

**1. CORPORATE DIRECTORY***Directors*

<b>Name</b>	<b>Address</b>	<b>Profession</b>	<b>Nationality</b>
Syed Alwi @ Syed Alwee bin Syed Hamid <i>Independent Non-Executive Chairman</i>	18, Jalan Rentaka 1 Taman Sri Tebrau 80050 Johor Bahru Johor Darul Takzim	Company Director	Malaysian
Wong Yee Keh <i>Managing Director</i>	Apt Block 402, Hougang Avenue 10, #07-1178 Singapore 530402	Company Director	Singaporean
Mohd Hasni bin Masaut <i>Executive Director</i>	No. 65, Block 3 Papan Timur 81900 Kota Tinggi Johor Darul Takzim	Company Director	Malaysian
Han Hun Kwong <i>Executive Director</i>	1B, Jalan Naung Singapore 537670	Company Director	Singaporean
Teo Chin Swee <i>Executive Director</i>	No. 5, Jalan Layang 6 Taman Perling 81200 Johor Bahru Johor Darul Takzim	Company Director	Malaysian
Aw Joon Thong <i>Executive Director</i>	No. 12, Jalan Simbang 13 Taman Perling 81200 Johor Bahru Johor Darul Takzim	Company Director	Malaysian
Ahmad bin Mohd Ali <i>Non-Independent Non-Executive Director</i>	461, Taman Bukit Chedang 70300 Seremban Negeri Sembilan Darul Khusus	Company Director	Malaysian
Lee Hin Kan <i>Independent Non-Executive Director</i>	Unit M 07-09, Selat Horizon Condominium No. 151, Jalan Klebang Kecil 75200 Melaka	Company Director	Malaysian
Soon Teck Kuan <i>Independent Non-Executive Director</i>	48N, Jalan Sri Rambutan 80100 Johor Bahru Johor Darul Takzim	Company Director	Malaysian

*Audit Committee*

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Lee Hin Kan	Chairman of the Committee	Independent Non-Executive Director
Soon Teck Kuan	Member of the Committee	Independent Non-Executive Director
Aw Joon Thong	Member of the Committee	Executive Director

1. CORPORATE DIRECTORY (cont'd)

**Company Secretaries** : Rokiah binti Abdul Latiff (LS 0000194)  
07-02, Sri Panglima B  
Pangsapuri Bukit Saujana  
Jalan Bendahara  
80100 Johor Bahru  
Johor Darul Takzim

: Ow Pee Juan (MAICSA 7013304)  
9868 Taman Cergas  
Batu Berendam  
75350 Melaka

**Registered Office** : 30-05, Level 30  
Menara Landmark  
Mail Box 172  
12 Jalan Ngee Heng  
80000 Johor Bahru  
Johor Darul Takzim

Telephone no.: 07-278 1260

**Head/Management Office** : No. 11, Jalan Riang 23  
Taman Gembira  
81200 Johor Bahru  
Johor Darul Takzim

Telephone no.: 07-335 7788  
E-mail: gscb@tm.net.my

**Auditors and Reporting Accountants** : Horwath  
Chartered Accountants  
30-04 Level 30  
Menara Landmark  
Mail Box 171  
12 Jalan Ngee Heng  
80000 Johor Bahru  
Johor Darul Takzim

Telephone no.: 07-278 1268

**Solicitors for the IPO** : Abdul Raman Saad & Associates  
Level 12, Menara Pelangi  
Jalan Kuning, Taman Pelangi  
80400 Johor Bahru  
Johor Darul Takzim  
P.O. Box 308

Telephone no.: 07-334 2266

**Principal Bankers** : Affin Bank Berhad  
1<sup>st</sup> Floor, 130 & 132  
Jalan Rosmerah 2/17  
Taman Johor Jaya  
81100 Johor Bahru  
Johor Darul Takzim

Telephone no.: 07-351 8596

**1. CORPORATE DIRECTORY (cont'd)**

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- Issuing House** : Public Bank Berhad  
Ground Floor, Wisma Daiman  
64 Jalan Sulam, Taman Sentosa  
80150 Johor Bahru  
Johor Darul Takzim  
  
Telephone no.: 07-331 2266
- Registrar** : Malaysian Issuing House Sdn Bhd  
Tingkat 27, Menara Multi-Purpose  
Capital Square  
No. 8, Jalan Munshi Abdullah  
50100 Kuala Lumpur  
  
Telephone no.: 03-2693 2075
- Adviser, Underwriter and  
Placement Agent** : Securities Services (Holdings) Sdn Bhd  
Level 7, Menara Milenium  
Jalan Damanlela  
Pusat Bandar Damansara  
Damansara Heights  
50490 Kuala Lumpur  
  
Telephone no.: 03-2084 9000
- Listing Sought** : Commerce International Merchant Bankers Berhad  
7th Floor, Bangunan CIMB  
Jalan Semantan  
Damansara Heights  
50490 Kuala Lumpur  
  
Telephone no.: 03-2084 8888
- Listing Sought** : Second Board of Bursa Securities

## 2. INTRODUCTION

This Prospectus is dated 4 August 2004.

A copy of this Prospectus has been registered with the SC. A copy of this Prospectus, together with the application form, has also been lodged with the Registrar of Companies who takes no responsibility for its contents.

An application will be made to Bursa Securities within three (3) market days of the issuance of this Prospectus for admission to the Official List of the Second Board of Bursa Securities and for permission to deal in and for the listing of and quotation for the entire issued and fully paid-up ordinary shares of RM0.50 each in the Company, including the Issue/Offer Shares, which are the subject of this Prospectus. The GSCB Shares will be admitted to the Official List of the Second Board of Bursa Securities and official quotation will commence after receipt of confirmation from Bursa Depository that all CDS accounts of the successful applicants have been duly credited and notices of allotment have been despatched to all successful applicants.

The approval of the SC vide its letter dated 7 May 2004 shall not be taken to indicate that the SC recommends the IPO. Investors should rely on their own evaluation to assess the merits and risks of the IPO. Bursa Securities assumes no responsibility for the correctness of any statements made or opinion or report expressed in this Prospectus. Admission to the Official List of the Second Board of Bursa Securities is not to be taken as an indication of the merits of the Company or of its shares.

Acceptance of applications will be conditional upon permission being granted by Bursa Securities to deal in and quotation for the entire issued and fully paid-up ordinary shares of the Company, including the Issue/Offer Shares, within six (6) weeks from the date of this Prospectus or such longer period as may be specified by the SC, provided the Company is notified by or on behalf of Bursa Securities within six (6) weeks or such longer period as may be specified by the SC. Accordingly, monies paid in respect of any application accepted will be returned in full without interest if the said permission from Bursa Securities is not granted.

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

Pursuant to the Listing Requirements, the Company needs to have at least 25% of the enlarged issued and paid-up share capital in the hands of public shareholders and a minimum number of 1,000 public shareholders holding not less than 100 shares each upon completion of the IPO. The Company is expected to achieve this at the point of Listing. In the event that the above requirement is not met pursuant to the IPO, the Company may not be allowed to proceed with the Listing. In the event thereof, monies paid in respect of all applications will be returned in full without interest.

An applicant must have a CDS account and should state his CDS account number in the space provided in the application form and the applicant shall be deemed to have authorised Bursa Depository to disclose information pertaining to the CDS account to the Issuing House/Company for the purpose of crediting the Issue/Offer Shares allotted to the applicant into the applicant's CDS account. Where an applicant does not presently have a CDS account, the applicant should open a CDS account with an ADA prior to making an application for the GSCB Shares. In the case of an application by way of Electronic Share Application, an applicant must also have a CDS account. A corporation or institution cannot apply for the Issue 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 IPO and if given or made, such information or representation must not be relied upon as having been authorised by GSCB and/or CIMB. 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 the GSCB Group since the date hereof.

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2. **INTRODUCTION** *(cont'd)*

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The distribution of this Prospectus and the sale of the Issue/Offer Shares are subject to Malaysian law and CIMB, the Directors and Promoters of GSCB, and the Offerors take no responsibility for the distribution of this Prospectus and/or sale of the Issue/Offer Shares outside Malaysia which may be restricted by law in other jurisdictions. The Prospectus will not be registered under any securities legislation of any jurisdiction except Malaysia and the Issue/Offer Shares will not be sold in any country other than Malaysia. Persons who may be in possession of this Prospectus 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 invitation of an offer to buy any Issue/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.

**Investors should rely on their own evaluation to assess the merits and risks of the investment. In considering the investment, investors who are in any doubt as to the action to be taken, you should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**

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### 3. INFORMATION SUMMARY

The following is a summary of the salient information about the GSCB Group and the IPO and should be read in conjunction with the full text of this Prospectus. Investors should read and understand the whole Prospectus prior to deciding whether to invest in GSCB.

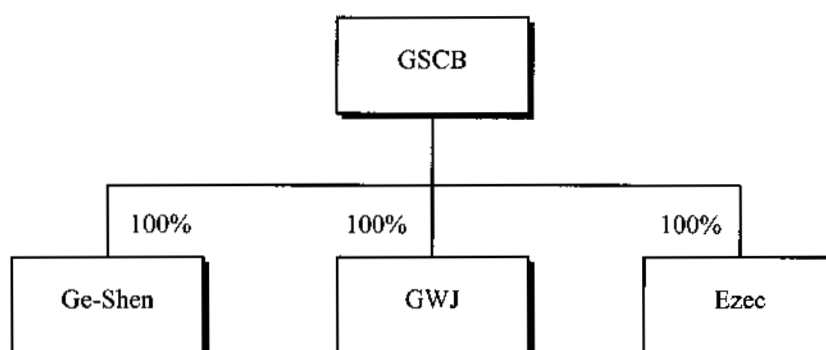
#### 3.1 History and business

GSCB was incorporated in Malaysia under the Act on 8 November 2003 as a public company under its present name. As at 8 July 2004, the authorised share capital of the Company is RM50,000,000 comprising 100,000,000 ordinary shares of RM0.50 each whilst the issued and paid-up share capital of the Company is RM32,150,800 comprising 64,301,600 ordinary shares of RM0.50 each.

The principal activity of the Company is that of investment holding while the principal activities of its subsidiaries are as follows:

Company	Principal activities
Ge-Shen	Manufacturing of all kinds of plastic moulded products and components
GWJ	Manufacturing of plastic mould, tools and die
Ezec	Manufacturing of plastic mould, tools and die

The structure of the GSCB Group is as follows:



Further information on GSCB and its subsidiaries are set out in Sections 7.1, 7.2, 7.4 and 7.5 of this Prospectus.

### 3. INFORMATION SUMMARY (cont'd)

#### 3.2 Substantial shareholders, Promoters, Directors, key management and key technical personnel

##### 3.2.1 Substantial shareholders

The shareholdings of the substantial shareholders of GSCB after the IPO are as follows:

Shareholders	Place of incorporation/ Nationality	After the IPO			
		No. of GSCB Shares held			
		Direct	%	Indirect	%
GSRSB	Malaysia	36,000,000	45.00	-	-
Wong Yee Keh	Singaporean	-	-	36,000,000	45.00 <sup>*1</sup>
Han Hun Kwong	Singaporean	-	-	36,000,000	45.00 <sup>*1</sup>
Teo Chin Swee	Malaysian	1,259,982	1.57	36,000,000	45.00 <sup>*1</sup>
Liew Kwai Lan	Malaysian	4,458,334	5.57	-	-
Sesi Bintang	Malaysia	10,193,088	12.74	-	-
SDC-NS	Malaysia	6,576,192	8.22	-	-
Mohd Hasni bin Masaut	Malaysian	-	-	10,193,088	12.74 <sup>*2</sup>
Abd Halim bin Husin	Malaysian	-	-	10,193,088	12.74 <sup>*2</sup>

**Notes:**

<sup>\*1</sup> Deemed interest by virtue of their interests in GSRSB pursuant to Section 6A of the Act.

<sup>\*2</sup> Deemed interest by virtue of their interests in Sesi Bintang pursuant to Section 6A of the Act.

##### 3.2.2 Promoters

The Promoters of GSCB are GSRSB, Wong Yee Keh, Han Hun Kwong, Teo Chin Swee and Aw Joon Thong. Detailed information on the Promoters can be found in Section 8 of this Prospectus.

The shareholdings of the Promoters after the IPO are as follows:

Shareholders	Place of incorporation/ Nationality	After the IPO			
		No. of GSCB Shares held			
		Direct	%	Indirect	%
GSRSB	Malaysia	36,000,000	45.00	-	-
Wong Yee Keh	Singaporean	-	-	36,000,000	45.00 <sup>*1</sup>
Han Hun Kwong	Singaporean	-	-	36,000,000	45.00 <sup>*1</sup>
Teo Chin Swee	Malaysian	1,259,982	1.57	36,000,000	45.00 <sup>*1</sup>
Aw Joon Thong	Malaysian	800,000	1.00	-	-

**Note:**

<sup>\*1</sup> Deemed interest by virtue of their interests in GSRSB pursuant to Section 6A of the Act.

### 3. INFORMATION SUMMARY (cont'd)

#### 3.2.3 Directors

The shareholdings of the Directors of GSCB after the IPO based on their shareholdings as at 8 July 2004 are as follows:

Names	Nationality	Designation	After the IPO			
			No. of GSCB Shares held		%	
			Direct	%	Indirect	%
Syed Alwi @ Syed Alwee bin Syed Hamid	Malaysian	Independent Non-Executive Chairman	50,000	0.06 <sup>*1</sup>	-	-
Wong Yee Keh	Singaporean	Managing Director	-	-	36,000,000	45.00 <sup>*2</sup>
Mohd Hasni bin Masaut	Malaysian	Executive Director	-	-	10,193,088	12.74 <sup>*3</sup>
Han Hun Kwong	Singaporean	Executive Director	-	-	36,000,000	45.00 <sup>*2</sup>
Teo Chin Swee	Malaysian	Executive Director	1,259,982	1.57	36,000,000	45.00 <sup>*2</sup>
Aw Joon Thong	Malaysian	Executive Director	800,000	1.00	-	-
Ahmad bin Mohd Ali	Malaysian	Non-Independent Non-Executive Director	200,000	0.25 <sup>*1</sup>	-	-
Lee Hin Kan	Malaysian	Independent Non-Executive Director	50,000	0.06 <sup>*1</sup>	-	-
Soon Teck Kuan	Malaysian	Independent Non-Executive Director	50,000	0.06 <sup>*1</sup>	-	-

*Notes:*

<sup>\*1</sup> Assuming full subscription of GSCB Shares allocated to the respective Directors of GSCB.

<sup>\*2</sup> Deemed interest by virtue of their interests in GSRSB pursuant to Section 6A of the Act.

<sup>\*3</sup> Deemed interest by virtue of his interest in Sesi Bintang pursuant to Section 6A of the Act.

#### 3.2.4 Key management and key technical personnel

The key management and key technical personnel of the GSCB Group and their shareholdings in GSCB after the IPO based on their shareholdings in GSCB as at 8 July 2004 are as follows:

Names	Nationality	Designation	After the IPO			
			No. of GSCB Shares held		%	
			Direct	%	Indirect	%
Tan Long	Malaysian	General Manager of Ge-Shen	120,000	0.15 <sup>*1</sup>	-	-
Sze Kok Lee	Singaporean	Manufacturing Manager of Ge-Shen	120,000	0.15 <sup>*1</sup>	-	-
Ng Siew Kian	Malaysian	Finance Manager of Ge-Shen	100,000	0.13 <sup>*1</sup>	-	-
Yong Wah Sang	Malaysian	Mould Making Manager of Ezec	50,000	0.06 <sup>*1</sup>	-	-
Kam Yee Sung	Malaysian	Design Manager of GWJ	50,000	0.06 <sup>*1</sup>	-	-
Bernard Toh Hong Giap	Malaysian	Group Purchasing Manager	100,000	0.13 <sup>*1</sup>	-	-



### 3. INFORMATION SUMMARY (cont'd)

Names	Nationality	Designation	After the IPO			
			No. of GSCB Shares held		%	
			Direct	%	Indirect	%
Liew Kwai Mui	Malaysian	Project Manager of Ge-Shen	50,000	0.06 <sup>*1</sup>	-	-
Tan Sook Seah	Malaysian	Engineering Manager of Ezeec	50,000	0.06 <sup>*1</sup>	-	-

**Note:**

<sup>\*1</sup> Assuming full subscription of GSCB Shares allocated to the respective key management and key technical personnel of the GSCB Group.

Detailed information on the substantial shareholders, Promoters, Directors, key management and key technical personnel of GSCB is set out in Section 8 of this Prospectus.

### 3.3 Financial highlights

#### 3.3.1 Proforma consolidated income statements

GSCB was incorporated on 8 November 2003 and the Group was formed on 31 May 2004. The following is a summary of the proforma audited financial results of the GSCB Group for the past five (5) financial years ended 31 December 1999 to 2003 and the four (4) month period ended 30 April 2004 after such adjustments considered necessary based on the audited results of the companies comprising the GSCB Group, on the assumption that the current structure of the Group has been in existence throughout the financial years/period under review. The proforma results of the GSCB Group have been extracted from and should be read in conjunction with the accompanying notes and assumptions included in the Accountants' Report set out in Section 12 of this Prospectus.

	Financial year ended 31 December					Four (4) month period ended
	1999	2000	2001	2002	2003	30 April 2004
	RM 000	RM 000	RM 000	RM 000	RM 000	RM 000
Revenue	31,845	55,091	64,957	70,709	65,323	21,646
EBITDA	3,936	9,969	12,157	13,048	13,778	4,309
Interest expense	(720)	(756)	(622)	(495)	(413)	(135)
Depreciation and amortisation	(1,202)	(1,814)	(2,240)	(3,108)	(3,495)	(1,283)
PBT	2,014	7,399	9,295	9,445	9,870	2,891
Taxation	(6)	(2,090)	(3,413)	(2,179)	(1,523)	(563)
PAT	2,008	5,309	5,882	7,266	8,347	2,328
Minority interest	-	-	-	(8)	-	-
PAT and minority interest	2,008	5,309	5,882	7,258	8,347	2,328
No. of ordinary shares assumed in issue (000) <sup>*1</sup>	64,302	64,302	64,302	64,302	64,302	64,302
Gross EPS (sen)	3.13	11.51	14.46	14.69	15.35	N/A
Net EPS (sen)	3.12	8.26	9.15	11.29	12.98	N/A

**Notes:**

<sup>\*1</sup> The assumed issued and paid-up share capital comprising 64,301,600 GSCB Shares is based on the issued and paid-up share capital of GSCB after the Acquisitions but prior to the IPO.

<sup>\*2</sup> There were no extraordinary items and exceptional items arising for the years/period under review.

### 3. INFORMATION SUMMARY (cont'd)

The financial statements of the GSCB Group for the past five (5) financial years ended 31 December 1999 to 2003 and the four (4) month period ended 30 April 2004 were not subject to any audit qualification.

#### 3.3.2 Proforma consolidated balance sheets of GSCB as at 30 April 2004

The following is a summary of the proforma consolidated balance sheets of GSCB and its subsidiaries as at 30 April 2004, prepared for illustrative purposes only, based on the audited financial statements of GSCB and its subsidiaries as at 30 April 2004 to show the effects of the Acquisitions, IPO and Listing, and utilisation of proceeds from the Public Issue on the assumption that these transactions were completed on 30 April 2004.

The proforma consolidated balance sheets have been extracted from and should be read in conjunction with the accompanying notes and assumptions included in the proforma consolidated balance sheets set out in Section 11.9 of this Prospectus.

	Audited as at 30 April 2004 RM 000	Proforma I After the Acquisitions RM 000	Proforma II After Proforma I, IPO and Listing RM 000	Proforma III After Proforma II and the utilisation of proceeds from the Public Issue RM 000
PROPERTY, PLANT AND EQUIPMENT	-	30,417	30,417	39,617
GOODWILL	-	2,330	2,330	2,330
CURRENT ASSETS	389	23,627	38,540	27,590
CURRENT LIABILITIES	408	17,962	17,962	17,962
NET CURRENT ASSETS/(LIABILITIES)	(19)	5,665	20,578	9,628
	(19)	38,412	53,325	51,575
SHARE CAPITAL	- <sup>*1</sup>	32,151	40,000	40,000
SHARE PREMIUM		-	7,064	5,314 <sup>*2</sup>
ACCUMULATED LOSSES	(19) <sup>*3</sup>	(19)	(19)	(19)
SHAREHOLDERS' EQUITY/ (DEFICIT)	(19)	32,132	47,045	45,295
DEFERRED TAXATION	-	1,959	1,959	1,959
HIRE PURCHASE CREDITORS	-	1,384	1,384	1,384
BORROWINGS	-	2,937	2,937	2,937
	(19)	38,412	53,325	51,575
NTA (RM 000)	(19)	29,802	44,715	42,965
NTA per share (RM)	(9,500)	0.46	0.56	0.54

**Notes:**

<sup>\*1</sup> Being two (2) ordinary shares of RM1.00 each in GSCB.

<sup>\*2</sup> After deducting estimated expenses relating to the IPO and Listing of RM1,750,000.

<sup>\*3</sup> The accumulated losses are in relation to preliminary expenses and administrative expenses incurred since GSCB's incorporation up to 30 April 2004.

### 3. INFORMATION SUMMARY (cont'd)

#### 3.3.3 Consolidated profit forecast

The consolidated profit forecast for the financial year ending 31 December 2004 is as follows:

	<b>RM 000</b>
Revenue	<u>75,360</u>
Consolidated PAT	9,641
Less: Pre-acquisition profit* <sup>1</sup>	<u>(4,017)</u>
Consolidated PAT and pre-acquisition profit	<u>5,624</u>
Net EPS (sen)	
- Based on weighted average number of shares	13.13 <sup>*2</sup>
- Based on enlarged share capital	12.05 <sup>*3</sup>
Net PE Multiple (based on the issue price of RM0.95 per share) (times)	
- Based on weighted average number of shares	7.23 <sup>*2</sup>
- Based on enlarged share capital	7.88 <sup>*3</sup>

**Notes:**

\*<sup>1</sup> The pre-acquisition profit relates to the period from 1 January 2004 to 30 May 2004.

\*<sup>2</sup> Based on the consolidated PAT and pre-acquisition profit and the weighted average number of 42,829,912 GSCB Shares for the year assuming completion of the Public Issue on 31 August 2004.

\*<sup>3</sup> Based on the consolidated PAT before pre-acquisition profit and the enlarged issued and paid-up share capital of GSCB after the Public Issue of 80,000,000 GSCB Shares.

Detailed information on the consolidated profit forecast of GSCB is set out in Section 11.4 of this Prospectus.

#### 3.3.4 Dividend forecast

The dividend forecast for the financial year ending 31 December 2004 is as follows:

<b>Financial year ending 31 December</b>	<b>Forecast 2004 RM 000</b>
Revenue	<u>75,360</u>
Consolidated PAT	9,641
Less: Pre-acquisition profit * <sup>1</sup>	<u>(4,017)</u>
Consolidated PAT and pre-acquisition profit attributable to shareholders	5,624
Less: Proposed gross dividend of 5.55 sen per share (less tax of 28%)	<u>(3,200)</u>
Profit retained for the financial year	<u>2,424</u>
Gross dividend per share (%) <sup>*2</sup>	11.11
Net dividend per share (%)	8.00
Gross dividend yield based on the issue price of RM0.95 per share (%)	5.85
Net dividend yield based on the issue price of RM0.95 per share (%)	4.21
Net dividend cover (times) <sup>*3</sup>	1.76

### 3. INFORMATION SUMMARY (cont'd)

*Notes:*

- \*1 *The pre-acquisition profit relates to the period from 1 January 2004 to 30 May 2004.*
- \*2 *The gross dividends declared for the financial year ending 31 December 2004 are expected to be paid from the Section 108 Income Tax Act, 1967 tax credits of GSCB.*
- \*3 *The net dividend cover ratio was computed based on the consolidated forecast PAT and pre-acquisition profit of RM5.62 million over the aggregate net dividend forecast of RM3.2 million.*

Detailed information on the dividend forecast of GSCB is set out in Section 11.8 of this Prospectus.

#### 3.4 Principal statistics relating to the IPO

(a) Share capital	RM
<b>Authorised</b> 100,000,000 ordinary shares of RM0.50 each	<u>50,000,000</u>
<b>Issued and fully paid-up as at the date of this Prospectus</b> 64,301,600 ordinary shares of RM0.50 each	32,150,800
<b>To be issued and credited as fully paid-up pursuant to the Public Issue</b> 15,698,400 ordinary shares of RM0.50 each	7,849,200
Enlarged share capital	<u>40,000,000</u>

Further details on the share capital are set out in Section 7.2 of this Prospectus.

- (b) **Offer for sale**
- 5,014,000 Offer Shares will be made available for application by the Malaysian public.

- (c) **Classes of shares and rights**
- There is only one (1) class of shares in GSCB, being ordinary shares of RM0.50 each all of which rank pari passu with one another. The Issue Shares will upon issue and allotment rank pari passu in all respects with one another and the existing issued and paid-up GSCB Shares including voting rights and shall be entitled to all rights and dividends and other distributions, the entitlement date of which is subsequent to the date of allotment of the Issue Shares.

- (d) **Issue price per ordinary share** **RM0.95**
- The factors taken into consideration in the pricing of the Issue/Offer Shares are set out in Section 4.6 of this Prospectus.

### 3. INFORMATION SUMMARY *(cont'd)*

#### 3.5 Risk factors

An investment in shares listed/to be listed on Bursa Securities involves a number of risks. Investors should carefully consider the risk factors set out below (as extracted from Section 5 of this Prospectus, and which may not be exhaustive) together with other information contained in this Prospectus before applying for any of the Issue/Offer Shares.

##### 3.5.1 Risks relating to GSCB Shares and the IPO

(a) **No prior public market for GSCB Shares**

Prior to the Listing, there is no public market for GSCB Shares. There can be no assurance that an active market for GSCB Shares will develop upon the Listing or, if developed, that such market will be sustained. There can also be no assurance that the issue price will correspond to the price at which GSCB Shares will trade upon or subsequent to the Listing.

(b) **Failure or delay of the Listing**

The occurrence of certain events may cause a delay in or the abortion of the Listing. Although the Directors will endeavour to secure the Listing, there can be no assurance that events will not occur which may cause a delay in or abortion of the Listing.

(c) **Termination of the Underwriting Agreement**

The Underwriting Agreement is terminable by the Underwriter if the Underwriter is of the reasonable opinion that the success of the IPO is likely to be materially and adversely affected by certain events, details of which are set out in Section 4.9 of this Prospectus.

(d) **Subscription of shares reserved for eligible Directors, employees and business associates of GSCB Group**

Of the 3,014,000 Issue Shares reserved for the eligible Directors, employees and business associates of GSCB Group, 1,000,000 of the Issue Shares are underwritten. No assurances can be given that the remaining said reserved shares will be fully subscribed. In such an event, the reserved shares would be made available for subscription by the public. Should these shares still remain unsubscribed, this may result in the IPO and Listing being cancelled.

(e) **Delay between settlement and trading of GSCB Shares**

After the GSCB Shares have been allotted to investors' CDS accounts with Bursa Depository, which would occur at least two (2) clear market days prior to the anticipated date for admission to the Official List of Bursa Securities, it may not be possible to recover immediately the monies paid in respect of these shares from the Company in the event that the listing exercise does not occur.

In order for the Company to return monies to investors in respect of IPO Shares following their allotment, a reduction of the Company's capital would be necessary. This would require a special resolution of the Company and the approval of courts in Malaysia. There can be no assurance that monies can be recovered within a short period of time or at all.

(f) **Sale or possible sale of a substantial number of GSCB Shares could adversely affect the price**

If any substantial shareholder sells or is perceived as intending to sell a substantial amount of GSCB Shares, the market price for GSCB Shares may be adversely affected.

### 3. INFORMATION SUMMARY *(cont'd)*

**(g) Company's share price may be volatile**

The price of the GSCB Shares may fluctuate as a result of variations in its operating results and news regarding, amongst others, the gain or loss of significant customers, changes in key estimates of its financial results or recommendations.

**(h) Company may not be able to realise dividends from its subsidiaries**

An important factor in the Company's ability to pay dividends on the GSCB Shares is dividends and other distributions received from its subsidiaries. The Company's subsidiaries' ability to pay dividends and make other distributions may be subject to certain restrictions. In the event of a subsidiaries' liquidation, the Company may not be able to recognise its investments.

**(i) Investors in this IPO will suffer immediate dilution**

As the issue/offer price per GSCB Share is higher than the proforma NTA per share of the Group before the IPO, Investors subscribing for GSCB Shares in this IPO will incur immediate dilution.

#### 3.5.2 Risks relating to the Group

**(a) Business risks**

The performance of the Group is subject to general business risks as well as specific risks in relation to the plastics injection moulding industry. Amongst the business risks faced by the Group are as follows:

- Increase in cost of labour and the availability of labour;
- Availability of raw materials;
- Competition from other plastic manufacturers;
- Demand from the E&E products industry;
- Technological changes;
- Foreign exchange and market risks;
- Compliance with environmental regulations; and
- Other operation risks.

Whilst steps have been taken by the Group to mitigate the effect of such risks, no assurance can be given that changes to the Group's operating environment will not have an adverse impact to the performance of the Group.

**(b) Dependence on key customers**

The Group's top five (5) customers accounted for approximately 83% and 88% of the revenue for the financial year ended 31 December 2003 and the four (4) month period ended 30 April 2004 respectively. No assurance can be given that the loss of any one (1) or more of these customers resulting from, inter alia, the relocation of customer's business operation geographically or cessation of business relations, would not adversely impact the Group's operating results.

**(c) Geographical location of customers**

The major customers of the Group are mainly MNCs located within the vicinity of the Group's business operations. The relocation or closure of plants by these MNCs may affect the Group's financial performance as the geographical advantage once available to the Group would no longer be available.

**3. INFORMATION SUMMARY (cont'd)****(d) Contracts with customers**

It is the industry's practice that no formal contracts are entered into between the OEM and the local MNC customers. The absence of such formal contracts allows the Group's key customers to shift to other OEMs easily, which may adversely affect the performance of the Group and vice versa.

**(e) Loan covenants**

The Group has various credit facilities to finance its operations and business activities. A breach of any covenant may result in the termination and/or enforcement of securities granted for the relevant credit facility.

**(f) Control by substantial shareholders**

Upon completion of the IPO, the Promoters will have direct and indirect interests of approximately 47.57% of the issued and paid-up share capital of GSCB. As such, the Promoters, who are also the Directors of GSCB, will be able to determine the outcome of certain matters requiring the vote of the Company's shareholders unless they are required to abstain from voting by law or as required by the relevant authorities.

**(g) Dependence on key personnel and continuity of management**

The Group believes that its continued success will depend to a significant extent upon the abilities and the continued efforts of the Directors and senior management of the Group. The ability to attract and retain skilled personnel will also play a significant role in the prospects of the Group in this respect.

**(h) Changes in general economic, political, legislative, business and credit conditions**

The performance of the Group is also subject to the overall economic, political, legislative, business and credit environment both domestically and internationally.

**(i) Competition from China**

The cost of production for manufacturers in China is relatively lower due to the cheaper labour costs. As such, there can be no assurance that the MNC customers will not shift their existing operations away from Malaysia and Singapore to China to take advantage of the cheaper cost of manufacturing in China.

**3.5.3 Risks relating to future information****(a) Forward-looking statements**

Forward-looking statements contained in this Prospectus involve known and unknown risks and other factors, which are outside the control of the Group and may cause actual outcomes to be significantly different from those mentioned in the forward-looking statements.

**(b) Profit forecast**

The consolidated profit forecast in this Prospectus is based on assumptions that are subject to uncertainty and are contingent in nature. There can be no assurance that the consolidated profit forecast contained herein will be realised and actual results may materially differ from those shown.

### 3. INFORMATION SUMMARY *(cont'd)*

#### 3.6 Utilisation of proceeds

The total gross proceeds of approximately RM14.913 million from the Public Issue will be utilised in the following manner:

	<b>RM 000</b>
Purchase of plant and machinery	7,200
Purchase of factory	2,000
Working capital	3,963
Defray estimated listing expenses	1,750
<b>Total</b>	<u>14,913</u>

The gross proceeds from the Offer for Sale amounting to RM4,763,300 will accrue entirely to the Offerors. The Offerors shall bear the brokerage, placement fees, stamp duty and share transfer fees relating to the Offer Shares, estimated at RM181,006.

Detailed information on the utilisation of proceeds is set out in Section 4.7 of this Prospectus.

#### 3.7 Technology

The GSCB Group applies 2-dimensional and 3-dimensional CAD/CAM software technologies to develop and design plastic injection moulds. The Group also utilises modern CNC machines to conduct the processes of cutting, milling, drilling, grinding and shaping whereby such automated processes allow for high accuracy and precision when fabricating the moulds.

In addition, the GSCB Group also utilises an electrical discharging machining ("EDM") process which is a high precision metal removal process that uses thermal energy from a fine, accurately controlled electrical discharge to erode metals. As the EDM process erodes metal with electrical discharges as opposed to chip machining cutting tools, the processes of cutting, milling and grinding can be easily carried out on hard workpieces. To date, the Group applies the EDM process for milling, grinding and dressing its moulds. The use of such advanced softwares, machinery and equipment technologies shortens the lead time from designing the moulds to delivery of the finished products. It also ensures a higher level of accuracy and reduces the margin for error when fabricating the plastic injection moulds.

#### 3.8 Working capital, borrowings, material litigation, material commitments and contingent liabilities

##### (a) Working capital

The Directors of GSCB are of the opinion that after taking into consideration the cashflow position of the Group, banking facilities available and the gross proceeds to be raised from the Public Issue, the GSCB Group will have adequate working capital for a period of 12 months from the date of this Prospectus for its foreseeable requirements.

##### (b) Borrowings

As at 8 July 2004, being the latest practicable date prior to the registration of this Prospectus, the total outstanding borrowings of the GSCB Group amounted to RM6.83 million.



**3. INFORMATION SUMMARY** (cont'd)

Details of the GSCB Group's outstanding borrowings, which bear interest at rates ranging between 4.18% and 10.69%, are as follows:

Outstanding borrowings	Payable within 12 months RM 000	Payable after 12 months RM 000	Total RM 000
Term loans	1,401	2,784	4,185
Bankers' acceptances	480	-	480
Hire purchase	793	1,374	2,167
	<u>2,674</u>	<u>4,158</u>	<u>6,832</u>

For the financial year ended 31 December 2003 and the subsequent period thereof to 8 July 2004, being the latest practicable date prior to the registration of this Prospectus, there has not been any default on payments of either interest and/or principal sums in respect of any borrowings.

**(c) Material litigation**

As at 8 July 2004, being the latest practicable date prior to the registration of this Prospectus, the GSCB Group has not been involved in any litigation or arbitration as plaintiff, defendant or third party and the management of GSCB does not have any knowledge of any proceeding, pending or threatened against GSCB or its subsidiaries, or of any fact which is likely to give rise to any proceeding, which might materially affect the business or financial position of GSCB Group.

**(d) Material commitments**

As at 8 July 2004, being the latest practicable date prior to the registration of this Prospectus, there are no material commitments incurred or known to be incurred by the Group which may have a material impact on the financial performance or position of the Group.

**(e) Contingent liabilities**

As at 8 July 2004, being the latest practicable date prior to the registration of this Prospectus, there are no contingent liabilities which upon materialisation would have a material impact on the financial performance or position of the Group other than a bank guarantee of RM666,000 from Affin Bank Berhad to Tenaga Nasional Berhad for the supply of electricity to Ge-Shen.

#### 4. PARTICULARS OF THE IPO

##### 4.1 Opening and closing of applications

Applications will be accepted from 10.00 a.m. on 4 August 2004 and will close at 5.00 p.m. on 17 August 2004 or such further date or dates as the Directors, the Underwriter and Offerors may, in their absolute discretion, mutually decide.

##### 4.2 Indicative timetable

The indicative timing of events leading up to the Listing is set out below:

Event	Date
Opening of applications for the Issue/Offer Shares	4 August 2004
Closing of applications for the Issue/Offer Shares	17 August 2004*
Balloting of applications for the Issue/Offer Shares	19 August 2004
Despatch of notices of allotment to successful applicants	27 August 2004
Listing	8 September 2004

**Note:**

\* *The timing of events is tentative and is subject to changes which may be necessary to facilitate implementation procedures. The Directors, the Underwriter and Offerors may in their absolute discretion mutually decide to extend the closing date of the application to a further date or dates. Should the closing of the application be extended, an announcement will be made in a widely circulated Bahasa Malaysia and English daily newspaper within Malaysia and the dates for the allotment of the Issue/Offer Shares and the Listing will be extended accordingly.*

##### 4.3 Share capital

	RM
<b>Authorised</b>	
100,000,000 ordinary shares of RM0.50 each	<u>50,000,000</u>
<b>Issued and fully paid-up as at the date of this Prospectus</b>	
64,301,600 ordinary shares of RM0.50 each	32,150,800
<b>To be issued and credited as fully paid-up pursuant to the Public Issue</b>	
15,698,400 ordinary shares of RM0.50 each	7,849,200
Enlarged share capital	<u>40,000,000</u>

The price of RM0.95 for each Issue Share is payable in full on application.

There is only one (1) class of shares in GSCB, being ordinary shares of RM0.50 each all of which rank pari passu with one another. The Issue Shares will upon issue and allotment rank pari passu in all respects with one another and the existing issued and paid-up GSCB Shares including voting rights and shall be entitled to all rights and dividends and other distributions, the entitlement date of which is subsequent to the date of allotment of the Issue Shares.

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

**4. PARTICULARS OF THE IPO (cont'd)**

At every general meeting of GSCB, 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 to a shareholder shall have one (1) vote and on a poll, every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for each ordinary share held in GSCB. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.

**4.4 Details of the IPO**

The IPO is subject to the terms and conditions of this Prospectus and upon acceptance, the IPO Shares will be allocated in the following manner:

**(i) Offer for Sale**

5,014,000 Offer Shares will be made available for application by the Malaysian public, of which at least 30% is to be set aside strictly for Bumiputera individuals, companies, co-operatives, societies and institutions.

The Offer Shares allocated to the Malaysian public have been fully underwritten by the Underwriter. Details on the brokerage and underwriting commission relating to the Offer for Sale are set out in Section 4.8 of this Prospectus.

**(ii) Public Issue****(a) Eligible Directors, employees and business associates of the GSCB Group**

3,014,000 of the Issue Shares have been reserved for eligible Directors, employees and business associates of the GSCB Group. Any Issue Shares not allocated to or subscribed by eligible Directors, employees and business associates of the GSCB Group will be reallocated to other eligible Directors, employees and business associates of the GSCB Group. In the event that there are still Issue Shares which cannot be reallocated or are not subscribed subsequent to the reallocation, the Issue Shares will be made available for application by the Malaysian public.

Of the said 3,014,000 Issue Shares, 2,184,000 have been allocated to the eligible Directors and employees who are Directors of the GSCB or are confirmed as employees who rank as executives/officers or above of GSCB as at 31 May 2004. Based on the aforesaid criteria, there are 47 eligible Directors and employees who are eligible to be allocated the Issue Shares.

The details of the allocation to the eligible Directors are as follows:

<b>Name of Directors</b>	<b>No. of Issue Shares allocated</b>
Syed Alwi @ Syed Alwee bin Syed Hamid	50,000
Ahmad bin Mohd Ali	200,000
Lee Hin Kan	50,000
Soon Teck Kuan	50,000

In addition, the remaining 830,000 Issue Shares were allocated to a total of 21 eligible business associates of the GSCB Group who have contributed to the success of the GSCB Group.

#### 4. PARTICULARS OF THE IPO (cont'd)

1,000,000 of the Issue Shares reserved for eligible Directors, employees and business associates of the GSCB Group have been underwritten by the Underwriter. Details on the brokerage and underwriting commission relating to the Public Issue are set out in Section 4.8 of this Prospectus.

**(b) Malaysian public**

986,000 of the Issue Shares will be available for application by the Malaysian public, of which at least 30% is to be set aside strictly for Bumiputera individuals, companies, co-operatives, societies and institutions.

The Issue Shares allocated to the Malaysian public have been fully underwritten by the Underwriter. Details on the brokerage and underwriting commission relating to the Public Issue are set out in Section 4.8 of this Prospectus.

**(c) Private placement to Bumiputera investors approved by the MITI**

7,231,000 of the Issue Shares have been reserved for private placement to Bumiputera investors approved by the MITI.

**(d) Private placement**

4,467,400 of the Issue Shares have been reserved for private placement to identified investors of which at least 30% is to be placed, to the extent possible to Bumiputera investors.

The Issue Shares under paragraph (ii)(c) and (d) above are not required to be underwritten and are therefore not underwritten. With respect to paragraph (ii)(d), the identified investors have given irrevocable undertakings to subscribe for their entitlements under the Public Issue. All Issue Shares under (ii)(b) and 1,000,000 Issue Shares under (ii)(a) are underwritten. All the Offer Shares are also underwritten.

#### 4.5 Purposes of the IPO

The purposes of the IPO are as follows:

- (a) To provide the Company with the ability to raise funds through the equity and debt capital markets for future expansion and the continued growth of the GSCB Group;
- (b) To motivate and retain staff by providing opportunities to eligible Directors and employees of the GSCB Group to participate in the equity and the continued growth of the GSCB Group;
- (c) To obtain the Listing;
- (d) To increase the Bumiputera equity participation in GSCB in order to comply with the objectives of the National Vision Policy and National Development Policy;
- (e) To allow the Malaysian public the opportunity to participate in the future growth of the Group; and
- (f) To raise funds for the Group's continued operations and expansion, details of which are elaborated in Section 4.7 below.

#### 4. PARTICULARS OF THE IPO (cont'd)

##### 4.6 Pricing of the Issue/Offer Shares

The issue price of RM0.95 per GSCB Share was determined and agreed upon by the Company and CIMB as Adviser and Underwriter, after taking into account various factors including, but not limited to, the following:

- (a) The forecast net PE Multiple of 7.23 times which was arrived at based on the forecast consolidated PAT and pre-acquisition profit for the year ending 31 December 2004 of RM5.62 million and the weighted average number of GSCB Shares in issue of 42,829,912, assuming that the Public Issue is completed on 31 August 2004;
- (b) The industry in which the Group operates, and the future plans, and prospects of the Group as described in Sections 6 and 7.10 of this Prospectus;
- (c) The business of the GSCB Group as set out in Section 7.4 of this Prospectus;
- (d) The Group's proforma NTA per share as at 30 April 2004 before the IPO of RM0.46 per share as set out in Section 11.9 of this Prospectus; and
- (e) The forecast net dividend yield of approximately 4.21% for the financial year ending 31 December 2004.

However, investors should also note that the market price of GSCB Shares upon Listing are subject to the vagaries of market forces and other uncertainties which may affect the price of GSCB Shares being traded. Investors should form their own views on the valuation of the Issue/Offer Shares before deciding to invest in GSCB.

##### 4.7 Utilisation of proceeds

The gross proceeds to be raised from the Public Issue amounting to approximately RM14.913 million will be utilised in the following manner:

	Note	RM 000
Purchase of plant and machinery	*1	7,200
Purchase of factory	*2	2,000
Working capital	*3	3,963
Defray estimated listing expenses	*4	1,750
Total		<u>14,913</u>

**Notes:**

\*1 Comprising the acquisition of the following:

<i>Description</i>	<i>Estimated period of commission</i>	<i>Cost RM 000</i>
<i>Roto spraying system</i>	<i>By end of 2005</i>	<i>3,500</i>
<i>Clean room facility</i>	<i>By end of 2005</i>	<i>1,500</i>
<i>Injection moulding machine</i>	<i>By end of 2005</i>	<i>1,700</i>
<i>Laser cutting machine</i>	<i>By end of 2005</i>	<i>500</i>
		<u><i>7,200</i></u>

\*2 The Group's operations are based within the Taman Gembira estate in Johor Bahru, Johor. It is the intention of the Group to identify a factory building with a built-up area of between 18,000 to 25,000 square feet within the said estate for acquisition at a reasonable price to complement the Group's existing facilities by end of 2005.

\*3 The proceeds of RM3.96 million will be utilised as working capital for the Group which includes payment of creditors, salaries and utilities.

**4. PARTICULARS OF THE IPO (cont'd)**

\*4 *The estimated expenses and fees, incidental to the Listing amounting to approximately RM1.75 million are as follows:*

	<i>RM 000</i>
<i>Professional fees</i>	<i>720</i>
<i>Fees payable to SC</i>	<i>65</i>
<i>Fees payable to Bursa Securities</i>	<i>15</i>
<i>Underwriting commission and placement fee</i>	<i>153</i>
<i>Brokerage fees</i>	<i>38</i>
<i>Issuing House fees</i>	<i>100</i>
<i>Printing and advertisement of Prospectus</i>	<i>200</i>
<i>Contingencies</i>	<i>459</i>
<i>Total</i>	<u><i>1,750</i></u>

*The Listing expenses are expected to be defrayed within three (3) months from the date of Listing.*

\*5 *Interest income of approximately RM33,000 per month is forecast to be generated in 2004 from the unutilised proceeds raised from the Public Issue at an assumed interest rate of approximately 3% per annum.*

**4.8 Brokerage, underwriting commission and placement fees**

Brokerage relating to the Issue Shares will be borne by the Company at the rate of one percent (1%) of the issue price of RM0.95 per share in respect of successful applications bearing the stamp of CIMB, member companies of Bursa Securities, members of the Association of Banks in Malaysia, members of the Association of Merchant Banks in Malaysia or MIH. Brokerage with respect to the Offer Shares is payable at the rate of one percent (1%) of the offer price of RM0.95 on the Offer Shares by the Offerors.

The Underwriter has agreed to underwrite the 986,000 Issue Shares and 5,014,000 Offer Shares which are available for application by the Malaysian citizens, companies, co-operatives, societies and institutions and the 1,000,000 Issue Shares which are available to eligible Directors, employees and business associates of the GSCB Group. The underwriting commission for the Issue Shares amounting to RM47,168 is payable by the Company and the underwriting commission for the Offer Shares amounting to RM119,083 is payable by the Offerors at the rate of two and a half percent (2.5%) of the issue price of RM0.95 per share being underwritten.

The Placement Agent has agreed to place 4,467,400 Issue Shares to the identified investors. Placement fees shall be payable by the Company to the Placement Agent at the rate of two and a half percent (2.5%) of the issue price for placees identified and secured by the Placement Agent. For placees identified and secured by the Company, placement fees at the rate of one percent (1%) of the issue price is payable to the Placement Agent.

The Underwriter may withdraw from their obligations under the Underwriting Agreement relating to the IPO after the opening of the IPO in the event any of the warranties, representations or undertakings given by the Company is breached prior to the date of Listing and on the occurrence of any unforeseen circumstances beyond the reasonable control of the contracting parties.

**4. PARTICULARS OF THE IPO (cont'd)****4.9 Details of the Underwriting Agreement**

An Underwriting Agreement was entered into between the Company and the Underwriter on 23 June 2004 to underwrite the 986,000 Issue Shares and 5,014,000 Offer Shares made available for application by the Malaysian public and the 1,000,000 Issue Shares made available for subscription by eligible Directors, employees and business associates of the GSCB Group. ("Underwritten Shares"). The salient terms of the Underwriting Agreement are as follows:

- (i) The obligation of the Underwriter to underwrite the Underwritten Shares is conditional upon fulfilment and/or satisfaction of the following:
  - (a) Bursa Securities having granted approval in principle for the listing of and quotation for the entire enlarged issued and paid-up share capital of GSCB, comprising 80,000,000 GSCB Shares on Bursa Securities;
  - (b) there not having been, on or prior to the twenty first day following the date of the Prospectus ("Closing Date") or the extended closing date for the subscription of the IPO Shares pursuant to the IPO being a date not later than four (4) months from the date of the Underwriting Agreement ("Extended Closing Date"), any adverse change or any development reasonably likely to involve a prospective adverse change in the condition (financial or otherwise) of the Company or any of its subsidiaries from that set forth in the Prospectus which is material in the context of the issue and offering of the Issue Shares or the occurrence of any event rendering untrue or incorrect to an extent which is material as aforesaid any representations, warranties or undertakings contained in Clause 3 of the Underwriting Agreement as though they had been given or made on such date;
  - (c) the IPO pursuant to and in accordance with the provisions of the Underwriting Agreement and in the Prospectus is not being prohibited by any statute, order, rule, regulation, directive or guideline (whether or not having the force of law) promulgated or issued by any agency, legislative, executive or regulatory body or authority of Malaysia (including Bursa Securities);
  - (d) there having been, as at any time from the date of the Underwriting Agreement up to and including the Closing Date or such Extended Closing Date, as the case may be, no event of default pursuant to the provisions in the Underwriting Agreement, and no breach of any representation, warranty, covenant, undertaking or obligation of the Company in the Underwriting Agreement or which is contained in any certificate, statement, or notice provided under or in connection with the Underwriting Agreement in any material respect;
  - (e) the execution of all agreements in relation to the placement of the Issue Shares in a form and manner acceptable to the Placement Agent and all payment in relation to the placement has been fully satisfied;
  - (f) the Underwriter having been reasonably satisfied that arrangements have been made by the Company to ensure payment of all expenses payable under the Underwriting Agreement;
  - (g) the approval of SC, MITI and FIC remaining in full force and effect;
  - (h) all necessary approvals and consents required in relation to the IPO and Listing including, but not limited to governmental approvals have been obtained and are in full force and effect until the Closing Date or Extended Closing Date;

#### 4. PARTICULARS OF THE IPO (cont'd)

- (i) the Issue Shares available for subscription by eligible Directors, employees and business associates of the GSCB Group, which are not underwritten having been fully subscribed, either by way of subscription by the eligible Directors, employees and/or business associates, or by the aggregate subscription by eligible Directors, employees and/or business associates and the over-subscription by the Malaysian public; and
- (j) the issuance of the Prospectus within three (3) months from the date of the Underwriting Agreement or such other period which may be mutually agreed by both the Company and the Underwriter in writing.

In the event any of the conditions set forth in Clause 5.1 of the Underwriting Agreement are not satisfied on or before the Closing Date or Extended Closing Date, the Underwriter shall, be entitled to terminate the Underwriting Agreement by notice in writing given to the Company whereupon the provisions of Clause 7.2 of the Underwriting Agreement will apply and the parties shall be released and discharged from their respective obligations under the Underwriting Agreement save and except for any antecedent breaches provided that the Underwriter may at its discretion waive compliance with any provision of Clause 5.1 and any condition so waived shall be deemed to have been satisfied in relation to it.

- (ii) Notwithstanding anything contained in the Underwriting Agreement, the Underwriter may, at any time, be entitled to terminate its obligations under the Underwriting Agreement by notice in writing delivered to the Company and Offerors, if in the reasonable opinion of the Underwriter, there shall have occurred, happened or come into effect, any of the following circumstances, on or before the closing date for the application of Underwritten Shares or such extended closing date as the case may be:
  - (a) any change in national or international monetary, financial, political or economic conditions (including but not limited to conditions of the stock markets in Malaysia and overseas, foreign exchange markets or money markets or that with regard to inter-bank offer or interest rates in Malaysia and overseas) which would, in the reasonable opinion of the Underwriter, materially or adversely affect the Company and the offering and the issuance of the IPO Shares, the business or prospects of the Company and/or its subsidiaries;
  - (b) any change in exchange controls or currency exchange rates which would, in the reasonable opinion of the Underwriter, materially and adversely affect the success of the offering and issuance of the IPO Shares and their distribution or sale (whether in the primary market or in respect of dealings in the secondary market);
  - (c) any development, occurrence or any change or prospective change in or any introduction or prospective introduction of any legislation, regulation, policy, directive, guideline, ruling or any request or interpretation by the SC, any other regulatory authority or any governmental body, whether or not having the force of law, or occurrence of any other nature, which would, in the reasonable opinion of the Underwriter, materially and adversely affect the Company and the offering and the issuance of the IPO Shares, the business or prospects of the Company and/or its subsidiaries;
  - (d) any government requisition or other occurrence of any other nature which would in the reasonable opinion of the Underwriter, materially and adversely affect the business and/or financial position of any member of the Group;



**4. PARTICULARS OF THE IPO** *(cont'd)*

- (e) any breach of the representations, warranties, covenants and undertakings set out in the Underwriting Agreement by the Company or any withholding of information of a material nature from the Underwriter which would, in the reasonable opinion of the Underwriter, materially and adversely affect the offering and issuance of the Issue Shares;
- (f) any event or series of events beyond the reasonable control of the Underwriter which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with the terms and which prevents the processing of applications, crediting of accounts and payments pursuant to the Public Issue or pursuant to its underwriting;
- (g) the imposition of a moratorium, suspension or material restriction on trading in securities generally in the Second Board of Bursa Securities due to exceptional financial circumstances or otherwise; or
- (h) any event or series of events beyond the reasonable control of the Underwriter by reason of force majeure which has or is likely to make the Underwriting Agreement or any part thereof incapable of performance or which would or is likely to have a material adverse effect on the success of the IPO and the distribution of the IPO or the sale of any of the underwritten shares.

“Force majeure” shall mean causes which are unpredictable and beyond the reasonable control of the party claiming force majeure which could not have been avoided or prevented by reasonable foresight, planning and implementation including without limitation the following:

- (i) war, armed conflict or serious threat of the same, hostilities, sabotage, mobilization, blockade, embargo, detention, revolution, riot, looting, lockout, strike or other labour disputes;
- (ii) any unavailability of transportation or severe economic dislocation;
- (iii) flood, fire, storm, earthquake, typhoon, tidal wave, plague or other epidemics, lightning tempest, accident or any other Acts of God; and
- (iv) any imposition or change of governmental laws, orders, regulations, sanctions or restrictions.

## 5. RISK FACTORS

**Prior to making any investment decision on GSCB Shares, prospective investors should consider carefully the risk factors described below (which are not intended to be exhaustive) in addition to all other relevant information contained elsewhere in the Prospectus in evaluating the Group, its business and the IPO, before applying for the IPO Shares.**

### 5.1 Risks relating to the GSCB Shares and the IPO

#### 5.1.1 No prior market for GSCB Shares

Prior to the Listing, there is no public market for GSCB Shares. There can be no assurance that an active market for GSCB Shares will develop upon the Listing or, if developed, that such market will be sustained. The issue/offer price was determined after taking into consideration a number of factors, including but not limited to those set out in Section 4.6 of this Prospectus. The price at which GSCB Shares will trade on Bursa Securities upon or subsequent to the Listing will be dependent upon market forces beyond the control of the Company. Therefore, there can be no assurance that the issue price will correspond to the price at which the GSCB Shares will trade upon or subsequent to the Listing.

#### 5.1.2 Failure or delay of the Listing

The occurrence of any one (1) or more of the following events may cause a delay in or abortion of the Listing:

- (a) the identified investors fail to subscribe for or acquire their respective portions of the IPO Shares to be placed to them;
- (b) the Underwriter exercises its rights pursuant to the Underwriting Agreement and discharges itself from its obligations thereunder; or
- (c) the Company is unable to meet the public spread requirement, that is, at least 25% of the issued and paid-up share capital be held by a minimum number of 1,000 public shareholders holding not less than 100 shares each upon completion of the IPO.

Although the Directors will endeavour to ensure compliance by GSCB of the various listing requirements, including, *inter-alia*, the public spread requirement for listing, no assurance can be given that the abovementioned events will not occur and cause a delay in or abortion of the Listing.

#### 5.1.3 Termination of the Underwriting Agreement

The Underwriting Agreement is terminable by the Underwriter if the Underwriter is of the reasonable opinion that the success of the IPO is likely to be materially and adversely affected by certain events, details of which are set out in Section 4.9 of this Prospectus.

No assurance can be given that the Underwriter will not terminate the Underwriting Agreement if it is of the reasonable opinion that the events detailed in Section 4.9 have occurred. In the event the IPO could not be completed, all monies paid in respect of all applications will be returned in full without interest.

**5. RISK FACTORS** (cont'd)**5.1.4 Subscription of shares reserved for eligible Directors, employees and business associates of the GSCB Group**

Out of the 3,014,000 Issue Shares reserved for the eligible Directors, employees and business associates of the GSCB Group, 1,000,000 Issue Shares are underwritten. If the remaining said reserved shares, which are not underwritten, are not fully subscribed, either by way of subscription by the eligible Directors, employees and business associates, or together with the over-subscription by the Malaysian public, the IPO would not be completed and accordingly, the Listing will not be able to proceed.

No assurance can be given that the remaining said shares reserved by eligible Directors, employees and business associates, which are not underwritten will be fully subscribed either by the eligible Directors, employees and business associates or the Malaysian public. In the event the IPO could not be completed, all monies paid in respect of all applications will be returned in full without any interest.

**5.1.5 Delay between settlement and trading of GSCB Shares**

After the GSCB Shares have been allotted to investors' CDS accounts with the Bursa Depository, which would occur at least two (2) clear market days prior to the anticipated date for admission, it may not be possible to recover immediately the monies paid in respect of these shares from the Company in the event that the listing exercise does not occur. Delays in listings have occurred previously. It is expected that there will be a gap of approximately eight (8) market days between the close of application for the IPO Shares and trading of GSCB Shares. In order for the Company to return monies to investors in respect of IPO Shares following their allotment, a reduction of the Company's capital would be necessary. This would require a special resolution of the Company and the approval of courts in Malaysia. There can be no assurance that monies can be recovered within a short period of time or at all. If Bursa Securities does not admit the GSCB Shares onto the Second Board of Bursa Securities, the market for the GSCB Shares will be illiquid and it may not be possible to trade the GSCB Shares. This may also have a material adverse effect on the value of the GSCB Shares.

**5.1.6 Sale or possible sale of a substantial number of GSCB Shares could adversely affect the price**

Following the IPO, the Company will have 80,000,000 ordinary shares outstanding, of which 20,362,400 ordinary shares, or approximately 25.45%, will be held by public investors, and 59,637,596 ordinary shares, or approximately 74.55%, will be held by substantial shareholders or Directors of GSCB. The GSCB Shares sold in this IPO will be tradeable on the Second Board of Bursa Securities without restriction following the Listing. If any substantial shareholder or Director of GSCB sells or is perceived as intending to sell a substantial amount of GSCB Shares, the market price for the GSCB Shares may be adversely affected.

However, as detailed in Section 10.2 of this Prospectus, a total of 36,000,000 GSCB Shares held by GRSB will be subject to a moratorium for one (1) year from the date of Listing.

**5.1.7 Company's share price may be volatile**

The price of GSCB Shares may fluctuate as a result of variations in its operating results. If the trading volume of the Company's ordinary shares is low, the price fluctuations may be exacerbated, particularly as no stabilising transactions can or will be undertaken in respect of the Company's shares in connection with this IPO or thereafter. The price of GSCB Shares may also be prone to news regarding, amongst others, the gain or loss of significant customers, changes in key personnel, as well as changes in securities analysts' estimates of its financial results or recommendations.

**5. RISK FACTORS** (cont'd)**5.1.8 Company may not be able to realise dividends from its subsidiaries**

The Company conducts all of its operations through its subsidiaries. Accordingly, an important source of the Company's income, and consequently an important factor in the Company's ability to pay dividends on the GSCB Shares, is dividends and other distributions received from its subsidiaries. The Company's subsidiaries' ability to pay dividends and make other distributions may be subject to certain restrictions. As the Company is a shareholder of its subsidiaries, its claims as such will generally rank junior to all other creditors and claimants against its subsidiaries. In the event of a subsidiary's liquidation, there may not be sufficient assets for the Company to recoup its investment.

Details of the Company's dividend policy is set out in Section 11.8 of this Prospectus.

**5.1.9 Investors in this IPO will suffer immediate dilution**

The Issue Price per GSCB Share is higher than the NTA per share of the Group before the IPO. Investors subscribing for GSCB Shares in this IPO will therefore incur immediate dilution in terms of their share of the NTA vis-a-vis the investment injected into GSCB. The issuance of further ordinary shares at prices lower than the existing proforma NTA per share would result in further dilution.

The issue price of the IPO Shares is RM0.95. The proforma NTA per share of the Group before the IPO is RM0.46.

**5.2 Risks relating to the Group****5.2.1 Business risks**

The business of the Group is subject to certain risks inherent in the plastics injection moulding industry including, but not limited to, the following:

**(a) Increase in the cost of labour and the availability of labour**

The sustainable cost of labour and availability of an adequate supply of labour are important for the continued success of the Group. Although some of the production lines are automated, the manufacturing process is still labour intensive. In order to mitigate the shortage of manpower, the Group has hired foreign labour and automated some of the manufacturing processes. The Group has made a conscious effort to increase the automation process with the view of reducing the reliance on labour resources. As at 8 July 2004, the dependency on foreign labour by the Group is approximately 46.91% of its total workforce. In the past, the Group has had no difficulty in recruiting labour for its production processes.

Nevertheless, there is no certainty that the Group will be able to source and sustain an adequate labour workforce for its operations in the future.

**(b) Availability of raw materials**

A continuous supply of raw material is essential to ensure the smooth running of the manufacturing processes of the Group. As such, the inavailability of raw materials may disrupt the manufacturing processes of the Group and cause delays in the delivery of products to its customers.

**5. RISK FACTORS (cont'd)**

However, the risk of shortage of raw materials for production is minimal due to the Group's proper planning and long standing relationship with its suppliers. As such, the management is confident that the Group would be able to secure reasonable prices and have adequate and timely supply for its raw materials.

Notwithstanding the above, there can be no assurance that the management is able to secure a constant supply of raw materials for the Group.

**(c) Competition from other plastic manufacturers**

The Group faces keen competition from various competitors, ranging from private limited companies to public listed companies. Although no assurance can be given that the Group will be able to maintain its market share in the future, the Directors are confident that the Group will be able to meet the competition presented by its competitors, as it has in the past. Such confidence is based on the strength of the Group's relationship with its customers, the ability to meet the requirements and needs of its customers particularly in areas such as delivery and quality, and its efforts to further improve its manufacturing processes and quality standards through quality assurance and quality control processes through collaboration with its MNC customers, particularly during the product development and design stages.

However, there can be no assurance that the increased competition in the industry will not have any material adverse impact on the performance of the GSCB Group.

**(d) Demand from the E&E products industry**

The majority of the Group's products are sold to customers from the E&E products industry. As such, the Group's performance is positively correlated to the performance of this industry. Although the E&E products industry is expected to register a positive growth due to the wider application of new and improved technologies of speciality products, there can be no assurance that the expected growth in the demand from the E&E products industry will be realised or will continue to remain robust in the future.

**(e) Technological changes**

As most of the products manufactured by the Group are dependent upon the growth of the E&E products industry, the Group is prone to the rapid technological changes occurring within the said industry. As such, the Group will have to keep abreast and adapt to these technological changes, to ensure that it meets its customers' demands with regards to the specification and the stringent requirements of its MNC customers.

The Directors believe that it is imperative for the Group to further explore new technologies and to expand its technical know-how in the plastics component manufacturing process by investing in human capital and acquiring new machinery and production technologies. Nonetheless, there can be no assurance that the Group's development policy will be successful or that the Group will be able to procure and successfully implement the latest technologies and/or expand on its technical know-how or that the emergence of new technologies will not reduce the competitiveness of the Group.

**5. RISK FACTORS** *(cont'd)***(f) Foreign exchange and market risks**

For the financial year ended 31 December 2003 and the four (4) month period ended 30 April 2004, approximately 27% and 21% of the Group's products respectively were exported to Singapore, of which 36.44% (for the financial year ended 31 December 2003) and 30.70% (for the four (4) month period ended 30 April 2004) of its raw material costs were denominated in foreign currencies. Therefore, the Group is subject to foreign exchange and the market risks of these countries namely the US and Singapore, where some of the Group's customers and suppliers are located directly or indirectly.

The exposure to the abovementioned risks is partly mitigated through the Group's practice of matching foreign currency denominated sales and purchase invoices of certain parties who are suppliers as well as customers of the Group. In addition, from 1 July 2003, the Group has ceased procuring non-local made moulds which are denominated in foreign currencies. This in turn has reduced the foreign exchange risks exposure of the Group. To further alleviate the foreign exchange and market risks, the Group intends to source for local options to replace the raw materials currently procured abroad.

The currency controls introduced in 1998 and the current RM pegged against the USD, has, to a certain extent, stabilised the risk of foreign exchange fluctuations. However, there can be no assurance that the currency controls will remain and that future foreign exchange fluctuations arising from the lifting of the currency controls or the adjustment of the RM peg will not adversely impact the Group. In this respect, the management are constantly monitoring the Group's foreign exchange exposure and will take the necessary steps to minimise the exchange rate exposure whenever deemed appropriate.

The Group's future growth and level of profitability is also linked to the political, economic, legislative and social development, as well as changes in inflation, interest rates and taxation of these countries.

**(g) Compliance with environmental regulations**

The disposal of waste materials from the operations of the Company are regulated by the Environmental Quality Act, 1974; Environmental Quality (Sewage and Industrial Effluents) Regulations, 1985; and Environmental Quality (Prescribed Premises) (Scheduled Wastes Treatment and Disposal Facilities) Regulations, 1989. Non-compliance with the relevant environmental legislation may result in fines and/or revocation of the Group's business licences. As such, to ensure strict compliance with the relevant regulations, the Group has contracted a licenced company approved by Jabatan Alam Sekitar, to dispose off its waste, in compliance with the said regulations.

However, there is no assurance that the operations and performance of the Group will not be adversely affected by changes in the relevant regulations which may result in the Group incurring additional costs to comply with changes to the regulations or that its waste disposal contractor will continue to meet the standards required by the relevant regulations.

## 5. RISK FACTORS *(cont'd)*

### (h) Other operational risks

The Group is also subject to other operational risks associated with the business of the Group, which may effect the operation and financial performance of the Group such as breakout of fire, energy crisis, flood, theft and others.

In order to minimise disruption to the operations of the Group, the Directors have in place certain risk-management plans and pre-emptive measures as follows:

- the Group carries out regular service and maintenance of machinery to ensure the machines are in a good state;
- the Group has a sub station facility built within its premises which houses two (2) transformers whereby each transformer obtains its supply of electricity from different sources. Assumingly that one (1) of the transformers fail due to a power failure, the Group would still be able to source electricity from the other transformer;
- the Group has sufficient precautionary measures in place in the event of a fire whereby fire extinguishers and hose reels are placed at strategic areas within the Group's buildings. Regular fire drills are carried out and employees are trained to use the basic fire fighting equipment. In addition, the Group has a safety committee which carries out routine checks on the functionality and the safety features with regards to operating the machines as well as the adequacy of the fire prevention facilities; and
- the Group has taken precautionary measures to protect its designs and confidential information from infringement and theft by requiring passwords for access to such information.

In addition, the respective companies in the GSCB Group have also obtained insurance policies from various insurance agencies including fire insurance, machinery and equipment insurance and consequential loss insurance to mitigate losses which may arise as a result of insured contingencies.

### 5.2.2 Dependence on key customers

The Group's top five (5) customers accounted for approximately 83% and 88% of the revenue for the financial year ended 31 December 2003 and four (4) month period ended 30 April 2004 respectively. No assurance can be given that the loss of any one (1) or more of these customers resulting from, inter alia, relocation of customer's business operation geographically or cessation of business relations, would not adversely impact the Group's operating results.

Nonetheless, the Directors are of the view that the high concentration and dependence on several customers is not uncommon and is within the industry norm. Historically, the Group has been able to meet its customers requirements in terms of pricing, delivery and quality and accordingly, are confident of continuing the present strong relationship it has with its main customers (whereby the majority vary from five (5) to eight (8) years). In addition, the concentrated customer base allows the Group to focus its utmost attention in meeting its customers' needs and wants. This provides the Group the opportunity to forge stronger ties with the objective of increasing customer loyalty towards the Group. The Group has and will continue to strive to ensure that such relationships and standards are maintained and where possible, improved. In addition, the Group intends to diversify its customer base by procuring more customers.

## 5. RISK FACTORS *(cont'd)*

### 5.2.3 Geographical location of customers

The major customers of the Group are mainly MNCs located within the vicinity of the Group's business operations. The relocation or closure of the plants of these MNCs may affect the Group's financial performance as the geographical advantage once available to the Group would no longer be available. This is because the proximity of the manufacturing facilities is an important consideration for the MNCs due to the practice of just in time ("JIT") inventory by the MNCs.

As a result, should the MNCs relocate their manufacturing facilities to other regions, it is likely that they will switch to other suppliers, who are able to meet the MNCs' needs at their new location.

However, most of these MNC customers have invested heavily in R&D centres, particularly in Singapore and have been located there for more than ten (10) years. The Directors of GSCB are of the view that the likelihood of its MNC customers moving to other locations are remote due to their commitments in R&D centres, particularly in Singapore. The location of the R&D centres within the vicinity of the Group's business operations provide them the advantage of cutting down the lead time in relation to the transferring of R&D findings to the manufacturing sites of the Group, thereby expediting the time to market. In addition, the Group intends to mitigate this risk by targeting prospective MNC's with R&D facilities within the region. With the R&D facilities in place, it is unlikely that the MNCs will relocate in the short to medium term.

### 5.2.4 Contracts with customers

It is the industry's practice that no formal contracts are entered into between the OEM and the local MNC customers. Most of these MNC customers practise JIT inventory management where the purchase orders from these local MNC customers will only be issued approximately two (2) weeks to one (1) month prior to production. The absence of formal long term contracts allows the Group's key customers to shift between OEMs easily.

Despite the absence of formal contracts, the Directors believe that the loss of key customers will not be immediate. In the event of an order termination, the termination will usually involve a phasing out process which could take about six (6) to 12 months as MNC customers are unlikely to procure the same part from two (2) different manufacturers. This will give the Group sufficient lead time to source for new customers.

The Directors also believe that their long term relationship, awards and the recurring orders from customers are testimonies of its reputation for producing quality products and proven capacity in meeting its customers' requirements. Despite the absence of formal long term contracts, the Directors are confident that this will not hinder the Group from retaining its customers' loyalty. Nevertheless, there is no assurance that the Group's customers will continue to place their orders with the Group or that the level of orders will be sustained in the future.

### 5.2.5 Loan covenants

The Group has various credit facilities to finance its operations and business activities. As at the 8 July 2004, the Group has term loans, banking facilities and hire purchase balances outstanding of approximately RM6.832 million. The agreements for credit facilities in relation thereto contain inter-alia, covenants that may limit the Group's future operating and financing flexibility. Certain plans may be restricted or require the consent of the relevant financial institutions. A breach of any covenant may result in the termination and/or enforcement of securities granted for the relevant credit facility. The Directors of GSCB are aware of such covenants and shall take all necessary precautions to prevent any breach of its agreements with financial institutions.



**5. RISK FACTORS** (cont'd)**5.2.6 Control by substantial shareholders**

Upon completion of the IPO, the Promoters will directly and indirectly hold approximately 47.57% of the issued and paid-up share capital of GSCB. As such, the Promoters, who are also the Directors of GSCB will be able to determine the outcome of certain matters requiring the vote of the Company's shareholders unless they abstain from voting by law or as required by the relevant authorities.

**5.2.7 Dependence on key personnel and continuity of management**

The Group believes that its continued success will depend to a significant extent upon the abilities and the continued efforts of the Directors and the senior management of the Group. The loss of any key personnel may have an effect on the Group's operations. The ability to attract and retain skilled personnel will also play a significant role in this aspect.

The Group will strive to ensure that it has the ability to retain its skilled personnel and attract new talent. Where possible, the Group practises the policy of internal succession whereby the Group endeavours to groom younger members of management to gradually assume greater responsibility for the business and operations of the Group.

**5.2.8 Changes in general economic, political, legislative, business and credit conditions**

Adverse developments in the economic, political, legislative, business and credit environment in Malaysia and other countries where the Group obtains its supplies and markets its products could materially and adversely effect the operational conditions and financial prospects of the Group. As such, there can be no assurance that the performance of the Group will remain favourable in the event of changes in these factors both domestically and internationally.

**5.2.9 Competition from China**

The cost of production for manufacturers in China is relatively lower as compared to Malaysia due to the cheaper labour costs. As such, there can be no assurance that MNC customers will not shift their existing operations away from Malaysia and Singapore to China to take advantage of the cheaper prices offered by manufacturers from China.

However, the Directors of the Group are of the view that cheap labour costs are only available in certain parts of China. Deterences such as low intellectual property protection would deter its MNC customers from relocating to China. In addition, most of the Group's existing MNC customers have invested heavily in setting up their facilities/factories, including R&D centres in Singapore. Therefore, due to logistic impediments, the Directors of GSCB believe that its existing MNC customers are unlikely to shift their existing production away from Malaysia and Singapore in the foreseeable future. In addition, the Directors of GSCB also believe that with the quality of products produced by the Group and the long standing business relationship with its existing MNC customers, the GSCB Group will be able to continue to service its existing MNC customers.

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**5. RISK FACTORS** *(cont'd)*

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**5.3 Risks relating to future information**

**5.3.1 Forward-looking statements**

This Prospectus includes several forward-looking statements. All statements other than statements of historical fact included in this Prospectus, including without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Group, and which may cause actual outcomes to be significantly different from the forward-looking statements mentioned in this Prospectus.

The forward-looking statements do not constitute a representation that future results will be achieved in the amounts or by the dates indicated and that the plans and objectives of the Group will be achieved.

**5.3.2 Profit forecast**

This Prospectus contains the consolidated profit forecast of GSCB that are based on assumptions, which the Directors deem to be reasonable, but which nevertheless are subject to uncertainties and are contingent in nature. Due to the inherent uncertainties of the consolidated profit forecast and as events and circumstances frequently do not occur as expected, there can be no assurance that the consolidated profit forecast contained herein will be realised and actual results may be materially different from those shown. Investors will be deemed to have read and understood the assumptions and uncertainties underlying the consolidated profit forecast that are contained herein.

Save as disclosed above and other normal commercial risks, the GSCB Group is not aware of any material information including trading or risks factors which are unlikely to be known or anticipated by the general public and which could materially affect the performance of the GSCB Group.