

6. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL

6.1 Substantial shareholders

6.1.1 Substantial shareholders' shareholdings in ICB

Based on our Register of Substantial Shareholders as at 12 December 2005 being the latest practicable date prior to the issuance of this Prospectus and assuming that the Share Transfer has been effected, the interests of our substantial shareholders, holding more than 5% of our issued and paid-up share capital, before and after the IPO are as follows:

Name	Nationality / Place of incorporation	Designation	Before the IPO			After the IPO		
			Direct	Indirect	%	Direct	Indirect	%
			No. of Shares	No. of Shares	%	No. of Shares	No. of Shares	%
SRSB	Malaysia	-	33,947,064 [#]	-	53.94	33,947,064 [#]	-	42.43
Tong Chin Hen	Malaysian	Managing Director	3,935,242	33,947,064 ¹	6.25	150,000*	33,947,064 ¹	0.19
Sunbina	Malaysia	-	19,118,704 [#]	-	30.38	19,118,704 [#]	-	23.90
Mohd Shafek bin Isa	Malaysian	Non-Executive Chairman	-	19,118,704 ²	-	150,000*	19,118,704 ²	0.19
					30.38			23.90

Notes:

* On the assumption that the respective individuals will subscribe all their entitlements of the proposed Pink Form allocation.

Shareholdings upon completion of the Share Transfer.

1. Deemed interest by virtue of his direct interest in SRSB, upon completion of the Share Transfer.

2. Deemed interest by virtue of his direct interest in Sunbina, upon completion of the Share Transfer.

6. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

6.1.2 Profile of substantial shareholders

The profile of our substantial shareholders, except for Tong Chin Hen and Mohd Shafek bin Isa which have been detailed out in Section 6.4.2 of this Prospectus, is as follows:

(i) SRSB

SRSB was incorporated as a private limited company in Malaysia under the Act, on 9 March 2005. Its current authorised share capital comprises 100,000 ordinary shares of RM1.00 each ("SRSB Shares"), of which 2 SRSB Shares have been issued and fully paid-up. SRSB is principally an investment holding company.

The directors and substantial shareholders of SRSB and their respective shareholdings as at 12 December 2005 are as follows:

Name	Designation	<-----Direct----->		<-----Indirect----->	
		No. of shares	%	No. of shares	%
Wong Sang See	Director	1	50.00	-	-
Liow Pooi Ling	Director	1	50.00	-	-

Upon completion of the Share Transfer, whereby Tong Chin Hen will transfer 33,947,064 ICB Shares into SRSB in return for 9,998 new SRSB Shares at par and the remaining to be satisfied via cash consideration by SRSB. Tong Chin Hen will be a substantial shareholder and Director of SRSB. Please refer to Section 5.3.1 (iii) of this Prospectus for further information.

(ii) Sunbina

Sunbina was incorporated as a private limited company in Malaysia under the Act, on 9 March 2005. Its current authorised share capital comprises 100,000 ordinary shares of RM1.00 each ("Sunbina Shares"), of which 2 Sunbina Shares have been issued and fully paid-up. Sunbina is principally an investment holding company.

The directors and substantial shareholders of Sunbina and their respective shareholdings as at 12 December 2005 are as follows:

Name	Designation	<-----Direct----->		<-----Indirect----->	
		No. of shares	%	No. of shares	%
Othman bin Abdul Rahman	Director	1	50.00	-	-
Abdul Samad bin Saidi	Director	1	50.00	-	-

Upon completion of the Share Transfer, whereby Mohd Shafek bin Isa will transfer 19,118,704 ICB Shares into Sunbina in return for 9,998 new Sunbina Shares and the remaining to be satisfied via cash consideration by Sunbina, Mohd Shafek bin Isa will be a substantial shareholder and Director of Sunbina. Please refer to Section 5.3.1 (iii) of this Prospectus for further information.

6. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

6.1.3 Other directorship and substantial shareholdings

Our substantial shareholders have declared that they do not hold any other directorships and/or substantial shareholdings in other public companies for the past two (2) years from the date of this Prospectus.

6.2 Promoters

6.2.1 Promoters' shareholdings in ICB

Based on our Register of Shareholders as at 12 December 2005 being the latest practicable date prior to the issuance of this Prospectus and assuming that the Share Transfer has been effected, the interests of the Promoters in our issued and paid-up share capital before and after the IPO are as follows:

Name	Designation	Before the IPO		After the IPO	
		Direct	Indirect	Direct	Indirect
		No. of Shares	%	No. of Shares	%
Tong Chin Hen	Managing Director	3,935,242	6.25	33,947,064 ¹	53.94
Mohd Shafek bin Isa	Non-Executive Chairman	-	-	19,118,704 ²	30.38
				150,000*	0.19
				19,118,704 ²	23.90
				33,947,064 ¹	42.43

Notes:

* On the assumption that the respective individuals will subscribe all their entitlements of the proposed Pink Form allocation.

1 Deemed interest by virtue of his direct interest in SRSB, upon completion of the Share Transfer.

2 Deemed interest by virtue of his direct interest in Sunbina, upon completion of the Share Transfer.

6.2.2 Profile of Promoters

Tong Chin Hen's and Mohd Shafek bin Isa's profile are set out in Section 6.4.2 of this Prospectus.

6.2.3 Other directorship and substantial shareholdings

The Promoters have declared that they do not hold any other directorships and/or have substantial shareholdings in other public companies for the past two (2) years from the date of this Prospectus.

6. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

6.3 Changes in our substantial shareholders' and Promoters' shareholdings since incorporation

The changes in our substantial shareholders' and Promoters' shareholdings since our incorporation up to 12 December 2005 being the latest practicable date prior to the issuance of this Prospectus and assuming that the Share Transfer has been effected are as follows:

Substantial shareholders/ Promoters	No. of Shares held as at date of incorporation, 28 June 2004		Upon completion of the Acquisitions and Share Transfer				Upon completion of IPO			
	← Direct → No. of Shares	→ Indirect → No. of Shares	← Direct → No. of Shares	%	→ Indirect → No. of Shares	%	← Direct → No. of Shares	%	→ Indirect → No. of Shares	%
SRSB	-	-	33,947,064 [#]	53.94	-	-	33,947,064 [#]	42.43	-	-
Tong Chin Hen	-	-	3,935,242	6.25	33,947,064 ¹	53.94	150,000 [*]	0.19	33,947,064 ¹	42.43
Surbina	-	-	19,118,704 [#]	30.38	-	-	19,118,704 [#]	23.90	-	-
Mohd Shafek bin Isa	-	-	-	-	19,118,704 ²	30.38	150,000 [*]	0.19	19,118,704 ²	23.90
Stephen Kuek Hock Eng	2 ³	50.00	-	2 Neg.	-	-	2	Neg.	-	-
Ng Soon Chian	2 ³	50.00	-	2 Neg.	-	-	2	Neg.	-	-

Notes:

* On the assumption that the respective individuals will subscribe all their entitlements of the proposed Pink Form allocation.

Shareholdings upon completion of the Share Transfer.

Neg. Negligible.

1. Deemed interest by virtue of his direct interest in SRSB, upon completion of the Share Transfer.

2. Deemed interest by virtue of his direct interest in Surbina, upon completion of the Share Transfer.

3. As at the date of incorporation on 28 June 2004, the subscribers of ICB were Eng Soo Funn and Goh Hooi Yen. Their shares were subsequently transferred to Ng Soon Chian and Stephen Kuek Hock Eng on 2 November 2004 and 6 October 2004 respectively.

6. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

6.4 Directors

6.4.1 Directors' shareholdings in the Company

Based on our Register of Shareholders as at 12 December 2005 being the latest practicable date prior to the issuance of this Prospectus and assuming that the Share Transfer has been effected, the interests of our Directors in our issued and paid-up share capital before and after the IPO are as follows:

Name	Designation	Before the IPO		After the IPO	
		Direct	Indirect	Direct	Indirect
		No. of Shares	%	No. of Shares	%
Tong Chin Hen	Managing Director	3,935,242	6.25	33,947,064 ¹	53.94
Mohd Shafek bin Isa	Non-Executive Chairman	-	-	19,118,704 ²	30.38
Tong Ah Wah @ Tong Chun Hwi	Executive Director	-	-	2,571,498 ³	4.09
Dr Leong Wan Leong	Independent Non-Executive Director	-	-	50,000*	0.06
Tai Keat Chai	Independent Non-Executive Director	-	-	50,000*	0.06
				150,000*	0.19
				150,000*	0.19
				100,000*	0.13
				2,571,498 ³	3.21
				33,947,064 ¹	42.43
				19,118,704 ²	23.90

Notes:

* On the assumption that the respective individuals will subscribe all their entitlements of the proposed Pink Form allocation.

1. Deemed interest by virtue of his direct interest in SRSR, upon completion of the Share Transfer.

2. Deemed interest by virtue of his direct interest in Sunbina, upon completion of the Share Transfer.

3. Deemed interest by virtue of his wife, Fang Lie Lie's direct interest in our Company.

6. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)**6.4.2 Profile of the Directors**

- (i) **Tong Chin Hen**, Malaysian, aged 49, is our Managing Director. His career started in 1975 when he joined Ancom Sdn Bhd, which went public in 1990, and was the first agrochemical plant to be established in Malaysia. He left the company in end 1992 while he was the Executive Commercial Manager. His tenure at Ancom Berhad enabled him to experience first-hand most of the key activities of an international agrochemical company. Early signs of his entrepreneurship surfaced when he was with Ancom Berhad where he initiated and successfully opened up the Pacific Island markets for the company. He was also the first Ancom employee to initiate the sourcing of critical raw materials for production directly from suppliers in China to avoid mark-up by middlemen and traders. Subsequently in June 1993, he bought a stake in IRSB and assumed the position of General Manager. He has been solely responsible for the growth of the company to be a leading pesticide player in Malaysia over the last twelve (12) years. He was also directly responsible for creating several export markets for the company, including pioneering exports of pesticides to Russia and Eastern European countries. To date, the products of IRSB have been exported to approximately thirty (30) countries worldwide. His ability to lead a Malaysian agrochemical company to break into and increase its overseas presence amidst growing trade protectionism reflects his market-savvy approach to business and the extent of his networking in the international agrochemical business. He has been a regular participant in the Annual British Crop Protection Conference & Exhibition in the United Kingdom, the largest annual gathering of players in the global agrochemical industry since the 1990s. He also attended the first Asia Pacific Crop Protection Conference in Mumbai, India in 1997. He is a member of the Institute of Directors in the United Kingdom.
- (ii) **Mohd Shafek bin Isa**, Malaysian, aged 48, is our Non-Executive Chairman. He received his secondary education in Victoria Institution, Kuala Lumpur. He graduated with a Diploma in Statistics from Mara Institute of Technology (now known as UiTM) in 1979. He then furthered his studies in Australia where he obtained his Postgraduate Diploma from the Securities Institute of Australia. He began his career as an Investment Analyst with Malaysian National Reinsurance Berhad, Kuala Lumpur and he left the company in 1986 where his position was that of Investment Manager. Between 1986 and 1990, he was the Corporate Planning Manager of the KAB Group of companies. During his tenure in KAB Group, he was temporarily seconded to Tracasia Rental & Machinery Sdn Bhd as Manager. In KAB Group, he undertook various feasibility studies including that of a project with Waste Management International, USA to privatise the management of toxic and hazardous waste in Malaysia. He was also involved in a joint-venture project with JVA International BV, a Netherlands based company, for the cultivation of chilli and tomato. In 1991, he returned to the investment and securities industry when he joined BBMB Securities Sdn Bhd as Manager of Institutional Sales. He left BBMB Securities in 1992 to join UMBC Securities Sdn Bhd as Manager, Dealing before assuming the position of Senior Manager, Dealing in MGI Securities Berhad in 1995. He left MGI Securities in 1998 and was based in London as Fund Manager of TRIM Capital Management Ltd before returning to Malaysia in 2000. Upon returning to Malaysia, he was employed as Head of Islamic Products Unit, a start-up division to participate in the evolving opportunities in Islamic banking, in Melor Permata Capital Management Sdn Bhd. He left the company in the same year to pursue his personal interest in the investment and securities industry. He currently holds a dealer's representative licence with K&N Kenanga Berhad.

6. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

- (iii) **Tong Ah Wah @ Tong Chun Hwi**, Malaysian, aged 56, is our Executive Director. He graduated with a Bachelor of Science in Chemical Engineering from National Cheng Kung University in Taiwan in 1972. He has been a member of Institute Kimia Malaysia (IKM) since 1978. Upon his graduation in 1972, he joined Malaya Acid Works Sdn Bhd ("MAWSB") and was later promoted to the position of Process Engineer in 1977. During his tenure with MAWSB, he was extensively involved in various fields in chemical manufacturing industries. These include project planning, product development, plant expansion, quality control and research and development on production of sodium silicate glass and liquid. In 1987, he achieved a Malaysian first when he pioneered the development and manufacturing of potassium silicate glass and liquid on a commercial scale. The product is now supplied widely to the local and overseas markets. He retired from MAWSB in 2004 as Senior Chemical Engineer of the company. In August 2002, he was appointed as an Independent Non-Executive Director of Stone Master Corporation Berhad ("SMCB"). He is also a member of SMCB's Audit Committee.
- (iv) **Dr Leong Wan Leong**, Malaysian, aged 55, is our Independent Non-Executive Director. He graduated in 1973 with a Bachelor of Science Degree in Chemical Engineering from the National Cheng Kung University, Taiwan and a Master of Science Degree in Process Analysis and Development from the University of Aston Birmingham, United Kingdom in 1975. He joined the University of Malaya in 1977 where he lectured, tutored and conducted research. He later received a PhD Degree from the Department of Chemical Engineering, University of Malaya in 1984. Between mid 1980s until 1996, he held various positions at the Palm Oil Research Institute of Malaysia (PORIM), currently known as Malaysia Palm Oil Board, such as Technical Advisory Service Officer, Researcher, Senior Researcher and Research Group Leader. While at PORIM, he developed a patented process on "Recovery and Concentration of Vitamin E from palm oil by-products" with his team of colleagues. He was then responsible for the design, installation, commissioning and optimisation of a RM5 million proto-type pilot plant for the project. He is a trained assessor for the implementation and auditing of ISO 9000 Quality System for the palm oil industry. He is also the main assessing officer for PORIM's Certificate of Competency Schemes for palm oil refineries and palm oil mills. He is also responsible for the organisation of Diploma and other certified training programs for palm oil mill engineers, production supervisors and laboratory conductors. He has previously attended training programs in Productivity Management in Japan as well as in Applied Ecology in Netherlands. Currently, he has interests over several private limited companies involved in marketing and trading of products.

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6. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

- (v) **Tai Keat Chai**, Malaysian, aged 51, is our Independent Non-Executive Director. He is a member of the Institute Chartered Accountants in England & Wales and the Malaysian Institute of Accountants. He began his career with KPMG London as an Audit Senior in 1977 and a year later joined PricewaterhouseCoopers in Kuala Lumpur, as a Qualified Assistant. In 1981, he joined Alliance Merchant Bank Berhad as an Assistant Manager and rose to the position of Senior Manager (Corporate Finance). Subsequently, in 1988, he returned to PricewaterhouseCoopers Consulting Sdn Bhd as Manager for about a year before joining Berjaya Group Berhad as a General Manager (Investment). In 1990, he ventured into the stockbroking industry and has worked in SJ Securities Sdn Bhd, A.A. Anthony Securities Sdn Bhd and ECM Libra Berhad (formerly known as BBMB Securities Sdn Bhd) as General Manager, Director and a dealer's representative respectively. Currently he sits on the board of several other private limited companies including Fiscal Corporate Services Sdn Bhd, Ganz Industries Sdn Bhd and Pacific Assets Sdn Bhd. He has also other directorships in several public companies and the details of these directorships are as set out in Section 6.4.3 of this Prospectus.

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6. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

6.4.3 Directorships and substantial shareholdings in other public companies for the past two (2) years

Save as disclosed below, as at 12 December 2005, being the latest practicable date prior to issuance of this Prospectus, none of our Directors has other directorships and/or substantial shareholdings in other public companies for the past two (2) years:

Name	Company	Shareholding		Directorship	
		No. of shares held	%	Date of appointment	Date of resignation
Tong Ah Wah @ Tong Chun Hwi	Stone Master Corporation Berhad	-	-	19.08.2002	-
Tai Keat Chai	Chuan Huat Resources Berhad	-	-	29.06.2001	-
	Amanah Smallcap Fund Berhad	-	-	17.07.2001	-
	Discomp Berhad	50,000	Neg.	25.09.2001	-
	Toyochem Corporation Berhad	-	-	13.12.2001	-
	MESB Berhad	-	-	21.05.2003	-
	Datascan Berhad	30,000	Neg.	28.05.2004	-
	PECD Berhad	100,000	Neg.	14.09.2004	-
	Malaysia Discounts Berhad	-	-	12.09.2002	-
	Utama Merchant Bank Berhad	-	-	06.01.2005	-

Note:

Neg. : Negligible

6. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

6.4.4 Directors' remuneration and benefits

For the financial year ended 30 June 2005, approximately RM267,840 were paid to the Directors of our Group. It is estimated that RM575,800 will be paid to our Directors for the financial year ending 30 June 2006. The remuneration bands of our Directors are as follows:

Remuneration Band (RM'000)	←-----Number of Directors-----→	
	Financial year ended 30 June 2005	Financial year ending 30 June 2006
0 - 50	2	4
50 - 100	-	-
100 - 200	-	1
200 - 300	1	-
300 - 400	-	1

6.5 Audit Committee

The composition of the Audit Committee is as follows:

Name	Designation	Directorship
Dr Leong Wan Leong	Chairman	Independent Non-Executive Director
Tong Chin Hen	Member	Managing Director
Tai Keat Chai	Member	Independent Non-Executive Director

Our Board of Directors appoints the Audit Committee who is responsible for reviewing issues of accounting policies and presentation for external financing reporting and ensuring that an objective and professional relationship is maintained with the external auditors who in turn have access at all times to the Chairman of the Audit Committee.

Our Audit Committee reviews, amongst others, any related party transactions and potential and current conflict of interest within our Group. Our Audit Committee periodically reviews the procedures that we have set to monitor any related party transactions to ensure that these transactions are carried out on normal commercial terms which are not more favourable to the related parties than those generally available to the third parties, are dealt with at arm's length and are not the detrimental to our minority shareholders. All reviews by the Audit Committee are reported to the Board of Directors for its further action.

6.6 Key management and key technical personnel

The daily management and operations of our Group are under the responsibility of the key management and key technical personnel. They are responsible to ensure the business of our Group is well managed for the interest of our Group and our shareholders.

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6. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

6.6.1 Key management and key technical personnel's shareholdings in ICB

Based on our Register of Shareholders as at 12 December 2005 being the latest practicable date prior to the issuance of this Prospectus and assuming that the Share Transfer has been effected, the interests of our key management and key technical personnel in our issued and paid-up share capital before and after the IPO are as follows:

Name	Designation	Before the IPO			After the IPO			
		Direct No. of Shares	Indirect No. of Shares	%	Direct No. of Shares	Indirect No. of Shares	%	
Tong Chin Hen	Managing Director	3,935,242	33,947,064 ¹	6.25	150,000*	33,947,064 ¹	0.19	42.43
Tong Ah Wah @ Tong Chun Hwi	Executive Director	-	2,571,498 ²	4.09	100,000*	2,571,498 ²	0.13	3.21
Lai Soon Yip	Corporate Affairs and Finance Manager	-	-	-	50,000*	-	0.06	-
Yap Kim Yok	Accounts and Administration Manager	-	-	-	150,000*	-	0.19	-
Lee Tan Yan	Regulatory Affairs & Research and Development Manager	-	-	-	170,000*	-	0.21	-
Ngo Hea Sing	Production Manager	-	-	-	150,000*	-	0.19	-
Ku Kooi Klang	Commercial Manager	989,038	-	1.57	1,159,038*	-	1.45	-
Ling Tung Ping	Regional Manager	-	-	-	165,000*	-	0.21	-
Hanapi bin Sainon	Public Sector Manager	-	-	-	165,000*	-	0.21	-
Lau Pei Yue	National Sales Manager	-	-	-	150,000*	-	0.19	-
Si Chee Seng	Senior Executive Supervisor Operations & Planning	-	-	-	100,000*	-	0.13	-

Notes:

- * On the assumption that the respective individuals will subscribe all their entitlements of the proposed Pink Form allocation.
- 1 Deemed interest by virtue of his direct interest in SRSB, upon the completion of the Share Transfer.
- 2 Deemed interest by virtue of his wife, Fang Lie Lie's direct interest in our Company.

6. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)**6.6.2 Profile of the key management and key technical personnel**

Save for the profile of Tong Chin Hen which has been detailed in Section 6.4.2 of this Prospectus, the profiles of the other key management and key technical personnel are as follows:

- (i) **Lai Soon Yip**, Malaysian, aged 37, is the Corporate Affairs and Finance Manager in IRSB. He oversees the corporate affairs and financial matters of the Company. He is a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom and a Member of the Malaysian Institute of Accountants. He has wide experience on corporate and advisory services. He embarked on his professional training with Moores Rowland International, a firm of Chartered Accountants in 1992 and left the firm in 1996 where he held the position of Audit Senior. Thereafter, he began his career in the Corporate Finance Division of Affin Merchant Bank Berhad ("Affin"). During his tenure with Affin, he was also exposed to the activities of the Accounts & Administration Division, Privatisation & Project Finance Division and Corporate Banking Division. He left Affin in 2001 to venture into his own consultancy business. He joined IRSB in 2005.
- (ii) **Yap Kim Yok**, Malaysian, aged 37, is the Accounts and Administration Manager of IRSB. She graduated in 1992 with a Diploma in Management Accounting from Tunku Abdul Rahman College. She is a finalist of the Chartered Institute of Management Accountants (CIMA), United Kingdom. Her career started in 1992/1993 when she joined Hitachi Air Conditioning Sdn Bhd as Accounts Officer before she left to join Delloyd Industries Sdn Bhd as a Costing Officer. Subsequently she joined Innovation Wood Sdn Bhd as an Accounts Executive in 1996. She joined Qi Chocolate & Candy Sdn Bhd as Commercial Executive in 1999 and was subsequently promoted to Assistant Commercial and Administration Manager in 2000. She left in 2001 to join Inagro Sdn Bhd as Accounts and Administration Executive and joined IRSB in 2003 as the Accounts Executive. She was subsequently promoted to the position of Accounts and Administration Manager in 2004. She has worked with ISO Quality Management standards and is well versed with the standards and procedures of the Contamination Preventive Audit, which is practiced by leading multinational agrochemical companies. Her work experience covers taxation, corporate finance, financial and management accounting. She also handles the overall administration, finance and management accounting functions of the company.
- (iii) **Lee Tan Yan**, Malaysian, aged 35, is the Regulatory Affairs & Research and Development Manager of IRSB and currently heads the Regulatory Affairs & Product Development Department of IRSB. She graduated in 1994 from Universiti Putra Malaysia with a Bachelor of Science Degree majoring in Agricultural Science (Crop Protection). She began her career as a Chemist at Q-Pack (M) Sdn Bhd, a contract manufacturer of household toiletries and personal care products, where she was in-charge of quality assurance, product formulation improvement and new product development. She joined IRSB in 1996 as Technical Development Officer. Subsequently she was promoted to Business Development Executive in 1998 and Assistant Business Manager in 2000. In 2003, she was promoted to the position of Business Manager before assuming her current position in 2004. Her responsibilities in the company include overseeing the company's product development initiatives, managing the product registration process locally as well as overseas countries and providing technical support on all matters relating to research and development and laboratory testing and methods. In addition to managing the company's patent affairs, she is also in-charge of trademark registration of the company's products.

6. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

- (iv) **Ngo Hea Sing**, Malaysian, aged 31, is the Production Manager of IRSB and has been with our Group since 2000. He received his Bachelor of Engineering Honours Degree in Chemical Engineering in 1998 and a Masters of Engineering Degree in Engineering Management from Universiti Teknologi Malaysia in 1999. Prior to joining IRSB, he has worked in the gas technology, textile and project management industries. Starting his career with Gas Technology Resources Sdn Bhd in 1997 as an Industrial Trainee where he was involved in several projects, notably the installation of National Gas Vehicle Refueling Station and Grounding System, he later moved to Ramatex Textile Industrial Sdn Bhd to widen his industry experience. In 1999 he assumed the position of Project Engineer in JuruRubcoil Sdn Bhd, where he was mainly responsible for turnkey project management involving chemical engineering, design and procurement.
- (v) **Ku Kool Khang**, Malaysian, aged 40, is currently the Commercial Manager of IRSB and has been with our Group since 1993. He graduated in 1990 with a Bachelor of Science Degree in Agriculture from Universiti Pertanian Malaysia. He began his career in 1991 when he joined Zuellig Chemicals (M) Sdn Bhd. He has achieved the award of the Overall Best Salesman for 1991 and 1992 for the company. Following this success, he left the company and was appointed Market Development Manager at IRSB the following year. He has been instrumental in the growth of IRSB and is directly responsible for the build-up and expansion of IRSB's business network to cover the entire Peninsular Malaysia. He is currently involved in the marketing and sales of IRSB by leading a team of eight (8) techno-commercial representatives and marketing managers. His conscientious efforts in strategising, planning and executing marketing plans have assisted in the development of new products that caters to various needs of our Group's customers.
- (vi) **Ling Tung Ping**, Malaysian, aged 37, is the Regional Manager of IRSB. He graduated in 1993 from Universiti Pertanian Malaysia with a Bachelor of Science Degree majoring in Agricultural Science. He received his Master of Business Administration in 1997 from Universiti Putra Malaysia. His career started in 1993 at Zuellig Chemicals Sdn Bhd as a Sales Executive. He left and joined IRSB in 1995 as Techno Commercial Executive and in his current position, he oversees the East Malaysian and Taiwan markets. His previous work experience at Zuellig Chemicals (M) Sdn Bhd where he was responsible for the marketing of fertilisers and agrochemicals has provided him with the platform for his current work at IRSB in developing the Taiwan and East Malaysian markets for IRSB. He was instrumental in developing the IRSB's products to command premium pricing in Taiwan and competing with products from multinationals. He is also currently exploring expansion into the Philippines market. His other responsibilities include supporting the internal sales team with implementation of marketing strategies and product knowledge as well as providing advisory services to plantations, farmers and agrochemical dealers on matters pertaining to crop protection and farming.

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6. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

- (vii) **Hanapi bin Sainon**, Malaysian, aged 42, is currently the Public Sector Manager of IRSB and he has been with IRSB since 1995. He holds a Diploma Pertanian (1984) and a Bachelor of Science (Agricultural Science) from Universiti Pertanian Malaysia (UPM), 1987. He began his career in this industry as Assistant Manager with Ladang Selaba, Teluk Intan in 1988. Between 1990 and 1995, he worked as a Techno Commercial Executive in Actacorp Berhad. He joined IRSB as Senior Techno Commercial Executive in 1986, and was promoted to Assistant Area Manager in 1998 and to Area Manager in 1999. In 2005, he was re-designated to his current position as Public Sector Manager, where he is responsible for IRSB's sales to public sector/ Government agencies.

He was instrumental in opening up tobacco plantation markets in the East coast for IRSB, and played a key role in assisting the Commercial Manager in opening up rice plantation markets in Peninsular Malaysia and Sabah. As an active speaker in various Farmers' Talks throughout Malaysia, he covered topics of agronomy, pest and disease controls, safe handling of agrochemicals and other agriculture-related advisory. Hanapi has been a Member of International Society of Planters (Malaysia) since 1990 and is currently pursuing his Masters Degree (Agronomy) in UPM.

- (viii) **Lau Pei Yue**, Malaysian, aged 34, is currently the National Sales Manager of IRSB. He has been with IRSB since 1997. He holds a Bachelor of Science Degree (Agriculture) from Universiti Pertanian Malaysia, 1995. He began his career as a Sales Executive with Zuellig Chemicals (M) Sdn Bhd from 1995 to 1997. He then joined IRSB as a Techno Commercial Executive in 1997. He was promoted to Assistant Area Manager in 1998, and subsequently to Area Manager in 1999, before being promoted to his current position in 2005. He made a business exploratory trip to the Philippines in 2002 (sponsored by Cerexagri s.a., a principal of IRSB).

Among his major contributions are the successful launches of IRSB's product range of pesticides and a successful tender from a major plantation company. He has conducted field trials required for new product registrations and carried out seed trials on sweet corn throughout Peninsular Malaysia. He continuously provides technical support services to plantations, farmers and agrochemical dealers on matters pertaining to crop protection and farming.

- (ix) **Si Chee Seng**, Malaysian, aged 56, is the Senior Executive Supervisor Operations & Planning of IRSB. He completed his secondary education in Chung Hua High School, Seremban in 1967. He started his career with Cerebos (M) Sdn Bhd in the Accounts Department in 1971 before joining R.J. Reynolds Tobacco Company (M) Sdn Bhd ("RJR") (a subsidiary of R. J. Reynolds Bhd, currently known as Japan Tobacco International Bhd) in 1974 as Accounts Supervisor. During his 26 years with RJR, he held various managerial positions from Cost Accounting & Control, Business Planning & Analysis, Operations Planning & Analysis, and Accounting & Treasury. His last position in RJR was that of Manager – Operations Business Planning.

Following RJR revamping its operation when its contract manufacturing with Philip Morris ended, he left RJR in 2000 to join Philip Morris (M) Sdn Bhd where he held the positions of Supervisor – Reporting & Budgeting and Supervisor – Financial Accounting with responsibility for local statutory financial accounting of the company and all financial reporting in USD to regional Headquarters in Hong Kong in compliance with Financial Accounting Standards Board of US. He joined IRSB in 2005.

6. INFORMATION ON SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

6.7 Involvement of Promoters, executive directors, key management and key technical personnel in other business / operations

Based on the declaration by the Promoters, our executive directors, key management and key technical personnel and save as disclosed in Section 8 of this Prospectus, none of the above mentioned persons are involved in other businesses or corporations, and all of whom are involved full time in the business and operations of our Group.

6.8 Declaration from our Directors, key management and key technical personnel

Save as disclosed below, as at the date of this Prospectus, none of our Directors, or key management or key technical personnel has been involved anywhere in any of the following:

- (i) a petition under any bankruptcy or insolvency laws that was filed (and not struck out) against such person or any partnership in which he is or was a partner or any corporation of which he is or was a director or key personnel;
- (ii) charged and/or convicted in a criminal proceeding or is a named subject to a pending criminal proceeding; and
- (iii) being the subject of any order, judgment or ruling of any court of competent jurisdiction temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

6.9 Family relationships or associations

As at the date of this Prospectus, none of the Promoters, our substantial shareholders, Directors, key management and key technical personnel has any family relationships (under Section 122A of the Act) or associations with each other, except for Tong Chin Hen and Tong Ah Wah @ Tong Chun Hwi who are siblings.

6.10 Service agreements

Our Group does not have any current or proposed service contracts with any of our Directors, key management and key technical personnel.

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7. APPROVALS AND CONDITIONS

7.1 Approvals

We have received the approvals from the SC under Section 32(5) of the SCA and the FIC's Guidelines on the Acquisition of Interests, Mergers and Take-overs by Local and Foreign Interests and MITI for the Flotation Exercise, as set out in Section 5.3 of this Prospectus, with the objective of listing our enlarged issued and paid-up share capital on the Second Board of Bursa Securities:

Authority	Date of approval
SC	4 October 2005
MITI	17 May 2005

The conditions as imposed by the SC and MITI in their approvals for the Flotation Exercise on the Second Board of Bursa Securities are as follows:

Authority	Conditions	Status of compliance																													
SC	<p>(i) The imposition of moratorium on disposal of shares held by substantial shareholders of ICB, as proposed, as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">ICB shares held after listing proposals</th> <th colspan="2">ICB shares held under moratorium</th> </tr> <tr> <th>No. of ICB shares</th> <th>% of enlarged share capital</th> <th>No. of ICB shares</th> <th>% of enlarged share capital</th> </tr> </thead> <tbody> <tr> <td>Shareholders</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>SRSB</td> <td>33,947,064</td> <td>42.43</td> <td>24,000,000</td> <td>30.00</td> </tr> <tr> <td>Sunbina</td> <td>19,118,704</td> <td>23.90</td> <td>12,000,000</td> <td>15.00</td> </tr> <tr> <td>Total</td> <td>53,065,768</td> <td>66.33</td> <td>36,000,000</td> <td>45.00</td> </tr> </tbody> </table> <p>The affected shareholders will not be allowed to sell, transfer or assign their shareholdings amounting to 45% of the nominal issued and paid-up capital for 1 year from the date of admission of the company to the Second Board. Every shareholder of SRSB and Sunbina (if an individual) or ultimate individual shareholder (if the shareholder is another unlisted company) must give an undertaking that he/she will not sell, transfer or assign his/her shareholding in the related unlisted company for the period as stipulated above;</p>		ICB shares held after listing proposals		ICB shares held under moratorium		No. of ICB shares	% of enlarged share capital	No. of ICB shares	% of enlarged share capital	Shareholders					SRSB	33,947,064	42.43	24,000,000	30.00	Sunbina	19,118,704	23.90	12,000,000	15.00	Total	53,065,768	66.33	36,000,000	45.00	<p>Complied. Refer to Section 7.2 of this Prospectus for details of the moratorium on the Shares.</p> <p>Complied. The shareholders of SRSB and Sunbina have submitted their undertakings dated 31 March 2005 and 20 December 2005 to the SC.</p>
	ICB shares held after listing proposals		ICB shares held under moratorium																												
	No. of ICB shares	% of enlarged share capital	No. of ICB shares	% of enlarged share capital																											
Shareholders																															
SRSB	33,947,064	42.43	24,000,000	30.00																											
Sunbina	19,118,704	23.90	12,000,000	15.00																											
Total	53,065,768	66.33	36,000,000	45.00																											

7. APPROVALS AND CONDITIONS (Cont'd)

Authority	Conditions	Status of compliance
	<p>(ii) The bumiputera shareholders of ICB, once nominated, should submit their respective declarations under Section 32 of the SCA to the SC that:</p> <p>(a) they are/will be the beneficial owners of the ordinary ICB shares held by/to be allocated to them;</p> <p>(b) they are/will not be acting as nominees for others; and</p> <p>(c) they have the financial resources to hold/subscribe for the shares;</p> <p>(iii) With regard to the trade debtors, ICB is to comply with the following conditions:</p> <p>(a) Fully disclose in the listing prospectus the debtors' position, the ageing analysis and, for amounts exceeding the credit period (if any), comments by directors on the recoverability of the amounts;</p> <p>(b) Full provision should be made for all overdue trade debtors (if any) which are in dispute or under legal action, or for amounts which have been outstanding for more than 6 months (if any). The directors of ICB should confirm to the SC that this condition has been complied with prior to the issuance of the listing prospectus; and</p> <p>(c) The directors of ICB should confirm and submit a declaration to the SC that debts exceeding credit period which had not been provided for as doubtful debts, excluding those specified under paragraph 1.2(iii)(b) above are recoverable;</p> <p>(iv) For the factory located at PT. No. 4258, Mukim of Kapar, District of Klang, Selangor (Lot 2, Solok Sultan Hishamuddin 7, Kawasan 20, Selat Klang Utara, Port Klang), ICB is to:</p> <p>(a) Rectify the unapproved structures on Lot 2, Solok Sultan Hishamuddin 7, Kawasan 20, Selat Klang Utara, Port Klang within 6 months from the date of SC' approval letter;</p> <p>(b) Make quarterly announcement to Bursa Malaysia on the status of the application; and</p>	<p>Complied. The nominated bumiputera shareholder of ICB has submitted its declaration dated 22 December 2005 to the SC.</p> <p>Complied. Disclosures have been made in Section 10.4 of this Prospectus</p> <p>Complied. The Directors have given their confirmations dated 5 December 2005 to the SC.</p> <p>Complied. The Directors have given their confirmation cum declarations dated 5 December 2005 to the SC.</p> <p>Noted.</p> <p>To be complied with after Listing.</p>

7. APPROVALS AND CONDITIONS (Cont'd)

Authority	Conditions	Status of compliance
	(c) Update SC when such announcements are made to Bursa Malaysia;	To be complied with after Listing.
	(v) ICB is to fully disclose in the listing prospectus the following:	
	(a) Risks associated with the lack of long-term contracts with its customers and steps taken/to be taken to mitigate such risks;	Complied. Disclosures have been made in Section 4.2.15 of this Prospectus.
	(b) Risks associated with the short term business relationship it had with its major suppliers and fluctuation in prices of raw materials and steps taken/to be taken to mitigate such risks;	Complied. Disclosures have been made in Sections 4.2.24 and 4.2.2 of this Prospectus.
	(c) Risks associated with phasing out the manufacture and sale of paraquat-based pesticides and steps taken/to be taken to mitigate such risks; and	Complied. Disclosures have been made in Section 4.2.5 of this Prospectus.
	(d) Risks associated with the change in agricultural practices and steps taken/to be taken to mitigate such risks;	Complied. Disclosures have been made in Section 4.2.6 of this Prospectus.
	(vi) ICB is to disclose the status of utilisation of the listing proceeds in its quarterly and annual reports until the proceeds are fully utilised;	To be complied with after Listing.
	(vii) 4,882,000 shares to be held by Bumiputera investors to be approved by the MITI to comply with National Development Policy (NDP) requirement;	Complied. The approval from MITI was obtained on 21 December 2005.
	(viii) PMBB/ICB to inform the SC with the status of compliance with the NDP requirement upon completion of the listing exercise; and	To be complied with after Listing.
	(ix) ICB should comply with all the other relevant requirements as stipulated in the Issues Guidelines.	To be complied, where applicable.

7. APPROVALS AND CONDITIONS (Cont'd)

Authority	Conditions	Status of compliance															
	<p>The SC noted the changes to the equity structure relating to Bumiputera, non-Bumiputera and foreign shareholdings in ICB would change arising from the implementation of the listing proposals, as follow:</p> <table border="1"> <thead> <tr> <th></th> <th>Before proposals %</th> <th>After listing proposals %</th> </tr> </thead> <tbody> <tr> <td>Bumiputera</td> <td>-</td> <td>30.00</td> </tr> <tr> <td>Non-Bumiputera</td> <td>100.00</td> <td>70.00</td> </tr> <tr> <td>Foreign</td> <td>-</td> <td>-</td> </tr> <tr> <td>Total</td> <td>100.00</td> <td>100.00</td> </tr> </tbody> </table> <p><i>Note:</i> ¹ 23.90% shares have been approved by MITI while the remaining 6.10% is subject to allocation by MITI.</p>		Before proposals %	After listing proposals %	Bumiputera	-	30.00	Non-Bumiputera	100.00	70.00	Foreign	-	-	Total	100.00	100.00	Noted.
	Before proposals %	After listing proposals %															
Bumiputera	-	30.00															
Non-Bumiputera	100.00	70.00															
Foreign	-	-															
Total	100.00	100.00															
MITI	<p>(i) To obtain the approval from the SC and compliance with the Guidelines on the Acquisition of Interests, Mergers and Take-overs by Local and Foreign Interests;</p> <p>(ii) The allocation of 4,882,000 ICB Shares or 6.10% of the enlarged share capital are subject to MITI's special share allocation and will be decided separately after the approval from the SC has been obtained;</p> <p>(iii) The MITI had agreed to recognize the following Bumiputera equity after the implementation of all the listing proposals:</p> <table border="1"> <thead> <tr> <th>Shareholder</th> <th>No. of ICB Shares issued</th> <th>% of enlarged share capital of ICB</th> </tr> </thead> <tbody> <tr> <td>Mohd Shafek Bin Isa</td> <td>19,118,704</td> <td>23.90</td> </tr> </tbody> </table> <p>As existing Bumiputera shareholding of the share capital of ICB subject to the condition that at least 30% of the recognized Bumiputera shareholding are allowed to be disposed within three (3) months after the Company is listed and the remaining 70% may be disposed in stages subject to the prior approval of the MITI; and</p> <p>(iv) ICB is required to inform MITI upon completion of the implementation of the Flotation Exercise.</p>	Shareholder	No. of ICB Shares issued	% of enlarged share capital of ICB	Mohd Shafek Bin Isa	19,118,704	23.90	<p>Complied. The approval from the SC was obtained on 4 October 2005.</p> <p>Complied. The approval from MITI was obtained on 21 December 2005.</p> <p>Noted.</p> <p>To be complied with after Listing.</p>									
Shareholder	No. of ICB Shares issued	% of enlarged share capital of ICB															
Mohd Shafek Bin Isa	19,118,704	23.90															

7. APPROVALS AND CONDITIONS (Cont'd)**7.2 Moratorium on our Shares**

Under the Issues Guidelines and as one of the conditions imposed by the SC via its approval for the Listing, SRSB and Sunbina, are not allowed to sell, transfer or assign their shareholdings in our Company amounting to 45% of our nominal issued and paid-up share capital for one (1) year from the date of listing of our Shares on the Official List of Bursa Securities.

	Shareholdings in our Company after IPO	% of issued and paid-up share capital	No. of Shares under moratorium	% of issued and paid-up share capital
SRSB	33,947,064*	42.43	24,000,000	30.00
Sunbina	19,118,704*	23.90	12,000,000	15.00

Note:

* *Shareholdings after the completion of the Share Transfer.*

The restriction, which is fully accepted by SRSB, Sunbina and their respective shareholders, is specifically endorsed on the share certificate representing the shareholding of SRSB and Sunbina which is under moratorium to ensure that our Registrar does not register any transfer not in compliance with the restriction imposed by the SC and Bursa Securities.

By their letters dated 31 March 2005 and 20 December 2005, SRSB, Sunbina and their respective shareholders have given their undertakings to the SC to comply with the abovementioned terms relating to the sale of their shares under moratorium as outlined above.

Our Registrar and Bursa Depository have been informed in writing in relation to the moratorium of Promoters to ensure that they will not register any transfer not in compliance with the moratorium restrictions.

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8. RELATED PARTY TRANSACTIONS / CONFLICT OF INTEREST**8.1 Interests in similar business and / or related party transactions**

Save as disclosed below, as at 12 December 2005, there were no transactions between our Group and our substantial shareholders, Directors, key management or key technical personnel of our Group, or parties connected to them:

- (i) IRSB has been supplying raw materials to DSB since 2000 which Tong Chin Hen and Tong Siew Khey @ Tong Siew Kheng have equity interest in DSB via their respective shareholding in IPTSB of 50% each. IPTSB in turn holds 30% equity interest in DSB. IPTSB is not part of our Group although it shares the name of "Imaspro" as IPTSB is an investment holding company for Tong Chin Hen and Tong Siew Khey @ Tong Siew Kheng .

The principal activity of DSB is manufacturing and sale of agricultural chemicals and it is an indirect subsidiary of HSCB, via Sasco Sdn Bhd, a wholly-owned subsidiary of HSCB. A substantial portion of DSB's products are utilised at the plantations of the HSCB Group. Tong Chin Hen is the Chairman of DSB. For the financial year ended 30 June 2005, our Group had supplied approximately RM152,457 worth of raw materials to DSB, representing 0.24% of our Group's proforma turnover;

- (ii) On 21 May 2004, IRSB entered into Sale & Purchase Agreement with Tong Chin Hen for the purchase of a 3-storey shop/office located at H.S.(D) 13011, P.T. 11537, Mukim of Kapar, District of Klang, State of Selangor, bearing postal address No. 37, Jalan 5, Kawasan 16, Taman Intan, 41300 Klang, Selangor Darul Ehsan. The purchase price of RM650,000 was satisfied in full by a cash consideration. Details of the property are as set out in Section 9.1 of this Prospectus; and
- (iii) IRSB had on 15 December 1997 entered into a tenancy agreement with ICSB for the rental of a factory for its operations. The factory is located at Lot 2, Solok Sultan Hishamuddin 7, Kawasan 20, Selat Klang Utara, 42000 Port Klang, Selangor. The tenancy agreement is for a period of one (1) year commencing from 1 January 1998 to 31 December 1998 at the monthly rental of RM30,000 per month. This agreement has been further extended pursuant to a letter signed by the parties dated 20 December 2003 for a period commencing on 1 January 2005 to 31 December 2005 at a monthly rental of RM30,000.

8.2 Conflict of interest situation

Save for Tong Chin Hen who has a substantial interest in DSB via IPTSB, none of our Directors or substantial shareholders are directors in any company in Malaysia carrying on a similar trade as the ICB Group.

Although Tong Chin Hen has a substantial shareholding interest in DSB via IPTSB, the Board of Directors does not deem such interest to be in conflict with the business of our Group as DSB is not a major player in the pesticide industry. DSB is an indirect 70% owned subsidiary of HSCB and pesticides produced by DSB are supplied to Sasco Sdn Bhd, its immediate holding company, which in turn is a wholly-owned subsidiary of HSCB. A substantial portion of DSB's products are utilised at the plantations of the HSCB Group. In addition, the transactions between our Group and DSB were carried out in the ordinary course of business, transacted on an arms length basis and are not unfavourable to our Group. Furthermore, Tong Chin Hen is not involved in the day-to-day operations of DSB.

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8. RELATED PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)**8.3 Mitigating factors**

Notwithstanding that there has not been any conflict of interest situation arising from the above transactions, our Directors have proposed that the following measures be undertaken to resolve any potential conflict of interest situations that may arise in the future:

- (i) All Directors, substantial shareholders, key management and key technical personnel of our Group are required to declare and disclose any transactions in which they are deemed interested and such transactions must be conducted on an arms' length basis and be subject to the scrutiny of our Audit Committee;
- (ii) Our Audit Committee comprising majority of independent directors which is required to be formed under the Listing Requirements will, amongst others, monitor any transactions between our Group and our Directors, substantial shareholders or parties connected to them with any direct or indirect interest ("Interested Persons") to ensure that the related party transactions are conducted at arms' length and are not detrimental to our minority shareholders, to safeguard the interest of our Group; and
- (iii) We shall procure the mandate from our shareholders in respect of any related party transactions and if necessary, the shareholders' mandate for the recurrent transactions of revenue or trading in nature or those necessary for its day to day operations such as supplies and materials, which may be carried out with the Interested Persons, but not for the purchase or sale of assets, undertakings or businesses. Further, the Interested Persons will abstain from voting on the resolution(s) approving such related party transactions.

8.4 Loans made by our Group to related parties

Prior to the completion of the Acquisitions, IRSB and ICSB are related companies by virtue of certain common directors and shareholders. As at 30 June 2005, IRSB has advanced ICSB an amount of RM418,877 for working capital purposes which is unsecured and interest free with no fixed terms of repayment.

Save as disclosed above, there are no other loans or guarantees extended by our Group which are currently outstanding to our Directors and substantial shareholders or persons connected to them, for the past one (1) financial year and the subsequent financial period thereof, immediately preceding the date of this Prospectus.

8.5 Transactions that are unusual in their nature or condition

There are no transactions that are unusual in nature or conditions, involving goods, services, tangible or intangible assets, to which we or our subsidiaries was a party in respect of the past one (1) financial year and the subsequent financial period thereof, immediately preceding the date of this Prospectus.

8.6 Promotion of material assets

Save as disclosed in Section 8.1 (ii) and (iii) above, our Directors are not aware of any of our Directors and/or substantial shareholders having any interests, direct or indirect, in the promotion of or in any material assets which have been, within the past two (2) financial years preceding the date of this Prospectus, acquired or disposed of by or leased to our Group, or are proposed to be acquired or disposed of by or leased to our Group.

8.7 Declaration by the advisers

There is no conflict of interest between our Group and its Adviser, Reporting Accountants, Solicitors and Independent Business and Market Research Consultant. The Adviser, Reporting Accountants, Solicitors and Independent Business and Market Research Consultants are paid fees for their professional services.

9. OTHER INFORMATION CONCERNING OUR GROUP

9.1 Properties

The following is a summary of the information on our landed properties as at the date of this Prospectus:

Registered No.	Registered owners	Title/ Postal address	Description/ Existing use	Land area/ built up area (Sq ft)	Tenure (years)	Category of land use	Age of buildings (years)	Audited net book value as at 30.06.2005 RM'000	Restrictions in interest	Encumbrances
1.	IRSB	H.S.(D) 13013, Lot No. P.T. 11539, Mukim of Kapar, District of Klang, State of Selangor	3-storey shophouse / Rented Out*	Land area: 1,540	Freehold	Commercial	21	165	None	Charged to Malayan Banking Berhad
		33, Jalan 5, Kawasan 16 Taman Intan, 41300 Klang Selangor	The certificate of fitness was issued on 5 April 1984	Built-up area: 4,386						
2.	IRSB	H.S.(D) 13012, Lot No. P.T. 11538, Mukim of Kapar, District of Klang, State of Selangor	3-storey shophouse / Administrative head office & Rented Out [^]	Land area: 1,540	Freehold	Commercial	21	165	None	Charged to Malayan Banking Berhad
		35, Jalan 5, Kawasan 16 Taman Intan, 41300 Klang Selangor	The certificate of fitness was issued on 5 April 1984	Built-up area: 4,386						
3.	IRSB	H.S.(D) 13011, Lot No. P.T. 11537, Mukim of Kapar, District of Klang, State of Selangor	3-storey shophouse / Administrative head office	Land area: 1,540	Freehold	Commercial	21	659	None	Charged to HSBC Bank Malaysia Berhad
		37, Jalan 5, Kawasan 16 Taman Intan, 41300 Klang Selangor	The certificate of fitness was issued on 5 April 1984	Built-up area: 4,386						

Notes:

* : The ground floor of the 3-storey shophouse is currently being occupied by a tenant with the tenure expiring on 30 June 2006. Presently, the first and second floor of the shophouse is vacant. We intend to rent out both these floors once a suitable tenant can be procured.

^ : The first and second floor of the 3-storey shophouse are occupied by a tenant with the tenure expiring on 31 August 2006. The ground floor is used to house part of our Administrative Head Office.

9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Registered No. owners	Title/ Postal address	Description/ Existing use	Land area/ built up area (Sq ft)	Tenure (years)	Category of land use	Age of buildings (years)	Audited net book value as at		
							30.06.2005 RM	Restrictions in interest	Encumbrances
4. IRSB	HS (M) No. 175, 176, 177, 178, 179, 180, 181 and 182, Mukim of RIM, District of Jasin, State of Melaka <i>Same as above</i>	Freehold land with agricultural research centre comprising a single storey office block and laboratory / Research and development centre of the ICB Group	Land area: 43 acres Built-up area: 168,653	Freehold	Commercial	3	2,030	None	None
5. ICSB	H.S. (M) 6289 No. P. T. 4258, Mukim of Kapar, District of Klang, State of Selangor @ <i>Lot 2, Solok Sultan Hishamuddin 7 Kawasan 20 Selat Klang Utara 42000 Port Klang Selangor</i>	Manufacturing plant for agrochemicals / Housing of manufacturing facilities for the production of agrochemicals The certificate of fitness was issued on 13 September 1988	Land area: 73,378 Built-up area: 31,621 [#]	Leasehold interest for 99 years expiring on 9 June 2086 leaving an unexpired term of 81 years	Industrial	17	3,473	Tidak boleh dijual, digadai atau dipindah milik dengan apa cara sekalipun melainkan dengan kebenaran Pihak Berkuasa Negeri	Charged to Malayan Banking Berhad

Notes:

This built up area includes the non-permanent extensions erected by ICSB on the property.

9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

All the buildings listed above have been issued with certificate of fitness and they have complied with current statutory requirements, land rules or building regulations save for the following:

- | Details of non-compliance by ICSB | Proposed rectification |
|---|--|
| <p>(i) There are non-permanent extensions to a property of ICSB located at Lot 2, Solok Sultan Hishamuddin 7, Kawasan 20, Selat Klang Utara, 42000 Port Klang, Selangor ("Existing Factory"), which is presently rented out to IRSB for the manufacturing of its products and storage of materials. ICSB has not obtained the approval from relevant authorities for the non-permanent extensions which were erected using mostly hollow beams and zinc materials. The non-permanent structures were erected due to space constraint.</p> | <p>As part of the Flotation Exercise, we have proposed to acquire a new property from the proceeds of the Public Issue. It is the intention of IRSB to transfer its manufacturing operations in stages from the Existing Factory to the new property ("New Facility") that is proposed to be acquired for expansion. The management of IRSB envisaged that the New Facility should be able to accommodate its manufacturing facilities. The Existing Factory will eventually be used as a warehouse.</p> |

To ensure minimal disruption to the current manufacturing operations of IRSB, the unapproved extensions shall be dismantled by ICSB upon the completion of the setting up and the transfer of IRSB's plants and machineries to the New Facility. The cost of dismantling these non-permanent extensions are estimated to be approximately RM10,000.

9.2 Acquisition of properties

There has been no acquisition of properties during the two (2) years preceding the date of this Prospectus except for the following:

- (i) On 21 May 2004, IRSB entered into Sale & Purchase Agreement with Tong Chin Hen for the purchase of a 3-storey shop/office located at H.S.(D) 13011, P.T. 11537, Mukim of Kapar, District of Klang, State of Selangor, bearing postal address No. 37, Jalan 5, Kawasan 16, Taman Intan, 41300 Klang, Selangor Darul Ehsan. The purchase price of RM650,000 was satisfied in full by a cash consideration. Details of the property are as set out in Section 9.1 above; and
- (ii) On 8 November 2004, IRSB entered into a Sale & Purchase Agreement with Chemical Company of Malaysia Berhad ("CCM") for the purchase of eight (8) parcels of land under HS (M) Nos 175 – 182, in the Mukim of RIM, District of Jasin, Malacca together with an agriculture research centre erected on part of the land. The purchase price was satisfied in full by a cash consideration of RM2,000,000. Details of the property are as set out in Section 9.1 above.

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10. FINANCIAL INFORMATION**10.1 Proforma consolidated income statements**

The following is a summary of our consolidated income statements on a proforma basis for the past five (5) financial years ended 30 June 2005 which have been prepared based on the audited financial statements of our Group for the relevant financial years/period for illustrative purposes, on the assumption that the current structure of our Group had been in existence throughout the financial years under review and after making such adjustments considered necessary:

	←-----Year ended 30 June ----->				
	2001	2002	2003	2004	2005
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	38,730	35,946	42,102	53,314	63,089
Profit before depreciation, interest and taxation	6,665	6,223	7,245	9,255	11,453
Depreciation	(191)	(217)	(504)	(568)	(765)
Interest expense	(189)	(188)	(168)	(146)	(115)
Interest income	56	44	29	53	73
PBT	6,341	5,862	6,602	8,594	10,646
Taxation	(1,689)	(1,675)	(1,852)	(2,004)	(3,190)
PAT	4,652	4,187	4,750	6,590	7,456
No. of ICB Shares in issue ('000) ¹	62,935	62,935	62,935	62,935	62,935
Gross EPS (sen) ²	10.08	9.31	10.49	13.66	16.92
Net EPS (sen) ³	7.39	6.65	7.55	10.47	11.85

Notes:

1. *Based on 62,935,242 ICB Shares in issue in respect of the Acquisitions which were completed on 28 October 2005 but before the Public Issue.*
2. *Defined as PBT divided by the number of ICB Shares in issue.*
3. *Defined as PAT divided by the number of ICB Shares in issue.*

There were no exceptional and extraordinary items for all the financial years as set out above.

There were also no audit qualifications for the financial years under review.

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10. FINANCIAL INFORMATION (Cont'd)**Review of the financial year ended 30 June 2001****Turnover**

Our Group's turnover increased by 15.57% in comparison with the financial year ended 30 June 2000 mainly due to an increase of 47.17% in turnover contributed by manufacturing activities. Other activities experienced a decline in their respective turnover. The substantial increase in turnover was caused by large orders of herbicide which we had received from customers in Japan and Russia. This increase was later off-set against the decline in turnover arising from local sales that was a result of a cut back by plantations on their budget for weed management, following the softening of Crude Palm Oil ("CPO").

Gross margin

The overall gross margin for the year decreased slightly from 24.70% in the financial year ended 30 June 2000 to 24.15%. The fall in gross margin was the result of our Group's competitive pricing to gain market share in overseas markets, as well as the slow demand of the local market which triggered price-cutting in herbicide products among industry players in the local market.

PBT

PBT increased by 10.54% in comparison with the financial year ended 30 June 2000 mainly due to the significant increase in turnover in the financial year and minimal increases in our fixed expenditure like administration expenses and finance costs.

PBT margin dropped from 17.12% to 16.37% in financial year ended 2001 mainly due to a fall in gross margin.

Taxation

The effective tax rate of our Group for the financial year 2001 was slightly higher than the statutory tax rate due to certain expenses not deductible for tax purposes.

PAT

PAT for the year increased for the year by 12.10% to RM4.65 million.

Review of the financial year ended 30 June 2002**Turnover**

Our Group's turnover saw a decline of approximately 7.19% compared to the previous financial year. The large order from Japan in the previous financial result was not repeated subsequently as it was a one-off transaction. The large order caused an oversupply of herbicides in the Japanese market. Local demand for herbicides continued to decline until the trend reversed in the second half of 2002. Sales of herbicides improved since second half of 2002 in line with the recovery of the CPO prices.

Gross margin

The overall gross margin improved slightly from 24.15% in the financial year ended 30 June 2001 to 24.75%. This was largely due to the lower cost of imported raw materials (Glyphosate Technical) which fell by more than 10% as compared with the previous financial year. Another reason was the improved CPO prices in the second half of the financial year which eased pressure from price-cutting practices among local industry players.

10. FINANCIAL INFORMATION (Cont'd)**PBT**

PBT for the financial year ended 2002 decreased slightly by 7.56%. This was due to a decline in turnover and approximately 30% of the decrease was contributed by bad debts written off during the year.

PBT margin of 16.31% was relatively consistent with PBT margin of previous financial year which is 16.37%.

Taxation

Our Group's effective tax rate for the financial year ended 30 June 2002 was reasonably in line with the statutory tax rate.

PAT

PAT for the year decreased by 10.00% for the year to RM4.19 million following a drop in the turnover.

Review of the financial year ended 30 June 2003**Turnover**

Our Group achieved a 17.12% increase in turnover compared to the previous financial year which was mainly due to the improvement in the local market for our Group's manufactured herbicides. CPO prices improved and plantations allocated better budget towards weed management. The overseas market continued its decline which had offset the improvement in the local market. Exports to Japan fell by approximately RM3.5 million or 66.40%. This was caused by Japan's switch in the import of herbicides from China due the geographical proximity between China and Japan.

Gross margin

The overall gross margin of our Group for the financial year ended 30 June 2003 decreased from 24.75% in the previous financial year to 21.78%. This lower gross margin was mainly due to the increase in costs of imported raw material, packaging materials and logistics, all of which were triggered off by the escalation of crude oil prices that began in the second half of the financial year. These increased costs were partially absorbed by our Group to maintain our customer base, enhance customer relationship and build greater customer goodwill.

PBT

PBT for the financial year ended 2003 increased by a growth rate of 12.63%. Although turnover increased by 17.12%, it was moderated by a significant increase in depreciation cost that was mainly due to acquisition of new plant and machinery. Overall, the administration and other operating and finance costs have been reduced during the year if compared to previous year and this reduction in overall expenses have directly improved the profit for financial year 2003.

Consequently, the PBT margin dropped from 16.31% to 15.68% in the financial year ended 30 June 2003.

10. FINANCIAL INFORMATION (Cont'd)**Taxation**

The effective tax rate of our Group was lower than the statutory tax rate following the reinvestment allowance and industrial building allowances claimed by IRSB and ICSB respectively.

PAT

PAT increased for the year by 13.45% to RM4.75 million.

Review of the financial year ended 30 June 2004**Turnover**

For the financial year ended 30 June 2004, our Group achieved a substantial increase in turnover of 26.63% in comparison with the previous financial year. This increase in turnover was largely due to a substantial 41.40% increase in total turnover from our sale of herbicides sales.

In the export market, the combination of new product registration and intensive marketing effort in Australia and Indonesia led to a strong recovery in overseas turnover which saw an increase of 58.59%, over that achieved in the previous financial year.

Gross margin

For the financial year ended 30 June 2004, the overall gross margin dropped marginally from 21.78% to 21.13%, which was partially due to our Group's market penetration strategy (for Indonesia and Australia) which involved strategic pricing policies.

We managed to cap the fall in overall gross margin to 21.13% despite conditions of escalating costs and competitive pressure in both the local and overseas markets, whilst increasing its overall turnover by 26.63%.

PBT

Our Group achieved a significant growth in PBT for the financial year ended 2004 of 30.18%. The contributing factors include a 26.63% increase in turnover together with 97.67% increases in our other income.

PBT margin increased from 15.68% to 16.12% in financial year ended 2004 mainly due to a reduction in interest expenses and other expenses.

Taxation

The effective tax rate of our Group continued to be lower than the statutory tax rate following the reinvestment allowance and industrial building allowances claimed by IRSB and ICSB respectively.

PAT

PAT for the year increased further by 38.74% to RM6.59 million.

10. FINANCIAL INFORMATION (Cont'd)**Review of the financial year ended 30 June 2005****Turnover**

For the financial year ended 30 June 2005, our Group achieved a healthy growth in turnover of 18.34% in comparison with the previous financial year. This increase in turnover was mainly driven by herbicides sales which grew by 23.96% and contributed 82.96% of the turnover growth.

This growth in herbicide sales was contributed by both local and export markets, whereby local sale of herbicides grew by 32.95% as compared to the last financial year whilst export sales grew by 10.88% as compared to the last financial year.

In the export market, following the combination of new product registration and intensive marketing effort in Australia and Indonesia in the financial year ended 30 June 2004, the export sales to these countries showed an increase of RM1.48 million in the financial year ended 30 June 2005. In addition, the export sales to Russia and Bulgaria showed an impressive improvement from RM4.11 million in the financial year ended 30 June 2004 to RM8.27 million in the financial year ended 30 June 2005. This was due mainly to the successful marketing strategy adopted as well as the increase in demand from the Russian and Bulgarian markets.

Gross margin

For the financial year ended 30 June 2005, the overall gross margin increased marginally from 21.13% to 21.83%. This is contributed by the improvement in gross margins from fungicide products due to the better acceptance of the Group's fungicide products after years of effort in creating awareness amongst farmers for its fungicide products. With this better awareness and acceptance, our Group is now able to reduce our promotional cost thus improving gross margins achieved for fungicide products. Another contribution to the overall gross margin improvement was our Group's successful marketing strategy in the sales of higher margin insecticide and fungicide to the Russian and Bulgarian markets.

PBT

Our Group achieved a growth in PBT for the financial year ended 30 June 2005 of 23.88%, i.e. from RM8.59 million to RM10.65 million. The contributing factors are an increase in total gross profit from RM11.27 million in the previous financial year to RM13.77 million in this financial year and these increases were being offset by a slight increase in depreciation, commission, administration expenses such as salaries and related expenses, advertisement and promotion.

PBT margin increased from 16.12% to 16.87% in financial year ended 2005 mainly due to an overall gross margin increase.

Taxation

The effective tax rate for the financial year ended 30 June 2005 was lower than the statutory tax rate mainly due to reinvestment allowances claimed by IRSB and industrial building allowances claimed on the factory building by ICSB respectively.

PAT

PAT for the year increased by 13.14% to RM7.46 million.

10. FINANCIAL INFORMATION (Cont'd)**10.2 Segmental analysis of proforma turnover and gross profit****10.2.1 By activities**

	< ----- For the financial year ended 30 June ----- >				
	2001 RM'000	2002 RM'000	2003 RM'000	2004 RM'000	2005 RM'000
Turnover:					
Manufacturing	35,100	29,102	33,151	42,748	52,436
Distribution	1,088	2,233	2,698	4,241	4,525
Agency	1,044	1,458	2,093	1,563	872
Trading / Others	1,498	3,153	4,160	4,762	5,256
Total	<u>38,730</u>	<u>35,946</u>	<u>42,102</u>	<u>53,314</u>	<u>63,089</u>
Gross profit:					
Manufacturing	8,637	7,548	7,846	9,568	11,845
Distribution	272	499	496	826	916
Agency	213	292	337	355	214
Trading / Others	230	559	489	517	800
Total	<u>9,352</u>	<u>8,898</u>	<u>9,168</u>	<u>11,266</u>	<u>13,775</u>

10.2.2 By products

	< ----- For the financial year ended 30 June ----- >				
	2001 RM'000	2002 RM'000	2003 RM'000	2004 RM'000	2005 RM'000
Turnover:					
Herbicide	23,110	17,890	23,934	33,843	41,953
Fungicide	6,276	7,664	8,390	8,803	8,580
Insecticide	8,002	8,599	7,629	8,049	9,463
Plant micronutrients / Others	1,342	1,793	2,149	2,619	3,093
Total	<u>38,730</u>	<u>35,946</u>	<u>42,102</u>	<u>53,314</u>	<u>63,089</u>
Gross profit:					
Herbicide	5,237	4,450	4,326	5,104	5,852
Fungicide	1,376	1,921	2,237	2,778	3,114
Insecticide	2,354	2,095	2,018	2,733	3,383
Plant micronutrients / Others	385	432	587	651	1,426
Total	<u>9,352</u>	<u>8,898</u>	<u>9,168</u>	<u>11,266</u>	<u>13,775</u>

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10. FINANCIAL INFORMATION (Cont'd)**10.2.3 By geography**

	< ----- For the financial year ended 30 June ----- >				
	2001	2002	2003	2004	2005
	RM'000	RM'000	RM'000	RM'000	RM'000
Turnover:					
Local	17,656	21,028	30,983	35,679	42,662
Export	21,074	14,918	11,119	17,635	20,427
Total	<u>38,730</u>	<u>35,946</u>	<u>42,102</u>	<u>53,314</u>	<u>63,089</u>
Gross profit:					
Local	4,692	5,572	7,511	8,680	10,598
Export	4,660	3,326	1,657	2,586	3,177
Total	<u>9,352</u>	<u>8,898</u>	<u>9,168</u>	<u>11,266</u>	<u>13,775</u>

10.2.4 By company (after elimination of inter-company transactions)

	< ----- For the financial year ended 30 June ----- >				
	2001	2002	2003	2004	2005
	RM'000	RM'000	RM'000	RM'000	RM'000
Turnover:					
ICB	-	-	-	-	-
IRSB	38,730	35,946	42,102	53,314	63,089
ICSB	-	-	-	-	-
Total	<u>38,730</u>	<u>35,946</u>	<u>42,102</u>	<u>53,314</u>	<u>63,089</u>
Gross profit:					
ICB	-	-	-	-	-
IRSB	9,352	8,898	9,168	11,266	13,775
ICSB	-	-	-	-	-
Total	<u>9,352</u>	<u>8,898</u>	<u>9,168</u>	<u>11,266</u>	<u>13,775</u>

10.3 Factors affecting financial performance, position and operations of our Group

As at the date of this Prospectus, we are not aware of:

- (i) any known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have, a material favourable or unfavourable impact on the financial performance, position and operations of our Group;
- (ii) any material capital expenditure commitments, the purpose of such commitments and the anticipated source of funds;
- (iii) any unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group, and the extent to which the financial performance, position and operations of our Group was so affected;
- (iv) any substantial increase in revenue; and
- (v) any known events, circumstances, trends, uncertainties and commitments that are reasonably likely to make the historical financial statements not indicative of future financial performance and position.

10. FINANCIAL INFORMATION (Cont'd)**10.4 Trade debtors and ageing analysis**

The ageing analysis of the trade debtors as at 30 June 2005 is as follows:

	Amount RM	%
Within credit period		
0-30 days	7,425,230	32.78
31-60 days	4,340,130	19.16
61-90 days	3,435,510	15.17
91-120 days	2,407,516	10.63
121-180 days	2,342,682	10.34
Exceeding credit period		
Over 121 days (for local sales only)	1,795,920	7.93
Over 181 days	904,756	3.99
Trade debtors as at 30 June 2005	22,651,744	100.00
Less: Provision for bad and doubtful debts as at 30 June 2005	(365,044)	
Total trade debtors as at 30 June 2005	22,286,700	

Pursuant to one of the SC's conditions, full provision should be made for all overdue trade debts which are in dispute or under legal action, or for amounts which have been outstanding for more than six (6) months ("SC's Condition").

Accordingly, in accordance with the SC's Condition and based on the trade debtors as at 30 June 2005:

- (i) There are no trade debtors which are under dispute; and
- (ii) The trade debtors which have been outstanding for more than six (6) months amounted to RM904,756. However, based on the subsequent receipts between 1 July 2005 to 12 December 2005, RM646,862 had been collected.

In this respect, a total provision for bad and doubtful debts of RM257,894 have been provided in accordance with the SC's Condition. Our Group's general provision for bad and doubtful debts as at 30 June 2005 amounted to RM365,044 is higher than the required provision pursuant to the SC's Condition, hence no additional provision for bad and doubtful debts has been made to our audited financial statements for the financial year ended 30 June 2005.

In addition, the total trade debtors exceeding the credit period amounted to approximately RM2.70 million as at 30 June 2005, of which approximately RM2.44 million has been collected between 1 July 2005 to 12 December 2005. Our Directors are of the opinion that all the remaining trade receivables which exceeded its credit period amounting to RM0.26 million are recoverable. However, for prudence purposes, the remaining trade receivables which exceeded its credit period amounting to RM0.26 million have been fully provided for.

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10. FINANCIAL INFORMATION (Cont'd)**10.5 Working capital, borrowings, material litigation and / or arbitration proceeding, material contingent liabilities and material commitments for capital expenditure****10.5.1 Working capital**

Our Directors are of the opinion that after taking into consideration our Group's cash flow position and banking facilities available, we shall have sufficient working capital, including proceeds arising from the Public Issue, for the next twelve (12) months from the date of this Prospectus.

10.5.2 Borrowings

As at 12 December 2005, being the latest practicable date prior to the issuance of this Prospectus, our Group's total short-term and long-term borrowings amounted to approximately RM0.46 million and RM0.28 million respectively. Our indebtedness is considered negligible in comparison to our scale of operations and share capital. Details of our borrowings are summarised below:

Banking facilities	Payable within 12 months RM'000	Payable after 12 months RM'000	Total RM'000
Bills payable	200	-	200
Hire purchase and lease creditors	6	-	6
Term loan	250	285	535
Total	456	285	741

Our Group has not defaulted in any of our payments of either interest charges and/or principal sums in respect of any of our borrowings throughout the past one (1) financial year and the subsequent financial period thereof, preceding the date of this Prospectus. Save as disclosed above, our Group did not incur any other material indebtedness which may have any substantial impact on the financial position of our Group.

10.5.3 Material litigation and / or arbitration proceeding

As at 12 December 2005, being the latest practicable date prior to the issuance of this Prospectus, our Group is not engaged in any litigation or arbitration, either as plaintiff or defendant which have a material effect on the financial position of our Group and we have no knowledge of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the financial position or business of our Group.

10.5.4 Material contingent liabilities

As at 12 December 2005, being the latest practicable date prior to the issuance of this Prospectus, there are no material contingent liabilities incurred by us and our subsidiaries, which may have a substantial impact on the financial position of our Group.

10.5.5 Material commitments for capital expenditure

As at 12 December 2005, being the latest practicable date prior to the issuance of this Prospectus, there are no material commitments for capital expenditure contracted or known to be contracted by us or our subsidiaries, which may have a substantial impact on the financial position of our Group.

10. FINANCIAL INFORMATION (Cont'd)**10.6 Future financial information****10.6.1 Consolidated profit forecast**

Our Directors forecast that the consolidated PAT of our Group for the financial year ending 30 June 2006 to be as follows:

	Forecast consolidated results 30 June 2006
	RM'000
Revenue	70,459
Consolidated PBT	11,700
Add: Negative goodwill recognised	9,878
Consolidated PBT after negative goodwill recognised	21,578
Less: Taxation	(3,236)
Consolidated PAT	18,342
Less: Pre-acquisition profit [#]	(2,419)
Consolidated PAT after pre-acquisition profit	15,923
Weighted number of Shares in issue [^] ('000)	50,224
Enlarged number of Shares in issue ('000)	80,000
Gross EPS (sen) ¹	23.30
Gross EPS (sen) ²	14.63
Net EPS (sen) ³	16.85
Net EPS (sen) ⁴	10.58
Gross PE Multiple based on the IPO Price of RM0.75 per Share	
Based on weighted average number of Shares in issue (times)	3.22
Based on enlarged number of Shares in issue (times)	5.13
Net PE Multiple based on the IPO Price of RM0.75 per Share	
Based on weighted average number of Shares in issue (times)	4.45
Based on enlarged number of Shares in issue (times)	7.09

Notes:

Based on the results of IRSB and ICSB for the four (4) months financial period ended 31 October 2005 as the Acquisitions were completed at the end of October 2005.

[^] The weighted number of Shares in issue is computed after taking into consideration the Acquisitions which were completed on 28 October 2005 and assuming that the Public Issue is completed by mid-January 2006.

10. FINANCIAL INFORMATION (Cont'd)

1. *Defined as consolidated PBT divided by the 50,224,341 weighted average number of ICB Shares assumed in issue.*
2. *Defined as consolidated PBT divided by the enlarged share capital of 80,000,000 ICB Shares.*
3. *Defined as consolidated PAT before negative goodwill recognised divided by the 50,224,341 weighted average number of ICB Shares assumed in issue.*
4. *Defined as consolidated PAT before negative goodwill recognised divided by the enlarged share capital of 80,000,000 ICB Shares.*

The consolidated profit forecast of our Group for the financial year ending 30 June 2006 has been prepared based on our Directors' assessment of the present economic, operating and other relevant conditions which may influence the business, and their best estimate assumptions regarding future events and actions which, at the date the forecast was prepared, our Directors expect to take place.

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10. FINANCIAL INFORMATION (Cont'd)

- 10.7 Reporting Accountants' letter on the profit forecast of our Group for the financial year ending 30 June 2006 together with the underlying bases and assumptions
(Prepared for inclusion in the Prospectus)

ROGER YUE, TAN & ASSOCIATES

CHARTERED ACCOUNTANTS (FIRM NO: AF : 0134)

WISMA GOSHEN (GRD. & 1ST FLR.) NO. 60 & 62 JALAN SS 22/21, DAMANSARA JAYA,
47400 PETALING JAYA, SELANGOR DARUL EHSAN, MALAYSIA.
TEL: (603) 7726 2828 (HUNTING LINE) FAX: (603) 7728 9986 & 7728 9987 E-mail: ryt@ryt.com.my

16 December 2005

The Board of Directors
Imaspro Corporation Berhad
Wisma Goshen, 2nd Floor
60 & 62 Jalan SS22/21
Damansara Jaya
47400 Petaling Jaya
Selangor Darul Ehsan

Dear Sirs,

IMASPRO CORPORATION BERHAD CONSOLIDATED PROFIT FORECAST FOR THE FINANCIAL YEAR ENDING 30 JUNE 2006

We have reviewed the consolidated profit forecast of Imaspro Corporation Berhad ("ICB") and its subsidiaries, Imaspro Resources Sdn. Bhd. ("IRSB") and Ideal Command Sdn. Bhd. ("ICSB") hereinafter referred to as "ICB Group" for the financial year ending 30 June 2006 (which we have stamped for the purposes of identification) in accordance with the Malaysian Approved Standards on Auditing, AI 810 applicable to the review of forecast as set out in the Prospectus to be dated 28 December 2005 in connection with the listing of and quotation for the entire issued and paid-up share capital of ICB, comprising 80,000,000 ordinary shares of RM0.50 each in ICB ("ICB Shares") at par on the Second Board of Bursa Malaysia Securities Berhad ("Bursa Securities") which include the following exercise:

- (a) Initial Public Offering of 21,000,000 ICB Shares at an issue/offer price of RM0.75 per ICB Share comprising a Public Issue of 17,064,758 new ICB Shares ("Public Issue") and an Offer for Sale of 3,935,242 ICB Shares ("Offer for Sale"). The ICB Shares issued and/or offered shall be collectively referred to as "IPO Shares" and shall be allocated as follows:
- (i) Eligible Directors, employees and business associates of the ICB Group
4,500,000 of the IPO Shares are to be reserved for eligible Directors, employees and business associates of the ICB Group;
 - (ii) Malaysian Public
11,618,000 of the IPO Shares will be made available for application by Malaysian citizens, companies, co-operatives, societies and institutions (consisting of 6,000,000 IPO Shares to be made available via balloting and the remaining 5,618,000 IPO Shares by way of private placement to selected investors); and
 - (iii) Bumiputera Investors
4,882,000 of the IPO Shares allocated to Bumiputera investors nominated by Ministry of International Trade and Industry ("MITI").

ROGER YUE, TAN & ASSOCIATES
(FIRM NO. AF : 0134)

IMASPRO CORPORATION BERHAD
CONSOLIDATED PROFIT FORECAST
YEAR ENDING 30 JUNE 2006

- (b) Listing of and quotation for the entire issued and paid-up share capital of ICB of RM40,000,000 comprising 80,000,000 ICB Shares on the Second Board of Bursa Securities.

Our review has been undertaken to enable us to form an opinion as to whether the forecast, in all material respects, is properly prepared on the basis of the assumptions made by the Directors and is presented on a basis consistent with the accounting policies adopted and disclosed by the ICB Group in its audited financial statements for the financial year ended 30 June 2005. The Directors of ICB are solely responsible for the preparation and presentation of the forecast and the assumptions on which the forecast is based.

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

Subject to the matters stated in the preceding paragraphs:

- (a) nothing has come to our attention which causes us to believe that the assumptions made by the Directors, as set out in the accompanying statement, do not provide a reasonable basis for the preparation of the profit forecast; and
- (b) in our opinion, the profit forecast, so far as the calculations are concerned, is properly prepared on the basis of the assumptions made by the Directors and is presented on a basis consistent with the accounting policies adopted and disclosed by the ICB Group in its audited financial statements for the financial year ended 30 June 2005.

We understand that this report will be used solely for inclusion in the Prospectus in connection with the abovementioned Flotation Exercise. As such, this letter should not be used for other purposes without our prior written consent.

Yours faithfully,



ROGER YUE, TAN & ASSOCIATES
AF : 0134
Chartered Accountants



ROGER YUE SAU YIN
Partner of Firm
838/03/06(J)

10. FINANCIAL INFORMATION (Cont'd)

ROGER YUE, TAN & ASSOCIATES
(FIRM NO. AF : 0134)**IMASPRO CORPORATION BERHAD**
CONSOLIDATED PROFIT FORECAST
YEAR ENDING 30 JUNE 2006

The Directors of ICB forecast that, barring unforeseen circumstances and on the bases and assumptions set out below, the consolidated profit after taxation of ICB Group for the financial year ending 30 June 2006 will be as follows:

	Consolidated Profit Forecast 2006 RM
Revenue	<u>70,459,344</u>
Profit before taxation	11,699,540
Add: Negative goodwill recognised	9,877,822
Profit before taxation and after negative goodwill recognised	<u>21,577,362</u>
Less: Taxation	<u>(3,235,324)</u>
Profit after taxation	18,342,038
Less: Pre-acquisition profit ^{*i}	<u>(2,418,785)</u>
Profit after taxation and pre-acquisition profit	<u>15,923,253</u>
Weighted average number of shares in issue	50,224,341
Enlarged number of shares in issue	80,000,000
The earnings per share ("EPS") based on weighted average number of shares in issue are as follows:	
Net EPS before negative goodwill recognised (sen)	16.85
Net EPS after negative goodwill recognised (sen)	36.52
The earnings per share ("EPS") based on enlarged number of shares in issue are as follows:	
Net EPS before negative goodwill recognised (sen)	10.58
Net EPS after negative goodwill recognised (sen)	22.93
Net PE Multiple ^{*ii}	
Based on weighted average number of shares in issue	4.45
Based on enlarged number of shares in issue	7.09

Notes:^{*i} Pre-acquisition profit consists of:

Profit after taxation of IRSB

Profit after taxation of ICSB

Total



2,369,737

49,048

2,418,785^{*ii} Based on consolidated profit after taxation and before negative goodwill recognised.

10. FINANCIAL INFORMATION (Cont'd)

ROGER YUE, TAN & ASSOCIATES
(FIRM NO. AF : 0134)

IMASPRO CORPORATION BERHAD
CONSOLIDATED PROFIT FORECAST
YEAR ENDING 30 JUNE 2006

Principal Bases and Assumptions relating to the Consolidated Profit Forecast

1. There will be no material changes in the principal activities and structure of the ICB Group. The ICB Group will be able to maintain its current customer base, secure additional new customers and achieve the market shares anticipated. There will be minimal threat from new entrants into the market in which the ICB Group operates. There will not be major sales returns or significant erosion in the selling price.
2. The acquisition method is used to consolidate the result of ICB from the effective date of acquisition. Goodwill or negative goodwill on consolidation represents the difference between the acquisition cost of subsidiaries and the value of attributable net assets acquired. Goodwill on consolidation is stated at cost less any accumulated impairment losses. Negative goodwill on consolidation will be recognised in income statement immediately.
3. There will be no significant changes in the customer demand, product selling prices, product sales mix and market growth, save for those forecasted by the ICB Group. The percentage of local and overseas sales to the overall forecasted sales by the ICB Group are as follows:

	Financial year ending 2006	
	RM	%
Local	47,207,760	67.00
Overseas	23,251,584	33.00
	<u>70,459,344</u>	<u>100.00</u>

4. The sale campaigns, promotional activities will be carried out as planned to promote the ICB Group's products and marketing plans. The forecasted market demand of the new products will be achieved.
5. Revenue for the ICB Group is expected to grow at 12.00% for financial year 2006. The launches of the new products will be carried out as schedule and that the forecast sales of the new products will be achieved.
6. There will be no significant changes in the purchase prices of major products, commission payable to salesperson, labour and other factory overheads other than those as provided. Any significant increase in the cost of products will be compensated through an equivalent increase in the selling prices.
7. There will be no major disruption in the supply of raw materials and manpower, industrial disputes or any other abnormal circumstances which will adversely affect the operations of the ICB Group or the markets in which it operates.
8. There will be no significant changes to the prevailing economic and political conditions in Malaysia, and elsewhere which will adversely affect the activities or performance of the ICB Group and the business of its major customers and suppliers.
9. There will be no significant changes to the present legislation or regulations, bases and rates of duties, levies and taxes of the industries in which the ICB Group is related to which will affect the ICB Group's activities. The statutory income tax rates in Malaysia will remain at 28% with a special tax rate granted to small and medium size companies at a tax rate of 20% for the first RM500,000 of chargeable income. It is assumed that there will be no changes to these bases of taxation.
10. The ICB Group will continuously enjoy industrial building allowances and reinvestment allowances.



10. FINANCIAL INFORMATION (Cont'd)

ROGER YUE, TAN & ASSOCIATES
(FIRM NO. AF : 0134)

IMASPRO CORPORATION BERHAD
CONSOLIDATED PROFIT FORECAST
YEAR ENDING 30 JUNE 2006

Principal Bases and Assumptions relating to the Consolidated Profit Forecast (continued)

11. There will be no material changes in inflation and foreign currency exchange rates which will force cost of sales and other operating costs to fluctuate substantially. The Malaysian Ringgit to the United States Dollar ("USD") will not significantly fluctuate from the rate of RM3.83/USD.
12. Existing credit facilities will remain available at present terms and conditions with no significant changes in their interest rates. Additional credit facilities will be available at similar terms and conditions to meet the ICB Group's requirements.
13. There will be no material changes in the management, accounting and operating policies currently adopted by the ICB Group.
14. There will be no major breakdown or disruption in the manufacturing facilities, which will adversely affect the operations of the ICB Group.
15. Cash in excess of working capital requirements will be placed in interest bearing deposits and at the interest rate as forecasted of 2.83% per annum.
16. There will be no significant incidence of bad debts other than those that have been forecasted and obsolete inventories or other abnormal circumstances, which will adversely affect the operations of the ICB Group.
17. There will be no significant changes in the planned capital expenditure programme of the ICB Group other than those included in the forecast and the programme will be implemented as scheduled.
18. There will be no major changes in the existing key personnel and management of the ICB Group which will affect the marketing capability and level of activities of the ICB Group.
19. There will be no major proceedings against the ICB Group which will adversely affect the activities or performance of the ICB Group or give rise to any contingent liabilities which will materially affect the financial position or the business of the ICB Group.
20. There will be no significant changes in technology which will adversely affect the operation of the ICB Group.
21. There will be no significant changes in the operating expenses other than those as forecasted.
22. There will be no material acquisition and disposal of property, plant and equipment or investments other than those planned and incorporated in the forecast.
23. Initial Public Offering of 21,000,000 ICB Shares at an issue/offer price of RM0.75 per ICB Shares comprising a Public Issue of 17,064,758 new ICB Shares ("Public Issue") and an Offer for Sale of 3,935,242 ICB Shares ("Offer for Sale") payable in full upon application is expected to be completed by mid January 2006 and that the proceeds from the Public Issue will be received by the same date.
24. Listing of and quotation for the entire issued and paid-up share capital of ICB of RM40,000,000 comprising 80,000,000 ICB Shares on the Second Board of Bursa Securities is expected to be completed by mid January 2006.



ROGER YUE, TAN & ASSOCIATES
(FIRM NO. AF : 0134)**IMASPRO CORPORATION BERHAD**
CONSOLIDATED PROFIT FORECAST
YEAR ENDING 30 JUNE 2006**Principal Bases and Assumptions relating to the Consolidated Profit Forecast (continued)**

25. The proceeds from the Public Issue of RM12,798,569 will be utilised as follows:

	RM
Acquisition of a property	5,500,000
Acquisition of plant and machinery	3,500,000
Working capital requirement	2,098,569
Estimated listing expenses	1,700,000
	<u>12,798,569</u>

26. The estimated listing expenses to be incurred in respect of the Flotation Exercise is to be charged to share premium for the financial year ending 30 June 2006, which is the financial year in which the Flotation Exercise is expected to be implemented.



10. FINANCIAL INFORMATION (Cont'd)**10.8 Dividend forecast**

Our Directors intend to recommend a dividend payout to allow our shareholders to participate in our profits as well as leaving adequate reserves for the future growth of our Group.

Based on the consolidated forecast PAT after pre-acquisition profit for the financial year ending 30 June 2006 of approximately RM15.9 million, our Directors propose to declare the following gross dividend based on the issued and paid-up share capital of 80,000,000 ICB Shares after the IPO as follows:

	Forecast 30 June 2006 RM'000
Consolidated PAT after pre-acquisition profit	15,923
Less : Proposed final gross dividend of 3.5 sen per ICB Share * (Less taxation)	(2,240)
Profit retained for the financial year	13,683
Gross dividend per Share (sen) *	3.50
Net dividend per Share (sen)	2.80
Gross dividend yield based on the IPO Price of RM0.75 per Share (%)	4.67
Net dividend yield based on the IPO Price of RM0.75 per Share (%)	3.73
Gross dividend cover (times) ¹	6.66
Gross dividend cover (times) ²	4.18
Net dividend cover (times) ³	6.02
Net dividend cover (times) ⁴	3.78

Notes:

- * *Gross dividend per Share comprises 1% tax-exempt dividend and 2.5% non-tax-exempt dividend.*
1. *The gross dividend cover ratio was computed based on the gross EPS (based on the weighted average number of Shares assumed in issue) over the gross dividend per Share.*
 2. *The gross dividend cover ratio was computed based on the gross EPS (based on the enlarged share capital) over the gross dividend per Share.*
 3. *The net dividend cover ratio was computed based on the net EPS (based on the weighted average number of Shares assumed in issue) over the net dividend per Share.*
 4. *The net dividend cover ratio was computed based on the net EPS (based on the enlarged share capital) over the net dividend per Share.*

However, the proposed dividends may be waived if:

- (i) Our Group is in a loss position for the relevant financial year; or
- (ii) Our Group has insufficient cashflows to meet any dividend payment.

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10. FINANCIAL INFORMATION (Cont'd)**10.9 Directors' analysis and commentary on the consolidated profit forecast**

Our Directors have prepared and analysed the bases and assumptions used in arriving at the consolidated profit forecast of our Group for the financial year ending 30 June 2006 and are of the opinion that the consolidated profit forecast is fair and reasonable in light of the future plans, strategies and prospects of our Group as set out in Section 5.26 of this Prospectus and after taking into consideration the forecasted gearing level, liquidity and working capital requirements of our Group.

10.9.1 Consolidated profit forecast for financial year ending 30 June 2006**Turnover**

The turnover of our ICB Group is forecasted to increase by 12.00% from RM62.91 million in financial year ended 30 June 2005 to RM70.46 million in financial year ending 30 June 2006. This turnover growth is forecasted for all segments and all product categories in both local and export markets.

The main drivers of this growth shall be the new product launches expected in the financial year ending 30 June 2006. In the local market, our Group is expected to benefit from continuing sales growth of our termiticides (for household use) and the expected launch of our Group's Glufosinate Ammonium (Herbicide).

On the overseas front, our Group is expecting the export sales to Philippines and Dominican Republic to contribute towards the growth of our Group's export markets.

Gross margin

The forecasted gross margin (%) for each product category in financial year ending 30 June 2006 is expected to increase marginally as compared to financial year ended 30 June 2005. This increase in gross margin shall be derived from lower cost of production through improved manufacturing efficiencies. The acquisition of new plant and machinery by utilising the proceeds from the Public Issue is expected to provide the opportunity for our Group to manufacture more product lines in-house and to achieve economies of scales, as compared to the current practice of outsourcing some of our product lines to third party toll manufacturers. The continuing marketing efforts to focus on higher margin products in financial year ending 2006 will also contribute towards a higher gross margin (%).

PBT

Our Group's forecast of higher revenue and gross profit is expected to be marginally offset by higher operating expenses. Due to the higher revenue, our Group is forecasting a slight growth in PBT margins, i.e. from 16.29% in financial year ended 30 June 2005 to 16.60% in financial year ending 30 June 2006. This is exclusive of the negative goodwill to be recognised in the financial year ending 30 June 2006.

Taxation

The effective tax rate for the financial year ending 30 June 2006 is expected to be lower than the statutory tax rate mainly due to reinvestment allowances claimed by IRSB and industrial building allowances claimed on the factory building by ICSB during the year.

PAT

PAT for the year is forecasted to increase by 18.10% to RM8.46 million. This is exclusive of the negative goodwill to be recognised in the financial year ending 30 June 2006.

10. FINANCIAL INFORMATION (Cont'd)

10.10 Sensitivity analysis

The principal bases and assumptions upon which the sensitivity analysis on our Group's forecasted turnover and PAT for the financial year ending 30 June 2006 has been made are as follows:

- (i) The selected variable items will vary $\pm 5\%$ and $\pm 10\%$ from the base case; and
- (ii) Except for the selected variable items, the assumptions for the other items in the base case shall remain.

The following scenarios attempt to show the impact on profitability resulting from changes in selling price, purchases of raw materials, packing materials and finished products and foreign exchange rates.

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10. FINANCIAL INFORMATION (Cont'd)**(a) Change in selling price**

	As forecasted RM'000	Assuming +5% RM'000	% change compared to base case	Assuming +10% RM'000	% change compared to base case	Assuming -5% RM'000	% change compared to base case	Assuming -10% RM'000	% change compared to base case
Forecast for financial year ending 30 June 2006	70,459	73,982	5.00	77,505	10.00	66,936	(5.00)	63,413	(10.00)
Turnover	11,700	15,223	30.11	18,745	60.22	8,177	(30.11)	4,654	(60.22)
PBT *									

(b) Change in purchases of raw materials, packing materials and finished products

	As forecasted RM'000	Assuming +5% RM'000	% change compared to base case	Assuming +10% RM'000	% change compared to base case	Assuming -5% RM'000	% change compared to base case	Assuming -10% RM'000	% change compared to base case
Forecast for financial year ending 30 June 2006	70,459	70,459	-	70,459	-	70,459	-	70,459	-
Turnover	11,700	8,746	(25.24)	6,153	(47.41)	13,933	19.09	16,526	41.25
PBT *									

(c) Changes in foreign exchange rates

	As forecasted RM'000	Assuming +5% RM'000	% change compared to base case	Assuming +10% RM'000	% change compared to base case	Assuming -5% RM'000	% change compared to base case	Assuming -10% RM'000	% change compared to base case
Forecast for financial year ending 30 June 2006	70,459	71,622	1.65	72,785	3.30	69,297	(1.65)	68,134	(3.30)
Turnover	11,700	10,708	(8.47)	9,717	(16.95)	12,691	8.47	13,682	16.95
PBT *									

* PBT is calculated before the negative goodwill recognised.

10. FINANCIAL INFORMATION (Cont'd)

10.11 Reporting Accountants' letter on the proforma consolidated balance sheets
(Prepared for inclusion in the Prospectus)

ROGER YUE, TAN & ASSOCIATES

CHARTERED ACCOUNTANTS (FIRM NO: AF : 0134)

WISMA GOSHEN (GRD. & 1ST FLR.) NO. 60 & 62 JALAN SS 22/21, DAMANSARA JAYA,
47400 PETALING JAYA, SELANGOR DARUL EHSAN, MALAYSIA.

TEL: (603) 7726 2828 (HUNTING LINE) FAX: (603) 7728 9986 & 7728 9987 E-mail: ryt@ryt.com.my

16 December 2005

The Board of Directors
Imaspro Corporation Berhad
Wisma Goshen, 2nd Floor
60 & 62 Jalan SS22/21
Damansara Jaya
47400 Petaling Jaya
Selangor Darul Ehsan

Dear Sirs,

IMASPRO CORPORATION BERHAD PROFORMA CONSOLIDATED BALANCE SHEETS AS AT 30 JUNE 2005

We have reviewed the presentation of the proforma consolidated balance sheets of Imaspro Corporation Berhad ("ICB") and its subsidiaries, Imaspro Resources Sdn. Bhd. ("IRSB") and Ideal Command Sdn. Bhd. ("ICSB") hereinafter referred to as "ICB Group" as at 30 June 2005 together with the accompanying notes (which we have stamped for the purposes of identification), for which the Directors of ICB are solely responsible, as set out in the Prospectus to be dated 28 December 2005 in connection with the listing of and quotation for the entire issued and paid-up share capital of ICB, comprising 80,000,000 ordinary shares of RM0.50 each in ICB ("ICB Shares") at par on the Second Board of Bursa Malaysia Securities Berhad ("Bursa Securities") which include the following exercise:

- (a) Initial Public Offering of 21,000,000 ICB Shares at an issue/offer price of RM0.75 per ICB Share comprising a Public Issue of 17,064,758 new ICB Shares ("Public Issue") and an Offer for Sale of 3,935,242 ICB Shares ("Offer for Sale"). The ICB Shares issued and/or offered shall be collectively referred to as "IPO Shares" and shall be allocated as follows:
- (i) Eligible Directors, employees and business associates of the ICB Group
4,500,000 of the IPO Shares are to be reserved for eligible Directors, employees and business associates of the ICB Group;
 - (ii) Malaysian Public
11,618,000 of the IPO Shares will be made available for application by Malaysian citizens, companies, co-operatives, societies and institutions (consisting of 6,000,000 IPO Shares to be made available via balloting and the remaining 5,618,000 IPO Shares by way of private placement to selected investors); and
 - (iii) Bumiputera Investors
4,882,000 of the IPO Shares allocated to Bumiputera investors nominated by Ministry of International Trade and Industry ("MITI").

ROGER YUE, TAN & ASSOCIATES
(FIRM NO. AF : 0134)

IMASPRO CORPORATION BERHAD
PROFORMA CONSOLIDATED BALANCE SHEETS
AS AT 30 JUNE 2005

- (b) Listing of and quotation for the entire issued and paid-up share capital of ICB of RM40,000,000 comprising 80,000,000 ICB Shares on the Second Board of Bursa Securities.

In our opinion,


- (a) the Proforma Consolidated Balance Sheets of the ICB Group as at 30 June 2005, which have been prepared for illustrative purposes only, have been properly compiled on the bases as set out in the notes thereto;
- (b) such bases are consistent with the accounting policies of the ICB Group as disclosed in their latest audited financial statements; and
- (c) the adjustments as explained in notes and assumptions to the Proforma Consolidated Balance Sheets are appropriate for the purposes of the Proforma Consolidated Balance Sheets.

We understand that this report will be used solely for inclusion in the Prospectus in connection with the abovementioned Flotation Exercise. As such, this letter should not be used for other purposes without our prior written consent.

Yours faithfully,



ROGER YUE, TAN & ASSOCIATES
AF : 0134
Chartered Accountants



ROGER YUE SAU YIN
Partner of Firm
838/03/06(1)

10. FINANCIAL INFORMATION (Cont'd)

ROGER YUE, TAN & ASSOCIATES
(FIRM NO. AF : 0134)**IMASPRO CORPORATION BERHAD**
PROFORMA CONSOLIDATED BALANCE SHEETS
AS AT 30 JUNE 2005

The Proforma Consolidated Balance Sheets of ICB as at 30 June 2005 set out below are prepared for illustrative purposes only to show the effects of the Acquisitions (as defined in note 2.1 below), Public Issue and utilisation of proceeds from the Public Issue in conjunction with its flotation on the Second Board of Bursa Securities on the assumption that these transactions were completed on 30 June 2005.

	Audited as at 30 June 2005 RM	Proforma (I) RM	Proforma (II) RM
NON-CURRENT ASSET			
Property, plant and equipment	-	10,641,685	19,641,685
CURRENT ASSETS			
Inventories	-	6,324,824	6,324,824
Trade receivables	-	22,286,700	22,286,700
Other receivables	-	819,441	819,441
Short term deposits with licensed banks	-	4,057,000	4,057,000
Cash and bank balances	2	3,432,808	5,531,377
	<u>2</u>	<u>36,920,773</u>	<u>39,019,342</u>
CURRENT LIABILITIES			
Trade payables	-	6,019,697	6,019,697
Other payables	1,000	383,197	383,197
Hire purchase payable	-	21,221	21,221
Amount due to director	2,290	2,290	2,290
Bills payables	-	689,400	689,400
Term loan	-	242,595	242,595
Taxation	-	272,384	272,384
	<u>3,290</u>	<u>7,630,784</u>	<u>7,630,784</u>
NET CURRENT (LIABILITIES)/ASSETS	<u>(3,288)</u>	<u>29,289,989</u>	<u>31,388,558</u>
	<u>(3,288)</u>	<u>39,931,674</u>	<u>51,030,243</u>
Financed by:			
SHARE CAPITAL	2	31,467,621	40,000,000
NEGATIVE GOODWILL	-	7,459,037	7,459,037
SHARE PREMIUM	-	-	2,566,190
ACCUMULATED LOSS	(3,290)	(3,290)	(3,290)
SHAREHOLDERS' EQUITY	<u>(3,288)</u>	<u>38,923,368</u>	<u>50,021,937</u>
NON-CURRENT LIABILITIES			
Term loan	-	391,609	391,609
Deferred tax liabilities	-	616,697	616,697
	<u>(3,288)</u>	<u>39,931,674</u>	<u>51,030,243</u>
Number of ordinary shares of RM0.50 each in issue	<u>4</u>	<u>62,935,242</u>	<u>80,000,000</u>
Net tangible (liabilities)/assets per share of RM0.50 each	<u>(822)</u>	<u>0.62</u>	<u>0.63</u>

Notes:

Proforma I : After the Acquisitions.

Proforma II : After the Proforma I, the Public Issue, the utilisation of proceeds and after adjusting the estimated listing expenses of RM1.7 million against the share premium account.



10. FINANCIAL INFORMATION (Cont'd)

ROGER YUE, TAN & ASSOCIATES
(FIRM NO. AF : 0134)

IMASPRO CORPORATION BERHAD
PROFORMA CONSOLIDATED BALANCE SHEETS
AS AT 30 JUNE 2005

Notes and assumptions to the Proforma Consolidated Balance Sheets as at 30 June 2005

1. Basis of Preparation

- 1.1 The Proforma Consolidated Balance Sheets have been prepared for illustrative purposes only and are based on the audited financial statements of ICB and its subsidiaries, Imaspro Resources Sdn. Bhd. ("IRSB") and Ideal Command Sdn. Bhd. ("ICSB") as at 30 June 2005 and based on accounting principles consistent with applicable approved accounting standards issued by the Malaysian Accounting Standards Board.
- 1.2 The Proforma Consolidated Balance Sheets have been presented on a basis consistent with the accounting policies normally adopted in the preparation of the statutory accounts of the ICB Group.

2. Proforma Balance Sheets

The Proforma Balance Sheets have been prepared for illustrative purposes only to show the effects on the Proforma Consolidated Balance Sheets of ICB as at 30 June 2005 had the following exercises been effected and completed on that date:

2.1 Proforma (I)

Proforma (I) incorporates the effect of the following acquisitions on the proforma basis (which shall be collectively referred to as "the Acquisitions").

The acquisition of the entire issued and paid-up share capital of IRSB comprising 4,500,000 ordinary shares of RM1.00 each for a purchase consideration of RM29,671,138 satisfied via the issuance of 59,342,276 new ICB Shares at par which was completed on 28 October 2005; and

The acquisition of the entire issued and paid-up share capital of ICSB comprising 1,469,779 ordinary shares of RM1.00 each following the capitalisation of the Directors' advance amounting to RM1,369,779 for a purchase consideration of RM1,796,481 satisfied via the issuance of 3,592,962 new ICB Shares at par which was completed on 28 October 2005.

2.2 Proforma (II)

Proforma (II) incorporates the effects of Proforma (I) and the Public Issue of 17,064,758 new ICB Shares at an issue price of RM0.75 per share ("Public Issue") in conjunction with its Flotation Exercise which will be utilised as follows:

	RM
Acquisition of a property	5,500,000
Acquisition of plant and machinery	3,500,000
Working capital requirement	2,098,569
Estimated listing expenses *	1,700,000
	<u>12,798,569</u>

* to be set off against the share premium of ICB



10. FINANCIAL INFORMATION (Cont'd)

ROGER YUE, TAN & ASSOCIATES
(FIRM NO. AF : 0134)**IMASPRO CORPORATION BERHAD**
PROFORMA CONSOLIDATED BALANCE SHEETS
AS AT 30 JUNE 2005**Notes and assumptions to the Proforma Consolidated Balance Sheets as at 30 June 2005 (Continued)****3. Share Capital**

	RM
Audited balance at 30 June 2005	2
Issue of shares pursuant to the Acquisitions	31,467,619
Balance for Proforma (I)	<u>31,467,621</u>
Issue of shares pursuant to the Public Issue	8,532,379
Balance for Proforma (II)	<u><u>40,000,000</u></u>

4. Share Premium

	RM
Audited balance at 30 June 2005	-
Pursuant to the Acquisitions	-
Balance for Proforma (I)	-
Pursuant to the Public Issue as per Proforma (II)	4,266,190
Estimated listing expenses	<u>(1,700,000)</u>
Balance for Proforma (II)	<u><u>2,566,190</u></u>

5. Negative Goodwill

The negative goodwill arises from the difference between the cost of acquisition and the fair value of the Group's share of the net assets of the acquired subsidiaries, where in this case, the cost of acquisition is lower than the fair value of the Group's share of the net assets acquired. Details of the acquisition of subsidiaries are stated in Section 2.1 above and will be recognised in the income statement in the year of acquisition of the subsidiaries.

