrical (Kunshan) Co. Ltd.	BEW panel metter	Authorised Sole Agent	1998
Huber+Suhner (Malaysia) Sdn Bhd	Fiberoptic products	Non Exclusive Distributorship	2002
Sky Supplies & Trading Sdn Bhd	Cam lock and flush handle	Sole distributor	2001

The purchases from the above brand names represent about 17% of the purchases of this segment for the financial year ended 31 December 2001.

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

## (iii) Distribution Network

Today, the Group has a network of eighteen (18) sales centers, which are located in strategic areas of Peninsular Malaysia. The majority of these sales centers were incorporated as a subsidiary respectively as it represents a separate legal entity from its holding company. In terms of measurement of performance and accountability, the subsidiary structure offers a more straightforward approach in capturing revenue and cost.

Details of the eighteen (18) sales centers are as follows:

Company	Address	Status of premises	Built-up area (sq ft)	Annual Rental (RM)	Staffing level	Date of incorporation	Effective interest (%)
KVCM	No.7A, 7, 9, 13 and 19 Jalan Kalong, Off Jalan Sungai Besi, 55200 K.L.	Owned/ Rented	7,511	52,800	103	17.06.89	100.00
KVCC	No. 1-5 (Ground Floor), Jalan Kalong, Off Jalan Sungai Besi, 55200 Kuala Lumpur	Rented	1,024	13,200	7	29.08.96	100.00
KVCS	No.31, Jln Teras Jernang 27/B, Tmn Bunga Negara, 40000 Shah Alam, Selangor Darul Ehsan.	Owned	3,060	-	14	30.06.94	100.00
KVCNS	PT 5779, Jln TS 2/1G, Taman Semarak, 71800 Nilai, Negeri Sembilan Darul Khusus.	Owned	3,432	-	17	21.06.95	100.00
KVCPG	No.19 & 21, Jln Perai Jaya, 13600 Seberang Jaya Tengah, Penang.	Owned	6,370	-	19	21.06.95	100.00
KVCPK	No.15, Jln Lahat 2, Tmn Badrillah, 31500 Lahat, Ipoh, Perak Darul Ridzuan	Owned	2,450	-	10	19.01.95	100.00
KVCJB	No.120, Jln Rosmerah 2/16, Tmn Johor Jaya, 81100 Johor Bahru, Johor Darul Takzim	Owned	2,970	-	16	26.03.96	100.00
KVCMC	G 5, Ground Floor, Block Mawar 3, Jalan Murni 2, Taman Malim Jaya, 75250 Melaka.	Rented	1,440	15,600	10	05.11.96	100.00
KVCK	No. 18, Jln Sri Sarawak 16, Taman Sri Andalas, 41200 Klang, Selangor Darul Ehsan.	Rented	1,584	21,600	12	12.01.01	100.00
KVCKT	A-67, Ground Floor, Jalan Seri Setali 2, Air Putih, 25300 Kuantan, Pahang Darul Makmur	Rented	1,400	14,400	5	16.06.97	100.00
TSIH	No. 7, Jalan 1/1, Taman Industri Selesa Jaya, 43300 Balakong, Selangor Darul Ehsan.	Owned	19,711	-	110	04.11.93*	78.26
TSIH (Penang Branch)	No. 16 & 18, Lorong Perda Utama II, Bandar Perda, 14000 Bukit Mertajam, Penang.	Rented	4,544	28,800	15	01.06.00	78.26
TSIH (Johore Branch)	121, Jalan Seroja 39, Taman Johor Jaya, 81100 Johor Bahru, Johor Darul Takzim.	Rented	3,500	72,000	14	01.12.99	78.26
TSIH (Seremban Branch)	No. 360, Taman Bukit Emas, Off Jalan Tampin, 70450 Seremban, Negeri Sembilan, Darul Khusus	Rented	1,469	20,400	8	02.02.02	78.26
TSIH (Ipoh Branch)	No. 10, Dataran Kiedang 4, Taman Perindustrian Chandan Raya, Menglembu, 31450 Ipoh, Perak Darul Ridzuan	Rented	4,900	12,000	6	02.03.02	78.26
TSSA	No.26, Jalan Tamborin 33/23, Shah Alam Technology Park, 40000 Shah Alam, Selangor Darul Ehsan.	Owned	5,117	-	35	24.04.97*	78.26
AYS	No.41, Jalan PBS 14/7, Bukit Serdang Industrial Park, 43300 Seri Kembangan, Selangor Darul Ehsan.	Owned	2,563	-	15	22.07.96*	78.26
CDA	No. 3, Jalan 2/6, Taman Industri Selesa Jaya, 43300 Balakong, Selangor Darul Ehsan	Rented	9,300	33,600	3	23.12.00*	62.61

\* TSIH was acquired by KVCM on 1 September 1999. TSSA, initially an associated company of TSIH, became a wholly-owned subsidiary of TSIH on 1 March 2000. AYS was acquired by TSIH on 1 June 2000. CDA was acquired by TSIH on 24 July 2001

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

The Group prides itself on providing value-added services to its customers by understanding their requirements and providing them with alternatives and choices. Its strong sales force of ninety-nine (99) personnel has to continuously undergo training in product knowledge as well as personal development and motivational aspects. Details of some of the training that have been organised by the Group over the last three (3) years are included in Section 9.4.6(h).

To maintain its competitive edge in this industry, the Group has a team of engineers which forms the technical support division. This division provides technical support to its sales personnel and customers. The sole purpose of this division is to provide value added service and technical advice to the Group's customers.

### (iv) Customer Base

#### Geographical Segmentation

The Klang Valley is the largest market for industrial electrical, electronic and industrial hardware products and the Group has eight (8) sales centers strategically located in each major business and industrial area in the Klang Valley.

Below is an analysis of the revenue of the Group for the financial year ended 31 December 2001, by geographical area:

	RM'000	%
Klang Valley	108,482	72.36
Negeri Sembilan	8,919	5.95
Pulau Pinang	11,337	7.56
Johor	12,985	8.66
Perak	4,403	2.94
Malacca	3,330	2.22
Pahang	461	0.31
<b>Total</b>	<b>149,917</b>	<b>100.00</b>

#### Customer Segmentation

The Group has built-up a large base of customers, which are mainly end-users engaged in key economic sectors such as manufacturing/engineering, utility, infrastructure and hospitality. This customer base is divided into the following segments:

	RM'000	%
Maintenance	53,129	35.44
Manufacturing/Engineering	35,024	23.36
Dealers	34,673	23.13
Utility	11,782	7.86
Project and Contracting	9,094	6.07
Others	6,215	4.14
<b>Total</b>	<b>149,917</b>	<b>100.00</b>

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**

---

The maintenance market is the Group's constant income generator and the biggest contributor in terms of revenue. This segment contributed approximately 35.44% to the revenue of the Industrial Supply & Service Support Segment for the financial year ended 31 December 2001. The Group supplies a wide range of industrial electrical, electronic, and industrial hardware products which are required for the regular maintenance and upkeep of factories, hotels and buildings respectively. The Group's strong performance in this segment is attributable to the prompt delivery and excellent services provided by its nationwide sales centers, which are located in key industrial areas.

Companies engaged in various manufacturing activities such as precision engineering, mould making, OEM and engineering activities contribute about 23.36% to the revenue of this segment for the financial year ended 31 December 2001. These customers require products such as electrical, electronic and industrial hardware products in their respective production lines. The orders from these companies are mainly recurring in nature.

Customers from the utility segment contributed about 7.86% to the revenue of this segment for the financial year ended 31 December 2001. The setting-up of power stations and the construction of infrastructure and development projects require the high volume of electrical and hardware products. The demand from this segment is mostly on a project-by-project basis.

#### Major Customers

The Group has established strong relationships with its customers through years of commitment to good customer service and prompt delivery. The business is well spread amongst its customer base, which comprises over 7,000 customers. The Group is not over-dependent on any single customer as none of the existing customers contributes more than 3.0% to the revenue of the Group for the financial year ended 31 December 2001. Approximately 25% of these customers have been with the Group for more than five (5) years.

#### (v) **Suppliers**

The Group does not have any major supplier, which individually contributes more than 5.0% of the Group's purchases and is generally not over-dependent on any single supplier for the industrial electrical, electronic and industrial hardware products.

#### **9.4.4 The Industrial Automated Equipment Segment**

The Group provides integrated solution from the design and development of customized semi-automated and automated machines and vision systems to the production of tools, dies, jigs and machine parts and mass machines replication required by the hard disk drive and semiconductor industries. It provides effective solutions in automating manual manufacturing processes of its customers. Through automation, the Group's customers are able to improve their manufacturing cycles, outputs and yields. In addition, there is consistency in the quality of products produced and through the use of computer software, data is collected and reports are generated for analysis. The Group's core activity of manufacturing automated and semi-automated machines and equipment was recognised as a pioneer activity by MITI. On 1 February 1998, the Group was granted pioneer status for a period of five (5) years.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

Since its incorporation in September 1997, the Group has designed and developed over fourteen (14) different types of custom-designed machines used by customers in the hard disk drive and semiconductor industries. Its edge lies in its engineering base of fourteen (14) R&D engineers and thirteen (13) technicians, out of which twelve (12) engineers have qualifications (5 Diploma holders, 5 Degree holders and 2 Masters holders) in various engineering disciplines such as mechanical, electrical, electronic systems and software engineering. This team of engineers also has experience and exposure to both the hard disk drive and semiconductor industries.

**(i) Vision and Automation Segment****(a) Product Range**

As at to date, the Group has designed a total of fourteen (14) types of custom-designed machines used by customers in the hard disk drive and semiconductor industries. The design and its functionalities are tailor-made according to customers' specifications and upon purchase of these machines by the customers, the ownership of the design is transferred to its customers.

The Group's knowledge of the manufacturing processes in the assembly of the recording heads enables it to invent different types of semi-automated and/or automated machines that are used in each process of the assembly line. The application of these customised machines and systems is designed for a clean room and electro static discharge safe environment and is broadly categorized under the following:

<b>Generic product description</b>	<b>Usage/application</b>
------------------------------------	--------------------------

Pick & Place and Process Systems	Automatically picks an item from one designation to be placed to another designation. It also performs certain required actions, such as cutting or bending or testing if required by customers.
----------------------------------	--

This system is designed to eliminate human handling of parts during the manufacturing processes. This eliminates damage to products handled and increases yields and consistency in the quality of products produced.

Depending on the respective customer's requirements, this system may function semi-automatically through the use of programmable logic controller ("PLC") or automatically via the control of software program

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

Vision Guided Systems	Vision guided systems are equipped with a camera and lens whereby a part is placed under the camera-view with machine handling. Amongst its functions is to analyse the part to determine whether it is defective.
-----------------------	--

This system enables companies to achieve almost zero defect rates and eliminates human dependent quality inspection processes.

Measurement Systems	Measurement systems are controlled by computer software. Its function is to measure and make adjustments if the measurement is not as per specifications.
---------------------	---

This system reduces human handling of parts to be measured and ensures accuracy of measurement with the use of computer software. With the use of this system, any error is detected during the manufacturing process and is rectified immediately. This will result in a very low defect rate and hence increase the output productivity.

The custom designed machines are employed in the manufacturing facilities of several leading global players in the hard disk drive and semiconductor industries such as the Read-Rite Group of Companies, Western Digital and Seagate. These manufacturing facilities are mainly located in Thailand, Malaysia and China. The automation designs were developed according to the requirements set by these customers and the implementation of these automated equipment has resulted in an increase in the manufacturing yields.

With constant development in technology employed in both the hard disk drive and semiconductor industries, the Group keeps itself abreast with these new developments through R&D activities. Through on-going R&D, the Group is able to offer improvements and upgrades to earlier inventions sold. This results in lower investment cost and higher returns on investment for its customers.

**(b) Design and Development of Prototype Machines**

The Group specializes in providing a top-down engineering solution to its customers, which are seeking improved efficiency and yield in their respective manufacturing processes. At the onset of each project, a non-disclosure agreement is signed with the customer to ensure complete confidentiality of information provided by the customer and vice-versa.

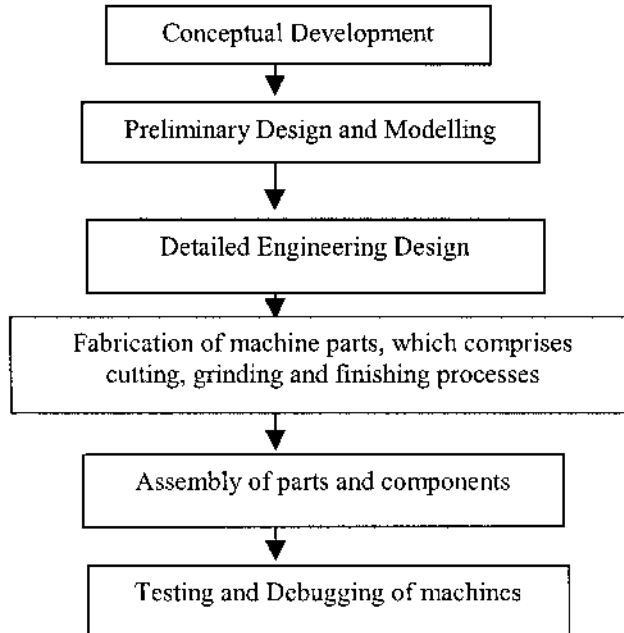


---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**

---

Each customer has specific requirements and objective. Before the Group is given the mandate to produce the required machines, the Group's team of engineers will go through each step detailed in the following diagram before providing the final solution to the customer:

**Stage I Conceptual Development**

Each potential project begins with the conceptual development stage whereby a project manager and a team of engineers meet with the potential customer to discuss about the customer's specific requirements and needs. During this preliminary stage, the Group's team of engineers will study the existing problems faced by the customer from product design to process and machine development.

After the analysis of data, a proposal detailing the proposed solution, viability and costing of the machine will be submitted to the customer for approval.

**Stage II Preliminary Design and Modelling**

Once the customer has agreed on the proposed solution, a preliminary drawing designed to meet the customer's specific objectives will be submitted for discussion purposes. This preliminary design focuses on the mechanical and electrical functioning parts of the proposed machine. Once the preliminary design is accepted, the Group proceeds to the next stage, which is the detailed engineering design stage.

---

9. INFORMATION ON THE ATIS GROUP *(Cont'd)*

---

**Stage III Detailed Engineering Design**

At this stage, a complete and detailed engineering drawing of the proposed machine will be prepared based on the agreed conceptual design. The drawing is a blueprint for the machine and is complete with schematic diagrams and contains details such as technical specifications (degree of tolerance, durability and etc), listing of machine parts and materials used, software application and costing. This set of detailed engineering design is submitted to the customer for approval. Once the approval is obtained from the customer, the development of the prototype set will commence.

**Stage IV Development of Prototype Set**

The detailed drawing approved by the customer is handed over to the production division whereby the following processes will take place:

***Fabrication Process***

The mechanical hardware drawings lay out the specifications of machine parts and tools required for the custom designed machines. These drawings are released to the precision tooling division whereby a team of skilled machinists is assigned to produce the machine parts. The fabrication process begins with the base cutting of materials specified in the drawings by using milling machines. Subsequent cutting of the machines parts is conducted by using tools and cutters.

Thereafter, the parts are transferred to the grinding machines to grind the surface of the parts as a form of finishing process. These parts are then coated through the process of painting, anodizing or electropolishing. After fabrication and finishing, the parts are sent to the Quality Control ("QC") Department for quality check.

***Assembly Process***

Each machine part and component that has been approved by the QC Department is carefully assembled together by a team of skilled technicians, guided by the designated engineer-in-charge of the project.

***Testing and Debugging Process***

The software engineers will commence on the software development and debugging process. The machine is then subject to a series of tests conducted by the engineers to ensure that its performance is in accordance with the customer's specifications.

Once the machine is capable of producing the results within the customer's expectations and the engineers are satisfied with the reliability of the prototype set, the machine will be packaged and shipped to the customer for its approval for mass production.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**

---

**(c) Mass Production**

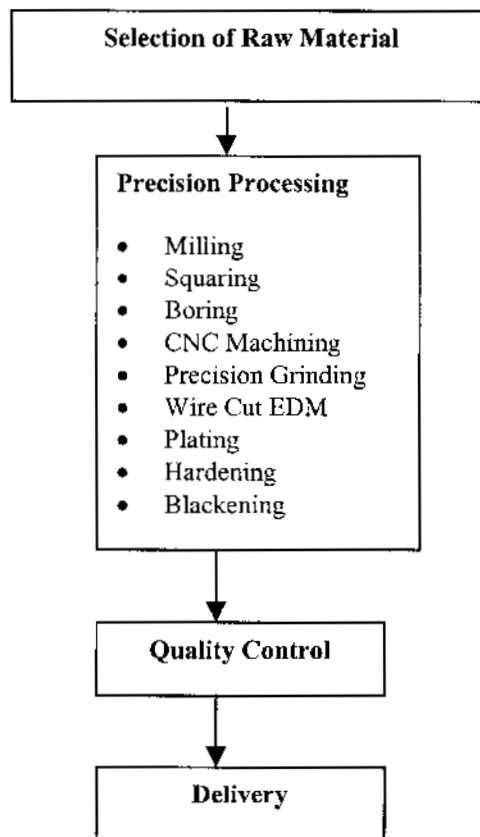
Upon receipt of approval from the customer, the Group will proceed with the mass production of the prototype machine. Each machine will go through the same production processes detailed above from fabrication and assembly to testing and debugging. Machines that have passed the stringent tests are serialized and packaged for shipping to the customer.

The Group then assigns an engineer to install and commission each of these machines for production in the customer's premises and to provide training and technical support to its customer's employees.

**(ii) Precision Tooling Division**

The Precision Tooling Division is fully equipped with a range of machines from milling, grinding, lathe to electrode discharge machine ("EDM"), wire cut, CNC Milling and CNC Lathe. Besides providing in-house tooling services to support the requirements of the Vision and Automation division, the precision tooling division also produces jigs, tools and machine parts required by its own customers. Backed by an experienced engineering team, GT is able to provide sound advice to its customers on improving the design of the parts to be produced.

The production process of the precision tooling division is as follows:



---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**

---

The Group is well equipped with both manufacturing facilities as well as skilled machinists to produce high quality machine parts to support the in-house requirements of the Vision and Automation Division. This division also designs and manufactures moulds as well as manufactures jigs, tools, machine parts required for external customers such as the Read-Rite Group of Companies and Western Digital.

Its manufacturing facilities comprise of forty-five (45) units of machinery which are able to provide a complete range of precision tooling services from CNC machining, milling, grinding, lathe, wire cut and drilling. This division is complete with its own quality control department, which engages stringent quality control on each process and part manufactured.

**(iii) Manufacturing Facilities**

The Group operates from its rented factory situated at Lot 1, Jalan P/12, Seksyen 10, Kawasan Perusahaan Bangi, 43560 Bandar Baru Bangi, Selangor Darul Ehsan. The factory has a total built-up area of 26,000 sq ft and houses the entire group's operations including the plastic engineering segment. The Group plans to build its own factory-cum-office on a piece of leasehold land measuring approximately 61,000 sq. ft which is located at Lot 3, Jalan P/12, Seksyen 10, Kawasan Perusahaan Bangi, 43560 Bandar Baru Bangi, Selangor Darul Ehsan. This piece of leasehold land is owned by KVCM. The construction of the factory-cum-office is expected to commence in the first quarter of 2003, and construction is expected to be completed within a period of twelve (12) months.

The manufacturing facility area is segregated into the following main sections:

The **Production Section** has a total of forty-five (45) machines with various functions such as milling, grinding, lathe to EDM, wire cut and CNC milling, CNC lathe and superdrill. These machines are handled by a team of twenty-seven (27) skilled machinists who are well trained in their respective areas.

The **Quality Control Section** is equipped with a range of inspection equipment and measurement gauges such as profile projector, video camera scope and stereo scope. This section has a team of seven (7) personnel, out of which six (6) are qualified (comprising 1 degree holder and 5 diploma holders) who each has experience and exposure in the area of quality control and quality assurance and who hold qualifications in various disciplines such as polymer science and engineering. This department controls the quality of each process and component produced by the Production Section.

The **Engineering Section** houses the Vision and Automation Segment which has a total of fourteen (14) R&D engineers who are trained in a diverse range of disciplines. Each project is managed by a designated engineer who works closely with the designated technician. This technician is in-charge of assembling the components and machine parts together.

The **Assembly Section** is an area whereby all the various machine parts and components are assembled into the model of machine required by the respective customer. Testing and seasoning of the assembled machines are also conducted in this area.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**(iv) Manufacturing Licences**

GT is operating under a manufacturing licence issued by the MITI as follows:

Date issued	Licence No./Serial No.	Type of business approved
30 April 2002	A 013442/A 020465	Automated and semi-automated machines and equipment for semiconductor/disk drive industry and parts thereof

**(v) Design and R&D capabilities**

Over the last few years, the Group has invested in a team of R&D engineers from various engineering disciplines, namely mechanical, electrical, electronics and mechatronics. This team has experience and exposure to both the hard disk drive and semiconductor industries and possesses knowledge and technical know-how of the manufacturing processes of these industries.

The Group has also established good rapport with its customers through their reliable solutions and this has gained the confidence of global leading names in the hard disk drive industry who have continuously been sharing on-going manufacturing issues faced by them. These open-lines of communication have allowed the Group to understand, define and analyse the problems and through continuous discussions with the customers and R&D, it is able to offer innovative and timely solutions to improve the manufacturing output.

**(vi) Sales and Business Development**

This segment generated a revenue of approximately RM15.0 million for the financial year ended 31 December 2001. Approximately 91.53% of the revenue for the Industrial Automated Equipment Segment for the financial year ended 31 December 2001 was substantially generated from export sales (comprising direct and indirect exports of 65.58% and 25.95% respectively) to countries mainly in the US, Philippines and Thailand. Amongst its customers are some of the world's largest producers of disk drives such as the Read-Rite Group of Companies and Seagate. The export components are expected to increase in future as the Group focuses on marketing its own standard products aggressively to the international market.

The Group has a team of four (4) personnel in the Business Development Unit headed by the Managing Director of GT. This team focuses on sales, business and market development for the Group's industrial automated products and services. Each personnel is designated to service specific customer accounts and to further develop new markets, whether in terms of market segment or geographical area.

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

The major customers of this segment who contributed more than 10% to its revenue are as follows:

Name of customer	Length of relationship (years)	Products/Services provided	% of sales of the segment for the financial year ended 31.12.2001
Nidec Hi Tech (Motor) Thailand, Co	2	Industrial Automated Equipment and Precision Tooling	22%
Read-Rite Group of Companies	3	Industrial Automated Equipment and Precision Tooling	18%
Applied Kinetics Incorporated	2	Industrial Automated Equipment	18%
Western Digital	3	Precision Tooling	17%
Total			<u>75%</u>

Despite the major contributions of the respective customers in this segment, their individual contribution to the Group does not exceed 2.0% of the Group's revenue.

### (vii) Major Suppliers

The major suppliers for the segment's purchases which supplied more than 10% of the purchases for the financial year ended 31 December 2001 are as follows:

Name of Supplier	Length of relationship (years)	Items supplied	% over total purchases of the segment for the financial year ended 31.12.2001
Prism Precision Engineering Sdn Bhd	3	Fabrication of machine parts and tools	11%

The purchases represent about 0.8% of total Group purchases for the financial year ended 31 December 2001.

### 9.4.5 Plastic Injection Moulding Segment

The Plastic Injection Moulding Segment offers integrated services from the design and manufacture of moulds to plastic injection moulding and secondary processes such as printing, spraying and assembly.

The Group produces plastic parts and components for customers in the consumer electronics, automotive, telecommunication and industrial electrical segments. Besides these industries, the Group also has capabilities to produce plastic components and parts for the high technology industries such as the hard disk drive and semiconductor industries.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**(i) Product Range**

The Group's plastic injection moulding services are required by customers from a diverse range of industries such as consumer electronics, industrial electrical, automotive and hard disk drive and semiconductor industries. As at to date, this segment has produced over 500 different types of plastic parts and components. The following is a description of the plastic products produced and their respective applications:

<b>Product description</b>	<b>Application</b>	<b>Customer Segmentation</b>
Cover case	Remote controller	Automotive
Cover case, Lever arm, Gear arm	Remote controller, Compact disc player, video	Consumer electronic
Key top, Key stem	Keyboard	Computer
Insulation case, Lever holder	Electrical controller	Industrial electrical
HGA tray	Head Stack Slider Fabrication Processing	Hard disk drive
Slider Debond tray	Head Stack Slider Fabrication Processing	Hard disk drive
Pico High Density Process & Shipping Tray	Head Stack Slider Fabrication Processing	Hard disk drive
Ultra High Density Femto Process & Shipping Tray	Head Stack Slider Fabrication Processing	Hard disk drive
Shipping Combs	Shipping Protection Jig for Head Stack	Hard disk drive

**(ii) Manufacturing Processes**

The main manufacturing processes are injection moulding and secondary processes such as printing, tampon printing and silk screening. In 1999, the Group successfully implemented a quality system based on MS ISO 9002 for the manufacture of plastic injection moulding parts, components and secondary processes in its manufacturing facility in Nilai.

**(a) Plastic Injection Moulding**

The Group currently has twenty-four (24) units of injection moulding machines with clamping forces ranging from 40 tonnes to 170 tonnes.

**(b) Other services**

Besides Plastic Injection Moulding, the Group also offers other complementary services such as printing, spraying and assembling.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**(iii) Production Facilities**

The production facilities of the Plastic Injection Moulding Segment are conducted from two (2) premises. The main facility is managed by WPI and is located in a factory lot with a total built-up area of 31,000 sq. ft. at Lot 83, Jalan Permata 2/3, Arab Malaysian Industrial Park, 71800 Nilai, Negeri Sembilan Darul Khusus. This facility is equipped with twenty-two (22) injection moulding machines. The other facility, which has two (2) injection moulding machines is located in GT's premises and which focuses on mould design and fabrication.

The Group's Plastic Injection Moulding Segment, depending on the volume of orders received, may operate up to three (3) shifts of eight (8) hours per shift per day. The maximum production capacity for the twenty-four (24) injection moulding machines will depend on the moulds used because the plastic products produced are not homogeneous in nature and differ in terms of design and size. The current production capacity of WPI is approximately 80% as of May 2002.

As an ISO 9002 holder, the Group adheres to stringent quality controls. The quality control department is equipped with a range of inspection equipment and measurement gauges and has a competent team of sixteen (16) personnel who are trained in this aspect. This department inspects the quality of raw materials used as well as the parts produced by the Production Section. Further details are disclosed in Section 9.4.6 of this Prospectus.

**(iv) Manufacturing Licences**

WPI is operating under a manufacturing licence issued by the MITI as follows:

<b>Date Issued</b>	<b>Licence No./Serial No.</b>	<b>Type of business approved</b>
28 November 2000	A 012462/A 019308	Manufacturing licence for the production of plastic injection moulded parts and components, silk screening, tempo printing, hot stamping and sub-assemblies of plastic injection moulded parts and components therefrom

**(v) Sales and Business Development**

The Group produces plastic parts and components for customers from diversified industries such as the consumer electronics, automotive, telecommunication, industrial electrical, hard disk drive and semiconductor industries.

The Group has established a solid track record with its customers through its reliability and product quality. The continuous compliance of ISO 9002 from receipt of raw materials to delivery of the finished products enables WPI to maintain its rejection rate of below 5% as prescribed under the ISO 9002's requirements.

The Business Development Unit comprises four (4) personnel, who are responsible for servicing existing customers as well as developing new customer accounts in their respective market segments. This unit is divided into two (2) main teams which focus on two main market segments, namely the technology industries and the electronics/automotive industries.



## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

The major customers of this segment who contributed more than 10% to its revenue are as follows :

Name of customer	Length of relationship (years)	Products/ Services provided	% of sales of the segment for the financial year ended 31.12.2001
Alps Group of Companies	7	Injection Moulding and Secondary Processes	54%
Yamakoh Precision (M) Sdn Bhd	3	Injection Moulding and Secondary Processes	21%
Total			75%

The Alps Group of Companies has been a major customer of the Group since its incorporation in 1995. Over the years, the Group has consistently met the production requirements of this customer and has proven its reliability and dependability. However, despite its major contribution to this segment, the Alps Group of Companies' contribution to the Group is only 2.0%.

## (vi) Suppliers

The raw materials for injection moulding is classified into two classes:

- Commodity resins such as acrylonitrile butadienestyrene and polystyrene; and
- Engineering plastics such as polyphenyleneether and polyphenylenesulphide which meet industrial grade requirements such as for tensile strength. These types of engineering plastics are used for product plastic parts for customers in the hard disk and semi-conductor industries.

These raw materials are available all year round and are sourced locally, as well as from US, India, Europe and Japan. There have been no difficulties in the past in obtaining these raw materials.

The segment's suppliers who supplied more than 10% of the purchases for the financial year ended 31 December 2001 are as follows:

Name of supplier	Length of relationship (years)	Items supplied	% over total purchases of the segment for the financial year ended 31.12.2001
U.S.R. Sdn Bhd	6	Plastic resins	18%
Southern Plastic Products Sdn Bhd	2	Provision of injection moulding services and assembly of plastic parts	10%

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**

---

**9.4.6 Competitive Advantages****Industrial Supply & Service Support Segment****(a) Broad range of products**

The Group is able to provide a broad range of industrial supply products in major industry categories such as industrial electrical, electronics and hardware. Based on the management of the Group, most of the other players in this segment concentrate only on providing either industrial hardware products or industrial electrical and electronics products.

The Group's product catalogue offers more than 20,000 products. There are over 150 different brands of products available to the customers. Out of this total, the Group holds distributorships for twenty-four (24) international brand names such as AMP, GE, Entelec, Osram and Philips. Some of these brand names such as Entelec, KSS and KS are only offered in Malaysia by the Group, which is their sole appointed and/or exclusive agent in Malaysia.

**(b) Sound Inventory Management**

The Group practices timely inventory management to ensure the stock holding period is kept to the minimum but comfortable level. This minimizes the holding cost of the Group. Sound inventory management also means that the Group has maintained a minimum level of ex-stock position in order to provide timely delivery of products to its customers. As at 31 December 2001, the Group maintained an ex-stock position of about RM21 million.

**(c) A nationwide network of sales centers**

The Group has a total of eighteen (18) sales centers strategically located in major industrial/commercial areas in Malaysia. Each sales center is equipped with a complete team involved in activities ranging from purchasing and sales to administration and finance.

With this nationwide network, the Group is able to provide prompt service to its customers from the point of order to the delivery of products.

**(d) Large customer base**

Over the years, the Group has established a strong industrial customer base of over 7,000, which are from a diverse range of industries such as manufacturing, hospitality, engineering and utilities. With this large customer base, the Group has ready demand for new products and services. This is an invaluable asset that has enabled the Group to secure more distributorships from established principals.

**(e) Efficient distribution infrastructure**

Prompt and reliable service is one of the main strengths of the Group. The Group constantly upholds its 24-hour delivery promise to its customers. This is achieved through its efficient distribution network as well as prompt in-house delivery services provided by its fleet of vehicles.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**

---

The Group maintains three (3) warehouses with a storage space of 24,000 sq ft within the Klang Valley. Two (2) of these warehouses measuring about 14,000 sq ft are rented premises located in Jalan Sungai Besi and Desa Tun Razak. The monthly rental for these two (2) warehouses is RM11,950 per month. The other warehouse located in Balakong is owned by TSIH and has a storage space of about 10,000 sq ft.

These warehouses are strategically located close to the head office in Sungai Besi and are well stocked with a broad range of items. As at 31 December 2001, the inventory level of the Group stood at about RM21 million, out of which about RM17.2 million was maintained at the main warehouses. The remaining RM4.0 million was kept at the remaining fifteen (15) sales centers.

To provide fast delivery service to its branches and customers, these main warehouses are equipped with a pool of drivers and dispatchers who are assigned to make daily delivery trips. The Group firmly adheres to the 24-hour delivery promise whereby orders received from customers before the end of a working day will be delivered on the next working day. Regardless of the size of the order, the Group has the resources to make the delivery with its fleet of eighty-one (81) vehicles comprising lorries, vans and motorbikes.

**(f) Strong Sourcing of Products**

The Group has established a purchasing team that has built-up a wide network of suppliers from which the Group is able to source its products. Besides the standard broad range of products, the Group is able to source for other non-standard products requested by its customers. The Group's commitment to meet its customers' requests is one of the key competitive edges that sets the Group apart from its competitors.

The Group is also constantly sourcing for new product range and suppliers and frequent business trips are arranged for such purposes. The Group has also made arrangements with certain of these suppliers to produce specific products required by the Group.

**(g) Experienced management team**

The founder of the Group, Mr. Chen Khai Voon has over fifteen (15) years of experience in this industry and is well supported by a dynamic and cohesive team of key management staff who has been with the Group for more than six (6) years. The key management staff forms a team with experience in various aspects of this business from the sourcing of products, purchasing to sales and training of sales personnel. They also possess hands-on experience and are sensitive towards changes in market trends.

In the head office, the Group has four (4) main sales teams, which specialize in their respective customer segmentation, namely Maintenance, Utilities, OEM/Automation/Engineering and Project and Contracting. Each sales team has an average staff strength of seven (7) personnel. In addition, the Group has a centralized purchasing department that is equipped with capable personnel who specialize in their respective product segment, namely General Electrical, Lighting, Agency and Industrial Hardware products.

---

9. **INFORMATION ON THE ATIS GROUP (Cont'd)**

---

Each sales center is led by a Branch Manager, who is well-trained in various areas from sales, sourcing, customer service, finance and administration. Each Branch Manager is carefully selected and has to acquire experience in all these areas before he/she is promoted as a Branch Manager.

**(h) Experienced Sales and Customer Service Team**

The Group provides solutions to its customers by understanding their requirements and offering them various choices and alternatives. At each sales center, the Group has two (2) key departments, namely customer service and sales. The sales personnel provide on-site services to customers whilst the customer service team attends to service calls made. Both teams are well trained in product knowledge and customer service. These key teams are strongly supported by the technical division, which comprises engineers and technicians who are able to provide technical advice to customers.

In order for the customers to enjoy the best level of service, the Group ensures its sales personnel undergo continuous training in product knowledge as well as personnel development and motivational aspects. High performing sales personnel are selected to attend overseas product training conducted by its principals.

The Group also believes in providing opportunities to its employees to improve themselves through self-development and self-improvement training programs such as management development and motivational courses for managers which are designed to improve their management skills and for personal development. Over the last three (3) years, the Group has also invested about RM353,000 in a series of training programs provided for employees at all levels of management.

**(i) Quality of Service**

The Group has provided a toll free number as a value-added service to customers outside the Klang Valley, whereby product and price enquiries can be made. In addition, customers are also provided with a free copy of the non-ferrous product catalogue for reference. This catalogue details a wide range of non-ferrous items offered by the Group including the different sizes, shapes and thickness.

**Industrial Automated Equipment Segment**

**(a) Strong engineering team**

The Group possesses an experienced team of fourteen (14) R&D engineers from a diverse range of engineering fields from mechanical, electrical to electronic systems, robotics and software engineering. This engineering team is well versed in the production processes of disk drive and semiconductor manufacturing activities. The availability of this wide range of expertise forms a strong foundation that enables the Group to provide a total engineering solution to its customers from the design to the development of prototypes and mass replication of machines.

---

9. **INFORMATION ON THE ATIS GROUP (Cont'd)**

---

**(b) Total solution provider**

The Group is a total solution provider for industrial automation equipment as it is able to provide a top-down solution which involves the analysis and definition of problem, design, prototype development, mass machine replications and post project services such as fabrication and assembly, seasoning and training for customers. With the support of an in-house precision tooling set-up, the Group is able to control the quality of the machine parts and tools produced.

**(c) Marketing Advantages with Foreign MNCs**

Over the years, the Group has demonstrated its ability to be innovative with designs of automated and semi-automated equipment that have resulted in an increase in the manufacturing yields of its customers. This track record has enabled the Group to gain recognition and approval from these MNCs, which are leading manufacturers in the hard disk drive industry. This has given the Group an advantage to market itself in the hard disk drive, semiconductor and other high technology industries such as fibre optics as these industries are predominantly foreign MNCs.

Moreover, the key management staff has extensive experience and technical know-how in this specialised area. Frequent communications between the engineers of the Group and that of the clients have helped the Group to establish a strong rapport with these foreign MNCs.

About 5.78% of the Group's products and services are produced for foreign MNCs. Being a Malaysian company, the Group has an added advantage in terms of cost competitiveness against other foreign competitors.

**(d) Continuous R&D Activities**

Continuous R&D is undertaken by the Group's team of R&D engineers and is the key to the present success of the Group. Besides having a strong in-house R&D facility, the GT Group also has a strategic arrangement with Applied Kinetics Inc ("AKI"), a private design and R&D company based in Minnesota, US. It has also appointed GT as its sole contract machine builder for an industrial automated machine designed by AKI. The Group has also established good rapport with its customers through their trusted and quality solutions. This has gained the confidence of global leading names in the hard disk drive industry in continuously sharing the on-going manufacturing issues faced by them. This open-line of communications has allowed the Group to understand, define and analyse the problems and through continuous discussions with the customers, the Group is able to offer innovative and timely solutions to improve the manufacturing output.

**(e) Fully Equipped Laboratory**

The Group is committed to delivering quality products to its customers. This is achieved through its team of quality control and engineering staff and its well equipped laboratory. The quality control laboratory is equipped with a range of quality control equipment and tools such as video camera scope, stereoscope, profile projector and various gauge equipment. The Group's manufacturing processes are also designed such that they support the Group's drive for quality. The Group's customer base, which comprises mainly leading world manufacturers in the hard disk drive industry, is a testimony to the high quality standard of products designed and produced.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**(f) Strong Customer Support**

The Group not only designs and manufactures customised equipment but also provides training to designated users of the equipment. This will enable the users to familiarize themselves and understand the new technology being employed.

As part of the Group's plans to provide prompt service to these MNCs, which have manufacturing plants located in Thailand, the Group has submitted an application to set up a subsidiary to be known as Genetec Technology (Thailand) Pte. Ltd. ("GTT") in Thailand in early 2002. In May 2002, the Group obtained approval from the Board of Investment Thailand to establish a technical sales support set-up in Thailand. The Group is in the midst of submitting all relevant documents for the incorporation of this company. GTT is expected to commence operations in end July 2002 with an initial staff strength of five (5) personnel, of which three (3) are technical staff. By establishing a presence in Thailand, the Group expects to be able to provide prompt after sales service to its customers. In addition, GTT will act as the key co-coordinator and communication medium between the head office in Malaysia and the customers in Thailand.

**Plastic Injection Moulding Segment****(a) Integrated Solution Provider**

The Group offers integrated solutions for plastic injection moulding services from design and manufacture of mould, plastic injection moulding to secondary processes such as printing, spraying and sub-assembly. The Group also has an added advantage of possessing a strong design and engineering team who are able to provide improved mould designs that will enhance the manufacturing cycle and yields.

**(b) Holder of ISO 9002**

The Group adopts stringent quality control procedures over its manufacturing processes and is proud to be accredited with MS ISO 9002 : 1994 Quality Systems – Model for Quality Assurance in Production, Installation and Servicing Certificate on 17 December 1999 in recognition of its quality in the manufacture of plastic parts by injection moulding which includes secondary processes.

The Group has invested in a range of quality control equipment such as profile projector, skill microscope, digital caliper and various gauge equipment. The Group also has quality control checks placed at every production workstations in both injection moulding and secondary processes divisions. To ensure consistency in quality of parts produced, a Quality & Assurance personnel is designated to select samples from every batch produced at a regular interval for inspection purposes. The Quality Control team comprises a team of sixteen (16) Quality & Assurance personnel who are responsible for ensuring that the quality of products produced meets the customers' requirements.

**(c) Manufacturing of High End Engineering Plastic Products**

The Group is able to manufacture high-end engineering plastic products such as HGA Tray, Debond Tray, integrated circuit tray used by high technology industries such as hard disk drive and semiconductor industries. The Group's forte lies in its strong engineering and design team which is able to offer solutions to improve the cycle time and manufacturing yields.

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

## 9.5 Subsidiaries and Associated Companies

Details of ATIS's subsidiaries, all of which were incorporated in Malaysia, are as follows:

Name	Date of incorporation	Issued and paid-up share capital RM	Effective interest held %	Principal activities
<b>Subsidiaries of ATIS</b>				
KVCM	17.06.89	500,000	100.00	Investment holding and distribution and supply of industrial electrical and electronic products and their related accessories and components.
WPI	30.03.95	700,000	100.00	Manufacturing of plastic injection moulding products.
GT	03.09.97	1,000,000	51.00	Design and manufacture of factory automation equipment and manufacture of high precision tooling, die sets and parts and high precision jigs and fixtures.
<b>Subsidiaries of KVCM</b>				
KVCI	13.04.94	100,000	100.00	Dormant
KVCPG	21.06.95	100,000	100.00	Distribution and supply of industrial electrical and electronic products and their related accessories and components.
KVCPK	19.01.95	100,000	100.00	Distribution and supply of industrial electrical and electronic products and their related accessories and components.
KVCS	30.06.94	100,000	100.00	Distribution and supply of industrial electrical and electronic products and their related accessories and components.
KVCC	29.08.96	100,000	100.00	Distribution and supply of industrial electrical and electronic products and their related accessories and components.
KVCK	12.01.01	100,000	100.00	Distribution and supply of industrial electrical and electronic products and their related accessories and components.
KVCNS	21.06.95	100,000	100.00	Distribution and supply of industrial electrical and electronic products and their related accessories and components.
KVCMC	05.11.96	100,000	100.00	Distribution and supply of industrial electrical and electronic products and their related accessories and components.
KVCJB	26.03.96	100,000	100.00	Distribution and supply of industrial electrical and electronic products and their related accessories and components.

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

Name	Date of incorporation	Issued and paid-up share capital RM	Effective interest held %	Principal activities
KVCKT	16.06.97	100,000	100.00	Distribution and supply of industrial electrical and electronic products and their related accessories and components.
TSIH	04.11.93	2,300,000	78.26	Investment holding and distribution and supply of non-ferrous metal and other industrial hardware products.
<b>Subsidiaries of TSIH</b>				
TSSA	24.04.97	100,000	78.26	Distribution and supply of non-ferrous metal and other industrial hardware products.
AYS	22.07.96	100,000	78.26	Distribution and supply of non-ferrous metal and other industrial hardware products.
CDA	23.12.00	100,000	62.61	Distribution and supply of abrasive products
<b>Subsidiary of GT</b>				
GPT	28.11.00	100,000	26.01	Design, development and manufacture of customised and standard engineering plastic products from mould design, fabrication to injection moulding

As at the date hereof, the Company does not have any associated companies.



---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**

---

**9.5.1 KVCM****(i) History and Business**

KVCM was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 17 June 1989 under the name of Kompres Electric (M) Sdn Bhd. Its name was changed to KVC Electric (M) Sdn Bhd on 26 October 1994. The principal activity of KVCM is that of investment holding and distribution and supply of industrial electrical and electronic products and their related accessories and components.

The history of the KVCM Group dates back to 1989 when Mr. Chen Khai Voon set up KVCM to supply and distribute electrical and electronic products in the Klang Valley. Its first sales center was located in off Jalan Sungai Besi, which is in the hub of electrical businesses in the Klang Valley. With an initial staff force of four (4) personnel, KVCM achieved a revenue of approximately RM3.7 million in the first year of operations.

Over the next few years, the business of KVCM continued to grow and in 1993, KVCM registered a revenue of approximately RM12.5 million. To distinguish itself from the rest of the players in the market, KVCM began to source for distributorships for established brand names in the global electrical and electronic industry. On 25 August 1993, KVCM secured a distributorship from KS Terminals Inc., an established company in Taiwan, which manufactures terminals, copper tubing and cable lugs. This is an important chapter in the history of the KVCM Group and was the beginning of the establishment of distributorships in specific branded names. This strategy has proven to be effective as revenue of the KVCM Group surged to approximately RM27.9 million in 1994. Today, the KVCM Group holds distributorships for twenty-four (24) international brand names such as Entrelec, AMP, Fluke, GE, Osram and Belden.

Having established itself firmly in the Klang Valley with two (2) sales centers, namely the head office in Jalan Sungai Besi and in Shah Alam, in 1995, KVCM began to look for opportunities to venture into other states in Peninsular Malaysia. Within a span of two (2) years, five (5) additional sales centers were set up in Perak, Pulau Pinang, Negeri Sembilan, Johor and Malacca. With this network of sales centers throughout the Peninsular Malaysia, the KVCM Group was able to reach a wider market and to provide better service to its customers. This expansion plan boosted the revenue of the KVCM Group to about RM58.6 million in 1996.

To expand the range of products offered to its customers, KVCM acquired a 78.26%-equity interest in the TSIH Group, a group engaged in the supply and distribution of non-ferrous metal and industrial hardware products on 1 September 1999. TSIH Group's products complement those of the KVCM Group's. With this strategic alliance, both companies are able to combine their resources in terms of network of sales centers and customer base.

Today, the KVCM Group has emerged as a comprehensive industrial supplier, with a product catalogue that offers more than 20,000 products. With a network chain of eighteen (18) sales centers throughout Malaysia, the Group is able to effectively service its large customer base. With all these elements in place, the KVCM Group achieved its highest revenue record of approximately RM150 million for the financial year ended 31 December 2001, representing a growth rate of approximately 11% from the previous year.

As at 17 June 2002, KVCM has a total of 103 employees.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**(ii) Share Capital**

The authorised share capital of KVCM is RM500,000 comprising 500,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital of KVCM is RM500,000 comprising 500,000 ordinary shares of RM1.00 each.

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

<b>Date of allotment</b>	<b>No. of ordinary shares allotted</b>	<b>Par value RM</b>	<b>Consideration</b>	<b>Issued and paid-up share capital RM</b>
17.06.89	2	1.00	Subscribers' shares	2
15.09.89	99,998	1.00	Issue of shares for cash at par	100,000
07.06.93	100,000	1.00	Bonus issue 1 for 1	200,000
18.07.01	300,000	1.00	Bonus issue 3 for 2	500,000

**(iii) Major Shareholder**

ATIS holds 100.00% effective equity interest in KVCM.

**(iv) Directors**

As at the date hereof, the Directors of KVCM and their shareholdings are as follows:

<b>Name</b>	<b>&lt;-----Direct-----&gt;</b>		<b>&lt;-----Indirect-----&gt;</b>	
	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>
Chen Khai Voon	-	-	*500,000	100.00
Hamidon bin Abdullah	-	-	*500,000	100.00
Sa Chee Peng	-	-	-	-

**Note:**

\* Deemed interest by virtue of their interests in ATIS pursuant to Section 6A of the Companies Act, 1965.

**(v) Subsidiaries and Associated Companies**

The subsidiaries of KVCM are KVCI, KVCPG, KVCPK, KVCS, KVCC, KVCK, KVCNS, KVCMC, KVCJB, KVCKT, TSIH, TSSA, AYS and CDA, details of which are disclosed in Section 9.5.2, 9.5.3, 9.5.4, 9.5.5, 9.5.6, 9.5.7, 9.5.8, 9.5.9, 9.5.10, 9.5.11, 9.5.12, 9.5.13, 9.5.14 and 9.5.15 of this Prospectus respectively.

As at the date hereof, KVCM does not have any associated companies.

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

### 9.5.2 KVCI

#### (i) History and Business

KVCI was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 13 April 1994 under its previous name of Kompress Cable Accessories Sdn Bhd. Its name was changed to KVC Industries Sdn Bhd on 19 April 1995. The principal activity of KVCI was that of investment holding and distribution and supply of industrial electrical and electronic products and their related accessories and components. On 1 January 2002, KVCM undertook an internal restructuring exercise to streamline the operations of its headoffice and to increase the efficiency of the headoffice operations. As a result of the restructuring exercise, the operations of KVCI and its employees were transferred to its holding company, KVCM. Since then, KVCI has been dormant.

As at 17 June 2002, apart from the Directors of KVCI, KVCI does not have any employees.

#### (ii) Share Capital

The authorised share capital of KVCI is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of KVCI is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

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

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Issued and paid-up share capital RM
13.04.94	2	1.00	Subscribers' shares	2
26.06.95	99,998	1.00	Issue of shares for cash at par	100,000

#### (iii) Major Shareholder

ATIS holds 100.00% effective equity interest in KVCI.

#### (iv) Directors

As at the date hereof, the Directors of KVCI and their shareholdings are as follows:

Name	←-----Direct----->		←-----Indirect----->	
	No. of ordinary shares of RM1.00 each held	%	No. of ordinary shares of RM1.00 each held	%
Lee Kok Keong	-	-	-	-
Chen Siew Chong @ Chin Siew Chong	-	-	-	-

#### (v) Subsidiaries and Associated Companies

As at the date hereof, KVCI does not have any subsidiaries or associated companies.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**9.5.3 KVCPG****(i) History and Business**

KVCPG was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 21 June 1995 under its present name of KVC Electric (Penang) Sdn Bhd. KVCPG is principally involved in the distribution and supply of industrial electrical and electronic products and their related accessories and components.

As at 17 June 2002, KVCPG has a total of 19 employees.

**(ii) Share Capital**

The authorised share capital of KVCPG is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of KVCPG is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

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

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Issued and paid-up share capital RM
21.06.95	2	1.00	Subscribers' shares	2
03.02.97	99,998	1.00	Rights issue of 49,999 new shares for every 1 share held at RM1.00 per share	100,000

**(iii) Major Shareholder**

ATIS holds 100.00% effective equity interest in KVCPG

**(iv) Directors**

As at the date hereof, the Directors of KVCPG and their shareholdings are as follows:

Name	<-----Direct----->		<-----Indirect----->	
	No. of ordinary shares of RM1.00 each held	%	No. of ordinary shares of RM1.00 each held	%
Lee Kok Keong	-	-	-	-
Chen Siew Chong @ Chin Siew Chong	-	-	-	-

**(v) Subsidiaries and Associated Companies**

As at the date hereof, KVCPG does not have any subsidiaries or associated companies.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**9.5.4 KVCPK****(i) History and Business**

KVCPK was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 19 January 1995 under its present name of KVC Electric (Perak) Sdn Bhd. KVCPK is principally involved in the distribution and supply of industrial electrical and electronic products and their related accessories and components.

As at 17 June 2002, KVCPK has a total of 10 employees.

**(ii) Share Capital**

The present authorised share capital of KVCPK is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of KVCPK is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

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

<b>Date of allotment</b>	<b>No. of ordinary shares allotted</b>	<b>Par value RM</b>	<b>Consideration</b>	<b>Issued and paid-up share capital RM</b>
19.01.95	2	1.00	Subscribers' shares	2
10.10.96	99,998	1.00	Rights issue of 49,999 new shares for every 1 share held at RM1.00 per share	100,000

**(iii) Major Shareholder**

ATIS holds 100.00% effective equity interest in KVCPK

**(iv) Directors**

As at the date hereof, the Directors of KVCPK and their shareholdings are as follows:

<b>Name</b>	<b>&lt;-----Direct-----&gt;</b>		<b>&lt;-----Indirect-----&gt;</b>	
	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>
Lee Kok Keong	-	-	-	-
Chen Siew Chong @ Chin Siew Chong	-	-	-	-

**(v) Subsidiaries and Associated Companies**

As at the date hereof, KVCPK does not have any subsidiaries or associated companies.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**9.5.5 KVCS****(i) History and Business**

KVCS was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 30 June 1994 under the name of Kompres Electric (Selangor) Sdn Bhd. On 21 February 1995, the company changed its name to KVC Electric (Selangor) Sdn Bhd. KVCS is principally involved in the distribution and supply of industrial electrical and electronic products and their related accessories and components.

As at 17 June 2002, KVCS has a total of 14 employees.

**(ii) Share Capital**

The present authorised share capital of KVCS is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of KVCS is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

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

<b>Date of allotment</b>	<b>No. of ordinary shares allotted</b>	<b>Par value RM</b>	<b>Consideration</b>	<b>Issued and paid-up share capital RM</b>
30.06.94	3	1.00	Subscribers' shares	3
26.06.95	99,997	1.00	Issue of shares for cash at par	100,000

**(iii) Major Shareholder**

ATIS holds 100.00% effective equity interest in KVCS

**(iv) Directors**

As at the date hereof, the Directors of KVCS and their shareholdings are as follows:

<b>Name</b>	<b>&lt;-----Direct-----&gt;</b>		<b>&lt;-----Indirect-----&gt;</b>	
	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>
Lee Kok Keong	-	-	-	-
Chen Siew Chong @ Chin Siew Chong	-	-	-	-

**(v) Subsidiaries and Associated Companies**

As at the date hereof, KVCS does not have any subsidiaries or associated companies.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**9.5.6 KVCC****(i) History and Business**

KVCC was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 29 August 1996 under its present name of KVC Connectors Sdn Bhd. KVCC is principally involved in the distribution and supply of industrial electrical and electronic products and their related accessories and components.

As at 17 June 2002, KVCC has a total of 7 employees.

**(ii) Share Capital**

The present authorised share capital of KVCC is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of KVCC is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

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

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Issued and paid-up share capital RM
29.08.96	2	1.00	Subscribers' shares	2
05.10.00	99,998	1.00	Rights issue of 49,999 new shares for every 1 share held at RM1.00 per share	100,000

**(iii) Major Shareholder**

ATIS holds 100.00% effective equity interest in KVCC

**(iv) Directors**

As at the date hereof, the Directors of KVCC and their shareholdings are as follows:

Name	<-----Direct----->		<-----Indirect----->	
	No. of ordinary shares of RM1.00 each held	%	No. of ordinary shares of RM1.00 each held	%
Sa Chee Peng	-	-	-	-
Chen Siew Chong @ Chin Siew Chong	-	-	-	-

**(v) Subsidiaries and Associated Companies**

As at the date hereof, KVCC does not have any subsidiaries or associated companies.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**9.5.7 KVCK****(i) History and Business**

KVCK was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 12 January 2001 under its present name of KVC Electric (Klang) Sdn Bhd. KVCK is principally involved in the distribution and supply of industrial electrical and electronic products and their related accessories and components.

As at 17 June 2002, KVCK has a total of 12 employees.

**(ii) Share Capital**

The present authorised share capital of KVCK is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of KVCK is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

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

<b>Date of allotment</b>	<b>No. of ordinary shares allotted</b>	<b>Par value RM</b>	<b>Consideration</b>	<b>Issued and paid-up share capital RM</b>
12.01.01	2	1.00	Subscribers' shares	2
20.02.01	99,998	1.00	Rights issue of 49,999 new shares for every 1 share held at RM1.00 per share	100,000

**(iii) Major Shareholder**

ATIS holds 100.00% effective equity interest in KVCK

**(iv) Directors**

As at the date hereof, the Directors of KVCK and their shareholdings are as follows:

<b>Name</b>	<b>&lt;-----Direct-----&gt;</b>		<b>&lt;-----Indirect-----&gt;</b>	
	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>
Lee Kok Kcong	-	-	-	-
Chen Siew Chong @ Chin Siew Chong	-	-	-	-

**(v) Subsidiaries and Associated Companies**

As at the date hereof, KVCK does not have any subsidiaries or associated companies.



---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**9.5.8 KVCNS****(i) History and Business**

KVCNS was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 21 June 1995 under its present name of KVC Electric (N.S.) Sdn Bhd. KVCNS is principally involved in the distribution and supply of industrial electrical and electronic products and their related accessories and components.

As at 17 June 2002, KVCNS has a total of 17 employees.

**(ii) Share Capital**

The present authorised share capital of KVCNS is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of KVCNS is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

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

<b>Date of allotment</b>	<b>No. of ordinary shares allotted</b>	<b>Par value RM</b>	<b>Consideration</b>	<b>Issued and paid-up share capital RM</b>
21.06.95	2	1.00	Subscribers' shares	2
29.01.96	99,998	1.00	Issue of shares for cash at par	100,000

**(iii) Major Shareholder**

ATIS holds 100.00% effective equity interest in KVCNS

**(iv) Directors**

As at the date hereof, the Directors of KVCNS and their shareholdings are as follows:

<b>Name</b>	<b>&lt;-----Direct-----&gt;</b>		<b>&lt;-----Indirect-----&gt;</b>	
	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>
Lee Kok Keong	-	-	-	-
Chen Siew Chong @ Chin Siew Chong	-	-	-	-

**(v) Subsidiaries and Associated Companies**

As at the date hereof, KVCNS does not have any subsidiaries or associated companies.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**9.5.9 KVCMC****(i) History and Business**

KVCMC was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 5 November 1996 under its present name of KVC Electric (Malacca) Sdn Bhd. KVCMC is principally involved in the distribution and supply of industrial electrical and electronic products and their related accessories and components.

As at 17 June 2002, KVCMC has a total of 10 employees.

**(ii) Share Capital**

The present authorised share capital of KVCMC is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of KVCMC is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

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

<b>Date of allotment</b>	<b>No. of ordinary shares allotted</b>	<b>Par value RM</b>	<b>Consideration</b>	<b>Issued and paid-up share capital RM</b>
05.11.96	2	1.00	Subscribers' shares	2
16.12.98	99,998	1.00	Rights issue of 49,999 new shares for every 1 share held at RM1.00 per share	100,000

**(iii) Major Shareholder**

ATIS holds 100.00% effective equity interest in KVCMC

**(iv) Directors**

As at the date hereof, the Directors of KVCMC and their shareholdings are as follows:

<b>Name</b>	<b>&lt;-----Direct-----&gt;</b>		<b>&lt;-----Indirect-----&gt;</b>	
	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>
Lee Kok Kcong	-	-	-	-
Chen Siew Chong @ Chin Siew Chong	-	-	-	-

**(v) Subsidiaries and Associated Companies**

As at the date hereof, KVCMC does not have any subsidiaries or associated companies.

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

## 9.5.10 KVCJB

## (i) History and Business

KVCJB was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 26 March 1996 under its present name of KVC Electric (Johore) Sdn Bhd. KVCJB is principally involved in the distribution and supply of industrial electrical and electronic products and their related accessories and components.

As at 17 June 2002, KVCJB has a total of 16 employees.

## (ii) Share Capital

The present authorised share capital of KVCJB is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of KVCJB is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

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

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Issued and paid-up share capital RM
26.03.96	2	1.00	Subscribers' shares	2
23.10.97	99,998	1.00	Rights issue of 49,999 new shares for every 1 share held at RM1.00 per share	100,000

## (iii) Major Shareholder

ATIS holds 100.00% effective equity interest in KVCJB

## (iv) Directors

As at the date hereof, the Directors of KVCJB and their shareholdings are as follows:

Name	Direct		Indirect	
	No. of ordinary shares of RM1.00 each held	%	No. of ordinary shares of RM1.00 each held	%
Lee Kok Keong	-	-	-	-
Chen Siew Chong @ Chin Siew Chong	-	-	-	-

## (v) Subsidiaries and Associated Companies

As at the date hereof, KVCJB does not have any subsidiaries or associated companies.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**9.5.11 KVCKT****(i) History and Business**

KVCKT was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 16 June 1997 under its previous name of KVC Electric (Rawang) Sdn Bhd. Its name was changed to KVC Electric (Kuantan) Sdn Bhd on 8 December 1999. KVCKT commenced business in May 2001 and is principally involved in the distribution and supply of industrial electrical and electronic products and their related accessories and components.

As at 17 June 2002, KVCKT has a total of 5 employees.

**(ii) Share Capital**

The present authorised share capital of KVCKT is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of KVCKT is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

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

<b>Date of allotment</b>	<b>No. of ordinary shares allotted</b>	<b>Par value RM</b>	<b>Consideration</b>	<b>Issued and paid-up share capital RM</b>
16.06.97	2	1.00	Subscribers' shares	2
20.07.01	99,998	1.00	Rights issue of 49,999 new shares for every 1 share held at RM1.00 per share	100,000

**(iii) Major Shareholder**

ATIS holds 100.00% effective equity interest in KVCKT

**(iv) Directors**

As at the date hereof, the Directors of KVCKT and their shareholdings are as follows:

<b>Name</b>	<b>&lt;-----Direct-----&gt;</b>		<b>&lt;-----Indirect-----&gt;</b>	
	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>
Lee Kok Keong	-	-	-	-
Chen Siew Chong @ Chin Siew Chong	-	-	-	-

**(v) Subsidiaries and Associated Companies**

As at the date hereof, KVCKT does not have any subsidiaries or associated companies.

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

## 9.5.12 TSIH

## (i) History and Business

TSIH was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 4 November 1993 under the name of Thian Soon Engineering Hardware Sdn Bhd. Its name was changed to Thian Soon Industrial Hardware Sdn Bhd on 19 March 2001. The principal activity of TSIH is that of investment holding and distribution and supply of non-ferrous metal and other industrial hardware products.

As at 17 June 2002, TSIH has a total of 153 employees.

## (ii) Share Capital

The authorised share capital of TSIH is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital of TSIH is RM2,300,000 comprising 2,300,000 ordinary shares of RM1.00 each.

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

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Issued and paid-up share capital RM
04.11.1993	3	1.00	Subscribers' shares	3
05.04.1994	99,997	1.00	Issue of shares for cash at par	100,000
17.10.1994	150,000	1.00	Rights issue of 3 new shares for every 2 shares held at RM1.00 per share	250,000
31.12.1998	250,000	1.00	Rights issue of 1 new share for every 1 share held at RM1.00 per share	500,000
01.09.1999	1,800,000	1.00	Issue of shares for cash at par	2,300,000

## (iii) Major Shareholders

ATIS holds 78.26% effective equity interest in TSIH. Yee Kim Yuen holds a 8.15% direct equity interest in TSIH.

## (iv) Directors

As at the date hereof, the Directors of TSIH and their shareholdings are as follows:

Name	←-----Direct-----→		←-----Indirect-----→	
	No. of ordinary shares of RM1.00 each held	%	No. of ordinary shares of RM1.00 each held	%
Chen Khai Voon	-	-	*1,800,000	78.26
Yee Kim Yuen	187,500	8.15	-	-

*Note:*

\* Deemed interest by virtue of his interest in ATIS pursuant to Section 6A of the Companies Act, 1965.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**(v) Subsidiaries and Associated Companies**

TSIH has three (3) subsidiaries, namely TSSA, AYS and CDA, details of which are disclosed in Sections 9.5.13, 9.5.14 and 9.5.15 of this Prospectus respectively.

As at the date hereof, TSIH does not have any associated companies.

**9.5.13 TSSA****(i) History and Business**

TSSA was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 24 April 1997 under its present name of Thian Soon Hardware (Shah Alam) Sdn Bhd. TSSA is principally involved in the distribution and supply of non-ferrous metal and other industrial hardware products.

As at 17 June 2002, TSSA has a total of 35 employees.

**(ii) Share Capital**

The authorised share capital of TSSA is RM500,000 comprising 500,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital of TSSA is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

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

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Issued and paid-up share capital RM
24.4.1997	2	1.00	Subscribers' shares	2
22.7.1997	49,998	1.00	Issue of shares for cash at par	50,000
30.7.1997	20,000	1.00	Rights issue of 2 new shares for every 5 shares held at RM1.00 per share	70,000
18.4.2001	30,000	1.00	Issue of shares for cash at par	100,000

**(iii) Major Shareholder**

ATIS holds 78.26% effective equity interest in TSSA.

**(iv) Directors**

As at the date hereof, the Directors of TSSA and their shareholdings are as follows:

Name	←-----Direct-----→		←-----Indirect-----→	
	No. of ordinary shares of RM1.00 each held	%	No. of ordinary shares of RM1.00 each held	%
Chen Khai Voon	-	-	100,000	100.00
Yee Kim Yuen	-	-	-	-

**Note:**

\* Deemed interest by virtue of his interest in ATIS pursuant to Section 6A of the Companies Act, 1965.

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

### (v) Subsidiaries and Associated Companies

As at the date hereof, TSSA does not have any subsidiaries or associated companies.

#### 9.5.14 AYS

### (i) History and Business

AYS was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 22 July 1996 under its present name of AYS Industries Hardware Sdn Bhd. AYS is principally involved in the distribution and supply of non-ferrous metal and other industrial hardware products.

As at 17 June 2002, AYS has a total of 15 employees.

### (ii) Share Capital

The authorised share capital of AYS is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital of AYS is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

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

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Issued and paid-up share capital RM
22.7.1996	2	1.00	Subscribers' shares	2
28.4.1997	49,998	1.00	Issue of shares for cash at par	50,000
12.6.1997	50,000	1.00	Issue of shares for cash at par	100,000

### (iii) Major Shareholder

ATIS holds 78.26% effective equity interest in AYS.

### (iv) Directors

As at the date hereof, the Directors of AYS and their shareholdings are as follows:

Name	←-----Direct-----→ No. of ordinary shares of RM1.00 each held		←-----Indirect-----→ No. of ordinary shares of RM1.00 each held	
		%		%
Chen Khai Voon	-	-	*100,000	100.00
Yee Kim Yuen	-	-	-	-

Note:

\* Deemed interest by virtue of his interest in ATIS pursuant to Section 6A of the Companies Act, 1965.

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

### (v) Subsidiaries and Associated Companies

As at the date hereof, AYS does not have any subsidiaries or associated companies.

#### 9.5.15 CDA

### (i) History and Business

CDA was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 23 December 2000 under its present name of Center De Abrasive Sdn Bhd. CDA is principally involved in the distribution and supply of abrasive products.

As at 17 June 2002, CDA has a total of 3 employees.

### (ii) Share Capital

The authorised share capital of CDA is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital of CDA is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

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

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Issued and paid-up share capital RM
23.12.2000	2	1.00	Subscribers' shares	2
25.07.2001	99,998	1.00	Issue of shares for cash at par	100,000

### (iii) Major Shareholder

ATIS holds 62.61% effective equity interest in CDA. Hee Yoon Fah holds a 20% direct equity interest in CDA.

### (iv) Directors

As at the date hereof, the Directors of CDA and their shareholdings are as follows:

Name	←-----Direct-----→ No. of ordinary shares of RM1.00 each held		←-----Indirect-----→ No. of ordinary shares of RM1.00 each held	
		%		%
Chen Khai Voon	-	-	*80,000	80.00
Yee Kim Yuen	-	-	-	-

Note:

\* Deemed interest by virtue of his interest in ATIS pursuant to Section 6A of the Companies Act, 1965.

### (v) Subsidiaries and Associated Companies

As at the date hereof, CDA does not have any subsidiaries or associated companies.



## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

### 9.5.16 WPI

#### (i) History and Business

WPI was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 30 March 1995 under the name of Leadvast Enterprise Sdn Bhd. Its name was changed to Wawasan Plastic Industry Sdn Bhd on 29 June 1995. WPI is principally involved in the manufacturing of plastic injection moulding products from fabrication to injection moulding, sub-assembly and secondary processes such as printing and spraying. Further details are set out in Section 9.4.5 of this Prospectus.

As at 17 June 2002, WPI has a total of 131 employees.

#### (ii) Share Capital

The authorised share capital of WPI is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital of WPI is RM700,000 comprising 700,000 ordinary shares of RM1.00 each.

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

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Issued and paid-up share capital RM
30.03.1995	2	1.00	Subscribers' shares	2
06.06.1995	99,998	1.00	Issue of shares for cash at par	100,000
28.07.1998	600,000	1.00	Bonus issue 6 for 1	700,000

#### (iii) Major Shareholder

ATIS holds 100.00% effective equity interest in WPI.

#### (iv) Directors

As at the date hereof, the Directors of WPI and their shareholdings are as follows:

Name	<-----Direct----->		<-----Indirect----->	
	No. of ordinary shares of RM1.00 each held	%	No. of ordinary shares of RM1.00 each held	%
Chen Khai Voon	-	-	*700,000	100.00
Goh Chong Chuang	-	-	-	-
Ab. Manan bin Ab. Majid	-	-	-	-

**Note:**

\* Deemed interest by virtue of his interest in ATIS pursuant to Section 6A of the Companies Act, 1965.

#### (v) Subsidiaries and Associated Companies

As at the date hereof, WPI does not have any subsidiaries or associated companies.

---

**9. INFORMATION ON THE ATIS GROUP (Cont'd)**


---

**9.5.17 GT****(i) History and Business**

GT was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 3 September 1997 under the name of Genetax Technology Sdn Bhd. Its name was changed to Genetec Technology Sdn Bhd on 9 July 1998. GT is principally involved in the design and manufacture of factory automation equipment and manufacture of high precision tooling, die sets and parts and high precision jigs and fixtures. Further details are set out in Section 9.4.4 of this Prospectus.

As at 17 June 2002, GT has a total of 110 employees.

**(ii) Share Capital**

The authorised share capital of GT is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital of GT is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each.

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

<b>Date of allotment</b>	<b>No. of ordinary shares allotted</b>	<b>Par value RM</b>	<b>Consideration</b>	<b>Issued and paid-up share capital RM</b>
03.09.1997	2	1.00	Subscribers' shares	2
05.01.1998	99,998	1.00	Issue of shares for cash at par	100,000
08.09.2000	900,000	1.00	Bonus Issue 9 for 1	1,000,000

**(iii) Major Shareholder**

ATIS holds 51.00% effective equity interest in GT.

**(iv) Directors**

As at the date hereof, the Directors of GT and their shareholdings are as follows:

<b>Name</b>	<b>&lt;-----Direct-----&gt;</b>		<b>&lt;-----Indirect-----&gt;</b>	
	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>	<b>No. of ordinary shares of RM1.00 each held</b>	<b>%</b>
Chen Khai Voon	-	-	*510,000	51.00
Chin Kem Weng	490,000	49.00	-	-

*Note:*

\* Deemed interest by virtue of his interest in ATIS pursuant to Section 6A of the Companies Act, 1965.

**(v) Subsidiaries and Associated Companies**

Details of GT's sole subsidiary namely GPT, are disclosed in Section 9.5.18 of this Prospectus.

As at the date hereof, GT does not have any associated companies.

---

## 9. INFORMATION ON THE ATIS GROUP (Cont'd)

### 9.5.18 GPT

#### (i) History and Business

GPT was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 28 November 2000 under its present name of Genetec Plastic Technology (M) Sdn Bhd. GPT is principally involved in the design, development and manufacture of customized and standard advance engineering plastic products from mould design, fabrication to injection moulding.

As at 17 June 2002, GPT has a total of 12 employees.

#### (ii) Share Capital

The authorised share capital of GPT is RM500,000 comprising 500,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital of GPT is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

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

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Issued and paid-up share capital RM
28.11.2000	3	1.00	Subscribers' shares	3
07.12.2000	9,997	1.00	Issue of shares for cash at par	10,000
27.08.2001	90,000	1.00	Issue of shares for cash at par	100,000

#### (iii) Major Shareholder

ATIS holds 26.01% effective equity interest in GPT. Ooi Eng Sun holds a 24.5% direct equity interest in GPT.

#### (iv) Directors

As at the date hereof, the Directors of GPT and their shareholdings are as follows:

Name	←-----Direct-----→		←-----Indirect-----→	
	No. of ordinary shares of RM1.00 each held	%	No. of ordinary shares of RM1.00 each held	%
Chen Khai Voon	-	-	<sup>a</sup> 51,000	51.00
Chin Kem Weng	-	-	<sup>b</sup> 51,000	51.00
Yeoh Tay Hean	24,500	24.50	-	-

*Notes:*

<sup>a</sup> Deemed interest by virtue of his interest in ATIS pursuant to Section 6A of the Companies Act, 1965.

<sup>b</sup> Deemed interest by virtue of his interest in GT pursuant to Section 6A of the Companies Act, 1965.

#### (v) Subsidiaries and Associated Companies

As at the date hereof, GPT does not have any subsidiaries or associated companies.