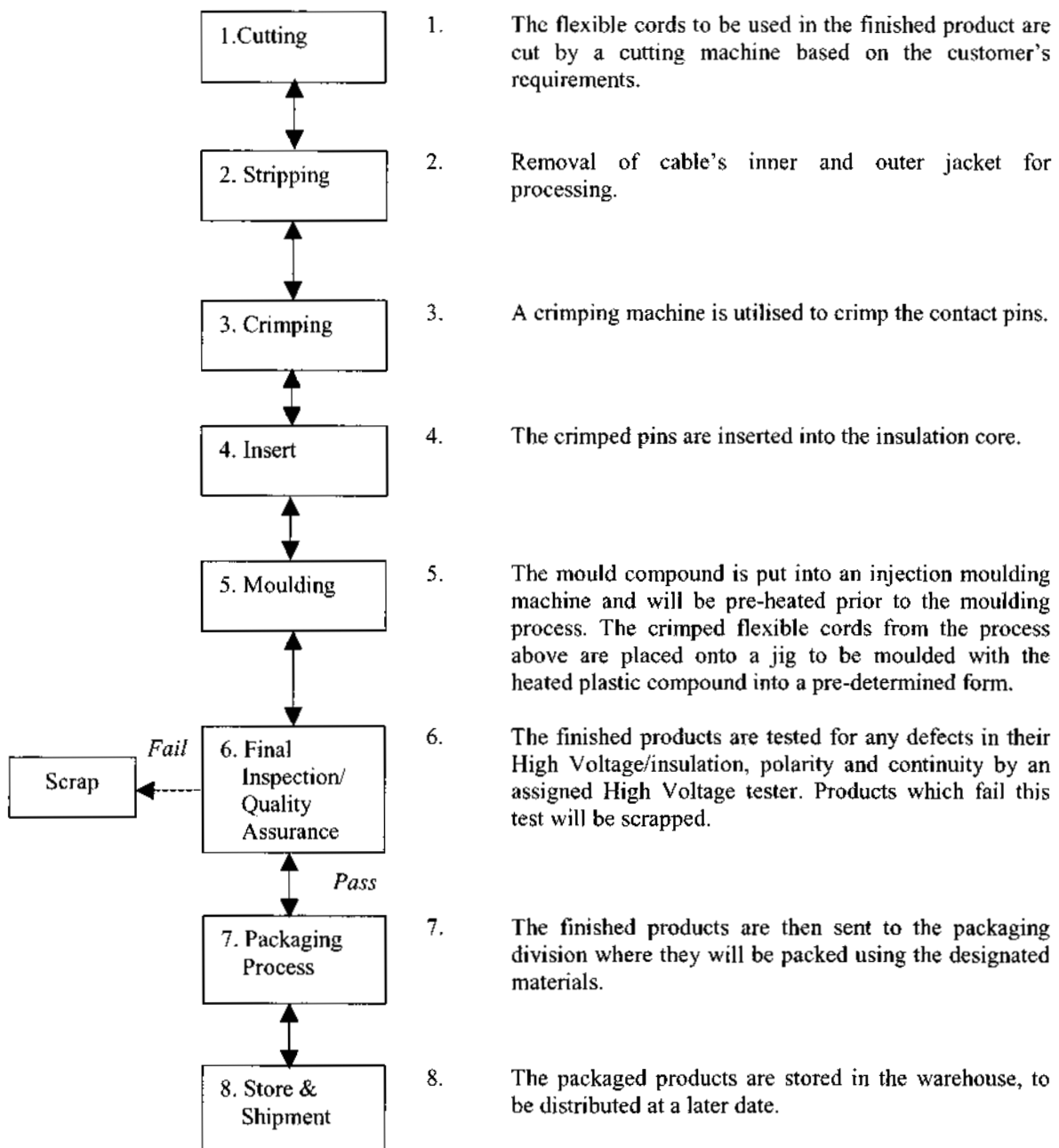


6. INFORMATION ON THE UMSN GROUP (cont'd)

The diagrammatic illustration of the generic manufacturing process for HPL's range of power cords sets is depicted below:



6. INFORMATION ON THE UMSN GROUP (cont'd)

6.5.3 Production capacity and output

UMSE's production process is housed under 2 separate plants, with the head office and main production facility located at its main plant situated at Lot 5, Batu 17½, Jalan Ipoh, Rawang Industrial Estate, 48000 Rawang, Selangor Darul Ehsan and an additional production facility located in Lot 659, Jalan Bukit Rawang, Taman Bukit Rawang Jaya, Batu 20, 48000 Rawang, Selangor Darul Ehsan.

UMSE's production facilities can run on a maximum capacity of two 12-hour shifts, 6 days a week for its moulding division and a single 10-hour shift, 6 days a week for the remaining divisions. For the FYE 31 December 2005, production capacity was utilised at an average rate of 75%. Details of the plant's maximum production capacity and output per annum are as follows:

Product	Maximum production capacity (Units per annum)	Actual production output (Units per annum)	Approximate Capacity utilised (%)
Electrical wiring accessories	16,000,000	12,004,655	75

In addition, with the recent completion of its new manufacturing facility in Vietnam in October 2005, NSVN is expected to have a maximum production capacity of approximately 2,000,000 units per annum.

HPL's manufacturing facility is located in Dongguan, China. Its manufacturing facility is able to run on a maximum capacity of two 12-hour shifts, 6 days a week for its injection moulding division and a single 8-hour shift, 6 days a week for the remaining divisions. For the 9-month financial period ended 31 December 2005, production capacity was utilised at an average rate of 83%. Details of the production output and capacity for HPL's plant are set out below:

Product	Maximum production capacity (Units per annum)	Actual production output (Units per annum)	Approximate Capacity utilised (%)
Power cord sets	8,640,000	7,200,000	83

6.5.4 New products

In order to further expand its market coverage and to increase its presence in the global market, the Group is currently developing a new range of neiken™ products to cater for the Vietnam market, which adopts the International Electrotechnical Commission Standard (IEC), as well as other ASEAN countries.

In addition, UMSE will also be launching a new product to complement its existing products, namely power cord sets to be used for consumer electrical appliances and electronic products. UMSE intends to launch its power cord sets by the 4th quarter of 2006 under the brand name of UMS®

The "UMS" and "neiken" brands will each serve to strategically target different segments of the market, i.e. the medium-low end and the medium-high end of the electrical wiring accessories market respectively. In 2005 itself, UMSE has introduced more than 110 new models of electrical wiring accessories.

The Group via HPL is also venturing into the manufacturing and sale of fibre optic patch cables (used to transmit data and signal at high speed over a network in the ICT industry) and targets the commencement of this business activity in the 2nd quarter of 2006. In line with this, a new clean room facility of approximately 3,000 square feet has been installed for the production of the fibre optic patch cables in Dongguan, China.

6. INFORMATION ON THE UMSN GROUP (cont'd)

6.5.5 Approvals, Major Licences and Permits

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), the major licences, permits and approvals of the UMSN Group, together with the conditions attached thereto and status of compliance are as follows:

Authority	Type of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
MITI	Granted to UMSE Manufacturing licence Licence No. A 014749 Serial No. A 022712 Licence No. A 014750 Serial No. A 022713	Not applicable	At least 80% of UMSE's shares are required to be held by Malaysian citizen, with at least 30% allocated for Bumiputera investors. UMSE's shares cannot be disposed without the approval of MITI. The electrical products manufactured by UMSE must comply with the specifications set by Piawaian Malaysia or any other standard stipulated by the Ketua Pemeriksa Elektrik - Suruhanjaya Tenaga.	To be complied. MITI had <i>vide</i> its letter dated 19 October 2004 approved the Flotation Scheme which involves, inter-alia, the acquisition of UMSE by UMSN. The equity conditions will be complied with upon completion of the Listing. Complied
Royal Customs and Excise Malaysia	Granted to UMSE Manufacturer's Licence Licence No. W10-A022251/81	Not applicable	Return of taxable sales to be made for each taxable period and tax to be paid on or before the 28th of the following month. A new licence is required when a partner withdraws / or a new partner is added to a partnership; or a registered company takes over a licensed business or company which is not a registered company or when a business is leased.	Complied
MPS	Granted to UMSE Business Licence Account No. L-1921 Licence No. 12028/80 Serial No. 200600001489	29.12.2005 to 31.12.2006	Licence to be displayed at the licensed premise and to be renewed upon expiry.	Complied
MPS	Granted to UMSE Business Licence Account No. L-30402 No. 500703-10-5847/65814-V Serial No. 200600024398	06.01.2006 to 31.12.2006	Licence to be displayed at the licensed premise and to be renewed upon expiry.	Complied

6. INFORMATION ON THE UMSN GROUP (cont'd)

Authority	Type of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
JKR	Approval for the inclusion of UMSE's "Switches" in the 'JKR Electrical Product' list as a licensed manufacturer Licence No. PU001309, 015354/05, 017580/05, 017581/05, 020234/05	28.09.2005 to 15.10.2006	No major conditions imposed.	Complied
JKR	Approval for the inclusion of UMSE's "Switched Socket Outlet" in the 'JKR Electrical Product' list as a licensed manufacturer Licence No. PU001303, PU001307, 0121036/05, 017367/05, 17028/05	25.11.2005 to 15.10.2006	No major conditions imposed.	Complied
JKR	Approval for the inclusion of UMSE's "Switched Socket Outlet" in the 'JKR Electrical Product' list as a licensed manufacturer Licence No. PU001303, 013151/04	02.02.2005 to 15.10.2006	No major conditions imposed.	Complied
JKR	Approval for the inclusion of UMSE's "Socket Outlet" in the 'JKR Electrical Product' list as a licensed manufacturer Licence No. PU001307, 013902/04,	08.06.2005 to 15.02.2007	No major conditions imposed.	Complied
JKR	Approval for the inclusion of UMSE's "Isolator" in the 'JKR Electrical Product' list as a licensed manufacturer Licence No. 7169G & 7168H	07.06.2005 to 15.06.2007	No major conditions imposed.	Complied

6. INFORMATION ON THE UMSN GROUP (cont'd)

Authority	Type of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
JKR	Approval for the inclusion of UMSE's "Isolator" in the 'JKR Electrical Product' list as a licensed manufacturer Licence No. 7168E, 7169F & 8036C-00	07.06.2005 to 15.06.2007	No major conditions imposed.	Complied
JKR	Approval for the inclusion of UMSE's "Switches" in the 'JKR Electrical Product' list as a licensed manufacturer Licence No. PU001309, 012979/04	02.02.2005 to 15.10.2006	No major conditions imposed.	Complied
SIRIM QAS	Granted to UMSE Product certification licence to use the SIRIM Certification Mark on its "13A Fused Plugs" Licence No. PU001305 Serial No. 4109	02.02.2006 to 31.12.2006	No major conditions imposed.	Complied
SIRIM QAS	Granted to UMSE Product certification licence to use the SIRIM Certification Mark on its "13A Portable Switched Socket Outlets" Licence No. PU001306 Serial No. 2743	27.07.2005 to 23.05.2006	No major conditions imposed.	Complied
SIRIM QAS	Granted to UMSE Product certification licence to use the SIRIM Certification Mark on its "Two Pole and Earthing Pin Socket-Outlets" Licence No. PU001307 Serial No. 3227	10.10.2005 to 22.08.2006	No major conditions imposed.	Complied
SIRIM QAS	Granted to UMSE Product certification licence to use the SIRIM Certification Mark on its "Adaptors" Licence No. PU001308 Serial No. 2652	12.07.2005 to 06.07.2006	No major conditions imposed.	Complied

6. INFORMATION ON THE UMSN GROUP (cont'd)

Authority	Type of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
SIRIM QAS	Granted to UMSE Product certification licence to use the SIRIM Certification Mark on its "General Purpose Switches" Licence No. PU001309 Serial No. 2175	27.04.2005 to 05.04.2006	No major conditions imposed.	Complied
SIRIM QAS	Granted to UMSE Product certification licence to use the SIRIM Certification Mark on its "Two Pole Plugs With Supply Cord" Licence No. PU001310 Serial No. 3323	19.10.2005 to 03.10.2006	No major conditions imposed.	Complied
SIRIM QAS	Granted to UMSE Product certification licence to use the SIRIM Certification Mark on its "Appliance Connectors" Licence No. PU001311 Serial No. 3882	13.01.2006 to 19.12.2006	No major conditions imposed.	Complied
SIRIM QAS	Granted to UMSE Product certification licence to use the SIRIM Certification Mark on its "13A Socket Outlets" Licence No. PU001303 Serial No. 2651	12.07.2005 to 30.06.2006	No major conditions imposed.	Complied
SIRIM QAS	Granted to UMSE Product certification licence to use the SIRIM Certification Mark on its "Two Pole and Earthing Pin Plugs" Licence No. PU001301 Serial No. 2650	12.07.2005 to 30.06.2006	No major conditions imposed.	Complied
SIRIM QAS	Granted to UMSE Product certification licence to use the SIRIM Certification Mark on its "Portable 2 Pin Socket-Outlets" Licence No. PU001312 Serial No. 2471	15.06.2005 to 06.05.2006	No major conditions imposed.	Complied

6. INFORMATION ON THE UMSN GROUP (cont'd)

Authority	Type of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Portable Socket-Outlets" Certificate No. 020231/05	14.08.2005 to 14.08.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Switches" Certificate No. 020234/05	18.08.2005 to 18.08.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "13A Switch Socket Outlet" Certificate No. 021036/05	29.10.2005 to 29.10.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Non Rewirable Plug with Cord (ptx0.75, 3CX0.75, 3CX1.00 MM2F)" Certificate No. 021037/05	07.10.2005 to 07.10.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Surface Metalclad Switches" Certificate No. 018748/05	28.05.2005 to 28.05.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Non-Resilient Plug Top" Certificate No. 018496/05	07.05.2005 to 07.05.2006	No major conditions imposed.	Complied

6. INFORMATION ON THE UMSN GROUP (cont'd)

Authority	Type of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Resilient (Polycarbonate) Plug Top" Certificate No. 018497/05	07.05.2005 to 07.05.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Portable Socket Outlet C/W Surge Protector" Certificate No. 020236/05	26.09.2005 to 26.09.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Appliance Connector" Certificate No. 021561/05	09.11.2005 to 09.11.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Flat Non-Rewirable Two Pole Plug" Certificate No. 021562/05	16.11.2005 to 16.11.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Portable Socket Outlet" Certificate No. 022310/05	11.01.2006 to 11.01.2007	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "13A/250V 3Way Adaptor" Certificate No. 018904/05	24.05.2005 to 24.05.2006	No major conditions imposed.	Complied

6. INFORMATION ON THE UMSN GROUP (cont'd)

Authority	Type of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Switches" Certificate No. 022295/05	16.01.2006 to 16.01.2007	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "13A Switch Socket Outlet" Certificate No. 020908/05	19.09.2005 to 19.09.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "WH 220" Certificate No. 000803/06	26.03.2006 to 25.03.2007	No major conditions imposed	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "15A Socket Outlet" Certificate No. 017367/05	19.03.2005 to 19.03.2006 *	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Switches" Certificate No. 000717/06	26.03.2006 to 26.03.2007	No major conditions imposed	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "15A Two Pole and Earthing Pin Plug" Certificate No. 019004/05	20.06.2005 to 20.06.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "H.T.P. Non-Rewirable Plug Top" Certificate No. 020624/05	01.09.2005 to 01.09.2006	No major conditions imposed.	Complied

6. INFORMATION ON THE UMSN GROUP (cont'd)

Authority	Type of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Portable Socket Outlet" Certificate No. 020235/05	26.09.2005 to 26.09.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Switches" Certificate No. 020232/05	22.08.2005 to 22.08.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "13A Socket Outlet" Certificate No. 020233/05	07.09.2005 to 07.09.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "15A Socket Outlets" Certificate No. 021038/05	13.10.2005 to 13.10.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "13A Portable Socket Outlet" Certificate No. 021563/05	22.11.2005 to 21.11.2006	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Portable 2 Pin Socket Outlet" Certificate No. 022296/05	09.01.2006 to 09.01.2007	No major conditions imposed.	Complied
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "Dimmer Switches" Certificate No. 018322/05	14.04.2005 to 14.04.2006	No major conditions imposed.	Complied

6. INFORMATION ON THE UMSN GROUP (cont'd)

Authority	Type of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
Suruhanjaya Tenaga	Granted to UMSE for the manufacturing, display and marketing of "13A Socket Outlet" Certificate No. 021407/05	14.10.2005 to 14.10.2006	No major conditions imposed.	Complied
Lloyd's Register of Shipping (M) Bhd (111008-K) (UKAS Quality Management 001)	Granted to UMSE Certificate of Approval for ISO 9001:2000, EN ISO 9001:2000, BS EN ISO 9001:2000 and MS ISO 9001:2000 Approval Certificate No. 403555	13.01.2001 to 12.01.2007	No major conditions imposed.	Complied
Department of Electrical Services, Ministry of Development, Brunei Darussalam	Granted to UMSE for approval of UMSE as a registered manufacturer/ supplier of "Two Pole and Earthing Pin Plugs, General Purpose Switches, 13A Socket Outlets, 13A Fused Plug, 13A Portable Switched Socket Outlets" Approval ref : JPE /BP /OSS /2001 (18)	09.04.2003 to 08.04.2008	To notify the Department of Electrical Services of any deviations from the original specification with updated catalogues including copies of renewed certification from recognized testing institutions.	Complied
Business Registration Ordinance (Chapter 310) and Business Registration Regulations	Business Registration Certificate issued to HPL at Flat/ RM B 9/F, Fook Shing Industrial Building, 1A, Yuk Yat Street, Tokwawan Kowloon, Hong Kong SAR, granting the status of a body corporate to HPL. Certificate No. 17762596-000-08-05-6	12.08.2005 to 11.08.2006	Where there occurs any change in the particulars of a business as set out in the form of application for registration or where a business ceases to be carried on, any person carrying on such business or any person who was carrying on such business shall within 1 month of such change or of the cessation notify the Commissioner in writing thereof.	Complied
Authority of Guangdong Province	Business Licence for processing / value adding issued to HPL for the value adding to hardware and plastic electrical products at its factory in Dongguan. Certificate No. X1832420-6	17.01.2006 to 17.01.2010	No major conditions imposed.	Complied

6. INFORMATION ON THE UMSN GROUP (cont'd)

Authority	Type of licence / permit / approval	Validity Period	Major conditions imposed	Status of compliance
British Standards Institute	Granted to HPL Certificate of Approval for ISO 9001:2000 for the manufacture of non-rewireable plug and appliance couplers Certificate No. FM37698	Not applicable	No major conditions imposed.	Complied
Management Board of Binh Duong Industrial Parks (MBIZ)	Granted to allow NSVN to be established in accordance with the provisions of the Law on Foreign Investment in Vietnam.	29.07.2004 to 29.07.2045	The head office and production factory shall be located at Viet Huong Industrial Park, Thuan An district, Binh Duong. NSVN shall operate in accordance with the Articles laid down in the licence such as NSVN shall have the objective of producing electric wire and appliances, parts of electric equipment. NSVN shall be obliged to pay to the state of Vietnam annual corporate tax, rental for NSVN's occupation and expenses to Viet Huong Joint Stock Corporation pursuant to the principal and land sub-lease contract.	Complied To be complied To be complied

Save as disclosed above, the Group does not have any other major licences, permits or approvals as at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus).

Note:

* The Group had on 13 March 2006 submitted an application to renew this licence which is currently still pending issuance as at the date of this Prospectus

6.5.6 Quality Control

The Group places great emphasis in ensuring consistency and reliability of the quality of its products in order to meet local and international safety regulations. It has established and implemented stringent quality control measures at various stages of production. The following procedures have been adopted to ensure that quality standards are maintained:

- (i) inspection of incoming raw materials;
- (ii) conduct analytical tests on samples, raw materials and finished products;
- (iii) conduct quality checks at each level of the manufacturing process; and
- (iv) final testing of products prior to shipment.

In compliance with regulatory standards and requirements imposed by authorities in the Malaysian and foreign markets, the products manufactured by UMSE have been tested for compliance by accredited testing laboratories including Intertek Testing Services Hong Kong Limited (Hong Kong), Parkside Laboratories Limited (New Zealand), SIRIM QAS International Sdn Bhd (Malaysia) and PSB Corporation Pte Ltd (Singapore). The relevant standards include Malaysian Standards (MS), Singapore Standards (SS), British Standards (BS) and the International Electrotechnical Commission Standards (IEC). In addition, products manufactured and marketed for the Malaysian market are categorised as control items by the Suruhanjaya Tenaga and, as such, must be approved by the Suruhanjaya Tenaga and certified under the SIRIM QAS Product Certification scheme.

6. INFORMATION ON THE UMSN GROUP (cont'd)

The power cord sets manufactured by HPL have been tested and certified for compliance with the relevant standards by, amongst others, British Standards Institute (UK), Japan Electrical Safety and Environment Technology Laboratories (Japan), Russian Centre for Tests and Certification (Russia), Verband der Elektrotechnik Elektronik (Germany), Singapore Institution of Scientific and Industrial Research (Singapore), Singapore Consumer Protection Board (Singapore), Korea Electrical Testing Institute (Korea), Comite Electrotechnique Belge (Belgium) and UL Standard (US).

At present, UMSE's Quality Control division has a team of 11 personnel, headed by Foo Kon Fah who has more than 30 years experience in quality control processes and procedures. HPL's Quality Control division comprises 11 personnel and is headed by Grant Gao who has more than 6 years experience in the electrical wiring accessories market.

As a testimony of the Group's emphasis on quality, UMSE obtained the ISO 9001:2000 certification from Lloyd's Register of Shipping (M) Bhd while HPL obtained the ISO 9001:2000 certification from British Standards International (UK) for quality management systems.

6.5.7 Brand Names and Trademarks

In addition to being an OEM manufacturer, the Group markets its own brand of products under the brand names UMS[®], neiken[™] and 'HP'. The UMS[®] trademark was approved and registered with the Intellectual Property Corporation of Malaysia on 19 November 1991. However, the neiken trademark was approved by the Intellectual Property Corporation of Malaysia on 4 April 2005 but is currently pending registration. In addition, UMSN had applied for the trademark registration for the neiken[™] brand name in countries in the Middle East and Africa, Sri Lanka, Indonesia, Singapore, Vietnam, Brunei and China, which are all pending approval. To date, no application has been made for trademark registration in respect of the 'HP' brand name.

The UMS[®] brand will also be used for its new product targeted to be launched by the 4th quarter of 2006 to complement its existing products, namely power cord sets to be used for consumer electrical appliances and electronic products.

6.5.8 Principal Markets

The Group markets its products both in Malaysia and other countries such as countries in the Middle East and Africa, Brunei, Singapore, UK, Hong Kong, China and Denmark.

For the FYE 31 December 2005, the Group's sales in Malaysia and other foreign countries are as follows:

Country	RM'000	%
Malaysia	22,860	31.04
Foreign	50,790	68.96
Total	73,650	100.00

The Directors of UMSN expect the Group's export activities to grow and the level of exports to increase in the foreseeable future as the Group intends to expand its coverage of overseas markets through UMSE.

6. INFORMATION ON THE UMSN GROUP *(cont'd)*

6.5.9 Market Access and Distribution Network

For the FYE 31 December 2005, the sales of the Group's products were attributable to the following methods of distribution:

Category	RM'000	%
Wholesalers and distributors	46,824	63.58
Direct to manufacturers / OEM	26,826	36.42
Total	73,650	100.0

(i) Wholesalers and distributors

The Group's products are mainly marketed and distributed via its extensive network of Malaysian and foreign wholesalers and distributors which enables the Group to reach its target customers. As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), UMSE has 233 Malaysian and 35 foreign wholesalers and distributors. HPL on the other hand has more than 5 distributors who are based outside of Hong Kong and China, while it markets its products directly to manufacturers within Hong Kong and China.

The Group's strong distribution network has also enabled the Group to compete effectively in the electrical wiring accessories market, driving growth and profitability, as well as ensuring maximum market penetration. The Group's existing network of distributors is also a valuable source of market data of the respective regions in which these distributors operate, thus helping the Group to stay abreast with current trends and ever changing market sentiments.

Wholesalers and distributors are selected based on certain criteria including their experience and reputation in the electrical and electronics industry, financial strength, amount of stocks held, number of brands carried as well as the positioning of the wholesalers and distributors in the electrical and electronics industry.

Due to the implementation of this selective process, the Group has managed to reduce the occurrence of bad debts while at the same time increase the success rate of its marketing and promotional initiatives.

(ii) Direct to manufacturers / OEM

The Group is also an OEM manufacturer for major producers of electrical wiring accessories and consumer electrical appliances as well as manufacturers of computers and electronic devices. These OEM customers include Clipsal Middle East FZC, Jo-EI Electric Ltd, Jo-EI Electric A/S and Samsung Electronics Malaysia Sdn Bhd.

Currently, the marketing activities of the Group are supported by 7 people consisting of regional managers and sales managers. The role of the marketing team includes amongst others, the establishment of contacts and sales leads in new and existing markets as well as the preparation of market research and analysis.

Further, the Group via UMSE also holds an active membership in bodies such as the Federation of Malaysian Manufacturers (FMM), Malaysia External Trade Development Corporation (MATRADE), The Electrical and Electronics Association of Malaysia (TEEAM) and The Chinese Chamber of Commerce and Industry of Kuala Lumpur and Selangor (KLSCCCI). This provides the Group with opportunities to establish network with other organisations and companies who are also members in these bodies to market and promote its range of electrical wiring accessories.

6. INFORMATION ON THE UMSN GROUP (cont'd)

6.5.10 Market Presence of the UMSN Group

UMSE has been involved in the manufacturing of electrical wiring accessories since 1981. Since then, UMSE has grown from strength to strength and today, more than 24 years later, has established its brand name UMS® in the electrical wiring accessories market, both locally and in 19 other countries worldwide. This is evident from the Group's track record with a turnover of RM73.65 million and PAT of RM6.68 million based on the proforma results of the Group for the FYE 31 December 2005.

The Group attributes its success to its strong commitment to manufacture quality products in order to comply with regulatory standards and requirements imposed by authorities in the Malaysian and foreign markets, which the Group believes is one of the main key success factors in the electrical wiring accessories industry. Besides this, the Group's comprehensive range of products gives the Group a competitive edge in the electrical wiring accessories market as end-users are able to source for the whole range of electrical wiring accessories products under one brand name. Further, the Group has an extensive distribution network of 233 Malaysian and more than 40 foreign wholesalers and distributors. The Group's strict adherence to quality control for its comprehensive range of products as well as wide distribution network has enabled the Group to reach its target customers locally and worldwide. UMSN Group enjoys an average relationship of more than 4 years with its top 10 customers for the FYE 31 December 2005.

The Directors of UMSN are unable to ascertain the Group's market share within the electrical wiring accessories industry in Malaysia as the Directors are not aware of any publicly available statistical data encompassing the entire electrical wiring accessories market, for which a reasonable basis of computing its market share can be based upon.

6.5.11 Research and Development

The Group recognises the importance of R&D in facilitating future growth of the Group, which will be dependent on regular enhancements of its existing products and the introduction of new products and product ranges. The Group believes that having a strong and well-structured R&D team is essential for the development of innovative and successful new products and product range. In 2005 itself, UMSE has introduced more than 110 models of electrical wiring accessories.

In this regard, UMSE currently has its own R&D facilities, thereby allowing it to minimise its reliance on external parties as well as reduce costs in terms of technical fees and royalties.

UMSE's R&D policies are to create and sustain competitive advantages through:

- (i) continuous improvement in product quality to ensure customer satisfaction and to meet regulatory standards and requirements imposed by authorities in the Malaysian and foreign markets;
- (ii) continue development of new products to diversify product range; and
- (iii) increase production effectiveness, efficiency and productivity to minimise costs.

The R&D activities are carried out with the aid of computer-aided design applications, with which UMSE is able to design and develop its products from the conceptual stage to the production process. In addition, computer-aided design applications enable UMSE to reduce time in designing and modifying prototypes to suit various requirements.

UMSE's R&D division has a team of 4 personnel, headed by Chi Chee Pyng who has approximately 6 years experience in the electrical wiring accessories industry.

6. INFORMATION ON THE UMSN GROUP (cont'd)

The scope of R&D activities carried out by UMSE over the years are as follows:

Year	Scope of R&D
1990 – 1999	<p>Initial development of additional range of wiring accessories for export market.</p> <p>Design and development of the 13A portable socket outlet in line with increase in potential demand in the local and export markets.</p> <p>Development of additional range of switches and metal-clad type accessories targeted for industrial application.</p>
2000	<p>Design and development of an additional range of 13A portable socket outlet as well as enhance production processes to reduce pricing of the product.</p> <p>Development of the rechargeable emergency light as an additional range to complement the existing product range.</p> <p>Design of a polycarbonate 13A flush switched socket outlet and an additional range of switches.</p>
2001	<p>Development of the 45A Double Pole switch, cooker unit switch and socket as well as intermediate switch as an additional product range to complement the existing product range for the export market.</p>
2002	<p>Development carried out for the isolator switch for industrial application and as an additional product range to complement the existing product range.</p> <p>Development of the 'Schuko' type portable socket outlets for export markets.</p>
2003	<p>Development of the 20A and 45A connection units as an additional range to complement the existing range for the export market.</p> <p>Development of the 2.5A portable socket outlets for appliances fitted with such plugs and as a result of the publication of the new standards by SIRIM (Malaysia) and the Singapore Productivity and Standards Board.</p> <p>Development of the new neiken™ range of electrical wiring accessories, such as the 1-8 Gang 10AX Switches, 20A Double Pole Switch, 1 Gang & 2 Gang Switch Socket Outlets, 1 Gang 15A Socket Outlets, Modular Light Dimmer and Fan Dimmer.</p>
2004	<p>Development of the new power cord sets under the UMS® brand name.</p> <p>Addition of new products to the neiken™ range of electrical wiring accessories, such as the Communication Outlets, 45A Double Pole Switches, 16A 2-Pin Universal Socket Outlets, the Metal-Clad Series (1-8 Gang 10AX Switches, 20A Double Pole Switch, 1 Gang & 2 Gang Switch Socket Outlets, 1 Gang 15A Socket Outlets), 20A and 45A Connections Units, Fused Spur Units, 5A Socket Outlets, Shaver Supply Unit and 16A Schuko Socket Outlet.</p> <p>Development of 2 new neiken™ electrical wiring accessories for the overseas market, having a total of more than 100 models including Switches, Socket Outlets and Communication Outlets.</p>

6. INFORMATION ON THE UMSN GROUP (cont'd)

Year	Scope of R&D
2005	<p>Addition of new products to the neiken™ range of electrical wiring accessories, such as the 45A Cooker Control Unit, 13A, 15A and 5A Socket Outlets with new Neon Indicator.</p> <p>Addition of the 1 & 2 Gang LAN Socket Outlets and the F-Type Satellite TV Socket Outlets for the UMS® range of electrical wiring accessories.</p> <p>Improvements on existing UMS® products, including changing the material from bakelite to plastic moulding compound for the 1 & 2 Gang 13A Socket Outlet Base, 45A Double Pole Switch Base and the 1-6 Gang 10AX Switches Rocker.</p> <p>Improvements on the reliability and stability of the electronics in the 1 x 20Watts Emergency Light, 2 x 10Watts Emergency Light and 2 x 10Watts Lantern.</p> <p>Development of the new British Standard 1-6 Gang 13A Portable Socket Outlet Series for the UMS® and neiken™ range of electrical wiring accessories</p>
2006	<p>Development of the Hotel Electronic Card Switch, 10AX Intermediate Switch and the UK Telephone Socket Outlets for the neiken™ range of electrical wiring accessories.</p> <p>Development of the 20A Key Switch for the neiken™ range of electrical wiring accessories for the overseas markets.</p>

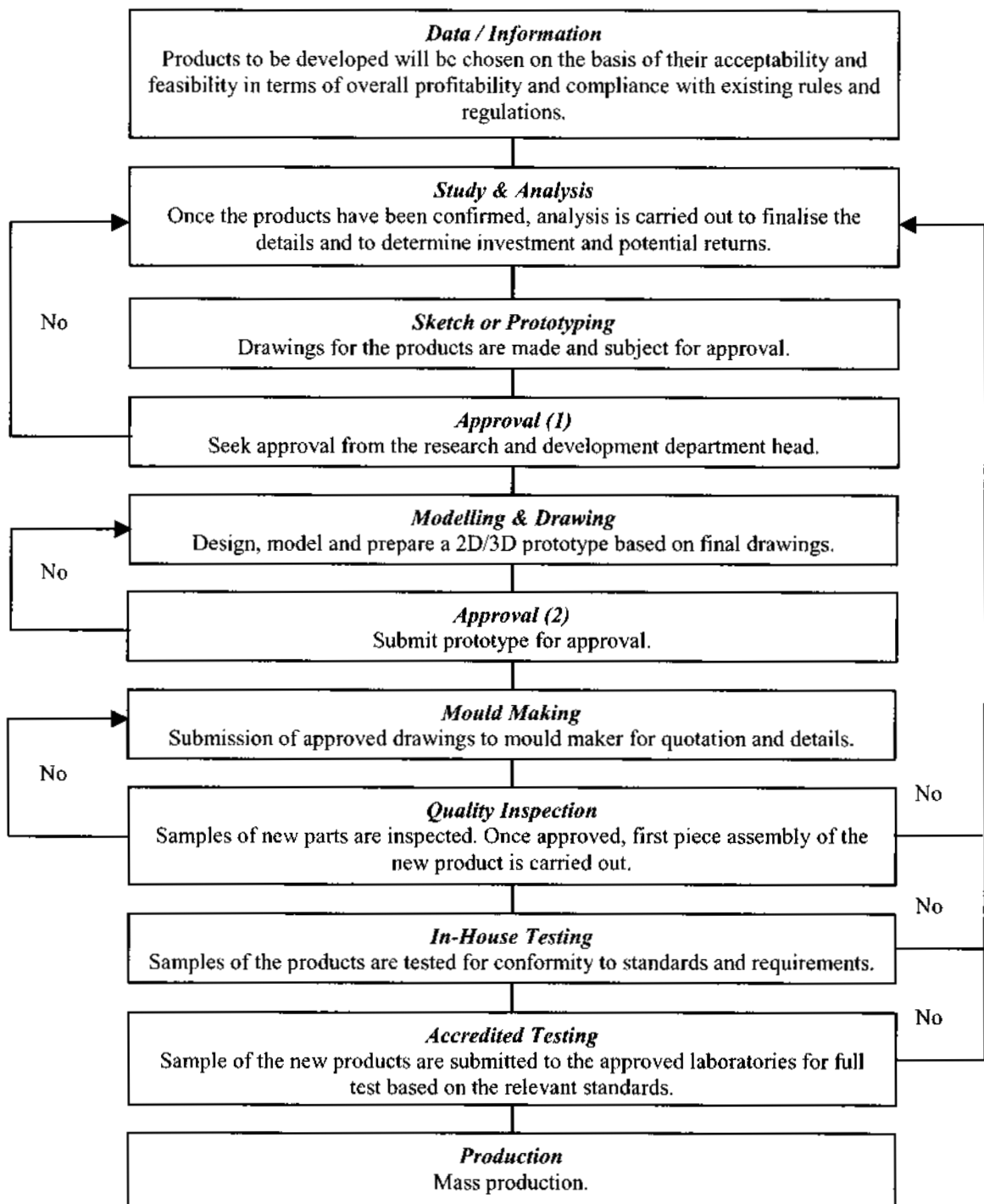
The annual expenditure incurred by UMSE in R&D activities for the FYE 31 December 2001 to 2005 are tabulated below:

FYE	2001 (RM)	2002 (RM)	2003 (RM)	2004 (RM)	2005 (RM)
R&D expenditure	325,316	276,300	368,103	393,010	322,669
% of UMSE's sales turnover	1.34	0.95	1.12	1.00	0.80

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6. INFORMATION ON THE UMSN GROUP (cont'd)

Set out below is a flowchart of the R&D process methodology adopted by UMSE:



6. INFORMATION ON THE UMSN GROUP (cont'd)

6.5.12 Competitive Advantage

The Group, via UMSE, has been in the electrical and electronics industry for over 24 years. The Directors of UMSN believe that the competitive advantages of the Group are in the following areas:

(i) Quality Control

In view of the nature of the products being manufactured by the Group, high emphasis is placed on strict quality control procedures in order to maintain the quality of its products. As a testimony of the Group's emphasis on quality, UMSE obtained the ISO 9001:2000 certification from Lloyd's Register of Shipping (M) Bhd while HPL obtained the ISO 9001:2000 certification from British Standards International (UK) for quality management systems.

Details of the quality control measures implemented by the Group are set out in Section 6.5.6 of this Prospectus.

(ii) Distribution network

The Group's products are mainly marketed and distributed via its extensive network of Malaysian and foreign wholesalers and distributors which enables the Group to reach its target customers. As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), UMSE has 233 Malaysian and 35 foreign wholesalers and distributors based in countries in the Middle East and Africa, Brunei and Singapore. HPL on the other hand has more than 5 distributors who are based outside of Hong Kong and China, while it markets its products directly to manufacturers within Hong Kong and China.

The Group believes that it can successfully market its products by establishing and maintaining mutually beneficial long-term relationship with its marketing intermediaries to rapidly reach out to a wider market both in Malaysia and globally with minimal costs involved. As wholesalers are generally aware of the dynamics and latest developments within the industry and have their respective established distribution network, the Group is able to capitalise on its wholesalers' existing network to distribute and promote its products in the markets where the wholesalers are located.

The Group's strong distribution network has also enabled the Group to compete effectively in the electrical wiring accessories market, driving growth and profitability, as well as ensuring maximum market penetration. The Group's existing network of distributors is also a valuable source of market data of the respective regions in which these distributors operate, thus helping the Group to stay abreast with current trends and ever changing market sentiments.

Further, the Group via UMSE also holds an active membership in bodies such as the Federation of Malaysian Manufacturers (FMM), Malaysia External Trade Development Corporation (MATRADE), The Electrical and Electronics Association of Malaysia (TEEAM) and The Chinese Chamber of Commerce and Industry of Kuala Lumpur and Selangor (KLSCCCI). This provides the Group with opportunities to establish network with other organisations and companies who are also members in these bodies to market and promote its range of electrical wiring accessories.

(iii) Wide and comprehensive range of products

The Group offers a wide and comprehensive range of electrical wiring accessories and power cord sets to both its OEM and OBM customers. UMSE currently offers at least 14 different product range with up to 35 different models each under its UMS[®] brand and at least 10 different product range with up to 67 different models each under its neiken[™] brand. The Group believes that its wide and comprehensive range of products gives the Company a competitive edge in the electrical wiring accessories market as end-users are able to source for the whole range of electrical wiring accessories products under one brand name.

6. INFORMATION ON THE UMSN GROUP (cont'd)

In a bid to expand its market share, UMSE continuously, through its R&D activities, seeks to diversify its product range to complement its existing range of products. In 2005 itself, UMSE has introduced more than 110 new models of electrical wiring accessories through its R&D initiatives. UMSE's initiatives in R&D activities have also resulted in the introduction of the new range of products under the neiken™ brand name which was launched in September 2004 for the medium-high end market and a new product to complement its existing products, namely power cord sets under the UMS® brand name, which is targeted to be launched by the 4th quarter of 2006. Further, UMSE plans to have a wider range of products for both its urea formaldehyde and plastic moulding compound based products to meet different customer requirements in its target markets.

Further, the Group intends to penetrate the ICT industry through the launch of its own fibre optic patch cables (used to transmit data and signal at high speed over a network) via its subsidiary, HPL, in the 2nd quarter of 2006.

With the introduction of these new products, the Group would be able to expand its presence into previously untapped market segments such as the ICT industry.

(iv) Established brand name with proven track record

The Group's in-house brands namely UMS® and 'HP' have been in existence since 1981 and 1994, respectively, and are marketed both in Malaysia and overseas. The Directors of UMSN believe that the Group's in-house brands are synonymous with quality products at competitive prices which have allowed it to widely expand its market geographically, specifically in countries in the Middle East and Africa, Brunei, Singapore, UK, Hong Kong, China and Denmark.

(v) Strong R&D efforts

UMSE has in-house R&D capabilities and facilities which allows it to continuously develop new products to stay competitive in the electrical wiring accessories market. As a result of its R&D efforts, UMSE has been able to expand its coverage and increase its visibility in the global market through the launching of new products and will continue to introduce new products to the electrical wiring accessories market in the near future.

An additional advantage of UMSE's in-house R&D initiatives is the significant savings derived from its R&D initiatives. Besides improvements in efficiency of the production processes and utilisation of materials which has enabled savings in terms of operating costs, the Group would not be required to pay for technical and royalty fees for the use of products developed by third parties. This enables UMSE to offer its products at competitive prices.

UMSE's R&D efforts is headed by the Research and Development Head, Chi Chee Pyng who has approximately 6 years experience in the electrical wiring accessories industry. The Directors of UMSN believe that the Group's continuous emphasis on R&D initiative would enable the growth and profitability of the Group to increase in the foreseeable future.

(vi) Experienced key management

The Group possesses a strong management team with extensive experience in the electrical wiring accessories market. The Managing Director, Cheng Wong, has more than 35 years experience in the electrical wiring accessories market. In addition, Yong Meow Fatt who is the Executive Director has more than 21 years experience in the electrical wiring accessories manufacturing industry. They are supported by experienced key management and key technical personnel who have an average of 10 years working experience in their respective fields.

6. INFORMATION ON THE UMSN GROUP (cont'd)

Further details of the Directors, key management and key technical personnel of the Group are set out in Sections 7.2 and 7.3 of this Prospectus.

(vii) Long-term relationship with customers and suppliers

The Group's long-term relationship with its customers and suppliers coupled with its strong financial position and reputation has enabled it to enjoy competitive market prices for the purchase of raw material and sale of their products.

As illustrated in Sections 6.5.17 and 6.5.18 of this Prospectus, the UMSN Group currently enjoys an average business relationship of more than 4 years and 5 years with its top 10 customers and top 10 suppliers for the FYE 31 December 2005, respectively.

6.5.13 Substitute Products

Although the aesthetics, material and designs for electrical wiring accessories have improved and/or changed throughout the years, the Directors of UMSN are of the opinion that there is no foreseeable long-term product substitution or alternatives for electrical wiring accessories mainly due to constraints from the regulatory standards and requirements imposed by authorities in the Malaysian and foreign markets. The development of any substitute products would have to comply strictly with the relevant regulatory standards governing the electrical wiring accessories market which takes into account factors such as safety and certifications, prior to being released into the market.

6.5.14 Types, Sources and Availability of Raw Materials

The main types of raw materials used by UMSE for its manufacturing process are urea formaldehyde, plastic moulding compounds, terminal nuts and screws, flexible cables as well as brass strips and electronics components. Approximately half of the raw materials purchased by UMSE are sourced in Malaysia, while the other half is sourced from foreign suppliers.

The materials, origin and percentage of purchases of the top 10 suppliers of UMSE for the FYE 31 December 2005 are set out below:

Materials	Origin of Materials	Major Suppliers	% of Purchases
Plastic moulding compounds	Malaysia	Mega Fresh Enterprise, Erapoly Sdn Bhd, CIPC Marketing Sdn Bhd and Metro Wealth Polymer Sdn Bhd	17.9
Terminal nuts and screws	Malaysia	HKE Fastener Industries (M) Sdn Bhd	3.4
	Foreign	Rupam International	14.2
Urea formaldehyde	Foreign	Chemiplastica S.P.A.	8.4
Flexible cables	Malaysia	Fajar Cables Sdn Bhd	6.1
Brass strips	Foreign	Meta Strips Ltd	5.5
Electronics components	Foreign	Green Warehouse	3.1

The materials used by UMSE in its production processes are readily available as there are many suppliers for the raw materials both in Malaysia and overseas. However, UMSE has consistently purchased the raw materials from its major suppliers due to the quality of the raw materials supplied, short delivery lead-time as well as long-term relationship with these major suppliers.

6. INFORMATION ON THE UMSN GROUP *(cont'd)*

Additionally, although half of the purchases of raw materials for UMSE are sourced outside of Malaysia, the management of UMSE are of the opinion that this will not have an adverse impact on the availability of raw materials as UMSE maintains stockpiles of 2.5 months for its main raw materials from overseas. To further ensure that it is not overly dependent on a single supplier for its raw materials, UMSE has a policy of maintaining multiple suppliers for each type of raw material for its business.

The main types of raw materials use by HPL in its manufacturing process are cables, fuses, metal ware, inserts of plugs and plastic moulding compound. HPL's materials are all sourced from Hong Kong and China. HPL maintains an approved supplier list for the purchase of all its raw materials. There are more than 20 approved suppliers on the approved list and HPL applies a stringent checking process prior to admission of a supplier to its approved supplier list. This includes site visit to the suppliers' factory, checks on quality controls systems implemented by the suppliers, delivery lead time as well as prices of raw materials offered. In addition, HPL maintains stockpiles of approximately 2 weeks to 1 month for its main raw materials. The management of HPL do not foresee that HPL would have problems in obtaining supply for raw materials, as there are many suppliers within Hong Kong and China for the raw materials required for HPL's production processes.

In view of the above, the Directors of UMSN do not foresee that UMSE and HPL would have any problems in the availability of raw materials for its production process.

6.5.15 Awards

The Group's commitment to quality products has resulted in the granting of the following awards to UMSE:

Year	Company	Award
1999	UMSE	'Certificate of Achievement Enterprise 50' by Andersen Consulting and SMIDEC
2002	UMSE	'SIRIM Customer of the Year 2002'
2003	UMSE	'Golden Bull Award 2003' by Nanyang Siang Pau
2004	UMSE	'Golden Bull Award 2004' by Nanyang Siang Pau
2004	UMSE	'Certificate of Achievement, Small and Medium Industries (SMI) - Best Product Award' by Small and Medium Industries (SMI) Association of Malaysia

The 'Enterprise 50' award was started in 1996 and is co-organised by Andersen Consulting and SMIDEC with endorsement of the results by The Federation of Malaysian Manufacturers and the National Chamber of Commerce and Industry of Malaysia. The criteria for ranking is based on a set of quantitative and qualitative performance indicators over a 3-year period including turnover, operating profit, growth in turnover, growth in operating profit, return on assets, investments in capital, training or research and development, management outlook, major innovations, market presence and export activities. In 1999, UMSE was ranked 26 amongst the top 50 enterprises in Malaysia as evaluated by Andersen Consulting and SMIDEC.

The 'SIRIM Customer of the Year 2002' was awarded to UMSE as the best customer based on several criteria including the largest purchaser in terms of quantity and value of SIRIM labels under the SIRIM product certification scheme, promptness of payment, number and types of services purchased from SIRIM.

6. INFORMATION ON THE UMSN GROUP (cont'd)

The 'Golden Bull Award' for 2003 and 2004 was awarded by Nanyang Siang Pau for being the top 100 Small-Medium Enterprises in Malaysia. Selection for the award is based on the evaluation of the company's performance in terms of financial capabilities, management vision and strategies, technical and/or product innovation and marketing strategies for competitiveness and market presence.

The 'Certificate of Achievement, Small and Medium Industries (SMI) - Best Product Award' for 2004 was awarded to UMSE by the Small and Medium Industries (SMI) Association of Malaysia. This award is bestowed on small and medium-sized industries, which has developed or manufactured high quality products using innovative techniques or design for either the domestic or international market. The products must have 50% local content, be a major contributor to the company's revenue and must be either for consumer or industrial use.

6.5.16 Key Achievement and Milestones

Some of the key achievements and milestones of the UMSN Group are as follows:

Year	Milestones
1981	: UMSE began operations from a small premises in Batu Caves, Selangor as a manufacturer of electrical wiring accessories producing 13A plug tops and ceiling roses with around 20 employees and 6 units of compression machine
1987	: UMSE added 6 models for switches and one model for 13A switched socket outlet to its urea formaldehyde range. Two units of thermo-setting injection machines were added to facilitate the moulding requirements
1989	: UMSE was granted with a licence by Yaskawa Controls Ltd (Japan) to manufacture magnetic contactor for the production of UMSE's range of Direct On-Line magnetic starters
1991	: UMSE was granted with an additional licence by Yaskawa Controls Ltd (Japan) to manufacture thermal relays required in the production of UMSE's range of Direct On-Line magnetic starters
1994	: UMSE moved to a larger and better-equipped premises in Rawang which has a bigger production capacity. HPL's Hong Kong office obtained the ISO 9002:1994 certification for the production of its BS-1363 non-rewireable power cord sets HPL's Hong Kong office was awarded the Kitemark, a recognition for stringent and regular independent product testing and quality systems, by the British Standards Institute (UK) for the production of its BS-1363 non-rewireable power cord sets
1995	: HPL's manufacturing plant was set up in Dongguan, China HPL's manufacturing plant in China obtained the ISO 9002:1994 certification for the production of its BS-1363 non-rewireable power cord sets HPL's manufacturing plant in China was awarded the Kitemark for the production of its BS-1363 non-rewireable power cord sets
1997	: UMSE added stamping machines and presses in its stamping section to increase in-house stamping capacity in order to reduce dependency on sub-contract stamping and stamping costs

6. INFORMATION ON THE UMSN GROUP (cont'd)

Year	Milestones
1999	<p>'Certificate of Achievement Enterprise 50' was awarded to UMSE by Andersen Consulting and SMIDEC</p> <p>HPL's manufacturing plant in China was awarded the Kitemark for the production of its BSI IEC 60320 non-rewireable connectors</p>
2001	<p>UMSE obtained the ISO 9002:1994 Quality System Certification from Lloyd's Register of Shipping (M) Bhd</p> <p>UMSE set up additional production lines in a rented facility located in Batang Kali, Selangor</p> <p>Samsung (HK) Electronics Co Ltd, Samsung Electronics (UK) Ltd and Samsung Electronics (Korea) Co Ltd appointed HPL as supplier of power cord sets</p> <p>HPL obtained the ISO 9001:2000 certification from British Standards International (UK)</p>
2002	<p>UMSE obtained the 'SIRIM Customer of the Year 2002' award</p> <p>HPL obtained the approval from Japan Electrical Safety and Environment Technology Laboratories (Japan) for its power cord sets</p>
2003	<p>'Golden Bull Award 2003' was awarded to UMSE by Nanyang Siang Pau</p> <p>HPL obtained the ISO 9001:2000 Quality System Certification from British Standards Institute</p>
2004	<p>Certificate of compliance received by UMSE for flush and metal-clad switches (26 models) as well as flush and metal-clad 13A socket outlets (8 models) under the neiken™ brand from Intertek Testing Services Hong Kong Limited (Hong Kong)</p> <p>Certificate of compliance received by UMSE for flush 15A socket outlets (5 models) under the neiken™ brand from PSB Corporation Pte Ltd (Singapore)</p> <p>UMSE obtained the ISO 9001:2000 Quality System Certification from Lloyd's Register of Shipping (M) Bhd</p> <p>UMSE relocated its assembly lines in the rented factory in Batang Kali to its newly completed second factory located at Bukit Rawang Jaya</p> <p>'Golden Bull Award 2004' was awarded to UMSE by Nanyang Siang Pau</p> <p>'Certificate of Achievement, SMI – Best Product Award' was awarded to UMSE by Small and Medium Industries (SMI) Association of Malaysia</p> <p>neiken™ product range launched</p>
2005	<p>NSVN commenced trial run in Vietnam</p> <p>NSS commenced operations in Singapore</p> <p>NAP commenced operations in Botswana</p>

6. INFORMATION ON THE UMSN GROUP *(cont'd)*

6.5.17 Major customers

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), UMSE has 233 Malaysian and 35 foreign wholesalers and distributors. HPL on the other hand has more than 5 distributors who are based outside of Hong Kong and China, while it markets its products directly to manufacturers within Hong Kong and China.

The Group's OEM customers include Clipsal Middle East FZC, Jo-EI Electric Ltd, Jo-EI Electric A/S and Samsung Electronics Malaysia Sdn Bhd.

For the FYE 31 December 2005, the top 10 customers for UMSN Group are as follows:

No.	Customer	% of sales	Approximate length of relationship (years)
1.	Europasonic (UK) Ltd	9.7	1
2.	Clipsal Middle East FZC	7.3	8
3.	SMJ (UK) Ltd	7.0	1
4.	Mohammad A. AL. Zubaidi Trading Est.	5.8	2
5.	Jo-EI Electric Ltd	5.6	5
6.	Al Ramah for Investment and Commerce Trading Sector	3.0	6
7.	Wong & Brothers Co.	1.8	> 15
8.	Power Connections	1.7	3
9.	Neon King Ltd	1.4	4
10.	Fuyong Qiaotou Keitsen Electrical Manufactory	1.3	3
	Total	44.6	

For the FYE 31 December 2005, approximately 44.6% of the Group's turnover was contributed by its top 10 customers, each contributing to not more than 10% of the turnover of the Group.

The Group has not entered into any long-term contracts with its customers. With the Group's proven track record, stringent quality control requirements and wide and comprehensive range of products, the Directors of UMSN are of the opinion that the Group is well positioned to continue securing businesses from its customers. Further, the Group has a pool of 233 Malaysian and more than 40 foreign wholesalers and distributors for marketing and distribution of its products.

6. INFORMATION ON THE UMSN GROUP (cont'd)

6.5.18 Major suppliers

The Group has established long-term mutually beneficial relationship with some of its key suppliers, such as Rupam International, Shenzhen TongYuan Industrial Co. Ltd, Ming Kee, Chemiplastica S.P.A and Genius Terminal Co. Ltd, who have had business dealings with the Group for an average of approximately 9 years. The Directors of UMSN are of the opinion that the Group is not overly dependent on any single supplier as it is the Group's policy to have diversified sources for its raw materials in order for the Group to purchase raw materials at competitive prices.

The top 10 suppliers for UMSN Group for the FYE 31 December 2005 are as follows:

No.	Supplier	Products/ services	% of purchases	Approximate length of relationship (years)
1.	HPE	Cables, cable reels and power cord	34.4	2
2.	Rupam International	Terminal nuts and screws	6.6	7
3.	Shenzhen TongYuan Industrial Co. Ltd	Cables	5.3	8
4.	Ming Kee	Metal screws, cables, cable reels, fuse and metalware	4.9	> 15
5.	Chemiplastica S.P.A	Urea Formaldehyde	3.9	8
6.	Fajar Cables Sdn Bhd	Flexible cables	2.8	2
7.	Mega Fresh Enterprise	Plastic moulding compounds	2.7	3
8.	Meta Strips Ltd	Brass strips	2.6	1
9.	Metro Wealth Polymer Sdn Bhd	Plastic moulding compounds	2.3	1
10.	Genius Terminal Co. Ltd	Inserts of plug and metalware	1.8	7
	Total		67.3	

Save for HPE, none of the Group's top 10 suppliers contributes to more than 10% of the total purchases of the Group for the FYE 31 December 2005. HPE is controlled by Paul Ip Tai Hoi (a substantial shareholder of UMSN) via High Project Holding Ltd. HPL has entered into a supply contract with HPE for the purchase of cables and cable reels from HPE for a duration of 3 years expiring on 31 July 2007 with an option for renewal at the end of the tenure.

Save for HPE, the Group has not entered into any long-term contracts with its other suppliers as the Directors of UMSN are of the opinion that the long-term relationship that the Group currently enjoys with some of its key suppliers, will enable the Group to obtain regular and adequate supplies of raw materials in the foreseeable future. In addition, the UMSN Group has a policy of maintaining multiple suppliers for each type of raw materials to eliminate over-dependency on any of the suppliers for its business. Furthermore, the major raw materials used by the Group, such as urea formaldehyde, plastic moulding compounds, terminal nuts and screws, flexible cables as well as brass strips are readily available and therefore dependence on any particular supplier is minimal.

6. INFORMATION ON THE UMSN GROUP (cont'd)**6.5.19 Employees**

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), the employee structure of the Group is as follows:

Category of employees	Total	Approximate average number of years of service
Managerial and professional	20	10.4
Technical and supervisory	44	6.5
Clerical and administration	24	3.6
Factory and general workers	491	3.1
Total	579	

None of the employees of the Group belong to any unions nor have there been any major industrial disputes in the past.

The Group recognises the importance of human resource as a central element of any successful organisation and aims to build an experienced, capable and dynamic team. As part of the Group's general human resource planning, members of its staff are required to attend training programmes aimed at improving skills and technical knowledge.

Training programmes that were conducted by UMSE are mainly external trainings and include programmes on human resource policies, payroll, inventory control, project management and production.

HPL's training programmes are all carried out in-house by the Production Supervisor and Quality Assurance Manager and include programmes on quality control policies, operation of machinery, assembly skills and workmanship standards.

6.5.20 Locations of Principal Place of Business and Production Facilities

The principal places of business of the Group and location of the production facilities are as follows:

UMSN'S REGISTERED/ MANAGEMENT OFFICE

Lot 5, Batu 17½, Jalan Ipoh
Rawang Industrial Estate
48000 Rawang,
Selangor Darul Ehsan

**UMSE'S HEAD OFFICE /
MAIN PRODUCTION FACILITY**

Lot 5, Batu 17½, Jalan Ipoh
Rawang Industrial Estate
48000 Rawang,
Selangor Darul Ehsan

**UMSE'S SECOND PRODUCTION
FACILITY**

Lot 659, Jalan Bukit Rawang
Taman Bukit Rawang Jaya
Batu 20, 48000 Rawang
Selangor Darul Ehsan

6. INFORMATION ON THE UMSN GROUP (cont'd)**UMSE'S THIRD PRODUCTION FACILITY**

Neiken Switchgear (VN) Co Ltd
 Lot P2, Viet Huong Industrial Park
 Thuan Giao Village, Thuan An District
 Binh Duong province, Vietnam

HPL'S HEAD OFFICE

9/F, Fook Shing Industrial Building
 1A Yuk Yat St. Tokwawan
 Kowloon, Hong Kong

HPL'S PRODUCTION FACILITY

Fu Zhu Industrial Park
 Zhang Mu Tou
 Dongguan, China

6.5.21 Interruptions in business

There has not been any interruption to the Group's business or operations for the past 12 months prior to 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus).

6.6 INFORMATION ON SUBSIDIARY AND ASSOCIATED COMPANIES

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), the subsidiary and associated companies of UMSN are as follows:

Name of company	Date and place of incorporation	Effective equity interest	Principal activities
UMSE	23 December 1980 Malaysia	100%	Designing, manufacturing and trading of electrical wiring accessories
HPL	12 August 1993 Hong Kong	100%	Designing, manufacturing and trading of power cord sets as well as trading of cable reels
<i>Held by UMSE</i>			
NSVN	29 July 2004 Vietnam	100%	Manufacturing and trading of electrical wiring accessories
NSS	10 February 2003 Republic of Singapore	50%	Wholesale and distribution of electrical wiring accessories and related products
NAP	5 April 2005 Republic of Botswana	50%	Wholesale and distribution of electrical wiring accessories and related products

Further information on the subsidiary and associated companies of UMSN are set out below.

6. INFORMATION ON THE UMSN GROUP *(cont'd)*

6.6.1 Information on UMSE

(i) History and business

UMSE was incorporated in Malaysia under the Act on 23 December 1980 as a private limited company and commenced operations in 1981. UMSE is principally involved in the designing, manufacturing and trading of electrical wiring accessories. On 8 September 2005, UMSE became a wholly owned subsidiary of UMSN.

(ii) Share capital

UMSE has an authorised share capital of RM10,000,000 comprising 10,000,000 ordinary shares of RM1.00 each, of which 8,550,000 ordinary shares of RM1.00 each are currently issued and credited as fully paid-up.

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

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration	Cumulative issued and paid-up share capital (RM)
23.12.1980	2	Subscribers' share	2
22.04.1983	100,000	Cash	100,002
24.06.1983	397,998	Cash	498,000
24.07.1984	142,000	Cash	640,000
29.03.1986	120,000	Cash	760,000
02.08.1995	2,280,000	Bonus issue on the basis of 3 new ordinary shares for every 1 share held	3,040,000
02.10.1995	2,660,000	Bonus issue on the basis of 7 new ordinary shares for every 8 shares held	5,700,000
18.07.1997	2,850,000	Bonus issue on the basis of 1 new ordinary share for every 2 shares held	8,550,000

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), there are no outstanding warrants, options, convertible securities or uncalled capital of UMSE.

(iii) Substantial shareholder

UMSE is a wholly owned subsidiary of UMSN.

6. INFORMATION ON THE UMSN GROUP (cont'd)

(iv) Subsidiary and associated companies

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), the subsidiary and associated companies of UMSE are as follows:

Name of company	Date and place of incorporation	Issued and paid-up share capital	Effective equity interest (%)	Principal activities
<i>Subsidiary</i>				
NSVN	29 July 2004 Vietnam	US\$400,000*	100.00	Manufacturing and trading of electrical wiring accessories
<i>Associated company</i>				
NSS	10 February 2003 Republic of Singapore	SG\$100,000	50.00	Wholesale and distribution of electrical wiring accessories and related products
<i>Associated company</i>				
NAP	5 April 2005 Republic of Botswana	BWP100	50.00	Wholesale and distribution of electrical wiring accessories and related products

Note:

* Represents the paid-up legal capital

Please refer to Section 6.6.1.1, 6.6.1.2 and 6.6.1.3 of this Prospectus for information on NSVN, NSS and NAP respectively.

6.6.1.1 Information on NSVN

(i) History and business

NSVN was incorporated in Vietnam under the Law of Foreign Investment in Vietnam, 1996 on 29 July 2004 as a private limited company. NSVN is principally involved in manufacturing and trading of electrical wiring accessories. As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), NSVN has commenced trial run on its manufacturing facilities. The management of NSVN had applied for the Certificate of Project Completion for its factory building, which is currently pending issuance from the local authorities.

6. INFORMATION ON THE UMSN GROUP (cont'd)**(ii) Share capital**

NSVN has a registered investment capital of US\$800,000, of which US\$400,000 legal capital is currently fully paid-up.

Date of payment	Amount of approved legal capital fully paid-up (US\$)	Cumulative approved legal capital fully paid-up (US\$)
16.03.04	10,000	10,000
22.03.04	10,000	20,000
10.06.04	20,000	40,000
03.08.04	40,128	80,128
09.09.04	40,128	120,256
18.10.04	40,128	160,384
27.12.04	100,000	260,384
22.04.05	11,000	271,384
15.06.05	30,000	301,384
30.08.05	20,000	321,384
12.10.05	20,000	341,384
19.10.05	20,000	361,384
08.11.05	20,000	381,384
23.11.05	18,616	400,000

(iii) As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), there are no outstanding warrants, options, convertible securities or uncalled capital of NSVN.

(iv) Substantial shareholder

NSVN is a wholly owned subsidiary of UMSE.

(v) Subsidiary and associated company

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), NSVN does not have any subsidiary or associated company.

6.6.1.2 Information on NSS**(i) History and business**

NSS was incorporated in the Republic of Singapore under the Companies Act, Cap. 50 on 10 February 2003 as a private limited company under the name, UMS-Universal (S) Pte Ltd. The company changed its name to NSS on 28 July 2003. NSS is principally engaged in wholesale and distribution of electrical wiring accessories and related products.

(ii) Share capital

NSS has an authorised share capital of SG\$1,000,000 comprising 1,000,000 ordinary shares of SG\$1.00 each, of which 100,000 ordinary shares of SG\$1.00 each are currently issued and credited as fully paid-up.

6. INFORMATION ON THE UMSN GROUP (cont'd)

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

Date of allotment	No. of ordinary shares of SG\$1.00 each allotted	Consideration	Cumulative issued and paid-up share capital (SG\$)
10.02.2003	2	Subscribers' share	2
01.08.2005	99,998	Cash	100,000

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), there are no outstanding warrants, options, convertible securities or uncalled capital of NSS.

(iii) Substantial shareholders

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), the substantial shareholders of NSS are as follows:

Name of shareholders	←-----Direct-----→		←-----Indirect-----→	
	No. of shares	%	No. of shares	%
UMSE	50,000	50.00	-	-
Loo Han Khoon @ Lu Hankun	25,000	25.00	-	-
Ng Chee Wee (Huang ZhiWei)	25,000	25.00	-	-
UMSN	-	-	50,000 ⁽¹⁾	50.00

Note:

(1) Deemed interested by virtue of its 100% equity interest in UMSE pursuant to Section 6A of the Act. Please refer to Section 7.1.2 for information on the substantial shareholders of UMSN

(iv) Subsidiary and associated company

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), NSS does not have any subsidiary or associated company.

6.6.1.3 Information on NAP**(i) History and business**

NAP was incorporated in the Republic of Botswana under the Companies Act (Chapter 42:01) on 5 April 2005 as a private limited company. NAP is principally involved in wholesale and distribution of electrical wiring accessories and related products.

(ii) Share capital

NAP has an authorised share capital of BWP3,000 comprising 3,000 ordinary shares of BWP1.00 each, of which 100 ordinary shares of BWP1.00 each are currently issued and credited as fully paid-up.

6. INFORMATION ON THE UMSN GROUP (cont'd)

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

Date of allotment	No. of ordinary shares of BWP1.00 each allotted	Consideration	Cumulative issued and paid-up share capital (BWP)
05.04.2005	100	Subscribers' share	100

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), there are no outstanding warrants, options, convertible securities or uncalled capital of NAP.

(iii) Substantial shareholders

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), the substantial shareholders of NAP are as follows:

Name of shareholders	<-----Direct----->		<-----Indirect----->	
	No. of shares	%	No. of shares	%
UMSE	50	50.00	-	-
Remegio Mario Borello	25	25.00	-	-
Arumugam Ishwaran	25	25.00	-	-
UMSN	-	-	50 ⁽¹⁾	50.00

Note:

(1) Deemed interested by virtue of its 100% equity interest in UMSE pursuant to Section 6A of the Act. Please refer to Section 7.1.2 for information on the substantial shareholders of UMSN

(iv) Subsidiary and associated company

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), NAP does not have any subsidiary or associated company.

6.6.2 Information on HPL**(i) History and business**

HPL was incorporated in Hong Kong under the Companies Ordinance of Hong Kong on 12 August 1993 as a private limited company. HPL is principally involved in the designing, manufacturing and trading of power cord sets as well as trading of cable reels.

(ii) Share capital

HPL has an authorised share capital of HK\$10,000,000 comprising 10,000,000 ordinary shares of HK\$1.00 each, of which 8,800,000 ordinary shares of HK\$1.00 each are currently issued and credited as fully paid-up.

6. INFORMATION ON THE UMSN GROUP (cont'd)

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

Date of allotment	No. of ordinary shares of HK\$1.00 each allotted	Consideration	Cumulative issued and paid-up share capital (HK\$)
12.08.1993	2	Subscribers' shares	2
31.01.1994	9,998	Cash	10,000
12.12.1997	8,790,000	Cash	8,800,000

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), there are no outstanding warrants, options, convertible securities or uncalled capital of HPL.

(iii) Substantial shareholder

HPL is a wholly owned subsidiary of UMSN.

(iv) Subsidiary and associated company

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), HPL does not have any subsidiary or associated company.

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

7.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

7.1.1 Promoters

The direct and indirect interests of the Promoters and their respective shareholdings in UMSN after the IPO are as follows:

Promoters	Nationality/ Country of incorporation	After IPO			
		Direct		Indirect	
		No. of Shares	%	No. of Shares	%
UMSH	Malaysia	38,348,420	47.94	-	-
Paul Ip Tai Hoi	British National (Overseas)	5,362,743	6.70	38,348,420 ⁽¹⁾	47.94
Cheng Wong	Malaysian	144,794	0.18	38,348,420 ⁽²⁾	47.94

Notes:

- (1) Deemed interested by virtue of his direct shareholding in UMSH pursuant to Section 6A of the Act
(2) Deemed interested by virtue of his direct shareholding in UMSH and indirect shareholding in UMSH held via CESB pursuant to Section 6A of the Act

7.1.2 Substantial shareholders

The substantial shareholders of UMSN as at the date of this Prospectus and their respective shareholdings in UMSN after the IPO are as follows:

Substantial shareholders	Nationality/ Country of incorporation	After IPO			
		Direct		Indirect	
		No. of Shares	%	No. of Shares	%
UMSH	Malaysia	38,348,420	47.94	-	-
Paul Ip Tai Hoi	British National (Overseas)	5,362,743	6.70	38,348,420 ⁽¹⁾	47.94
Cheng Wong	Malaysian	144,794	0.18	38,348,420 ⁽²⁾	47.94
CESB	Malaysia	-	-	38,348,420 ⁽¹⁾	47.94
Dee Kim Huay	Malaysian	-	-	38,348,420 ⁽³⁾	47.94

Notes:

- (1) Deemed interested by virtue of his / its direct shareholding in UMSH pursuant to Section 6A of the Act
(2) Deemed interested by virtue of his direct shareholding in UMSH and indirect shareholding in UMSH held via CESB pursuant to Section 6A of the Act
(3) Deemed interested by virtue of her indirect shareholding in UMSH held via CESB pursuant to Section 6A of the Act

Certain Bumiputera investors may emerge as substantial shareholders of UMSN after the IPO in the event they fully subscribe to their respective allocations approved by MITI pursuant to the Offer for Sale. However, all references to the substantial shareholders in this Prospectus do not include them as they are not substantial shareholders of UMSN as at the date of this Prospectus.

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

7.1.3 Background information on Promoters and substantial shareholders**(i) Cheng Wong**

The profile of Cheng Wong, who is the Executive Chairman / Managing Director of UMSN, is enclosed in Section 7.2.2 of this Prospectus.

(ii) Paul Ip Tai Hoi

Paul Ip Tai Hoi, a British National (Overseas) aged 52, is a director and substantial shareholder of UMSH, which in turn is the substantial shareholder of UMSN.

Paul Ip Tai Hoi studied at Mateo Ricci College, Kowloon in 1971 and joined his family business, Ming Kee, thereafter. Ming Kee is principally involved in the manufacturing and trading of electrical wiring accessories. After over 20 years in the electrical wiring accessories market, he founded HPL in 1993. Since 1994, Paul Ip Tai Hoi has also invested in several other business ventures such as HPE, Gahua Electrical Appliance Manufacturing (Fenghua) Co. Ltd. and Chaojun Electrical Appliance Manufacturing (Fenghua) Co. Ltd., all of which are involved in the electrical and electronics industry.

Paul Ip Tai Hoi ventured into politics when he became a member of the 12th Ningbo Municipal Committee of Chinese People's Political Consultative Conference and President of Ningbo Municipal Association of Overseas Chinese Businessman in 2002 and 2003 respectively. Over the years, he has shared his achievements with the community in Fenghua as evidenced by the funding of road constructions and donations to various causes, including kindergartens, clinics, nursing homes, schools and libraries. In 1999, he was awarded the Honorable Citizenships by the Standing Committee of Ningbo Municipal People's Congress. Furthermore, he was honoured as a Model Loyalist by the Zhejiang Provincial People's Government in 2001.

Paul Ip Tai Hoi is the managing director of Ming Kee and sits on the board of several private limited companies including UMSH, HPE, Hang San Electrical Supplies Sdn Bhd and Supeready Company Limited.

Pursuant to a condition imposed by the SC in approving the Flotation Scheme as set out in Section 8 of this Prospectus, Paul Ip Tai Hoi had relinquished his directorships in the UMSN Group. However, he continues to act as a consultant to the UMSN Group through Ming Kee. Ming Kee had since April 1998 provided consultancy services to HPL for an annual fee of HK\$240,000 (or equivalent to RM117,552 based on an exchange rate of HK\$1.00:RM0.4898 as at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus)) payable by HPL on an annual basis.

(iii) Dee Kim Huay

Dee Kim Huay is a substantial shareholder in UMSN through her indirect shareholdings in UMSH held via CESB. She is not involved in the day-to-day operations of the UMSN Group and does not hold any executive position in the UMSN Group.

7. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL *(cont'd)*

(iv) UMSH

UMSH was incorporated in Malaysia under the Act on 9 January 1992 and is principally an investment holding company.

UMSH has an authorised share capital of RM25,000,000 comprising 23,000,000 ordinary shares of RM1.00 each and 20,000,000 Irredeemable Convertible Preference Shares ("ICPS") of RM0.10 each and an issued and paid-up capital of RM18,747,502 comprising 17,060,002 ordinary shares of RM1.00 each and 16,875,000 ICPS of RM0.10 each.

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), the Directors of UMSH and their respective shareholdings in UMSH are as follows:

Directors	←-----Direct-----→		←-----Indirect-----→	
	No. of shares	%	No. of shares	%
Cheng Wong	1,776,317	10.41	9,705,389 ⁽¹⁾	56.89
Paul Ip Tai Hoi	3,776,059	22.13	-	-
Yong Meow Fatt	227,961	1.34	-	-

Note:

(1) Deemed interested by virtue of his direct shareholding in CESB pursuant to Section 6A of the Act

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), the shareholders of UMSH and their respective shareholdings in UMSH are as follows:

Shareholders	←-----Direct-----→		←-----Indirect-----→	
	No. of shares	%	No. of shares	%
Ordinary shares				
Cheng Wong	1,776,317	10.41	9,705,389 ⁽¹⁾	56.89
CESB	9,705,389	56.89	-	-
Paul Ip Tai Hoi	3,776,059	22.13	-	-
Lee Peck Kuan	1,574,276	9.23	-	-
Yong Meow Fatt	227,961	1.34	-	-
	<u>17,060,002</u>	<u>100.00</u>		
ICPS⁽²⁾				
Cheng Wong	1,776,316	10.53	9,608,388 ⁽¹⁾	56.94
Paul Ip Tai Hoi	3,708,059	21.97	-	-
Yong Meow Fatt	227,961	1.35	-	-
CESB	9,608,388	56.94	-	-
Lee Peck Kuan	1,554,276	9.21	-	-
	<u>16,875,000</u>	<u>100.00</u>		

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

Notes:

- (1) Deemed interested by virtue of his direct shareholding in CESB pursuant to Section 6A of the Act
- (2) The ICPS holders shall at any time during the conversion period, convert all or any of the ICPS held and the shares resulting from such conversion shall rank, *pari passu*, with the existing shares of UMSH. The conversion period shall be as determined by the Board of Directors of UMSH

(v) CESB

CESB was incorporated in Malaysia under the Act on 21 January 1982 and is principally an investment holding company.

CESB has an authorised share capital of RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each, with an issued and paid-up share capital of RM3,024,000 comprising 3,024,000 ordinary shares of RM1.00 each. As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), the directors and shareholders of CESB are as follows:

Directors / shareholders	←-----Direct----->		<-----Indirect----->	
	No. of shares	%	No. of shares	%
Cheng Wong	2,088,000	69.05	936,000 ⁽¹⁾	30.95
Dee Kim Huay	936,000	30.95	-	-
	<u>3,024,000</u>	<u>100.00</u>		

Note:

- (1) Deemed interested by virtue of the direct shareholding of his spouse, Dee Kim Huay, in CESB pursuant to Section 6A of the Act

7.1.4 Directorships and substantial shareholdings in all other public corporations for the past 2 years

Based on the declarations by the Promoters and substantial shareholders of UMSN, none of the Promoters or substantial shareholders of UMSN has any directorship and/or substantial shareholding in any other public corporations for the past 2 years preceding 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus).

7.1.5 Changes in Promoters' and substantial shareholders' shareholdings in UMSN since incorporation

The changes in the direct shareholdings of the Promoters and substantial shareholders of UMSN in the Shares since incorporation are as follows:

Promoters / Substantial shareholders	Date interest acquired /disposed	No. of Shares held before acquisition/ (disposal)	Total no. of Shares acquired /(disposed)	Cumulative no. of Shares held after acquisition/ disposal	%
Tan Fong Shian @ Lim Fong Shian ⁽¹⁾	26.04.2004	-	100	100	50.00
	10.06.2004	100	(100)	-	-
Tan Ley Theng ⁽¹⁾	26.04.2004	-	100	100	50.00
	10.06.2004	100	(100)	-	-

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

Promoters / Substantial shareholders	Date interest acquired /disposed	No. of Shares held before acquisition/ (disposal)	Total no. of Shares acquired / (disposed)	Cumulative no. of Shares held after acquisition/ disposal	
				No. of Shares	%
Ong Yoke Mei ⁽¹⁾	10.06.2004	-	100	100	50.00
	15.03.2006	100	5	105	.*
Pang Chin Chong ⁽¹⁾	10.06.2004	-	100	100	50.00
	15.03.2006	100	6	106	.*
UMSH ⁽²⁾	08.09.2005	-	55,077,894	55,077,894	99.99
	15.03.2006	55,077,894	3,063,367	58,141,261	82.47
Cheng Wong ⁽²⁾	30.09.2005	-	207,960	207,960	0.31
	15.03.2006	207,960	11,566	219,526	0.31
Paul Ip Tai Hoi ⁽²⁾	30.09.2005	-	7,702,222	7,702,222	11.53
	15.03.2006	7,702,222	428,388	8,130,610	11.53

Notes:

* Negligible

(1) Substantial shareholder of UMSN

(2) Substantial shareholder and Promoter of UMSN

7.2 DIRECTORS
7.2.1 Directors' shareholdings

The direct and indirect interests of the Directors of UMSN and their respective shareholdings in UMSN after the IPO are as follows:

Directors	Designation	After IPO			
		Direct		Indirect	
		No. of Shares	%	No. of Shares	%
Cheng Wong	Executive Chairman / Managing Director	144,794	0.18	38,348,420 ⁽¹⁾	47.94
Yong Meow Fatt	Executive Director	180,000 ⁽²⁾	0.23	-	-
Dee Kok Yong	Executive Director	50,000 ⁽²⁾	0.06	-	-
Lim Peng @ Lim Pang Tun	Independent Non-Executive Director	50,000 ⁽²⁾	0.06	-	-
Lee Kok Yong	Independent Non-Executive Director	-	-	-	-

Notes:

(1) Deemed interested by virtue of his direct shareholding in UMSH and indirect shareholding in UMSH held via CESB pursuant to Section 6A of the Act

(2) Assuming full subscription of the Issue Shares allocated to, inter-alia, the eligible Directors of the UMSN Group pursuant to the pink forms allocation

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

7.2.2 Profiles

The profiles of the Directors of UMSN are as follows:

Cheng Wong, a Malaysian aged 56, was appointed to the Board on 20 October 2005 and subsequently as the Managing Director and Executive Chairman of the Group on 1 March 2006. He is also a Director and shareholder of UMSH, a substantial shareholder of UMSN.

He began his career in Seng Electric Co. ("Seng Electric"), an electrical wholesaler and distributor, in 1970 as a partner. In 1976, Seng Electric was converted to a private limited company under the name Seng Electric Co (M) Sdn Bhd ("SECSB") and he was appointed as the Managing Director of SECSB, responsible for marketing and financial management. His capacity as a Managing Director of SECSB has given him invaluable experience in the marketing of electrical products in the Malaysian market.

In 1980, Cheng Wong founded UMSE together with his business partner, Paul Ip Tai Hoi. He took on the role of Managing Director and his main responsibilities include financial planning, corporate matters, product diversification and supervision of marketing activities for both the domestic and foreign markets. To date, he has had more than 35 years experience in the electrical wiring accessories market.

In 1995, he founded UMSC, which is involved in the manufacturing of copper rods, wires and cables. Currently, Cheng Wong sits on the board of several private limited companies, including UMSC, UMSH and CESB.

Yong Meow Fatt, a Malaysian aged 53, was appointed to the Board as an Executive Director on 20 October 2005. He is also a Director and shareholder of UMSH.

He holds a Diploma in Aircraft Maintenance Engineering from Hindustan Engineering Training Center, Madras, India. He began his career in 1975 as an Aircraft Maintenance Mechanic with Malaysia Airlines System for 5 years. He then joined his family business from 1981 before joining UMSE in 1985 as a Production Supervisor.

He was appointed as the Factory Production Manager in 1989 where his overall responsibilities included supervising the production planning, production management, quality control as well as overseeing the development of new products. In 1991, he became the General Manager of UMSE where he was put in charge of overseeing UMSE's production operations, quality assurance and certification, new products development, training as well as setting up of UMSE's magnetic contactor and thermal relay production line.

Yong Meow Fatt was also appointed to the Board of Directors of UMSE and UMSC as an Executive Director in 1995, respectively. With his appointment as the Executive Director of UMSE, he assumed executive responsibilities in all technical-related aspects of UMSE's operations, including bringing in new technologies for production and setting up of new production facilities for UMSE. He was also responsible for the development of the existing range of products under UMSE. In addition, he was in charge of reviewing technical feasibility studies of current and future market trends and demands as well as ensuring compliance with regulatory standards and requirements imposed by authorities in the Malaysian and foreign markets, for all electrical wiring accessories produced by UMSE. To date, Yong Meow Fatt has approximately 21 years experience in the electrical wiring accessories manufacturing industry. He is currently assisting the Executive Chairman / Managing Director in the overall operations and business of the UMSN Group.

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

Dee Kok Yong, a Malaysian aged 30, was appointed to the Board as an Executive Director on 31 October 2005. He is also the director of NAP and NSVN and assumes the role of Marketing Manager of UMSE for the Export Division.

He obtained his Advanced Certificate in Marketing issued by the Chartered Institute of Marketing from Systematic College, Malaysia in 2000. He started off as a Marketing Executive in Aves Technology Sdn Bhd before finally leaving in 1995. He then moved on to Tanigra Marketing Sdn Bhd and served there from 1995 to 1997 as a Sales Executive for the sale of building materials for the construction industry. He joined UMSC as a Marketing Executive in 1997 where he was in charge of sales in the northern and central regions of Malaysia. In 2000, he joined UMSE as Marketing Executive in the export division and was responsible in export sales and documentation. He was promoted to the role of Marketing Manager in 2003 and is currently in charge of UMSE's export division and foreign marketing strategies.

Lim Peng @ Lim Pang Tun, a Malaysian aged 51, was appointed to the Board as an Independent Non-Executive Director on 16 March 2006.

He holds a Masters in Business Administration from the Louisiana State University, US. He is a Fellow Member of the Chartered Association of Certified Accountants (UK), a Chartered Accountant of the Malaysian Institute of Accountants and an Associate Member of the Australian Society of Certified Practising Accountants and the Chartered Institute of Management Accountants (UK).

He began his career as a Management Accountant in Tractors Malaysia Berhad in 1975. He then joined Perladang Kimia Sdn Bhd as a Financial Accountant from 1980 to 1982 and subsequently joined Arab-Malaysian Merchant Bank Berhad (now known as AmMerchant Bank Berhad) as a Corporate Finance Manager from 1984 to 1988.

He then joined Allergan Australia Pty Ltd (a multinational eye-care pharmaceuticals company based in Australia) from 1989 to 1993, as the Business & Financial Planning Manager and subsequently, Star Cruises Ltd from 1993 to 1997, as the Vice-President of Finance & Treasury Department. In 1997, he joined Affin Merchant Bank Berhad as the General Manager of Corporate Finance and then in 1998, he joined Hwang-DBS Securities Berhad as the Vice-President of Business Development.

Lim Peng @ Lim Pang Tun was an Executive Director of Pantai Holdings Berhad from 2002 to 2005. Currently, Lim Peng @ Lim Pang Tun sits on the board of Paos Holdings Berhad and Kawan Food Berhad, which are public companies listed on Bursa Securities.

Lee Kok Yong, a Malaysian aged 60, was appointed to the Board as an Independent Non-Executive Director on 16 March 2006.

He holds a Diploma in Banking from the Institute of Bankers, London and has more than 10 years experience in the banking industry. He left the banking industry in 1982 to form Malaysian Resources Credit & Leasing Sdn Bhd, a leasing company, in partnership with Malaysian Resources Corporation Bhd. He served the company until 1989 when he joined GP Autobat Sdn Bhd where he was an Executive Director from 11 December 1989 until his appointment as the Managing Director on 1 April 1994.

Currently, Lee Kok Yong is the Managing Director of GPA Holdings Berhad, a public company listed on Bursa Securities since 2000.

7. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL *(cont'd)*

7.2.3 Directors' remuneration and benefits

The aggregate remuneration and benefits paid and proposed to be paid to the Directors of UMSN for their services rendered in all capacities to the Group are RM423,360 and RM669,168 for the financial years ended/ending 31 December 2005 and 31 December 2006 respectively. The band for the Directors' remuneration and benefits is as follows:

Remuneration and benefits (Band)	← Financial year ended/ending 31 December →	
	2005	2006
	No. of Directors	No. of Directors
Below RM100,000	1	3
RM100,001 – RM200,000	1	1
RM200,001 – RM300,000	1	-
RM300,001 – RM400,000	-	1

7.2.4 Directorships and substantial shareholdings in all other public corporations for the past 2 years

Save as disclosed below, based on the declarations by the Directors of UMSN, none of the Directors of UMSN has any directorship and/or substantial shareholding in any other public corporations for the past 2 years preceding 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus).

Directors	Name of company	Directorship Date of appointment / (resigned)	Shareholdings as at 3 March 2006			
			← Direct →		← Indirect →	
			No. of shares	%	No. of shares	%
Lim Peng @ Lim Pang Tun	Pantai Holdings Berhad	Executive Director 28.11.2002 / (16.09.2005)	-	-	-	-
	Paos Holdings Berhad	Executive Director 18.05.2001	-	-	-	-
	Fountain View Development Berhad	Independent Director 29.08.2003 / (13.06.2005)	-	-	-	-
	Kawan Food Berhad	Independent Director 25.04.2005	100,000	0.12	-	-
Lee Kok Yong	GPA Holdings Bhd	Managing Director 31.05.2000	24,065,360	6.01	530,000 ⁽¹⁾	0.13

Note:

(1) Deemed interested by virtue of his spouse's direct shareholding in GPA Holdings Bhd pursuant to Section 6A of the Act

7. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL *(cont'd)*

7.3 KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL

7.3.1 Shareholdings of key management and key technical personnel

The direct and indirect interests of the key management and key technical personnel of the UMSN Group and their respective shareholdings in UMSN after the IPO are as follows:

Key management / key technical personnel	Designation	After IPO			
		Direct		Indirect	
		No. of Shares	%	No. of Shares	%
Cheng Wong	Managing Director	144,794	0.18	38,348,420 ⁽¹⁾	47.94
Yong Meow Fatt	Executive Director	180,000 ⁽²⁾	0.23	-	-
Lawrence Lee	General Manager of HPL	1,072,549	1.34	-	-
Cheng Siow Wei	Assistant to Managing Director	25,000 ⁽²⁾	0.03	-	-
Liew Set Mooi	Assistant to Managing Director	40,000 ⁽²⁾	0.05	-	-
Dee Kok Yong	Marketing Manager of UMSE (Export Division)	50,000 ⁽²⁾	0.06	-	-
Chuang Ah Chai	Marketing Manager of UMSE (Domestic Division)	40,000 ⁽²⁾	0.05	-	-
Ong Siew Hong	Factory / Production Manager of UMSE	75,000 ⁽²⁾	0.09	-	-
Chin Choon Aik	Assistant Factory Manager of UMSE	20,000 ⁽²⁾	0.03	-	-
Foo Kon Fah	Quality Assurance Manager of UMSE	25,000 ⁽²⁾	0.03	-	-
Chi Chee Pyng	Research and Development Manager of UMSE	25,000 ⁽²⁾	0.03	-	-

Notes:

- (1) Deemed interested by virtue of his direct shareholding in UMSH and indirect shareholding in UMSH held via CESB pursuant to Section 6A of the Act
- (2) Assuming full subscription of the Issue Shares allocated to, inter-alia, the eligible Directors and employees of the UMSN Group pursuant to the pink forms allocation

7. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL *(cont'd)*

7.3.2 Profiles

The profiles of the key management and key technical personnel of the UMSN Group are as follows:

Lawrence Lee, a British National (Overseas) aged 37, is the General Manager of HPL. He obtained his degree in Computer Science from the University of Toronto in 1994. He started his career in HPL in 1994 where he helped to set up HPL's plant in Dongguan, China and was the plant manager for 3 years. In 1997, he then moved on to become the Executive Director for HPL where he was responsible for the day-to-day management of HPL as well as local and export sales of HPL within and outside of Hong Kong. To date, he has had almost 10 years experience in the electrical and electronics industry. He relinquished his position as the Executive Director of HPL on 14 November 2005 and assumed his current position of General Manager in HPL on the same day.

Liew Set Mooi, a Malaysian aged 45, is the Assistant to the Managing Director. She joined UMSE in 1988 as an Accounts Executive and Financial Controller. Prior to this, she was attached to South Engineer Sdn Bhd from 1980 to 1982 and Sentak Elektrik Sdn Bhd from 1983 to 1987 where she held the position of general clerk and accounts executive respectively. She graduated from Guan Institute in 1982 with a Certificate in Intermediate Book Keeping. She assists the Managing Director in the administration of all investment and business diversification projects of UMSE.

Cheng Siow Wei, a Malaysian aged 29, is the Assistant to the Managing Director. She started her career in 2000 as a Sales Executive in UMSE. From there she moved on to become the Assistant to the Managing Director in 2004 where she assists the Managing Director in the administration of all investment and business diversification projects of UMSE. She is also a director of NSVN.

Chuang Ah Chai, a Malaysian aged 51, holds the position of Marketing Manager in UMSE for the Domestic Division where he is responsible for all local sales. He began his career in Shanghai Book Store in 1973 as a sales personnel in charge of marketing where he served in that capacity for 2 years. In 1975, he moved on to Goodeast Sdn Bhd and subsequently to Muntaz Sdn Bhd in 1979 where he was responsible for sales of vehicles to both the commercial and industrial markets. Having gained valuable sales experience from these various jobs, he then moved on to Ace Electrical Sdn Bhd in 1983 where he served as a Sales Representative. After 4 years, he left Ace Electrical Sdn Bhd and took on the job as a Marketing Executive in UMSE. He was promoted to the position of Marketing Manager for the Domestic Division in 1995.

Ong Siew Hong, a Malaysian age 45, holds the position of Factory/ Production Manager in UMSE. She began her career in Syarikat Letrik International as an accounts clerk in 1980. In 1981, she joined UMSE as an accounts clerk with responsibilities ranging from office administration to purchasing. She then decided to continue with her studies while working and graduated from Goon Institute, Kuala Lumpur in 1982 with a Higher Diploma in Accounting and Administration. In 1995, she was promoted to the position of secretary to the Managing Director. Between 1998 and 2000, she was the Export Manager and her responsibilities include sourcing for customers in the overseas markets. She was promoted to her current position of Factory / Production Manager in 2001 and is responsible for taking charge of the production processes of UMSE's range of electrical wiring accessories. Her responsibilities as a Factory / Production Manager include overseeing the manufacturing facility's production targets, plant productivity, inventory system, cost control, manpower and quality assurance.

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

Chin Choon Aik, a Malaysian aged 36, holds the position of Assistant Factory Manager in UMSE. He graduated from the Malaysian Institute of Training and Development in 1994 with a Diploma in Business Management and obtained a Diploma in Production and Operation Management from University Malaya in 2005. He began his career in 1992 in Advance Cable (M) Sdn Bhd where he took on the position of Quality Assurance Supervisor. He was in charge of managing a team of quality control personnel and was responsible for ensuring adherence to the quality control standards. He subsequently moved on to Ho Wah Genting Berhad in 1994 as a Quality Assurance Executive and worked his way up to the position of Production Manager in 1998. He joined UMSE in 1999 and was subsequently transferred to UMSE in 2003 and is now in charge of production planning.

Foo Kon Fah, a Malaysian aged 58, is the Quality Assurance Manager in UMSE. He began his career in SIRIM Berhad ("SIRIM") as a Senior Research Assistant from 1971 to 1992. There, he played a significant role in propelling SIRIM's research and development initiatives such as the streamlining of production processes to improve production efficiency as well as researching on plastics and rubber. He pursued his studies during his tenure at SIRIM and graduated with a Diploma from the Plastics and Rubber Institute of England in 1984. He joined UMSE in 2000 and initiated the planning and certification of UMSE under the ISO Quality System. He is currently in charge of overseeing quality control initiatives undertaken by UMSE, development of quality control procedures and management of the quality control team.

Chi Chee Pyng, a Malaysian aged 38, is the Manager of the Research and Development Department in UMSE. He graduated from the Institute of Engineering Technology, Malaysia in 1991 with a Diploma in Mechatronic Engineering. He also possesses an Electronics Certificate which he obtained from Pusat Elektronik Wilayah (PEW), and a qualification in Electrical Engineering which he obtained from the City & Guild Institute of London in 1992.

He began his career in CPT (M) Sdn Bhd in 1991 as a Production Engineer where he served in that capacity for 6 years. He then joined TAS Acrylic Sdn Bhd in 1997, where he was promoted to become the Production Manager to oversee the entire manufacturing facility. In 2000, he joined UMSE as a Senior Product Development Executive and was promoted in 2003 to head the Research & Development Department. He is currently in charge of all R&D activities in UMSE.

Please refer to Section 7.2.2 of this Prospectus for profiles on Cheng Wong, Yong Meow Fatt and Dee Kok Yong respectively.

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

7.4 INVOLVEMENT IN OTHER BUSINESSES/CORPORATIONS

As at 3 March 2006 (being the latest practicable date prior to the printing of this Prospectus), based on the declarations from the Executive Directors of the Company and the key management as well as key technical personnel of the UMSN Group, none of the Executive Directors, key management and key technical personnel are involved in any other business or corporations, save as disclosed below:

Name	Name of company	Directorship Date of appointment / (resigned)	Shareholdings				Principal activities
			Direct		Indirect		
			No. of shares	%	No. of shares	%	
Cheng Wong	UMSH	Managing Director / 09.01.1992	1,776,317	10.41	9,705,389 ⁽¹⁾	56.89	Investment holding
	CESB	Managing Director / 21.01.1982	2,088,000	69.05	936,000 ⁽²⁾	30.95	Investment holding
	UMSC	Managing Director / 07.04.1995	-	-	8,270,750 ⁽³⁾	68.92	Manufacturing of copper rods, wires and cables
	Uni-Channel Enterprise Sdn Bhd	Director / 28.12.1992	1	33.33	-	-	Dormant
	Neiken Switchgear (UK) Pte Ltd	-	2,999	99.97	-	-	Dormant
	Shumac Manufacturing Sdn Bhd	Director / 22.08.1997	1	33.33	-	-	Dormant
	UMS-Universal Marketing Sdn Bhd	Director / 05.03.1985	70,001	99.99	1 ⁽²⁾	*	Dormant
	Cico Electrical Industries Sdn Bhd	Director / 03.10.1979	1	*	-	-	Dormant
	United MS Electronics Mfg. Sdn Bhd	Director / 14.04.1995	-	-	-	-	Dormant
Lesor Sales & Marketing Sdn Bhd	-	-	-	43,500 ⁽³⁾	31.07	Dormant	
Yong Meow Fatt	UMSH	Executive Director / 16.01.2004	227,961	1.34	-	-	Investment holding
	UMSC	Executive Director / 07.04.1995	1	*	-	-	Manufacturing of copper rods, wires and cables
	Uni-Channel Enterprise Sdn Bhd	Director / 03.08.2001	1	33.33	-	-	Dormant
	United MS Electronics Mfg. Sdn Bhd	Director / 14.04.1995	65,000	65.00	-	-	Dormant
	Neiken Switchgear (UK) Pte Ltd	Executive Director / 07.08.2003	1	*	-	-	Dormant

7. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL *(cont'd)*

Name	Name of company	Directorship Date of appointment / (resigned)	Shareholdings				Principal activities
			Direct		Indirect		
			No. of shares	%	No. of shares	%	
Lawrence Lee	Brilliant Dragon Limited	-	7,000	70.00	-	-	Property investment

Notes:

* *Negligible*

- (1) *Deemed interested by virtue of his direct shareholding in CESB pursuant to Section 6A of the Act*
- (2) *Deemed interested by virtue of his spouse, Dee Kim Huay's direct shareholding in the respective companies pursuant to Section 6A of the Act*
- (3) *Deemed interested by virtue of his direct shareholding in UMSH and indirect shareholding in UMSH held via CESB pursuant to Section 6A of the Act*

However, they allocate majority of their time in the UMSN Group.

7.5 DECLARATIONS FROM DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL

None of the Directors, key management or key technical personnel of the UMSN Group is or was involved in the following events (whether in or outside Malaysia):

- (i) a petition under any bankruptcy or insolvency laws which was filed (and not struck out) against such person or any partnership in which he was a partner or any company of which he was a director or key management;
- (ii) conviction in a criminal proceeding or is a named subject of a pending criminal proceeding; or
- (iii) the subject of any order, judgement or ruling of any court of competent jurisdiction, tribunal or government body permanently or 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.

7.6 AUDIT COMMITTEE

The composition of the Audit Committee is as follows:

Name	Designation	Directorship
Lim Peng @ Lim Pang Tun	Chairman	Independent Non-Executive Director
Lee Kok Yong	Member	Independent Non-Executive Director
Cheng Wong	Member	Executive Chairman / Managing Director

The Audit Committee is responsible for the recommendation to the Board regarding the selection of the external auditors, reviewing the results and scope of the audit and other services provided by the Group's external auditors and reviews and evaluates the Group's internal audit and control functions. The Audit Committee is also responsible for the assessment of financial risk and matters relating to related party transactions and conflict of interests. The Audit Committee may obtain advice from independent parties and other professionals in the performance of its duties.

7. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL *(cont'd)*

7.7 FAMILY RELATIONSHIP OR ASSOCIATIONS

Save as disclosed below, there are no family relationship or association between/amongst the substantial shareholders, Promoters, Directors, key management and key technical personnel of the UMSN Group:

Cheng Wong, a Director, Promoter and substantial shareholder of UMSN is:

- (i) the spouse of Dee Kim Huay, who is a substantial shareholder of UMSN;
- (ii) the brother-in-law of Yong Meow Fatt, who is an Executive Director of UMSN;
- (iii) the father of Cheng Siow Wei, who is a key management of the UMSN Group; and
- (iv) the uncle of Dee Kok Yong, who is an Executive Director of UMSN.

7.8 SERVICE AGREEMENTS

None of the Directors, key management or key technical personnel of the UMSN Group has any existing or proposed service contracts with UMSN or its subsidiaries.

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8. APPROVALS AND CONDITIONS

8.1 CONDITIONS ON APPROVALS FOR THE FLOTATION SCHEME

The Flotation Scheme has been approved by the following relevant authorities:

- (i) SC vide its letter dated 18 April 2005;
- (ii) SC (under the FIC Guidelines) vide its letter dated 18 April 2005; and
- (iii) MITI vide its letter dated 19 October 2004.

Bursa Securities had on 21 October 2004, granted UMSN the approval-in-principle for, *inter-alia*, the Listing.

Under the FIC Guidelines, the SC, *vide* its letter dated 18 April 2005, noted that upon implementation of the Flotation Scheme, the equity structure of UMSN would change as follows:

	Before Flotation Scheme (%)	After Flotation Scheme ⁽¹⁾ (%)
Bumiputera	-	30.00
Non-Bumiputera	100.00	60.62
Foreign	-	9.38
Total	100.00	100.00

Note:

(1) Assuming no Bumiputera or foreign investors subscribe for the new Shares pursuant to the Public Issue

The SC had *vide* its letters dated 19 October 2005 and 21 February 2006 granted UMSN the first and second extension of time to 18 February 2006 and 31 May 2006, respectively, to complete the Flotation Scheme. Further, the SC had *vide* its letter dated 22 March 2006 approved the dividend payout by UMSE to UMSN based on its post-acquisition earnings from 1 September 2005 to 31 December 2005 and subsequently a dividend payment by UMSN to its shareholders, as set out in Section 6.3(ii) of this Prospectus.

The conditions imposed by the SC, MITI and Bursa Securities as well as their respective status of compliance are set out below:

Authority / details of conditions imposed

Status of compliance

Conditions imposed by the SC vide its letter dated 18 April 2005.

- (i) The shareholders of UMSN, as set out below, are not allowed to sell, transfer or assign their shareholdings amounting to 45% of the enlarged issued and paid-up capital of UMSN for 1 year from the date of listing on the Second Board of Bursa Securities:

	Shareholdings after Offer for Sale and Public Issue		Shareholdings under moratorium	
	No. of Shares	%	No. of Shares	%
UMSH	38,348,420	47.94	29,689,234	37.11
Paul Ip Tai Hoi	5,362,743	6.70	4,151,820	5.19
Lawrence Lee	1,072,549	1.34	830,364	1.04
Andrew Pang Chun Yue	1,072,549	1.34	830,364	1.04
Mah Chin Heng	321,764	0.40	249,109	0.31
Cheng Onn	176,970	0.22	137,010	0.17
Cheng Wong	144,794	0.18	112,099	0.14
	46,499,789	58.12	36,000,000	45.00

The undertaking letters from the relevant shareholders of UMSN, UMSH and CESB have been furnished to the SC on 23 March 2006.

8. APPROVALS AND CONDITIONS (cont'd)

Authority / details of conditions imposed	Status of compliance
In this regard, the ultimate shareholders of UMSH should provide undertakings that they will not sell, transfer or assign their shareholdings in the private company during the moratorium period, as specified under paragraph 6.24(b) of the SC Guidelines;	
(ii) The substantial shareholders, promoters and directors of the UMSN Group should provide undertakings that they shall not, in future, be involved in any businesses which will compete directly or indirectly or be in conflict with the existing business of the UMSN Group;	Complied. The undertaking letters have been furnished to the SC on 23 March 2006.
(iii) The substantial shareholders, promoters and directors who are involved in full-time capacity in the UMSN Group should not be involved in full-time capacity in their personal businesses;	Complied. The undertaking letters have been furnished to the SC on 23 March 2006.
(iv) All future transactions between the UMSN Group and companies related to the substantial shareholders, promoters and directors should be on arm's length basis and should not be unfavourable to the UMSN Group. The Audit Committee of UMSN should monitor and the directors should report such transactions in the annual report of UMSN;	To be complied.
(v) With regard to the trade debtors, UMSN should:	
(a) Fully disclose in the listing prospectus the debtors' position, the ageing analysis and for amounts exceeding the credit period, comments by the directors on the recoverability of the amount;	Complied. Please refer to Section 11.1.6 of this Prospectus.
(b) Make full provision for all overdue trade debtors which are in dispute or under legal action, or for amounts which have been outstanding for more than 6 months. The directors of UMSN should confirm to the SC that this condition has been complied with prior to the issuance of the prospectus; and	Complied. The confirmation letter has been furnished to the SC on 23 March 2006.
(c) Submit a declaration by its directors to the SC that trade debtors exceeding the credit period which have not been provided for as doubtful debts, excluding those under paragraph (v)(b) above, are recoverable;	Complied. The declaration has been submitted to the SC on 23 March 2006.
(vi) UMSE should discharge itself from the guarantee extended to UMSC, a company controlled by its substantial shareholder, prior to the proposed acquisition of UMSE by UMSN;	Complied. The confirmation letter has been furnished to the SC on 23 March 2006.
(vii) All amounts owing by directors, substantial shareholders and companies related to them should be settled prior to the issuance of the prospectus;	Complied. UMSN has <i>vide</i> its letter dated 27 March 2006 confirmed that all non-trade debts owing to the Group by the Directors and substantial shareholders of the Company and companies related to them as at 31 December 2005 have been settled.