
I. PROSPECTUS SUMMARY

The information set out below is derived from, and should be read in conjunction with, the full text of this Prospectus.

1. BUSINESS

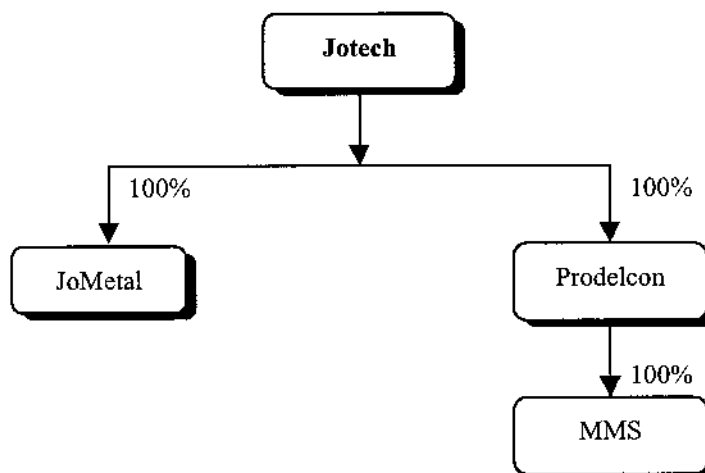
Jotech is an investment holding company while the principal activities of its subsidiaries are as follows:-

Name	Effective equity interest held by Jotech %	Principal activities
JoMetal	100.0	Manufacture and fabrication of tools and dies and stamped metal components for electrical, consumer electronics and automotive industries
Prodelcon	100.0	Manufacture of high precision tooling, die sets, semiconductor moulds and parts and high precision jigs and fixtures and design and manufacture of turnkey automation systems
MMS *	100.0	Design, fabrication and commissioning of automatic handling equipment/systems for electronic and semiconductor industries

* *subsidiary of Prodelcon*

Jotech does not have any associated company as at the date hereof.

The corporate structure of the Jotech Group is as follows:-



I. PROSPECTUS SUMMARY *(Cont'd)*

2. OWNERSHIP AND MANAGEMENT

AIC, a company listed on the Second Board of the KLSE, Liew Cheng York, Ooi Boon Pin, Lim Siok Hui and Chew Siew Hong are promoters and substantial shareholders of Jotech with aggregate shareholdings of 72.44% after the Public Issue and the Offer.

The shareholdings of the promoters and substantial shareholders are as follows:-

Name	%
AIC	34.00
Liew Cheng York	16.79
Ooi Boon Pin	7.97
Lim Siok Hui	7.36
Chew Siew Hong	6.32
	<hr/>
	72.44

The key management team of the Jotech Group is led by Datuk Haji Sarip bin Hamid, Haji Mohd Ali bin Bawal, Liew Cheng York, Ooi Boon Pin, Lim Siok Hui and Chew Siew Hong. The team comprises people with proven capabilities and experience in their respective fields of manufacturing, production, quality control, design, production planning, marketing and human resource management and have contributed significantly to the Jotech Group's success.

3. INVESTMENT CONSIDERATIONS

The following is a summary of the investment considerations (which may not be exhaustive) which applicants for the Issue Shares and the Offer Shares should carefully consider in addition to other information contained elsewhere in this Prospectus before applying for the Issue Shares and the Offer Shares:-

(i) No Prior Market for Jotech Shares

Prior to this Public Issue and Offer, there has been no public market for the Jotech Shares.

(ii) Control by Major Shareholders

Following the Public Issue and the Offer, the major shareholders of Jotech, namely AIC, Liew Cheng York, Ooi Boon Pin, Lim Siok Hui and Chew Siew Hong will collectively hold 72.44% of the enlarged issued and paid-up share capital in the Company. The aforesaid major shareholders acting together may be able to influence the outcome of certain matters requiring the vote of the Company's shareholders.

(iii) Business Risks

The Group is subject to certain risks inherent in the manufacturing of tools and dies, stamped metal parts, high precision tooling and die sets and moulds such as shortages of labour and raw material, increases in costs of labour and raw materials and changes in business and credit conditions.

I. PROSPECTUS SUMMARY (Cont'd)

(iv) **Political and Economic Factors**

The sector in which the Group operates is subject to risk inextricably linked to political vagaries and economic factors. Adverse developments in political and economic environment and uncertainties in Malaysia and other overseas markets which the Group serves or sources its raw materials from could materially and adversely affect the financial performance of the Group.

(v) **Competition**

The Jotech Group faces competition from various competitors.

(vi) **Long Term Contracts**

The Jotech Group does not have any long term contracts with its customers as there are normally no long term contracts in the industries in which the Group operates.

(vii) **Dependence on key personnel**

The Group believes that its continued success depends to a significant extent upon the abilities and continued efforts of its existing Directors and senior management.

(viii) **Forward Looking Statements**

This Prospectus contains forward looking statements that are those other than statements of historical facts. As such, any differences in the expectation of the Group from its actual performance may result in the Group's financial, business performance and plans to be materially different from those anticipated.

4. FINANCIAL HIGHLIGHTS

The following table sets out a summary of the audited consolidated results for the financial period from 24 February 1995 (being date of incorporation) to 31 December 1995 and the audited consolidated results of the Jotech Group for the four financial years ended 31 December 1999. The results should be read in conjunction with the accompanying notes and assumptions included in the Accountants' Report set out in Section XI of this Prospectus.

	24.02.95 to 31.12.95 RM'000	<----- Year ended 31 December -----> 1996 RM'000	1997 RM'000	1998 RM'000	1999 RM'000
Turnover	52,893	58,097	65,353	77,385	90,499
Profit before taxation	3,855	5,023	8,615	6,608	9,187
Taxation	(1,428)	(1,251)	(2,067)	(910)	411
Profit after taxation	2,427	3,772	6,548	5,698	9,598
Number of ordinary shares of RM1.00 each assumed in issue ('000)	*378	*1,383	9,716	9,716	9,716
Gross EPS (RM)	# 12.20	3.63	0.88	0.68	0.95
Net EPS (RM)	# 7.70	2.72	0.67	0.58	0.99
Gross dividend rate (%)	-	225.58	-	-	-
Tax exempt dividend rate (%)	-	124.41	-	-	30.88

* *Weighted average*

Annualised

I. PROSPECTUS SUMMARY *(Cont'd)*

Notes:-

- (a) *The increase in turnover for the financial period/years ended 31 December 1995, 1996, 1997, 1998 and 1999 was mainly due to new customers being secured and increased orders from existing customers.*
- (b) *The increase in profit before taxation for the financial years ended 31 December 1996 and 1997 were due to increase in turnover and increase in production of products with higher gross profit margin.*
- (c) *The decrease in profit before taxation despite the increase in turnover for the financial year ended 31 December 1998 was mainly due to higher depreciation and interest expenses.*
- (d) *The effective tax rates for the financial years ended 31 December 1996, 1997 and 1998 were lower than the statutory tax rates due to utilisation of reinvestment allowances.*
- (e) *The increase in profit before taxation for the financial year ended 31 December 1999 was mainly due to increase in demand for Jotech's products in line with the recovery of the Asian economy and the electronics industry.*
- (f) *The audited consolidated results for the financial period ended 31 December 1995 have been adjusted after taking into account the restatement of results as a result of a change in accounting policy from the acquisition method of consolidation accounting to the merger method in accordance with Malaysian Accounting Standard No. 2, with effect from 1 January 1996. As such, the results for the period ended 31 December 1995 in relation to the acquisition of JoMetal by Jotech has been restated. Accordingly, a prior year adjustment was made in the accounts of Jotech for the financial year ended 31 December 1996.*
- (g) *There were no exceptional or extraordinary items for the financial period/years under review.*

5. BASIS OF ARRIVING AT THE ISSUE/OFFER PRICE

The Issue/Offer price of RM2.10 per Issue/Offer Share was determined and agreed upon by the Company and CIMB, as Adviser and Managing Underwriter, after taking into consideration the following factors:-

- (i) the Group's financial and operating history and conditions as outlined in Sections IX, X and XI of this Prospectus;
- (ii) the prospects of the Group, the fabricated metal products industry, the electronic and electrical products industry and the semiconductor industry as outlined in Section V of this Prospectus;
- (iii) the forecast net PE Multiples of 8.08 times and 9.35 times based on the forecast net EPS of 26.00 sen and 22.46 sen computed using the weighted average number of shares in issue during the financial year ending 31 December 2000 comprising 34,554,185 Jotech Shares and the enlarged issued share capital of 40,000,000 Jotech Shares respectively;
- (iv) the proforma Group NTA per share of RM1.20 as at 31 December 1999; and
- (v) the forecast dividend yield of 2.38%.

I. PROSPECTUS SUMMARY (Cont'd)

6. PRINCIPAL STATISTICS RELATING TO THE PUBLIC ISSUE AND OFFER**(i) Share Capital***Authorised*

100,000,000 ordinary shares of RM1.00 each RM100,000,000

Issued and fully paid-up as at the date of this Prospectus

34,000,000 ordinary shares of RM1.00 each RM34,000,000

To be issued pursuant to the Public Issue

6,000,000 new ordinary shares of RM1.00 each RM6,000,000

RM40,000,000

To be offered pursuant to the Offer

1,120,000 ordinary shares of RM1.00 each RM1,120,000

(ii) Issue/Offer Price For Each Issue/Offer Share

RM2.10

(iii) Proforma Group NTA As At 31 December 1999

Proforma Group NTA RM48,159,000
(after adjusting for the restructuring exercise as detailed in
Section IX of this Prospectus and deducting estimated listing
expenses of RM1,100,000)

Proforma Group NTA per share RM1.20
(based on the enlarged share capital of 40,000,000 Jotech
Shares)

(iv) Consolidated Profit Forecast For The Financial Year Ending 31 December 2000

RM'000

Consolidated profit before taxation 11,184

Taxation (2,199)

Consolidated profit after taxation 8,985

Based on the weighted average number of ordinary shares in issue

Gross EPS based on the consolidated profit before taxation ^(a) 32.37 sen

Net EPS based on the consolidated profit after taxation ^(a) 26.00 sen

Gross PE multiple ^(c) 6.49 times

Net PE multiple ^(c) 8.08 times

I. PROSPECTUS SUMMARY (Cont'd)

Based on the enlarged number of ordinary shares in issue

Gross EPS based on the consolidated profit before taxation	^(b) 27.96 sen
Net EPS based on the consolidated profit after taxation	^(b) 22.46 sen
Gross PE multiple	^(c) 7.51 times
Net PE multiple	^(c) 9.35 times

Notes:-

- (a) Based on the weighted average number of shares in issue during the financial year comprising 34,554,185 Jotech Shares.*
- (b) Based on the enlarged issued and paid-up share capital of RM40,000,000 comprising 40,000,000 Jotech Shares.*
- (c) Based on the Issue/Offer price of RM2.10 per Issue Share/Offer Share.*

(v) Forecast Dividend For The Financial Year Ending 31 December 2000

Tax-exempt dividend per share (sen) ^(a)	5.0
Dividend yield (%) ^(b)	2.38
Dividend cover (times)	4.49

Notes:-

- (a) Based on the enlarged issued and paid-up share capital of RM40,000,000 comprising 40,000,000 Jotech Shares.*
- (b) Based on the Issue/Offer price of RM2.10 per Issue Share/Offer Share.*

II. CORPORATE INFORMATION

DIRECTORS

Name	Address	Occupation	Nationality
Datuk Haji Sarip bin Hamid <i>(Executive Chairman)</i>	3, Jalan Intan 7/1H Section 7 40000 Shah Alam Selangor Darul Ehsan	Executive Chairman	Malaysian
Haji Mohd. Ali bin Bawal <i>(Executive Director)</i>	71, Jalan Gasing 46000 Petaling Jaya Selangor Darul Ehsan	Director	Malaysian
Liew Cheng York <i>(Executive Director)</i>	52, Jalan Kekabu 6 Taman Desa Cemerlang 81800 Ulu Tiram Johor Darul Takzim	Director	Malaysian
Ooi Boon Pin <i>(Executive Director)</i>	19-10-2 Lavinia Apartment Jalan Bukit Kecil Satu 11900 Bayan Lepas Penang	Director	Malaysian
Lim Siok Hui <i>(Executive Director)</i>	97 # 03-05 Cashew Road Singapore 679668	Director	Singaporean
Chew Siew Hong <i>(Executive Director)</i>	97-2-8 Mercury University Heights Jalan Sungai Dua 11700 Gelugor Penang	Director	Malaysian
Haji Rahim bin Kassim <i>(Non-Executive Director)</i>	1938, Jalan G1 Taman Melawati 53100 Kuala Lumpur	Director	Malaysian
Ashari bin Ayub <i>(Independent Non-Executive Director)</i>	15, Jalan Burhanuddin Helmi Taman Tun Dr. Ismail 60000 Kuala Lumpur	Director	Malaysian
Lasa bin Mat Desa <i>(Independent Non-Executive Director)</i>	3, Lorong Biru Taman Pelangi 80400 Johor Bahru	Director	Malaysian

AUDIT COMMITTEE

Name	Responsibility	Directorship
Ashari bin Ayub	Chairman of the Committee	Independent Non-Executive Director
Ooi Boon Pin	Member of the Committee	Executive Director
Lasa bin Mat Desa	Member of the Committee	Independent Non-Executive Director

II. CORPORATE INFORMATION (Cont'd)

COMPANY SECRETARIES	<p>Lim Pooi Kee (MIA 2759) 8-3-4 Tivoli Villa Jalan Medang Tanduk Bukit Bandaraya 59100 Kuala Lumpur</p> <p>Ng Yim Kong (LS 00198) 97, Jalan USJ 2/4R UEP Subang Jaya 47600 Subang Jaya Selangor Darul Ehsan</p>
REGISTERED OFFICE	<p>Lot 3, Persiaran Kemajuan Seksyen 16 40200 Shah Alam Selangor Darul Ehsan</p>
PRINCIPAL BANKERS	<p>Bumiputra-Commerce Bank Berhad <i>(formerly known as Bank of Commerce (M) Berhad)</i> 51, Jalan Segget 80000 Johor Bahru Johor Darul Takzim</p> <p>Overseas Union Bank (M) Berhad 408/410 Jalan Pudu 55100 Kuala Lumpur</p> <p>Bank Industri & Teknologi Malaysia Berhad <i>(formerly known as Bank Industri Malaysia Berhad)</i> Level 17, Bangunan Bank Industri Jalan Sultan Ismail 50724 Kuala Lumpur</p>
AUDITORS & REPORTING ACCOUNTANTS	<p>KPMG Public Accountants Wisma KPMG, Jalan Dungun Damansara Heights 50490 Kuala Lumpur</p>
SOLICITORS	<p>Lee Choon Wan & Co. Advocates & Solicitors 12, Lorong Dungun Damansara Heights 50490 Kuala Lumpur</p>

II. CORPORATE INFORMATION (Cont'd)

REGISTRAR	Signet & Co. Sdn. Bhd. 11th Floor, Tower Block Kompleks Antarabangsa Jalan Sultan Ismail 50250 Kuala Lumpur
ISSUING HOUSE	Malaysian Issuing House Sdn. Bhd. 27th Floor, Menara Multi Purpose Capital Square 8, Jalan Munshi Abdullah, 50100 Kuala Lumpur
ADVISER AND MANAGING UNDERWRITER	Commerce International Merchant Bankers Berhad 8th Floor, Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur
UNDERWRITERS	Commerce International Merchant Bankers Berhad 8th Floor, Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur CIMB Securities Sdn. Bhd. 9th Floor, Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur Bank Islam Malaysia Berhad Tingkat 7, Darul Takaful, Jalan Sultan Ismail Peti Surat 11080 50734 Kuala Lumpur Kuala Lumpur City Securities Sdn. Bhd. 3.07 Level 3 Bangunan Angkasaraya Jalan Ampang 50450 Kuala Lumpur Hwang-DBS Securities Berhad Level 2,3,4,7 & 8, Wisma Sri Pinang 60 Green Hall 10200 Penang
LISTING SOUGHT	Second Board of the KLSE

III. INTRODUCTION

This Prospectus is dated 26 June 2000.

A copy of this Prospectus has been lodged with and registered by the Registrar of Companies, Malaysia who takes no responsibility for its contents.

The approval of the SC shall not be taken to indicate that the SC recommends the Public Issue and the Offer. Investors should rely on their own evaluation to assess the merits and risks of any investment.

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991 and Section 39(1)(j) of the Companies Act, 1965, the KLSE has prescribed Jotech as a Prescribed CDS Security. In consequence thereof, the Shares issued and offered through this Prospectus will be deposited directly with MCD and any dealings in these shares will be carried out in accordance with the aforesaid Acts and the Rules of MCD.

Approval-in-principle from the KLSE has been obtained on 20 June 2000 for admission to the Official List of the Second Board of the KLSE and permission to deal in and quotation for the entire issued and fully paid-up ordinary share capital of Jotech, including the Jotech Shares which are the subject of the Public Issue and the Offer, details of which are contained in this Prospectus, on the Second Board of the KLSE. These ordinary shares will be admitted to the Official List of the Second Board of the KLSE and official quotation will commence after receipt of confirmation from MCD that all CDS accounts of the successful applicants have been duly credited and notices of allotment/allocation have been dispatched to all successful applicants.

Pursuant to the SC's Policies and Guidelines on Issue/Offer of Securities, the Company is required to have at least 25% of its issued and paid-up share capital at the time of listing in the hands of public shareholders and a minimum number of 750 public shareholders holding not less than 1,000 shares each of which at least 500 shareholders are members of the public who are not employees of the Company and its subsidiaries. In the event that the above requirement is not met, the Company may not be allowed to proceed with its listing plan.

The SC and the KLSE assume no responsibility for the correctness of any statements made or opinions or reports expressed in this Prospectus. Admission to the Official List of the Second Board of the KLSE is not to be taken as an indication of the merits of Jotech or of its ordinary shares.

An applicant should state his CDS account number in the space provided in the Application Form if he presently has such an account and he should then not enter the preferred ADA Code. Where an applicant does not presently have a CDS Account, he should state in the Application Form his preferred ADA Code. In the case of an application by way of Electronic Share Application, only an applicant who is an individual with a CDS account is eligible to use this facility. A corporation or institution can not apply for the Issue Shares/Offer Shares by way of Electronic Share Application.

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

The distribution of this Prospectus and the offer or sale of any part of the Issue Shares and Offer Shares in certain other jurisdictions may be restricted by law. Persons into whose possession this Prospectus may come are required to inform themselves of and to observe such restrictions.

This Prospectus does not constitute and may not be used for the purpose of an offer to sell or an invitation of an offer to buy any Issue Shares and Offer Shares in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

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

IV. INVESTMENT CONSIDERATIONS

Applicants for the Issue Shares and the Offer Shares should carefully consider the following (which may not be exhaustive) in addition to the other information contained elsewhere in this Prospectus, before applying for the Issue Shares and Offer Shares:-

1. NO PRIOR MARKET FOR JOTECH SHARES

Prior to this Public Issue and Offer, there has been no public market for Jotech Shares. There can be no assurance that an active market for Jotech Shares will develop upon listing on the Second Board of the KLSE or, if developed, that such market will be sustained. The Issue/Offer Price of RM2.10 has been determined after taking into consideration a number of factors including, but not limited to, the Group's financial and operating history and conditions, its prospects and the prospects for the industries in which the Group operates, the management of the Group and the market prices for shares of companies engaged in businesses comparable to those of the Group. There can be no assurance that the Issue/Offer Price will correspond to the price at which Jotech Shares will trade on the Second Board of the KLSE upon or subsequent to listing or that an active market for Jotech Shares will develop and continue upon or subsequent to listing.

2. CONTROL BY MAJOR SHAREHOLDERS

Following the Public Issue and Offer, the major shareholders of Jotech, namely AIC, Liew Cheng York, Ooi Boon Pin, Lim Siok Hui and Chew Siew Hong will collectively hold 72.44% of the enlarged issued and paid-up share capital of the Company. The aforesaid major shareholders acting together may be able to influence the outcome of certain matters requiring the vote of the Company's shareholders.

Jotech is an associated company of AIC, a company listed on the Second Board of the KLSE as at the date hereof. AIC and its subsidiaries ("AIC Group") are principally involved in the assembly and testing of integrated circuits, information technology, plastic injection and moulding and distribution of electronic and semiconductor components. Therefore, the relationship between the Jotech Group and other companies within the AIC Group does not give rise to any intra-group competition or conflict of interest situation.

3. BUSINESS RISKS

The Jotech Group is subject to certain risks inherent in the manufacturing of tools and dies, stamped metal parts, high precision tooling and die sets and moulds such as shortages of labour and raw material, increases in costs of labour and raw materials and changes in business and credit conditions.

Although the Group constantly strives to mitigate these risks through, inter-alia, semi and fully automated operations, research and development, sourcing from a large number of suppliers for its raw materials and training and retaining of skilled labour, no assurance can be given that any change in these factors will not have a material adverse effect on the Group's business.

4. POLITICAL AND ECONOMIC FACTORS

Adverse developments in political and economic conditions in Malaysia and other countries where the Group markets its products or sources its raw materials from could materially and adversely affect the financial performance of the Group. These include risks of war, global economic downturn and unfavourable change in government policy such as introduction of new regulations.

IV. INVESTMENT CONSIDERATIONS (Cont'd)

5. COMPETITION

The Jotech Group faces competition from local and overseas competitors from Korea, Japan, Singapore, Indonesia and China. Among the local competitors are Seksun Technology (Johor) Sdn. Bhd., C.S. Metal Industries Sdn. Bhd., Kris Components Berhad, Rapid Synergy Berhad, THB Industries Berhad and Towa-M Sdn. Bhd. while the foreign competitors include Amtek Engineering Ltd., Singapore Shinet Sangyo Pte. Ltd. and Cheong Fatt Metal Ltd..

The Jotech Group is confident of its ability in facing the competition as it has the technical expertise and know-how and the track record of meeting the stringent requirements of its quality conscious customers. However, there can be no assurance that the Group will be able to compete successfully.

Note:- Given the size and diversity of the industries in which the Group operates, independent published industry statistics pertaining to the market share of the Jotech Group are not available.

6. LONG TERM CONTRACTS

The Group does not have any long term contracts with its customers as there are normally no long term contracts in the industries in which the Group operates.

Customers normally give their requirements and specifications with a notice period ranging from 1 week to 3 months depending on the complexity of the specifications. Customers also place blanket orders where orders are placed in high volume and products are delivered over a period of time as and when the customers require.

Despite the absence of long term contracts with its customers, the Group is confident of achieving further growth as Prodelcon and JoMetal, with their reputation for quality and proven capability and the required business network and contacts, have earned the confidence and recognition of the MNC customers.

7. DEPENDENCE ON KEY PERSONNEL

The Company believes that its continued success will depend to a significant extent upon the abilities and continued efforts of its existing Directors and senior management. The loss of any of the Company's Directors or key members of the senior management could adversely affect the Group's ability to maintain its competitive edge. However, every effort is presently made to groom younger members of the management team to play key roles in the Group's business operations.

8. FORWARD LOOKING STATEMENTS

This Prospectus contains forward looking statements that is those other than statements of historical facts. Although the Group believes that the expectations reflected in such future statements are reasonable at this time, there can be no assurance that such expectations will prove to be correct. Any differences in the expectation of the Group from its actual performance may result in the Group's financial and business performance and plans to be materially different from those anticipated.

V. SECTORAL ASSESSMENT AND FUTURE PROSPECTS

The Jotech Group is principally involved in the manufacture and fabrication of metal components such as bottom chassis, bracket, heat sink, side panel, casing and shield for electrical and electronic hardware and the manufacture of high precision tooling, die sets, semiconductor moulds and parts and high precision jigs and fixtures. The prospects of the Jotech Group, to a large extent, will be dependent on the manufacturing sector and in particular the fabricated metal products industry and the electronic and electrical products and semiconductor industries.

1. THE MALAYSIAN ECONOMY

1999 saw the Malaysian economy charting positive growth and recovering from the severe deflationary impact of the regional financial crisis which had resulted in a 7.5% contraction of the economy in 1998. The turnaround in real gross domestic product ("GDP") growth in 1999 was accompanied by a further strengthening of the balance of payments position as well as lower rate of inflation. Boosted by stronger volume of exports which continued to outpace imports, a surplus of RM42 billion representing 15% of Gross National Product ("GNP") for the current account of the balance of payments is estimated, as compared to a surplus of RM36.8 billion or 13.7% of GNP in 1998.

The improved economic condition is reflected by the significant moderation in contraction in real GDP to 1.3% in the first quarter of 1999. In the second quarter, GDP growth was at 4.1%, the first quarter of GDP growth recorded since the economic crisis. This is attributed to the strong performance of the manufacturing sector which grew by 10.4% in the second quarter of 1999.

The Malaysian economy recorded another strong expansion of 11.7% in the first quarter of 2000, the second successive double-digit increase since the onset of the financial crisis in July 1997.

(Source: Press Release by Bank Negara Malaysia on 24 May 2000, The Malaysian Economic Report 1999/2000)

2. THE MANUFACTURING SECTOR

The manufacturing sector registered an average growth of 11.9% in the first 11 months of 1999 against a 13.7% contraction in 1998, reflecting a strong level of investments in Malaysia. There was still strong interest in investments despite a 25.8% drop in 1999 due to the lower number of applications received in the capital intensive category. On the whole, the performance of the manufacturing sector in terms of applications received and approved has been encouraging in 1999. The strong rebound in the manufacturing sector in 1999 was mainly attributed to the double digit growth achieved in most of the industrial subsectors. These included the transport industry such as motor vehicle assembly, and manufacturing of electronics, chemical and chemical products, food and basic metals. Exports of manufactured goods also increased to RM237 billion in the first 11 months of 1999 compared with RM232.8 billion for the whole of 1998. Manufactured goods accounted for 82.5% of the total merchandise exports.

The manufacturing sector will remain as Malaysia's key engine of growth in 2000, accounting for some 30.5% of the country's GDP. This is based on strong manufacturing sales, which soared by 30.8%, the highest ever year-on-year increase to RM23.8 billion in November 1999 from RM18.2 billion in November 1998. The figures achieved in November 1999 were the eight consecutive month of double-digit percentage growth since April 1999. The manufacturing sector also increased some 15.1% in the first 11 months of 1999 over the same period in 1998.

V. SECTORAL ASSESSMENT AND FUTURE PROSPECTS *(Cont'd)*

The manufacturing sector has registered a growth of 27% in the first quarter of 2000 as compared to first quarter of 1999 coupled with the manufacturing production index which marked a new record level, driven mainly by strong global demand for electronic and telecommunication products.

(Source: The Star, 21 January 2000 and 26 January 2000, Press Release by Bank Negara Malaysia on 24 May 2000)

3. THE FABRICATED METAL PRODUCTS INDUSTRY

In 1999, the fabricated metal products industry continued to suffer from the full impact of the financial crisis as output contracted by 17.1% for the period from January to August 1999 as compared to a contraction of 9.6% for the period from January to August 1998. The decline was partly due to a sudden contraction of external demand of structural metal products although sluggish domestic demand for other products such as tin cans and metal boxes, as well as brass, copper, pewter and aluminium products also affected the fabricated metal products industry.

(Source : Malaysian Economic Report 1999/2000)

The fabricated metal products industry, which has been identified to be included in the Malaysian Industrial Master Plan, is expected to greatly benefit from the development plans of the country. With the projected positive growth of the country's GDP and the Government's emphasis on industrialisation and increased levels of modernisation, the prospects of the fabricated metal products industry, which is a sub-sector of the manufacturing sector, is expected to be positive.

4. THE ELECTRICAL AND ELECTRONIC PRODUCTS INDUSTRY

The electrical and electronic products industry took the lead in 1999, seeing the highest number of projects and investments approved. The Malaysian Industrial Development Authority reported that investments in the industry last year rose significantly to RM7 billion from RM2.41 billion in 1998. This was achieved despite the fact that the industry received fewer approved projects totalling 174 compared to 194 in 1998. The significant increase in investments was mainly due to approvals given to several capital-intensive and high-tech expansion/diversification projects. Investments in expansion/diversification projects amounted to RM6.36 billion, of which 86.6% or RM5.512 billion was credited to foreign investment and 13.4% or RM851.4 million to domestic investment.

Electrical and electronic products dominate Malaysian exports, accounting for more than half of Malaysian exports and its share is getting progressively bigger. In the first 10 months of 1999, electrical and electronic products comprised 57.7% of total exports, an increase from the 52.8% share recorded in the same period the previous year. Malaysia was clearly a major beneficiary of the recent worldwide rise in demand for semiconductors.

The electrical and electronic products industry continued to be the backbone of the economic growth of the Malaysian Economy. While electronics which accounted for 18.2% of the country's export continues to lead export growth, electrical products which accounted for 34.5% of the country's export has also played an important role toward export growth.

(Source: The Star, 26 January 2000 and 10 February 2000, Press Release by Bank Negara Malaysia on 24 May 2000)

5. THE SEMICONDUCTOR INDUSTRY

The Semiconductor Industry Association ("SIA") reported that worldwide semiconductor sales surged to US\$14.7 billion in December 1999, with year-end industry sales totalling US\$149 billion, up 18.9% from 1998. Led by strong seasonal demand for communication products and personal computers, sales of microprocessors grew by 9.8% in 1999, totalling US\$27.2 billion. Across the board, growth was witnessed in all markets and product demand was strong in all regions of the world. Sales were strong for flash memory, chipsets and DRAM due to demand for internet infrastructure, e-commerce and wired and wireless communications. Sales of flash memory increased by 83% in 1999, primarily driven by wireless communications and totalled US\$4.6 billion. DRAM increased by 48% in 1999 due to strong personal computer ("PC") and server demand and totalled US\$20.7 billion. The 1999 SIA industry forecast expects more than 20% growth in 2000 and 2001, with connectivity applications such as cellular phones and the internet continuing to see robust growth. Cellular phone sales are projected to grow from over 200 million units in 1999 to over a billion by 2003. Devices connected to the internet (PCs, information appliances and Internet-enabled cell phones) are expected to grow from some 200 million units in 1999 to over 700 million in 2003. E-commerce (both business-to-consumer and business-to-business) will contribute to both of these trends, growing from US\$50 billion in 1998 to US\$1.3 trillion in 2003.

A strong rebound in 1999 was witnessed in the Asia Pacific market and Japan is finally showing signs of recovery from an eight-year recession. In 1999, the Japan and Asia Pacific markets grew at 26.7% and 28.9% respectively from 1998. Japan is the third largest of the markets by region, accounting for 22% of the world's consumption of semiconductors. Asia Pacific, recovering from the economic crisis of 1997, will resume its role as the fastest growing market for semiconductors, and is the world's second largest market for semiconductors, accounting for 25% of the world's consumption. The rapidly expanding economy in the Asia Pacific market, especially in China, and the telecom revolution are impelling growth in this region.

(Source: SIA Press Release dated 2 February 2000)

Malaysia's emphasis on education through the Internet, the use of e-commerce and the development of the Multimedia Super Corridor is expected to enable the country to develop as a regional education and information technology centre. This is expected to augur well for the semiconductor industry as demand for computers will rise to meet the Government's objectives of embracing e-commerce and information technology in, amongst others, the education, business and industrial sectors.

6. FUTURE PROSPECTS OF THE JOTECH GROUP

Malaysian economy recorded strong expansion of 11.7% in the first quarter of 2000, driven by the rebound in the manufacturing sector which registered a growth of 27% in the same period. This will have positive impact on the Jotech Group. In addition, according to the SIA, worldwide sales of semiconductors reached an all-time monthly high of US\$14.96 billion in March 2000, a 33% year-to-year increase. The World Semiconductor Trade Statistics (WSTS) group, a group of 68 semiconductor chipmakers around the world, released a forecast in May 2000 that sales will reach US\$195 billion in 2000 and continue to grow at least until 2003, fuelled by demand for mobile phones and internet and digital appliances. With the excellent positive outlook, the Asia Pacific market is predicted to resume its role as the world's fastest growing market for semiconductors and is the world's second largest market for semiconductors, accounting for 25% of the world's consumption. In tandem with those positive notes, the Jotech Group will certainly ride with the bright prospects for the manufacturing sector, the fabricated metal products industry, the electrical and electronic product industry and the semiconductor industry.

(Sources: Bank Negara Annual Report 1999, The Edge, 5 June 2000-11 June 2000, Bank Negara Malaysia Press Release on economic and financial developments in the Malaysian Economy in the First Quarter of 2000)

VI. PARTICULARS OF THE PUBLIC ISSUE AND OFFER

1. SHARE CAPITAL

	RM
<i>Authorised</i>	
100,000,000 ordinary shares of RM1.00 each	100,000,000
<i>Issued and fully paid-up as at the date of this Prospectus</i>	
34,000,000 ordinary shares of RM1.00 each	34,000,000
<i>To be issued pursuant to the Public Issue</i>	
6,000,000 new ordinary shares of RM1.00 each	6,000,000
	<u>40,000,000</u>
<i>To be offered pursuant to the Offer</i>	
1,120,000 ordinary shares of RM1.00 each	<u>1,120,000</u>

The Issue/Offer Price of RM2.10 for each Issue Share/Offer Share is payable in full on application.

There is only one class of shares in the Company, namely ordinary shares of RM1.00 each. The Issue Shares and Offer Shares will rank pari passu in all respects with the other existing issued and paid-up ordinary shares in the Company including voting rights and will be entitled to all rights and dividends and distribution that may be declared after the issuance of the said Issue Shares.

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

Subject to any special rights attaching to any shares that may be issued by the Company in the future, the holders of Jotech Shares shall, in proportion to the amount paid-up on the Jotech Shares held by them, be entitled to share in the whole of the profits paid out by the Company as dividends and other distributions and the whole of any surplus in the event of liquidation of the Company in accordance with the Articles of Association of the Company.

2. DETAILS OF THE PUBLIC ISSUE AND OFFER

The Public Issue and the Offer are subject to the terms and conditions of this Prospectus and, upon acceptance, the Issue Shares and Offer Shares will be allotted/allocated in the following manner:-

- (i) 2,000,000 Issue Shares will be reserved for eligible Directors, employees and business associates of the Jotech Group;
- (ii) 4,000,000 Issue Shares will be made available for application by Malaysian citizens, companies, societies, co-operatives and institutions, of which at least 30% is to be set aside strictly for Bumiputera individuals, companies, societies, co-operatives and institutions; and
- (iii) 1,120,000 Offer Shares will be offered to Bumiputera investors approved by MITI.

VI. PARTICULARS OF THE PUBLIC ISSUE AND OFFER (Cont'd)

The 2,000,000 Issue Shares in paragraph (i) above and the 1,120,000 Offer Shares in paragraph (iii) above are not required to be underwritten. The Issue Shares in paragraph (ii) above have been underwritten at an underwriting commission of 1.25% of the Issue/Offer Price.

Any Issue Shares in respect of paragraph (i) above which are not applied for by the eligible Directors and employees and business associates of the Jotech Group will be made available for application by Malaysian citizens, companies, societies, co-operatives and institutions. Arrangements for underwriting of these shares if any, has been made for an underwriting commission of 1.25% of the Issue Price.

3. OPENING AND CLOSING OF APPLICATION LISTS

The Application Lists will open at 10.00 a.m. on 10 July 2000 and will remain open until 8.00 p.m. on the same day or for such further period or periods as the Directors of the Company in their absolute discretion may decide.

4. BASIS OF ARRIVING AT THE ISSUE/OFFER PRICE

The Issue/Offer price of RM2.10 per Issue/Offer Share was determined and agreed upon by the Company and CIMB, as Adviser and Managing Underwriter, after taking into consideration the following factors:-

- (i) the Group's financial and operating history and conditions as outlined in Sections IX, X and XI of this Prospectus;
- (ii) the prospects of the Group, the fabricated metal products industry, the electronic and electrical products industry and the semiconductor industry, as outlined in Section V of this Prospectus;
- (iii) the forecast net PE Multiples of 8.08 times and 9.35 times based on the forecast net EPS of 26.00 sen and 22.46 sen computed using the weighted average number of shares in issue during the financial year ending 31 December 2000 comprising 34,554,185 Jotech Shares and the enlarged issued share capital of 40,000,000 Jotech Shares respectively;
- (iv) the proforma Group NTA per share of RM1.20 as at 31 December 1999; and
- (v) the forecast dividend yield of 2.38%.

5. PURPOSES OF THE PUBLIC ISSUE AND OFFER

The purposes of the Public Issue and the Offer are as follows:-

- (i) To provide an opportunity for the Bumiputera investors, Malaysian public and eligible Directors, employees and business associates of the Jotech Group to participate in the continuing growth of the Jotech Group;
- (ii) To enable Jotech to gain access to the capital market to tap external sources of borrowings and equity funds for the future expansion and continued growth of the Group;
- (iii) To enhance the image of the Jotech Group and of the Group's products; and
- (iv) To obtain a listing of and quotation for the entire issued and paid-up share capital of Jotech on the Second Board of the KLSE.

VI. PARTICULARS OF THE PUBLIC ISSUE AND OFFER (Cont'd)

6. PROCEEDS FROM THE RIGHTS ISSUE, PUBLIC ISSUE AND OFFER

The gross proceeds of RM16.847 million from the Rights Issue and Public Issue shall accrue entirely to the Company and will be utilised in the following manner:-

	RM'000
Purchase of machinery and equipment (<i>Note (i)</i>)	7,358
Repayment of bank borrowings (<i>Note (ii)</i>)	6,105
Working capital	2,284
Estimated Listing expenses	1,100
	<hr/> 16,847 <hr/>

No part of the proceeds of the Offer is receivable by Jotech. The gross proceeds of the Offer of RM2,352,000 will accrue entirely to the Offerors. The Offerors shall bear all the expenses such as brokerage, registration and share transfer fees, if any, relating to the Offer Shares estimated at RM25,000.

Notes:-

- (i) RM7,358,000 of the proceeds from the Rights Issue and Public Issue will be used to partly finance the purchase of machinery and equipment for the Jotech Group, as listed below:-

Type	Function	Usage
CNC Machining Centres	Milling	Computer aided machine to cut and remove unnecessary material from the ferrous and non-ferrous workpiece and shape it into the required dimension.
CNC EDM/Wire EDM Machines	EDM/WireCut	Machines that produce electric arc which burn and melt material to required profile onto a workpiece.
Precision Surface Grinding Machine	Grinding	To perform surface finishing with tight tolerances. It is capable of squaring, shaping, slotting and polishing.
CMM	Quality Control	To inspect parts with complicated profile with a probe in three dimension.
Power Press Machines	Production	For metal stamping process.

Notes:-

- "CNC" - Computer Numerical Control
"EDM" - Electric Discharge Machining
"CMM" - Coordinate Measuring Machine

- (ii) The total borrowings of the Jotech Group as at 15 June 2000 is RM7,702,846. Based on the assumed interest rate of 8.3% p.a., the estimated interest savings to the Jotech Group arising from the repayment of bank borrowings is approximately RM169,000 for the financial year ending 31 December 2000.

VI. PARTICULARS OF THE PUBLIC ISSUE AND OFFER (Cont'd)

7. BROKERAGE AND UNDERWRITING COMMISSION

Brokerage is payable by the Company and the Offerors in respect of the Issue Shares and Offer Shares at the rate of 1.0% of the Issue/Offer price of RM2.10 per Issue/Offer Share in respect of successful applications which bear the stamps of CIMB, member companies of the KLSE, members of the Association of Banks in Malaysia, members of the Association of Merchant Banks in Malaysia or MIH and in respect of successful Electronic Share Applications made through ATM of Participating Financial Institutions and their branches as set out in Section XIV(5) of this Prospectus.

The Underwriters as mentioned in Section II of this Prospectus have agreed to underwrite the 4,000,000 Issue Shares which are available for application by the Malaysian citizens, companies, societies, co-operative and institutions at an underwriting commission of 1.25%.

Any Issue Shares reserved for application by the eligible Directors, employees and business associates of the Jotech Group which are not applied for, will be made available for application by Malaysian citizens, companies, societies, co-operatives and institutions. Arrangement for underwriting of these shares, if any, has been made for an underwriting commission of 1.25% of the Issue Price.

The Offer Shares offered to Bumiputra investors approved by MITI are not underwritten.

VII. INFORMATION ON THE OFFERORS

The following shareholders of Jotech will offer for sale 1,120,000 Jotech Shares to Bumiputera investors approved by the MITI:-

Shareholders	Shareholding before the Offer <----- but after Public Issue ----->		<---- Shares to be offered for sale ---->	
	No. of shares	% of the enlarged issued and fully paid-up share capital before the Offer but after the Public Issue	No. of shares	% of the enlarged issued and fully paid-up share capital before the Offer but after the Public Issue
Liew Cheng York	7,061,551 #	17.65	344,286	0.86
Ooi Boon Pin	3,410,001 #	8.53	224,000	0.56
Lim Siok Hui	3,158,456 #	7.90	215,714	0.54
Chew Siew Hong	2,729,999 #	6.82	201,600	0.51
Goh Hong Lim	1,062,499	2.66	79,800	0.20
Ong Nai Pew	1,020,003	2.55	33,600	0.08
Chen Shun Ching @ Hoo Chen Shun Ching	170,001	0.42	21,000	0.05
	18,612,510	46.53	1,120,000	2.80

Include allocation of 10,000 Jotech Shares to eligible Directors.

Relevant details of the Offerors are as follows:-

Name	Address	Nationality
Liew Cheng York	52, Jalan Kekabu 6 Taman Desa Cemerlang 81800 Ulu Tiram Johor Darul Takzim	Malaysian
Ooi Boon Pin	19-10-2 Lavinia Apartment Jalan Bukit Kecil Satu 11900 Bayan Lepas Penang	Malaysian
Lim Siok Hui	97 # 03-05 Cashew Road Singapore 679668	Singaporean
Chew Siew Hong	97-2-8 Mercury University Heights Jalan Sungai Dua 11700 Gelugor Penang	Malaysian
Goh Hong Lim	31, Jalan Tanjung Bungah 11200 Penang	Malaysian
Ong Nai Pew	15, Frankel Street Singapore 458056	Singaporean
Chen Shun Ching @ Hoo Chen Shun Ching	1, Changkat Minden, Jalan 16 Minden Heights 11700 Penang	Malaysian

VIII. MORATORIUM ON SHARES

The SC, in approving the listing of Jotech, stated that a moratorium shall be placed on the disposal of shares by substantial shareholders/promoters of Jotech. The moratorium will be imposed on the sale of 18,000,000 Jotech Shares representing 45% of the enlarged issued and paid-up share capital of Jotech held by the following shareholders as set out below. Such shareholders are not allowed to sell, transfer or assign their respective shareholdings in Jotech within one (1) year from the date of admission of Jotech to the Official List of the Second Board of the KLSE. Thereafter, in every subsequent year, each of them is allowed to sell, transfer or assign up to a maximum of one-third (1/3) per annum (on a straight line basis) of their respective shareholdings in the Company which are placed under moratorium.

The substantial shareholders/the promoters and their substantial shareholdings which are placed under moratorium as imposed by the SC and KLSE are as follows:-

	Shareholding after the Public Issue ←-----and the Offer----->		←Shareholding under moratorium->	
	No. of Jotech Shares	% of the enlarged issued and paid-up share capital	No. of Jotech Shares	% of the enlarged issued and paid-up share capital
AIC	13,599,994	34.00	8,448,833	21.12
Liew Cheng York	6,717,265	16.79	4,173,021	10.43
Ooi Boon Pin	3,186,001	7.97	1,979,265	4.95
Lim Siok Hui	2,942,742	7.36	1,828,143	4.57
Chew Siew Hong	2,528,399	6.32	1,570,738	3.93
	28,974,401	72.44	18,000,000	45.00

The restriction is specially endorsed on the share certificates and notices of allotment representing the respective shareholdings in Jotech which are under moratorium as follows:-

"The shares comprised herein are not capable of being sold, transferred or assigned for a period as determined by the Securities Commission ("Moratorium Period"). Accordingly the shares comprised herein will not constitute good delivery pursuant to the rules of the Exchange during the Moratorium Period. No share certificate or certificates will be issued to replace this certificate during the Moratorium Period unless the same shall be endorsed with this restriction".

This restriction, which is fully accepted by the aforesaid promoters and substantial shareholders, is specially endorsed on the share certificates and notices of allotment representing the respective shareholdings of the aforesaid promoters and substantial shareholders which are under moratorium to ensure that Jotech's registrar does not register any transfer not in compliance with the restriction imposed by the SC and the KLSE.

IX. INFORMATION ON THE JOTECH GROUP

1. INCORPORATION

Jotech was incorporated in Malaysia under the Companies Act, 1965 on 24 February 1995 as A-Z Interstate Marketing (M) Sdn. Bhd.. On 19 June 1995, it changed its name to Jotech Holdings Sdn. Bhd. and on 28 September 1999, it was converted to a public limited company and assumed its present name. Jotech is principally an investment holding company.

2. RESTRUCTURING EXERCISE

In conjunction with, and as part of the listing of and quotation for the entire issued and paid-up ordinary shares of Jotech on the Second Board of the KLSE, the Company undertook a restructuring exercise which was approved by the SC on 8 March 2000 and 14 June 2000, MITI on 26 January 2000, FIC on 23 February 2000 and MOF on 30 November 1999 involving the following interconditional transactions:-

(i) Bonus Issue

On 24 May 2000, Jotech completed a bonus issue of 20,037,110 new Jotech Shares credited as fully paid-up, on the basis of approximately 2 new Jotech Shares for every 1 Jotech Share held.

The Bonus Issue was effected through the capitalisation of RM15,456,475 from the Company's audited unappropriated profits and RM4,580,635 from the audited share premium reserve.

The Bonus Issue resulted in the issued and paid-up share capital of Jotech being increased from RM9,716,167 to RM29,753,277.

(ii) Rights Issue

On 5 June 2000, Jotech completed a rights issue of 4,246,723 new Jotech Shares credited as fully paid-up, on the basis of approximately 3 new Jotech Shares for every 7 Jotech Shares held before the Bonus Issue at an issue price of RM1.00 per share.

The Rights Issue resulted in the issued and paid-up share capital of Jotech being increased from RM29,753,277 to RM34,000,000.

(iii) Public Issue and Offer

Following the completion of the Bonus Issue and Rights Issue and in conjunction with the flotation of Jotech on the Second Board of the KLSE, the Company is implementing a public issue of 6,000,000 new Jotech Shares at an issue price of RM2.10 per share and the Offerors are offering for sale of 1,120,000 Jotech Shares at an offer price of RM2.10 per share.

(iv) Listing

Admission to the Official List and the listing of and quotation for the entire enlarged issued and paid-up share capital of Jotech of RM40,000,000 comprising 40,000,000 ordinary shares on the Second Board of the KLSE.

All the Jotech Shares issued and offered pursuant to the restructuring exercise shall rank *pari passu* in all respects with the then existing Jotech Shares including voting rights and the rights to all dividends and distributions that may be declared subsequent to the completion of the restructuring exercise and any surplus in the event of liquidation of the Company.

3. BUSINESS OVERVIEW OF THE JOTECH GROUP**(i) History and Background**

Jotech was incorporated in Malaysia under the Companies Act, 1965 on 24 February 1995 as A-Z Interstate Marketing (M) Sdn. Bhd. On 19 June 1995, it changed its name to Jotech Holdings Sdn. Bhd. and on 28 September 1999, it was converted to a public limited company and assumed its present name. Jotech is principally an investment holding company. It is an associated company of AIC, a public company listed on the Second Board of the KLSE. AIC holds 40% of the issued and paid up share capital of Jotech before the Public Issue and Offer. AIC and its subsidiaries are principally involved in assembly and testing of integrated circuits, information technology, plastic injection and moulding and distribution of electronics and semiconductor components.

On 4 August 1995, JoMetal became a wholly-owned subsidiary of Jotech following the acquisition of the entire issued and paid-up share capital of JoMetal comprising 450,000 ordinary shares of RM1.00 each by Jotech from Liew Cheng York and Lim Siok Hui, the two founders of JoMetal, for a purchase consideration of RM450,000. The acquisition was satisfied by the issue of 450,000 Jotech Shares at par. The founders of JoMetal are Directors of Jotech and JoMetal. JoMetal is principally involved in the manufacture and fabrication of tools and dies and stamped metal components for the electrical, consumer electronics and automotive industries.

JoMetal commenced operations in 1990 in 3 light industry shop lots in Johor and, encouraged by the growth in consumer electronics, moved to a bigger factory with a built-up area of 9,000 sq. ft. in 1991. In order to cater for the continued expansion of the company, its operations were relocated in 1992 to a bigger rented premises located in Ulu Tiram, Johor, with a built-up area of 30,000 sq. ft. and equipped with upgraded machinery such as high tonnage presses, progressive stamping and tool room equipment. In March 1998, the company again relocated its operations and currently operates from its factory with a land area of 79,000 sq. ft. and built-up area of 63,000 sq. ft. located in Ulu Tiram, Johor. JoMetal operates on 2 shifts of 7.5 hours each a day with a production output of 5 to 5.5 million stroke runs per month and is currently operating at 85% of production capacity

On 16 December 1996, Jotech acquired the entire issued and paid-up share capital of Prodelcon comprising 1,249,000 ordinary shares of RM1.00 each from Long Feng International Ltd., and the two founders of the company, Ooi Boon Pin and Chew Siew Hong. The acquisition was satisfied by the issue of new Jotech Shares at par and a cash consideration of RM9,174,000. The founders of Prodelcon are Directors of Jotech and Prodelcon. Prodelcon is principally involved in the manufacture of high precision tooling, die sets, semiconductor moulds and parts and high precision jigs and fixtures. It is also involved in the design and manufacture of integrated automation systems for the assembly of integrated circuits according to customers' specifications and the provision of services such as refurbishment, rework and servicing of mould and die sets to semiconductor companies.

Prodelcon commenced its business of manufacturing of spare parts and die sets for the electronics industry in 1985 at a rented factory in Penang. The Prodelcon Group has diversified over the years into the manufacturing of high value-added products such as high precision moulds and dies and automation systems for the MNCs in the semiconductor business. In August 1997, the company relocated its operations to its new factory located in Bayan Lepas, Penang with a land area of 66,000 sq. ft. and a built-up area of approximately 31,000 sq. ft.. Prodelcon operates on 2 to 3 shifts of 8 hours each a day and is currently operating at 80% of production capacity. The annual production capacity is dependent on the production efficiency of manufacturing facilities and the design, size, complexity and other specifications of its customers' requirements.

IX. INFORMATION ON THE JOTECH GROUP (Cont'd)

MMS, a subsidiary of Prodelcon, is involved in the design and fabrication of automation equipment/systems such as laser marking machines, vision inspection systems and epoxy dispensing machines. The laser marking machines are used to mark or print information on the integrated circuit packages while the vision inspection systems are used to inspect semiconductor devices for possible defects during manufacturing. Epoxy dispensing system is used for coating the dies with epoxy after wire bonding to ensure that the interconnecting wires are not damaged during manufacturing. MMS operates from a factory rented from Prodelcon located in Bayan Lepas, Penang with a built up area of 2,089 sq. ft.. MMS operates on one 8 hour shift and is currently operating at 70% of production capacity. The annual production capacity is dependent on the production efficiency of manufacturing facilities and the design, size, complexity and other specifications of its customers' requirements. The Company was granted pioneer status in 1998 which will take effect from 31 December 2000. The Company is also involved with MNCs in their research and development programmes.

In 1998, the Prodelcon Group ventured into the provision of high volume precision machining services and contract assembly where standard parts are produced in high volume. In the same year, Prodelcon also commenced sheetmetal fabrication activities to complement its manufacturing of automation systems.

JoMetal and Prodelcon are currently jointly undertaking a study to design and develop high-end stamping processes for the semiconductor and electronics industries. The project shall be undertaken at Prodelcon's premises in Penang and is expected to commence commercial operations in 2001.

(ii) Business**JoMetal**

JoMetal is an established local manufacturer of quality precision stamped metal component parts and this is evidenced by its track record of 10 years in the manufacture and fabrication of tools and dies and stamped metal components for electrical and consumer electronic industries as well as its long term relationship with established MNCs in Malaysia. 86% of JoMetal's products are sold to MNCs based in Malaysia. The balance of 14% of its products are exported to Singapore. The major competitors in the industry are Seksun Technology (Johor) Sdn. Bhd., C.S. Metal Industries Sdn. Bhd. and Kris Components Berhad. The major customers of Jotech are as follows:-

Local Customers

Aiwa Electronics (M) Sdn. Bhd.
Matsushita Audio Video (M) Sdn. Bhd.
Kami Electronics Ind. (M) Sdn. Bhd.
Sanken Transformer Malaysia Sdn. Bhd.

Overseas Customers

Giken Sakata (S) Limited
Aiwa Singapore Pte. Ltd.
Sanyo Asia Pte. Ltd.
Hitachi Asia Pte. Ltd.

IX. INFORMATION ON THE JOTECH GROUP (Cont'd)

The company maintains its competitive advantage by capitalising on its experienced management team, machinery and equipment, efficient tool design and quality assurance capabilities in order to manufacture value added products in accordance with customers' specifications and to offer shorter lead time and reliable delivery in order to meet the production requirements of its customers.

The manufacturing of precision stamped metal component parts by JoMetal requires well designed and fabricated stamping tools which in turn are used to mass produce the precision parts. The precision parts may require further processing such as degreasing, tapping, spot welding, riveting, electro-plating and sub-assembly which are performed in accordance with the specifications and stringent requirements of its customers. JoMetal is also involved in the sub-assembly of a few components together instead of the sale of individual components, thereby enjoying a higher profit margin.

The major products manufactured by JoMetal are as follows:-

Product description	Usage/application/ final products	Industries
Clampers	Transformer	Electronic/Electrical
Bottom plate	Transformer	Electronic/Electrical
Hum proof belts	Transformer	Electronic/Electrical
Copper short ring	Transformer	Electronic/Electrical
Heat sink	Audio and video	Electronic/Electrical
Cabinet	Audio and video	Electronic/Electrical
Chassis	Audio and video	Electronic/Electrical
Bracket	Video Games	Electronic/Electrical
Shield	Video Games	Electronic/Electrical
Casing	Modem	Information Technology

JoMetal adopts a stringent internal quality assurance policy to ensure that products manufactured and supplied by the company are of high quality and meet the specifications and stringent requirements of its customers. JoMetal received the ISO 9002 systems certification for quality assurance in production and systems installation for metal stamping in December 1999.

To ensure that products delivered to customers meet the requirements and specifications of the customers, certain customers have entered into agreements with JoMetal, details of which are summarised below:-

Customer / Type of Agreement	Date of agreement / duration	Principal terms
Aiwa Electronics (Malaysia) Sdn. Bhd. / Purchase Agreement	12 March 1997 / open agreement	Provide the general and basic terms of payment, delivery, rejection, and quality in relation to the products delivered
Matsushita Audio Video (M) Sdn. Bhd. / Purchase Contract	1 July 1995 / 5 years#	Provide the general and basic terms of payment, delivery, rejection, and quality in relation to the products delivered

A renewal contract for 5 years commencing July 2000 has been entered into by JoMetal and Matsushita Audio Video (M) Sdn. Bhd..

IX. INFORMATION ON THE JOTECH GROUP (Cont'd)

The fact that JoMetal is chosen as a supplier to many of the quality conscious MNCs is a testimony to the company's track record in consistently producing products of high standard and meeting the customers' requirements. JoMetal has also received numerous awards from its major customers in recognition of the company's quality products and reliable delivery. The awards are as follows:-

Year of receipt	Name of customers	Description of awards
1995	Santronics (M) Sdn. Bhd. (subsidiary of Sanyo Asia Pte. Ltd., formerly known as Sanyo Electronics (S) Pte. Ltd.)	Award for best vendor for quality assurance, 1995
1997	Aiwa Singapore Ltd.	Certificate of Joint-Participation in recognition of JoMetal's participation and commitment in Aiwa/Vendor Quality Innovation Project working together towards a common goal of Total Customer Satisfaction for the period October 1996 to December 1997
1999	Aiwa Electronics Malaysia Sdn. Bhd.	Gold Award for the Malaysian Local Vendor Development Convention in recognition of the service and valuable contribution towards Quality, Cost and Delivery
1999	Aiwa Electronics Malaysia Sdn. Bhd.	Award in recognition of JoMetal achieving quality target for the period January-March 1999

Prodelcon

Prodelcon, having established itself for 15 years, is an experienced player in the precision tooling industry, mainly in the design and fabrication of high precision mould and die sets and parts, refurbishment and servicing of moulds for the semiconductor industry. It is also involved in the design and fabrication of integrated automation systems for the semiconductor MNCs such as laser marking machines, epoxy dispensing machines and vision inspection machines. In addition, it is also engaged in the provision of high volume precision machining services and sub-assembly of high value added electronic components.

Prodelcon ensures its niche market in the manufacture of high precision moulds and dies which is maintained through capital investments in technology and know-how and the maintenance and training of a skilled workforce. The moulds and dies are the major products of Prodelcon and they are used by semiconductor companies for moulding of integrated circuit packages. Prodelcon also provides services such as refurbishment, rework and servicing of moulds and dies and technical support. The major players include Rapid Synergy Berhad, Apex Technology Pte. Ltd. and Kinergy Pte. Ltd..

Prodelcon has commenced preparation towards obtaining ISO 9001 certification and aims to obtain the certification by the third quarter of 2000.

The long term relationship with the quality conscious MNCs and recurring orders from them is a testimony to Prodelcon's high quality products and services and ability to meet the stringent requirements of its customers. The awards received by Prodelcon from its major customers such as Hewlett Packard Malaysia Sdn. Bhd., National Semiconductor (Melaka) Sdn. Bhd. and Intel Technology Sdn. Bhd. are as follows:-

IX. INFORMATION ON THE JOTECH GROUP (Cont'd)

Year of receipt	Name of customers	Description of awards
1994	National Semiconductor (Melaka) Sdn. Bhd.	Award in appreciation of support and service.
1996	Intel Technology Sdn. Bhd.	Letter of appreciation in supporting Intel's aggressive requirements for PLCC44L
1997	Intel Technology Sdn. Bhd.	1997 supplier recognition award
1997	Hewlett Packard (Malaysia) Sdn. Bhd.	Award in appreciation of excellent support
1999	AIC Semiconductor Sdn. Bhd.	Award for best mould supplier for 1998

To ensure that products delivered to customers meet the requirements and specifications of the customers, certain customers have entered into agreements with Prodelcon, details of which are summarised below:-

Customer / Type of Agreement	Date of agreement / duration	Principal terms
Intel Products (M) Sdn. Bhd. and Intel Technology Sdn. Bhd./Purchase Agreement – Goods and Services.	1 January 2000 / 2 years	Basically defines the conditions and common standards between the purchaser and supplier, including trading terms, logistics, copyrights and compliance with laws
ASA Microfits Pte. Ltd. / Collaboration Agreement.	20 April 2000 / 1 year	Basically define the roles of the parties to the agreements in relation to provision of technical support to their customer

Prodelcon was named as one of the Top 10 winners in the 1999 Enterprise 50 Programme, a collaborative effort between the Small and Medium Industries Development Corporation (SMIDEC) and Andersen Consulting, in recognition of Prodelcon's high standards of excellence in various aspects of its operations and also its proven track record, true entrepreneurial spirit and potential for growth.

The major suppliers of Jotech 's raw materials and the percentage of supplies to the Group's raw material requirements are as follows:-

Overseas Suppliers	% of purchases for the financial year ended 31 December 1999	Local Suppliers	% of purchases for the financial year ended 31 December 1999
Pandai Steel Industry Pte. Ltd.	37.4	PCM Steel Processing Sdn. Bhd.	12.4
Tat Hong (S) Pte. Ltd.	14.1	Johor Aluminium Sdn. Bhd.	4.9
		Steel Centre (M) Sdn. Bhd.	9.2

IX. INFORMATION ON THE JOTECH GROUP *(Cont'd)*

(iii) Future plans and prospects

Given the prospects of the manufacturing sector and the semiconductor, electrical and electronic products and fabricated metal product industries, the demand for the Jotech Group's products and services is expected to improve. The Jotech Group is also expected to benefit from the expansion plan of its MNC customers.

Capitalising on its strength and capabilities, the Jotech Group will maintain its reputation as a reliable supplier to its MNC customers and further penetrate new markets and pursue new customer partnerships.

The future plans of JoMetal and Prodelcon are as follows:-

JoMetal

JoMetal will continue to focus on the upgrade of its production capacities, improvement in its productivity and quality control, further enhancement in tooling design capabilities and overseas market penetration:-

(a) *Upgrade of Production Capacities and Improvement in Productivity and Quality Control*

JoMetal will continue to invest in machinery and equipment in order to upgrade its production capacities and further improve its production efficiency in terms of faster, greater precision and higher volume stamping work.

(b) *Further Enhancement of capacities in design of tools and dies*

Given that tools and dies are important ingredients in the metal stamping process, JoMetal has always allocated resources to improve its design and development capabilities for tools and dies to maintain and improve its competitive edge and to meet its MNC customers' requirements.

In this respect, JoMetal plans to further strengthen its tooling design capabilities by way of investment in tooling equipment, increase of tooling design specialists workforce, compilation of a comprehensive electronic database for a wide range of design specifications, etc.

(c) *Overseas Market Penetration*

JoMetal's products are mainly exported by its local MNC customers. Therefore, JoMetal will continue to focus its efforts and resources to meet the stringent requirements of its MNC customers in order to ride on the growth of its MNC customers, which source their supplies in Malaysia for the requirements of their local and overseas operations, and indirectly to penetrate the overseas market in which the manufacturing operations of the MNCs are established.

JoMetal is also evaluating the opportunities of setting up a plant in Jakarta, Indonesia in 2001, to take advantage of the lower labour cost and the close proximity to a number of existing and potential Japanese MNC customers such as PT. JVC Electronics Indonesia, PT. Sony Electronics Indonesia, PT. AIWA Indonesia, PT. AIWA Dharmala, PT. Sanyo Electronics Indonesia and PT. Sanyo Jaya Component Indonesia who have already set up manufacturing plants in Indonesia.

Prodelcon

Prodelcon will continue to focus on capacity expansion, product and process development and penetration of the overseas market in the next few years to strive for continuing growth:-

(a) Capacity Expansion

Prodelcon has rented additional floor space of 12,000 sq. ft. at Bayan Lepas, Penang, will acquire additional machinery and also increase its skilled workforce. The production capacity is expected to increase by an estimated compound rate of 10% over the next 5 years. The planned increase in capacity by Prodelcon is expected to cater for the anticipated increase in demand from existing major customers as well as existing non-major customers which are currently only supplied with spares but not the company's core product which is the integrated circuit moulds ("IC Moulds"). IC Moulds are used for moulding of IC packages which are used in computers and electronic equipment. With its reputation for quality and proven capability and competitive pricing, Prodelcon is confident of securing orders for IC Moulds from the existing non-major customers such as Carsem Semiconductor Sdn. Bhd., Integrated Packaging Assembly Corp. and Linear Semiconductor.

(b) Product and Process Development

- Continuing efforts on the company's Product Development Programme for the purpose of developing new proprietary products and enhancing the current products' formulation. The achievements of the Product Development Programme which was implemented in September 1998, include the high volume precision machining services developed together with Agilent Technology (Malaysia) Sdn. Bhd.. To date, Prodelcon has spent about RM2.8 million and has allocated a further RM8.0 million for the Product Development Programme. Prodelcon currently caters for an estimated 70% of the requirements of Agilent Technology (Malaysia) Sdn. Bhd. and plans to increase its capacity in order to provide its services to the parent company of Agilent Technology (Malaysia) Sdn. Bhd., based in the USA by end 2000.

The other successful achievement is the development and manufacture of customised automation equipment for MNCs. Prodelcon will allocate more resources for the Product Development Programme in an effort to increase its products and customer base.

- Continuing efforts on the Process Development Programme with the objective of improving the manufacturing process, quality and consistency of products and productivity of machinery and hence reducing processing cost and improving the delivery lead-time.
- MMS plans to tie up with its MNC customers to carry out applied research activities and to design and develop standard assembly and test equipment. There is a large market for such equipment as they are mainly imported into Malaysia at present. Through applied research, MMS should be capable of matching the foreign suppliers' engineering capabilities. With a proven product and the local sourcing strategy by the local MNCs, MMS expects to achieve further growth.

IX. INFORMATION ON THE JOTECH GROUP (Cont'd)

(c) Overseas Market Penetration

Prodelcon's overseas market currently contributes about 15% of total revenue. The company exports to MNCs in Singapore, Indonesia, Thailand, the Philippines, USA and Ireland and intends to increase its export mix to 25% over the next 3 years. The products for the export market include moulds, mould spares and machine parts.

To increase sales in overseas markets, Prodelcon will increase the frequency of visits to overseas customers and explore the viability of setting up overseas sales and service offices and possibly a manufacturing facility if the sales volume is justified.

4. SHARE CAPITAL

The authorised share capital of Jotech is RM100,000,000 comprising 100,000,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Jotech as at the date of this Prospectus is RM34,000,000 comprising 34,000,000 Jotech Shares.

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

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
24.02.1995	2	Subscribers' shares	2
07.08.1995	450,000	Issued at par for the acquisition of the entire issued and paid-up capital of JoMetal	450,002
07.08.1995	350,000	Issued for subscription at a RM5.71 per share	800,002
27.05.1996	114,664	Bonus issue of approximately 1 for 7	914,666
06.12.1996	2,522,850	Rights issue of approximately 11 for 4	3,437,516
07.12.1996	3,363,801	Rights issue of approximately 1 for 1 at an issue price of RM1.977	6,801,317
19.12.1996	2,914,850	Issued for the acquisition of the entire issued and paid-up capital of Prodelcon	9,716,167
24.05.2000	20,037,110	Bonus Issue of approximately 2 for 1	29,753,277
05.06.2000	4,246,723	Rights Issue of approximately 3 for 7 at an issue price of RM1.00 per share	34,000,000

IX. INFORMATION ON THE JOTECH GROUP (Cont'd)

5. SUBSIDIARIES AND ASSOCIATED COMPANIES

The principal activities of the subsidiaries of Jotech, all of which were incorporated in Malaysia are as follows:-

Name	Date of incorporation	Issued and paid-up share capital RM	Effective equity interest %	Principal activities
JoMetal	06.10.1989	2,400,000	100.00	Manufacture and fabrication of tools and dies and stamped metal components for electrical, consumer electronics and automotive industries.
Prodelcon	10.11.1984	1,249,000	100.00	Manufacture of high precision tooling, die sets, semiconductor moulds and parts and high precision jigs and fixtures and design and manufacture of turnkey automation systems.
MMS *	05.09.1997	100,005	100.00	Design, fabrication and commissioning of automatic handling equipment/systems for electronic and semiconductor industries.

* *Subsidiary of Prodelcon*

Jotech does not have any associated company as at the date hereof.

Further information on the subsidiaries of Jotech are as follows:-

(i) **JoMetal**

History and Business

JoMetal was incorporated in Malaysia under the Companies Act, 1965 on 6 October 1989 as Jotech Metal Fabrication Industries Sdn. Bhd.. JoMetal is principally involved in the manufacture and fabrication of tools and dies and stamped metal components for the electrical, consumer electronics and automotive industries.

On 4 August 1995, JoMetal became a wholly-owned subsidiary of Jotech following the acquisition of the entire issued and paid-up share capital of JoMetal from its two founders.

The company has 239 employees as at 15 June 2000.

JoMetal does not have any subsidiaries and associated companies as at the date hereof.

Share capital

The authorised share capital of JoMetal is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of JoMetal is RM2,400,000 comprising 2,400,000 ordinary shares of RM1.00 each.

IX. INFORMATION ON THE JOTECH GROUP (Cont'd)

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

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
06.10.1989	3	Subscribers' shares	3
16.12.1989	99,997	Cash	100,000
01.06.1990	350,000	Cash	450,000
16.10.1997	1,950,000	Capitalisation of amount owing to holding company	2,400,000

(ii) **Prodelcon**

History and Business

Prodelcon was incorporated in Malaysia under the Companies act, 1965 on 10 November 1984 as Prodelcon Sdn. Bhd.. Prodelcon is principally involved in the manufacture of high precision tooling, die sets, semiconductor moulds and parts and high precision jigs and fixtures. It is also involved in the design and manufacture of turnkey automation systems according to specifications and provide services such as refurbishment, rework and servicing of mould and die sets to semiconductor companies.

On 16 December 1996, Jotech acquired the entire issued and paid-up share capital of Prodelcon from Long Feng International Ltd., and the two founders of the company, Ooi Boon Pin and Chew Siew Hong.

The subsidiary of Prodelcon is MMS. Prodelcon does not have any associated companies as at the date hereof.

The company has 161 employees as at 15 June 2000.

Share Capital

The authorised share capital of Prodelcon is RM1,300,000 comprising 1,300,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Prodelcon is RM1,249,000 comprising 1,249,000 ordinary shares of RM1.00 each.

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

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
10.11.1984	2	Subscribers' shares	2
02.04.1985	248,000	Cash	248,002
01.01.1986	185,000	Conversion of the call loan from East Point Leasing Sdn. Bhd.	433,002

IX. INFORMATION ON THE JOTECH GROUP (Cont'd)

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
01.07.1986	53,000	Cash	486,002
15.10.1987	200,000	Cash	686,002
31.03.1988	13,998	Cash	700,000
21.09.1989	160,000	Cash	860,000
12.12.1991	322,000	Cash	1,182,000
30.03.1992	60,000	Cash	1,242,000
19.11.1993	7,000	Cash	1,249,000

(iii) MMS***History and Business***

MMS was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 5 September 1997. It commenced operations in April 1998.

The company is principally engaged in the design, fabrication and commissioning of automatic handling equipment and systems for electronic and semiconductor industries and has pioneer status accorded by the Malaysian Industrial Development Authority.

MMS does not have any subsidiaries or associated companies as at the date hereof.

The company has 9 employees as at 15 June 2000.

Share Capital

The authorised share capital of MMS is RM500,000 comprising 500,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of MMS is RM100,005 comprising 100,005 ordinary shares of RM1.00 each.

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

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
05.09.1997	5	Subscribers' shares	5
11.08.1998	100,000	Cash	100,005

6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

(i) Board of Directors of Jotech

Details of the Board of Directors of Jotech are as follows:-

DATUK HAJI SARIP BIN HAMID, aged 53, was appointed to the Board of Directors of Jotech in 1995 and as Executive Chairman on 20 October 1999. He graduated with a Bachelor of Economics degree from the University of Malaya in 1974, a Masters of Business Management degree from the Asian Institute of Management, Manila, the Philippines in 1979 and a Post-Graduate Diploma in Islamic Studies from the Universiti Kebangsaan Malaysia in 1985. He is also a member of the Institute of Credit Management, the British Institute of Management and the Institute of Marketing in United Kingdom.

He has more than 25 years of invaluable managerial and entrepreneurial experience in businesses ranging from banking, manufacturing, trading, import and export, property development and the automobile industry. He commenced his career as a teacher in 1966. He worked at Bank Bumiputra Malaysia Berhad, as an Accountant from 1974 to 1980 and Patco Malaysia Berhad, a manufacturer and assembler of air-conditioners for motor vehicles, from 1980 to 1986 as a Director and General Manager. He left Patco Malaysia Berhad in 1986 to join Asteria Sdn. Bhd., an investment holding company and the then holding company of AIC, as the Executive Chairman. He was appointed as the Chairman of AIC in 1990 and later became the Executive Chairman at the time of its listing on the KLSE in 1994. He was a board member of Kumpulan Wang Simpanan Pekerja from 1986 to 1988 and presently, he is the Chairman of Golden Prism Sdn. Bhd., an investment holding company and Autoindustries Ventures Bhd., an investment holding public company listed on the Second Board of the KLSE.

He also sits on the board of several other private companies.

HAJI MOHD ALI BIN BAWAL, aged 52, was appointed to the Board of Directors of Jotech in 1995. He has more than 30 years of invaluable managerial and entrepreneurial experience in businesses ranging from plantation management, property development, manufacturing and trading. He graduated with a Diploma in Plantation Industries Management from the MARA Institute of Technology in 1970 and a Masters of Business Administration degree from the Oklahoma City University, United States of America in 1990. Prior to his appointment to the Board of Directors of Jotech, he worked as Manager with Kumpulan Guthrie Berhad, a group of companies which is involved in the plantation industry, from 1968 to 1987 and as the Managing Director with Hamodal Sdn. Bhd., a property investment company, in 1990. He is the Executive Director of AIC, a position he has held since 1990. He is also the Chairman of Halton Manufacturing Sdn. Bhd., a company involved in the manufacturing of air conditioning parts and ventilation system, and is a Director of several other private companies.

HAJI RAHIM BIN KASSIM, aged 55, was appointed to the Board of Directors of Jotech in 1995. Prior to his appointment as a director of Jotech, he held the post of Assistant Secretary, Council of Rulers, at Pejabat Penyimpan Mohor Besar Raja-Raja Malaysia from 1980 to 1991. He joined AIC on 18 May 1991 as a director and is also a director of several other private companies.

IX. INFORMATION ON THE JOTECH GROUP (Cont'd)

CHEW SIEW HONG, aged 56, was appointed to the Board of Directors of Jotech in 1997. He has been an Executive Director of Prodelcon since 1995. He graduated with a Bachelors degree in Mechanical Engineering from National Cheng Kung University, Taiwan in 1973. He started his career in 1964 as a general clerk/draftsman at Pak Yew Foundry, Penang. He then joined Malayawata Iron and Steel Berhad, a company which manufactures steel parts for construction, as a steel making technician in 1967. In 1973, he joined Lindeteves-Jacoberg (M) Sdn. Bhd., a company principally involved in trading, as a sales executive and was in charge of the engineering division. In 1978, he joined Micro Machining Sdn. Bhd., a company principally involved in the manufacture of precision plastic encapsulation moulds, precision die-sets, spare parts, automation system and precision tools, as a Sales Engineer and was later promoted as Sales Manager, where he was responsible for the sales department. He later set up Prodelcon together with Ooi Boon Pin in 1985.

OOI BOON PIN, aged 42, was appointed to the Board of Directors of Jotech in 1997. He has been an Executive Director of Prodelcon since 1985. He graduated with a honours degree in Manufacturing Technology from the National Institute for Higher Education (University of Limerick), Ireland in 1981. He started his career in 1975 as an apprentice tools and die maker at Micro Machining Sdn. Bhd. and was trained in machine shop processes. In 1978, he joined Analog Devices B.V., Ireland, a company involved in design and wafer fabrication, assembly and test of semiconductors, as a Product Development Engineer and later as Process Engineer in the assembly department. Upon his return to Malaysia in 1981, he re-joined Micro Machining Sdn. Bhd. as Quality Assurance Engineer where he was in charge of quality assurance in tool room and lead frame stamping facility. He later assumed the position of Project Engineering Manager and was responsible for the development of new tool designs and end-of-line assembly equipment from design to manufacturing. He later set up Prodelcon together with Chew Siew Hong in 1985.

LIEW CHENG YORK, aged 38, was appointed to the Board of Directors of Jotech in 1995. She has been the Executive Director of JoMetal since its incorporation. She started her career in Compact Metal (S) Pte. Ltd., a manufacturer of window and door frames for buildings. In 1988, she joined Abis Electronic (S) Pte. Ltd., a company principally involved in metal stamping, as Administrative Manager and left to set up JoMetal in 1989.

LIM SIOK HUI, aged 51, was appointed to the Board of Directors of Jotech in 1995. He has been the Managing Director of JoMetal since 1994. He has more than 25 years of experience in the field of metal stamping, having worked with Japanese and Hong Kong metal stamping companies. He started his career in 1970 as a supervisor in Alloy Industries (S) Pte. Ltd., a company involved in trading and manufacturing of aluminium cans, and was promoted to Factory Manager in 1972. He was subsequently appointed as a Director in 1974. He joined Integrate (S) Pte. Ltd., a metal stamping company specialising in tools and dies, as its Managing Director in 1989.

ASHARI BIN AYUB, aged 58, is an Independent Director of Jotech. He was appointed to the Board of Directors of Jotech on 9 June 2000. He is a member of the Malaysian Association of Certified Public Accountants and the Malaysian Institute of Accountants. He has been a senior partner in Coopers & Lybrand since 1974 until his retirement in 1994. In 1995, he joined Rainhill Bersekutu Sdn. Bhd., a company involved in engineering services, as a General manager of Finance & Administration. In 1996, he worked with Intrakota Consolidated Sdn. Bhd., a company which provides public transport services, as a Financial Adviser for one year. He is currently a director in several private companies.

IX. INFORMATION ON THE JOTECH GROUP (Cont'd)

LASA BIN MAT DESA P.J.K., 57, is an Independent Director of Jotech. He was appointed to the Board of Directors of Jotech on 9 June 2000. He obtained an L.L.B. degree from the University of Melbourne, Australia in 1990. He was formerly attached to the Royal Customs and Excise Department, Malaysia, which he joined as assistant superintendent of customs, for 35 years and retired in 1998 as the State Director of Customs, Johor, a position which he held from July 1992 to January 1998. He has served the various branches of the Royal Customs and Excise Department and is well-versed with the customs laws and procedures. He has vast experience in enforcement work and in the field of administration. Presently he is the Managing Partner of a customs and management consultancy firm which he joined in 1998.

(ii) Senior Management of the Jotech Group

Details of the Senior Management of the Jotech Group are as follows:-

CHNG THIAN CHAI @ SOON THIAN CHAI, aged 53, is the Senior Operations Manager of JoMetal. He has more than 30 years of experience in production. He worked as a senior production supervisor at Wander (S) Pte. Ltd., a MNC the food industry, from 1969 to 1989. In 1989, he joined Abis Electronics (S) Pte. Ltd., a company principally involved in metal stamping, as Administration and Materials Manager and was promoted to Factory Manager in 1990. He joined JoMetal in 1993 as Senior Manager.

KHOK YEW KWONG, aged 40, is the Senior Production Manager of JoMetal, a position he has held since 1998. He graduated with a Diploma in Mechanical Engineering from the Federal Institute of Technology in 1982. Prior to joining JoMetal as Production Manager in 1990, he worked as a supervisor with Dynamic Industries Sdn. Bhd., a company involved in spraying and powder coating for the electrical industry, from 1982 to 1987 and as an Assistant Manager with Polymetal Tool & Die Sdn. Bhd., a company involved in tool and dies, fabrication and metal stamping for the automotive industry, from 1987 to 1990.

KANG CHEN HEN @ CHIANG PING CHING, aged 51, is the Quality Assurance Manager of JoMetal. He graduated with a Bachelor of Science (Physics) degree from the Nanyang University, Singapore in 1972. He has 23 years of experience in the manufacturing industry. He worked as a Quality Assurance Supervisor with Atlas Electronics (Penang) Sdn. Bhd., a company which assembles radio sets, from 1974 to 1975 and subsequently with National Semiconductor (Melaka) Sdn. Bhd., a company which manufactures semiconductor components, from 1976 to 1981. He later worked as the Head of the Process Engineering/Quality Assurance Engineering Section Head of National Semiconductor Sdn. Bhd. from 1982 to 1992 and subsequently joined Satomas Plastics Sdn. Bhd., a company principally involved in plastic injection, as Production Manager. He joined JoMetal in 1994 in his current position.

IX. INFORMATION ON THE JOTECH GROUP (Cont'd)

MOHAMAD NOR AZMI NG BIN ABDULLAH, aged 46, is the Personnel and Administration Manager of JoMetal. He has more than 20 years of experience in personnel and administrative management. He started his career in 1978 as a manager with Cheng Chuan Development Sdn. Bhd., a company principally involved in housing development. Between 1983 to 1985, he was attached to Shopwell Enterprise Sdn. Bhd., a company principally involved in property development, as Manager, where he was responsible for the management of the development of two housing projects. In 1986, he became a personal aide to Tunku Abdul Rahman Ibni Almarhum Tunku Temenggong Ahmad, the Chairman of the Royal Council of Johor. From 1988 to 1996, he was attached to Kami Electronics Industries (M) Sdn. Bhd., a manufacturer of audio visual power transformer, as a Personnel and Administrative Manager. He subsequently joined LS Rubber Sdn. Bhd., a company principally involved in the export of condoms, in 1997 as Personnel and Administration Manager. He joined JoMetal in 1999 and assumed his current position in 1999.

JANICE LEE LING HOOI, aged 30, is the Accountant of the Jotech Group. She graduated with a Bachelor in Accountancy degree with Honours from the Universiti Utara Malaysia in 1994 and is a member of the Malaysian Institute of Accountants. She started her career in 1994 as a Finance Executive with Nam Fatt Corporation Berhad, a company principally involved in construction and property development. She joined Sri Hartamas Berhad, a company principally involved in property development, as Accountant in 1996. She joined Prodelcon in 1999 in her present position.

LOW MEE CHIN, aged 30, is the Assistant Accounts Manager of JoMetal. She graduated with a Diploma in Accounting from the London Chamber of Commerce and Industry and a Diploma in Business Studies from Systematic Business Training Centre, both in 1990. She is currently pursuing the Association of Chartered Certified Accountants qualification and is at the final level of the qualifying examinations. She started her career in 1990 as an Accounts Assistant with Johor Pipe Sdn. Bhd., a company principally involved in pottery. Subsequently, she worked with Messrs. Chan & Co., a firm of public accountants, as an Audit Assistant from 1992 to 1994 and as an Accounts Supervisor of Pasaraya Panduan Maju Sdn. Bhd., a retailer, from 1995 to 1996. She joined JoMetal in 1997 as Accounts Executive and was subsequently promoted to her current position in 1999.

CHANG CHUEN BIN, aged 39, is the Finance and Administration Manager of Prodelcon. He graduated with a Bachelor of Science in Business Administration degree with First Class Honours from the University of Salford, United Kingdom in 1982 and a Postgraduate Diploma in Business Administration from the University of Western Ontario, Canada in 1985. He started his career in 1985 as a Production Control Officer with Intel Technology Sdn. Bhd., a company involved in the manufacturing, assembly and testing of semiconductor products, and left in 1987 to join Singapore Airlines Ltd. in Singapore as an Administrative Officer in the marketing division. In 1988, he joined Varta Batteries Pte. Ltd., a German MNC involved in the manufacturing of rechargeable batteries, as Materials Controller. He was subsequently promoted to Senior Materials Controller and then Production Control Manager. In 1995, he joined Noel Gifts International Ltd., a company involved in an international franchise of gifts and related services, as Operations Manager. He joined Prodelcon in 1997 as Materials Manager and later assumed his current position in 1998.

PUNG KOK GUAN, aged 35, is the Production Manager of Prodelcon. He has more than 13 years of working experience in the tool production field. He started his career in 1986 as an apprentice with Prodelcon and became a full fledged machinist in 1988. He was promoted to Supervisor in the Steel Grinding Department in 1991 and subsequently promoted as Assistant Production Manager in 1995. He was promoted to his current position in 1998 and is responsible for the overall production activities of Prodelcon.

IX. INFORMATION ON THE JOTECH GROUP (Cont'd)

CHAN HOCK AUN, aged 41, is the Materials Manager of Prodelcon. He has 16 years of experience in planning, material resource planning ("MRP") systems and logistics. He started his career in 1983 as Production Control Supervisor at Dynacraft International Sdn. Bhd., a company principally involved in leadframe stamping and plating, and was promoted in 1985 as Production Control Officer. In 1991, he was seconded to the company's headquarters in Santa Clara, California as the Project Manager for two years for the implementation of the company's newly acquired MRP system. He joined DMS Manufacturing Sdn. Bhd., a company principally involved in the manufacturing of plate moulds and automated systems, in 1994 as Materials Manager. He joined Prodelcon in 1997 in his present position.

ERIC NG CHOOI HOCK, aged 50, is the Sales and Marketing Manager of Prodelcon. He graduated with a Diploma in Management from the Malaysian Institute of Management in 1983. He started his career in 1971 as a maintenance technician with National Semiconductor Sdn. Bhd., a company involved in manufacturing, assembly and testing of semiconductor products, and held various positions including Maintenance Supervisor, Equipment Service Engineer and Toolroom Section Manager during his employment there. In 1992, he joined Dusan Equipment Corporation in the USA, a company principally involved in the marketing of semiconductor equipment, as a Sales Manager, where he was responsible for the sales and marketing of back-end semiconductor equipment and precision tooling. He joined Prodelcon in 1999 in his current position.

(iii) Family Relationship

Save for Ooi Boon Pin and Chang Chuen Bin who are brothers-in-law, none of the other Directors and Senior Management of the Jotech Group are related to each other.

(iv) Employees

The Jotech Group employs a total workforce of 409 employees as at 15 June 2000. The Jotech Group has not encountered any strikes or disruptions and enjoys a cordial relationship with its employees. None of the employees belong to any union.

7. PROPERTIES

A summary of information on the properties owned by the Jotech Group as at the date of this Prospectus is as follows:-

Registered/ Beneficial Owner	Location of Property	Description of the property/ Existing use	Tenure/ Approximate age of building (years)	Total land area/ Built- up area (sq. ft.)	Net book value as at 31.12.99 RM'000
JoMetal	20 & 22, Jalan Masyhur 1, Taman Perindustrian Cernerlang, 81800 Ulu Tiram, Johor	Industrial land with 2½ storey office and factory building	Freehold; 2	79,000/ 63,000	7,875
Prodelcon	Plot 78, Lintang Bayan Lepas 7, Phase IV, Kawasan Perindustrian Bayan Lepas, 11900 Penang	Industrial land with 1½ storey office and factory building	Leasehold; 60 years expiring in 2057; 2	66,000/ 31,000	3,621

The above properties have not been revalued for the flotation exercise.