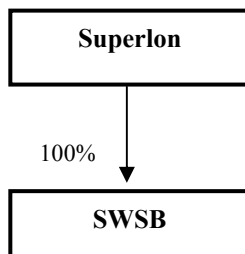


6.0 BUSINESS OVERVIEW

6.1 Introduction

6.1.1 Corporate Structure

The corporate structure of our Group as well as the principal activities of the companies within our Group are summarised below:-



Company	Principal Activities
Superlon	Investment holding and provision of management services.
SWSB	Design, test and manufacture of thermal insulation materials mainly for the HVAC&R industry and trading of HVAC&R parts and equipments.

Further details of our Group are set out in Section 7 of this Prospectus.

6.1.2 Our Vision Statement

To contribute to the overall reduction in energy consumption of households and businesses in Malaysia and the region through provision of thermal insulation products thereby improving the profitability of businesses and reducing the expenses of households.

6.1.3 Our Mission Statement

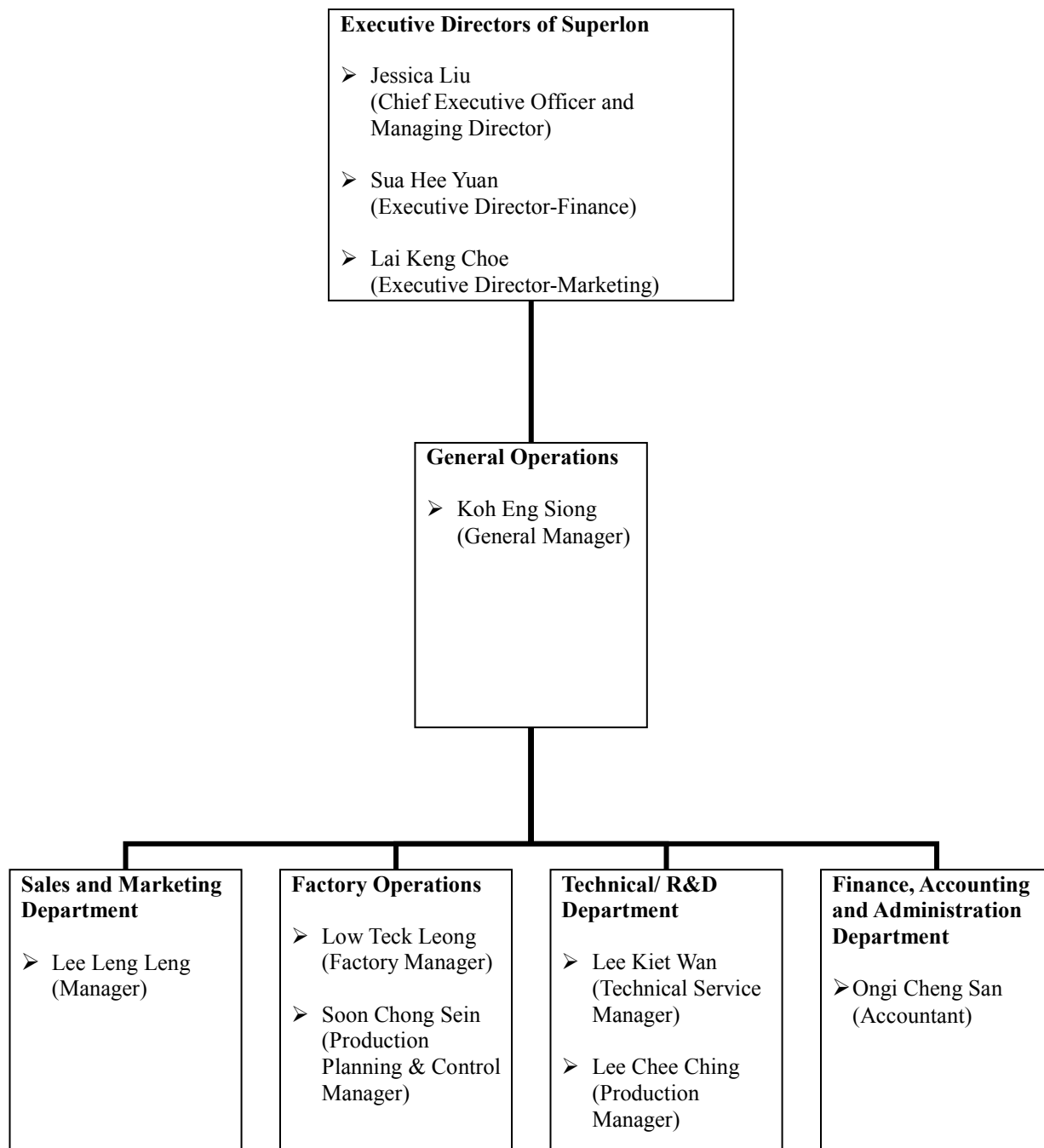
- (a) To be globally recognised as a manufacturing company that produces high quality thermal insulation materials for both households and businesses;
- (b) To continuously be innovative on the applications of elastomeric nitrile rubber across other industries; and
- (c) To build a global brand name within the thermal insulation industry.

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6.0 BUSINESS OVERVIEW (Continued)

6.1.4 Management Organisation Structure

Our management organisation structure is principally based on functionality headed by our Executive Directors and key management personnel. As at the Latest Practicable Date our management organisation structure is as follows:-



Further details on our Directors and key management personnel are set out in Section 8 of this Prospectus.

6.0 BUSINESS OVERVIEW *(Continued)*

6.1.5 Business History

Our business beginning can be traced back with the incorporation of SWSB (then under the name Villa Mutiara Sdn Bhd) in 1992 to manufacture NBR thermal insulation materials. After getting the required product testing certification from the relevant certification bodies, we commence our manufacturing business in 1993 with a rented factory in Balakong with 2 production lines producing mainly NBR thermal insulation materials for the HVAC&R industry under our brand name 'Superlon' and some as rubber grips for sports equipment.

During the first few years of our commencement of business most of our sales were to overseas market where we had exported to about 10 countries. Since then our business grew and up to the year 1996, our export market expanded to about 25 countries.

To commensurate the growth of our business, we bought a newly built factory in Klang in 1996, which was our previous headquarters. We shifted all our operations from our rented factory to our newly acquired factory and added a new production line increasing our production line total to 3 productions lines in the same year.

In 1998, we achieved ISO 9002 certification for our QMS for the development and manufacture of nitrile rubber insulation material for air-conditioning and refrigeration systems reflecting the acceptance of international standard practices for our development and production of NBR thermal insulation materials.

In the year 2000, after undertaking R&D activities to identify further opportunities to expand our manufactured product range, we achieved the production of Class O NBR thermal insulation materials which has a higher fire rating classification for use in high rise buildings or environments requiring higher class fire rating.

In recognition of the opportunity for our business to be a one-stop solutions provider for the HVAC&R market especially for our network of HVAC&R dealers in Malaysia and to further expand and diversify our business we commence our trading business of HVAC&R parts and equipment initially with two major products of refrigerant gas and compressor in the year 2002. In addition, during the year, we started producing exercise mats based on our NBR thermal insulation materials after successfully undertaking R&D activities to identify further opportunities to expand our manufactured product range.

Since our shift of operations in 1996, our business grew further culminating in us increasing our production lines in year 2003 to 4 lines by which time we have exported to about 45 countries worldwide.

In 2004 in anticipation of further business growth, we bought a piece of land together with a factory building in the midst of building completion in close proximity to our factory. Our new factory, which is our current headquarters, was completed in 2005 and during the year 2005 we were awarded the 'Outstanding SME Golden Bull Award', which is bestowed on SMEs that are rising fast, or making a big impact on the business world in recent years an indication or recognition of us as one of the top Malaysian SMEs for outstanding performance and achievements.

In 2006, we achieved an upgrade for our QMS ISO certification for the development and manufacture of nitrile rubber insulation material for air-conditioning and refrigeration systems certification from ISO 9002 to ISO 9001 and also achieved ISO 14001 certification to certify that our EMS for the development and manufacture of nitrile rubber insulation material for air-conditioning and refrigeration systems has been approved to the EMS Standards of ISO 14001:2004, EN ISO 14001:2004, BS EN ISO 14001:2004 and MS ISO 14001:2004.

6.0 BUSINESS OVERVIEW (Continued)

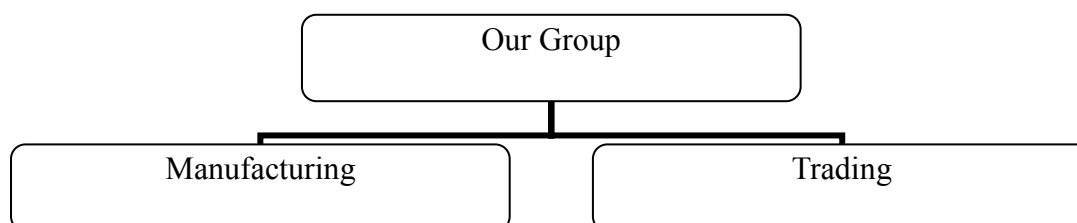
In anticipation of further growth potential for our business, during the year 2006, we further increased our production lines with 1 new line in our old factory and 1 new line for our new factory resulting in our production lines at present totalling 6 lines. Additionally, with the acquisition of a new high precision cutting machine during the year and realising the potential opportunity to be a one-stop materials provider for our converter customer base, we started to offer specifically cut foams of various insulation materials with various precise sizes as our new business venture.

Also during the year 2006, we were awarded the 'Excellence Brand – Asia Pacific International Entrepreneur Award' an award nominated to strong and stable businesses in the market, and those with excellent performance in all areas or which have pioneered and made significant contributions towards society.

At present we have a network of dealers and distributors in 56 countries around the world and we export to 55 countries. Our trading products range has also expanded to include various parts and equipment for the HVAC&R market.

6.2 Business Activities

Our Group's business activities can be segregated into two (2) divisions as follows:-



6.2.1 Core Activity - Manufacturing

Under our manufacturing division, our main activity is the manufacture of NBR thermal insulation products or materials. NBR is a form of synthetic rubber, which is a type of artificially-made polymer material that acts as an elastomer. An elastomer is a material with the mechanical (or material) property that it can undergo much more elastic deformation when under stress than most materials, yet still return to its previous size without permanent deformation. Synthetic rubber serves as a substitute for natural rubber in many cases, especially when improved material properties are needed. The following is a list of synthetic rubbers used in various industries:-

Nitrile rubber (NBR)	-	It is the most common polymer for products that are in contact with oil and fuel.
Ethylene-propylene rubber (EDM/EPDM)	-	This is used for various purposes e.g. for manufacture of the sheeting used at high temperatures, EPDM is used. Since ethylene-propylene rubber does not crack outdoors (good ozone resistance) it is widely used for seals in buildings and in the automotive industry.

The shelf life for NBR raw materials is approximately two (2) years from the date of manufacture.

6.0 BUSINESS OVERVIEW *(Continued)*

Recent manufacturing service activity

With the acquisition of a new high precision cutting machine during the year 2006 and realising the potential opportunity to be a one-stop foam based insulation materials provider for our existing converter customer base (please refer to Section 6.3.1 for the various category of our customer base) whom we supply with our NBR thermal insulation materials, we started to offer specifically cut foams of various insulation materials with various precise sizes to these converters as our new business venture.

The range of foam based insulation materials are mainly used for vibration, sound and cushioning insulation mainly for electronic and motor vehicles components to our existing converter customer base who supply such products as an OEM to manufacturers of electronic components and motor vehicles (please refer to Section 6.2.1.3 for further details).

Our converting activity mainly involves the supply of readily cut and slit foam based insulation materials by utilising our recently acquired high precision slitting machine.

The opportunity for such manufacturing or converting activity arises as most of our converter customer base, which at present amounts to a total of 46 converters, are small to medium sized entities and do not have such precise cutting machines and thus rely on manufacturers to provide a more precise cut for their input foam insulation materials. Most primary manufacturers of such foam insulation materials like us supply the products in standard sizes thus not meeting the actual requirements of such converters, as they usually require a more precise cut and sizes for their products.

This presents an opportunity for manufacturers of foam based insulation materials like us who owns such precise cutting machines to utilise our precise cutting machines during its idle time (whilst in wait for batches from main production lines to reach the cutting point if required) for such converting or cutting activity.

Based on the audited financial statements for FPE 30 November 2006, we have managed to secure RM0.972 million worth of orders for such other foam based insulation materials and we expect our results for the FYE 30 April 2007 to include some contributions from this new business venture.

6.2.1.1 Key Characteristics of our Manufactured NBR Thermal Insulation Materials

NBR is a synthetic rubber with special physical and chemical properties such as:

- Good oil and chemical resistance;
- Good electrical insulation; and
- Excellent flexibility at both high and low temperatures.

A concoction of NBR (in its raw material form of a dry rubber product), with additional ingredients such as reinforcement fillers, plasticisers, protectants, and vulcanisation packages will produce the desired end core products of our Group namely, NBR insulation materials.

Our NBR insulation materials possess a low thermal conductivity (K-value) which makes it highly efficient and effective in the thermal insulation of cooling and heating systems. Its thermal blister closed-cell structure creates an impermeable layer of vapour moisture barrier hence making it resistant to material disintegration and prevents pipe corrosion. The insulation material can withstand temperatures in the range of -40°C and 105°C and is capable of self extinguishing due to the addition of chemical additives. Under an open flame, the material will carbonize to form a fire barrier.

Our NBR insulation materials also possess excellent ozone and ultraviolet resistance. Adding to that, it is not reactive to most chemical agents and does not oxidise with pipe metals. It does not cause skin allergy and is absolutely free from environmentally harmful chemical agents such as CFC, asbestos, chlorine and fibre.

6.0 BUSINESS OVERVIEW *(Continued)*

Its inherent flexibility has also made it easier, faster and more economical during installation while on the other hand, it can withstand tearing, rough handling and severe site conditions due to its durability. In terms of space needed, due to its low thermal conductivity thus less insulation material required for insulation, our NBR insulation products only require a thin wall for installation of the insulation materials as compared to other types of insulation. Its smooth surface also gives the finished installation a neat and aesthetic appearance and typically, no coating is necessary on indoor installation.

Further, due to its elastic sponge-like texture our NBR insulation materials also provide an impact absorbent and soft-feel effect and can provide vibration and noise suppression or insulation.

Our NBR thermal insulation materials have also been tested and accredited by various certification bodies worldwide which include Warringtonfire, UL, PSB, CSIR, SGS, SIRIM and BOMBA.

6.2.1.2 Industry Applications

Arising from its key characteristics and nature, as at the Latest Practicable Date, our NBR insulation products has been able to provide thermal insulation for the HVAC&R industries and / or systems for application areas including hot and cold water services, chilled water lines, heating systems, air conditioning ductwork and refrigeration pipe work and ancillary equipment.

The shelf life for NBR thermal insulation manufactured products used for HVAC&R industry is approximately five (5) years from the date of manufacture but also depends on the external environment of application.

Based on information from our local dealers and overseas distributors, some of the landmark buildings of which the HVAC&R system have been insulated (in full or in part) with our NBR thermal insulation products are set out below:-

Country	Building / City
Malaysia	<ol style="list-style-type: none"> 1. Palace of Golden Horse Hotel / Kuala Lumpur 2. Mid Valley Shopping Mall / Kuala Lumpur 3. Ascott Building / Kuala Lumpur (service apartment) 4. Mandarin Oriental Hotel / Kuala Lumpur 5. KLCC Convention Center / Kuala Lumpur 6. Menara Telekom / Kuala Lumpur
Japan	<ol style="list-style-type: none"> 1. Sharp TV Factory / Nagoya 2. Nagoya Hospital Project / Nagoya
Korea	<ol style="list-style-type: none"> 1. Homeplus Tesco building / Seoul and other major cities (shopping mall) 2. E-mart AirportCity / Kimpo (shopping mall)
India	<ol style="list-style-type: none"> 1. The Sheraton Hotel / Bombay
Middle East	<ol style="list-style-type: none"> 1. Medinat Jumeirah / Dubai (Hotel) 2. F1 Circuit Buildings / Bahrain

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6.0 BUSINESS OVERVIEW *(Continued)*

In addition, other application areas for our NBR insulation products at present, apart from thermal insulation for HVAC&R industry are as follows:-

- (i) vibration, heat and sound insulation and cushioning rubber for electronic components;
- (ii) heat/cold insulation as well as vibration and noise suppression for automotive industry,
- (iii) to insulate specific areas of furniture for vibration insulation and cushioning purposes;
- (iv) sports equipment that utilises rubber such as grips and handles, and exercise mats; and
- (v) foamed pipes for ornamentals and toys and other rubber replaceable applications.

The competing or substitutes products for these applications are other foam based insulation materials such as EPDM, XLPE and PE. The shelf life for NBR thermal insulation manufactured products used for other insulation applications from the date of manufacture would be subject to the conditions of the applications.

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6.0 BUSINESS OVERVIEW *(Continued)***6.2.1.3 Product Range**

The end products of our Group's NBR insulation material are primarily in two forms, namely tubing and sheets (rolled and/or unrolled or flat sheets) and are available in various colours. Further details on our Group's existing core product range as at the Latest Practicable Date are set out below:-

Product category	Description and Application
<p><i>Primary Forms (extruded forms)</i></p> <p>Tubing</p>	<p>Available as Class O and Class 1 and comprise various sizes in terms of wall thickness, inner and outer diameter and density for insulating copper or steel tubes used mainly for:-</p> <ul style="list-style-type: none"> ▪ household air-conditioners and refrigerators; ▪ industrial air-conditioners such as used in hotels, airports, hospitals, offices, certain electronic factories, shopping complexes, underground mining premises, train stations, shipyards, ships, indoor stadium, exhibition halls and other commercial properties; ▪ industrial refrigerators and refrigerant lines such as used by frozen food manufacturers, supermarkets and liquid gas producers; ▪ hot or cold piping systems such as used in shipping vessels, factories with chilling or heating systems, hotels, airports, hospitals, offices, certain electronic factories, shopping complexes, underground mining premises, train stations, shipyards, ships, indoor stadium, exhibition halls and other commercial properties; and ▪ as rubber grips for sports equipment and as toys.
<p>Sheets (rolled or flat sheets)</p>	<p>Available as Class O and Class 1 and as open cell or closed cell. Comprise various sizes in terms of wall thickness, length, width and density for insulating various shapes and sizes of surfaces such as mainly:-</p> <ul style="list-style-type: none"> ▪ air-ducts of industrial air-condition and ventilation systems such as used in hotels, airports, hospitals, offices, certain electronic factories, shopping complexes, underground mining premises, train stations, shipyards, ships, indoor stadium, exhibition halls; ▪ industrial refrigerators such as used by frozen food manufacturers, supermarket and liquid gas producers; ▪ hot or cold piping systems such as used in shipping vessels, factories with chilling or heating systems, hotels, airports, hospitals, offices, certain electronic factories, shopping complexes, underground mining premises, train stations, shipyards, ships, indoor stadium, exhibition halls; and ▪ can be further cut and prepared for insulating building's roofs, walls and floors for sound and thermal insulation, motor vehicle's bonnets and other key areas for thermal, sound and vibration insulation, electronic components for cushioning, vibration and thermal insulation, specific areas of furniture for cushioning purposes.
<p><i>Secondary Forms (cut and prepared for specific applications from sheet form)</i></p> <p>Aluminium Rubber</p>	<p>Similar to rolled sheet above with the addition of a layer of aluminium foil attached to one of the surface for lower water permeability, higher fire and UV resistance and thermal insulation.</p>
<p>Adhesive Rubber</p>	<p>Similar to rolled sheet above with the addition of a layer of adhesive to one of the surface for quick and easy installation on insulating surfaces.</p>

6.0 BUSINESS OVERVIEW (Continued)

Product category	Description and Application
Gasket Tapes	Similar to adhesive rubber above but cut into smaller widths for quick and easy installation on two (2) joining ends of connecting insulating surfaces.
Foam Tapes	Similar to adhesive rubber above but cut into small widths for quick and easy installation on two (2) joining ends of connecting insulating materials.
<i>Other ready used forms</i>	
Exercise Mats	Similar to rolled sheet above but only as Class 1 and closed cell form with the addition of aesthetic designs and patterns to be used as exercise mats, yoga mats and other similar purposes. Currently, we are manufacturing exercise mats for a few companies including a German-based company namely, Royalbeach Spiel & Sportartikel Vertriebs GmbH which market their mats under the brand name, Royalbeach.
Fitness Equipment Rubber Products (e.g. handles and grips)	Similar to tubing above but only as Class 1 with the addition of aesthetic designs and patterns to be used as hand grips for sports equipment or ornamental toys and other similar purposes. Currently, we are manufacturing the products for a few companies who assemble sports equipment.

All our NBR products in primary and secondary forms that are sold directly to our dealers and distributors are traded under either one of our brand names for our NBR thermal insulation products of "Superlon", "Supermax" and "Allflex" depending on the location of the market.

For our converting activity, some of the other foam based insulation materials we intend to offer to supply (apart from NBR thermal insulation materials as it is also a foam based insulation material) include the following:-

Category of foam material	Description and Application
EPDM	Primarily used for insulating motor vehicles' audio speaker gaskets, air-conditioner gasket for sound insulation
EVA conductive / ESD	Primarily used for insulating electrical products for the prevention of electrical currents flow to contact surfaces
Cork	Primarily used as placeholders for cups, hot plates etc and as vibration insulation for building floors
Neoprene / CR	Primarily used for insulating motor vehicles' engine gaskets and electrical components gaskets for thermal insulation
PE buns	Primarily used as placeholders for carton or box packaging to prevent physical damage of fragile items
High resilient sponge (NBR plus EVA)	A high resilient foam primarily used for die cut tooling, the base of sports shoes for cushioning and better bouncing effect

The above are the main category or types of products. Each type comprises various specifications such as in terms of open cell or close cell structure, density and tensile strength.

Using our high precision cutting and slitting machine, the foam-based insulation materials above are available at any size or dimension as required by our converter customers and as able to be produced by our high precision cutting machine.

6.0 BUSINESS OVERVIEW *(Continued)*

6.2.2 Secondary Activity - Trading

In addition to the manufacturing of thermal insulation materials, we are also involved in trading of HVAC&R parts and equipments. As at the Latest Practicable Date, the existing product ranges for our trading business include the following:-

Product category	Description and Application
Copper tubes, fittings and driers	Available in various sizes. Primarily used in air conditioning and refrigeration field service applications and its size is designated by the actual outside diameter. It is a seamless copper tube produced to a standard range of sizes and to special internal cleanliness and dehydration requirements, normally furnished in soft temper coils and with ends capped or sealed. Some of the copper tubes we trade are sold under our brand name "SuperTube" .
Refrigerant gas	It is a refrigerant product and is normally used in air-conditioning and refrigeration field service applications for industry, commerce and households. It reciprocates compressors as refrigerant in air-conditioning system of such industry, commerce and households. Some of the refrigerant gas we trade are sold under our brand name "SuperKool" .
Refrigerator compressor, vacuum pump and motor fan	Primarily used in air conditioning and refrigeration field service applications as spare parts for replacement of damaged or expired parts.
Temperature controller, Digital thermometer and Halogen leak detector	Primarily used in air conditioning and refrigeration field service applications as tools and equipment for such service providers.
Other tools	Comprise various products relating to be used in air conditioning and refrigeration field service applications as tools and equipment for such service providers or as spare parts for replacement of damaged or expired parts.

Our traded products are supplementary products to our Group's NBR thermal insulation products dealer customer base who supplies HVAC&R thermal insulation materials and HVAC&R parts and equipment to air conditioning and refrigeration field service applications providers i.e. household, industrial or commercial air conditioner, freezer and refrigerator service and repair contractors.

We had started our trading activity in view of the opportunity to be a one-stop solutions provider for our existing dealer customer base who provides for such HVAC&R market especially in Malaysia. In Malaysia, there are not many producers of HVAC&R parts and equipments and as such most products required for the Malaysian market are sourced from overseas suppliers thus resulting in local HVAC&R dealers needing to source their supplies from various suppliers.

As we supply most of our NBR thermal insulation to these HVAC&R dealers, by being able to offer a whole wide spectrum of HVAC&R parts and equipment as well, our network of dealers would not need to source such items from the various suppliers. This also create opportunity for us to penetrate the local market share of our local competitor for NBR thermal insulation materials who may not supply such HVAC&R parts and equipment as most dealers who supply a certain brand of NBR thermal insulation material would not deal with other competing brand of NBR thermal insulation material.

6.0 BUSINESS OVERVIEW (Continued)

This strategy also bode well and support our various marketing strategy such as the dealer's yearly loyalty and sales target programmes where discounts are given in the event the dealers meet the incentive requirements such as targeted sales volume. Thus, with dealers buying both thermal insulation materials from us together with HVAC&R parts and equipments, they may be able to meet such targeted sales incentives.

6.3 Market and Customers Details**6.3.1 Category of Customers and Supply Chain and Principal Markets**

We employ an indirect distribution strategy as our products are not sold directly to end-users as we rely mainly on a network of retailers or dealers locally. As for our export market, we rely mainly on a network of distributors who distribute our brand of thermal insulation products. In general, our direct customers of can be segmented into four (4) main categories as follows:-

Category of direct customer	Description
Converters	Converters are mainly operators who mainly purchases sheet NBR insulation materials as their stocks or upon specific orders received from their customers. These sheet NBR insulation materials are then customised by the converters by being cut to sizes according to the requirements of their customers who comprise HVAC&R or automotive or sports equipment manufacturers or contractors or retail end-users.
Dealers	Dealers purchases NBR insulation products in terms of minimum requirement of units for their stock in the form of sheets and/or rolls and then supplies to the manufacturers or contractors or retail end-users as and when they receive orders from them without any conversion or cutting done. Our local distribution networks are mainly comprised of dealers. The dealers typically mark up the selling price of the products by an average of 20% depending on the scale of shipment order and usually keep a minimum of 10 to 20 cartons of insulation tubing at any one time.
Distributors	Distributors are like dealers but with larger operational capacity and scale. Distributors purchases NBR insulation products in terms of minimum requirement of units for their stock in the form of sheets and/or rolls and then supplies to the manufacturers or contractors or other dealers and sometimes retail end-users as and when they receive orders from them without any conversion or cutting done. The materials sold to the distributors are typically by export containers. Our overseas distribution networks are mainly comprised of distributors. The distributors typically mark up the selling price of the products by an average of 20% depending on the scale of shipment order and usually keep a minimum of 50 to 100 cartons of insulation tubing and 20 to 50 rolls of insulation sheets at any one time.
Manufacturers / Contractors	Manufacturers or contractors are mainly operators who mainly purchases sheet NBR insulation materials as their raw materials stocks. These sheet NBR insulation materials are then customised by them by being cut to sizes according to the requirements of the products they manufacture or as per the requirements of their customers. They comprise mainly HVAC&R related manufacturers or contractors.

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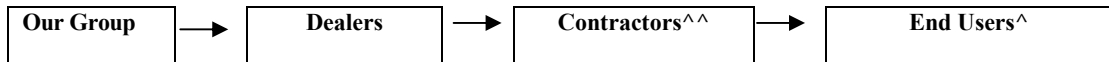
6.0 BUSINESS OVERVIEW (Continued)

As at the Latest Practicable Date, there are four (4) main categories of supply chain for all our products depending on the type or category of products or location of customer or markets as follows:-

Supply chain no. 1 - Sales to local and overseas converters mainly for NBR thermal insulation materials for other application such as automotive, electronic and sports grips



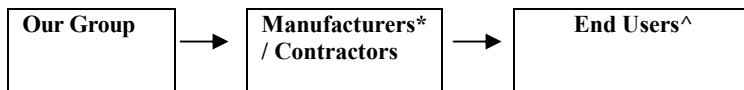
Supply chain no. 2 - Sales of HVAC&R thermal insulation materials and HVAC&R parts and equipments to our network of local dealers



Supply chain no. 3 - Sales of HVAC&R thermal insulation materials and some HVAC&R parts and equipments to our network of overseas distributors



Supply chain no. 4 - Sales of HVAC&R thermal insulation materials to local and overseas manufacturers and contractors



Notes :

^ The end users of our products depicted above are typically house owners or occupiers of buildings with a HVAC&R system insulated by our products and /or other consumers who purchase or utilises products that have been applied with our products such as sports equipment, automotive insulation etc.

^^ include air conditioner, freezer and refrigerator service and repair contractors who purchase our thermal insulation products and HVAC&R parts and equipments from the dealers or distributors and HVAC&R building contractors who purchase our thermal insulation products and HVAC&R parts and equipments from the dealers or distributors for use in the HVAC&R system in the building projects they are involved in.

* include manufacturers of air conditioner, refrigerator and sports equipment.

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6.0 BUSINESS OVERVIEW (Continued)

The principal markets for our core manufactured product of NBR thermal insulation materials are in Malaysia and India with sales of NBR thermal insulation products thereto representing about **27%** of our total sales for the FYE 30 April 2006 and **26%** of our total sales for the 7 month FPE 30 November 2006 of RM36.696 million. The main market for our trading products are in Malaysia which represent about 29% and 26% of our total sales for the FYE 30 April 2006 and 7 month FPE 30 November 2006 respectively. Set out below are details of our total export and local sales % by countries for the FYE 30 April 2006 and 7 month FPE 30 November 2006:-

Country	% of Sales for FYE 30 April 2006	% of Sales for 7 month FPE 30 November 2006
Local – Malaysia		
- Manufacturing	15.4	15.8
- Trading	29.1	26.2
Total – Malaysia	44.5	42.0
Overseas*	55.5	58.0
Total	100.0	100.0

* Mainly manufacturing sales with detailed breakdown as follows (excluding Malaysia for Asia):- () – FYE 30 April 2006 [] – FPE 30 November 2006

No.	Asia (38.2%) [41.67%]	Oceania (2.5%) [1.72%]	Middle East (5.7%) [5.95%]	Europe (2.3%) [2.17%]	Africa (3.0%) [2.84%]	America (3.8%) [3.65%]
1.	India (12.03%) [10.09%]	Australia (2.46%) [1.63%]	Bahrain (0.20%) [0.16%]	Germany (1.34%) [1.71%]	Egypt (1.45%) [1.33%]	Guatemala (0.10%) [0.23%]
2.	Maldives (0.05%) [0.05%]	New Zealand (0.04%) [0.03%]	Iran (1.01%) [0.23%]	Spain (0.93%) [0.14%]	Mauritius (0.14%) [0.18%]	Jamaica (0.04%) [0.11%]
3.	Nepal (0.44%) [0.42%]	Papua New Guinea (0.03%) [0.06%]	Kuwait (0.13%) [0.04%]	Norway (-%) [0.01%]	South Africa (1.41%) [1.29%]	Panama (0.16%) [0.34%]
4.	Sri Lanka (0.60%) [0.96%]		Lebanon (0.38%) [0.31%]	Belgium (-%) [0.31%]	Kenya (0.01%) [-%]	USA (1.87%) [1.79%]
5.	China (0.39%) [0.37%]		Saudi Arabia (1.34%) [2.26%]		Reunion Island (-%) [0.04%]	Peru (0.56%) [0.55%]
6.	Hong Kong (1.51%) [0.67%]		United Arab Emirates (2.50%) [2.95%]			Uruguay (0.49%) [0.12%]
7.	Japan (2.61%) [2.52%]		Jordan (0.10%) [-%]			Venezuela (0.55%) [0.12%]
8.	South Korea (4.85%) [9.07%]					Mexico (0.05%) [-%]
9.	Bangladesh (0.27%) [0.05%]					El Salvador (-%) [0.51%]
10.	Brunei (0.62%) [0.88%]					
11.	Pakistan (0.62%) [0.67%]					
12.	Indonesia (3.23%) [3.72%]					
13.	Taiwan (0.96%) [0.79%]					
14.	Philippines (2.16%) [2.35%]					
15.	Singapore (4.53%) [4.62%]					
16.	Thailand (1.41%) [1.46%]					
17.	Vietnam (1.98%) [2.98%]					

Further details on our local and export sales and gross profits are set out in Section 11.2.2 of this Prospectus.

6.0 BUSINESS OVERVIEW (Continued)**6.3.2 Sales and Distribution Network**

All export sales are transacted or based on prices quoted in USD and SGD while all local sales are transacted or based on prices quoted in RM. As at the Latest Practicable Date, we have a significant wide network of distributors covering fifty six (56) countries of distribution channels globally as tabulated below:-

No.	Asia	Oceania	Middle East	Europe	Africa	Americas
1.	Bangladesh	Australia	Bahrain	Austria	Egypt	Chile
2.	Brunei	New Zealand	Iran	Belgium	Mauritius	Colombia
3.	Cambodia	Papua New Guinea	Iraq	Germany	Reunion Island	Costa Rica
4.	Hong Kong		Kuwait	Greece	South Africa	El Salvador
5.	India		Lebanon	Norway	Kenya	Guatemala
6.	Indonesia		Saudi Arabia	Portugal		Jamaica
7.	Japan		Syria	Spain		Mexico
8.	Kazakhstan		United Arab Emirates	Sweden		Peru
9.	Korea		Jordan			Puerto Rico
10.	Malaysia [^]					Republic of Panama
11.	Pakistan					USA
12.	Philippines					Venezuela
13.	Republic of Maldives					Uruguay
14.	Singapore					
15.	Sri Lanka					
16.	Taiwan					
17.	Thailand					
18.	Vietnam					

[^] Our current distribution network of local customers as at the Latest Practicable Date are as tabulated below:-

States of Malaysia	No. of customers in state
Johor	18
Kedah	6
Kelantan	7
Melaka	3
Negeri Sembilan	4
Pahang	5
Penang	13
Perak	7
Perlis	-
Sabah	-
Sarawak	2
Selangor	67
Terengganu	6
Wilayah Persekutuan of Kuala Lumpur	22
Wilayah Persekutuan of Labuan	-
Wilayah Persekutuan of Putrajaya	-
Total	160

6.0 BUSINESS OVERVIEW (Continued)**6.3.3 Marketing Activities / Continuous Business Development****(i) Maintenance and Initiation of Relationships with Customers**

As our products are mainly distributed through dealers and distributors, we believe that an effective approach in providing our products is via establishing and maintaining mutually beneficial long-term relationships with our marketing intermediaries to rapidly reach out to a wider market locally and globally with minimal cost of market penetration.

As dealers and distributors are generally aware of the dynamics and latest developments within the thermal insulation industry and have their respective established distribution networks, we are able to capitalise on their existing networks to distribute and promote our products in the markets where the dealers and distributors are located.

By working closely with these marketing intermediaries, we will be able to capitalize on their working knowledge of the customers' requirements in their respective markets and their relationships with parties such as local Governments and agencies and knowledge of the legislation and regulations in their respective markets.

We select our dealers and distributors based on several key criteria and assess based on analysis of the potential candidate's performance in the industry, its reputation amongst its market peers and also its financial position and capabilities.

In addition, at present we offer incentives to dealers such as prompt payment discount and yearly loyalty and sales target programmes where discounts are given in the event the dealers meet the incentive requirements such as targeted sales.

(ii) Participation in Trade Fairs and Exhibitions

As part of our continuous business development strategies, we have participated in various trade shows together with our distributors to promote market awareness of our products. Some of the recent tradeshows participated by us are as follows:-

	Year 2005		Year 2006	
	Trade Fairs / Exhibitions	Country held	Trade Fairs / Exhibitions	Country held
(i)	Tube & Pipe Trade Fairs	Singapore	HVAC Asia 2006	Singapore
(ii)	BIG 5 Show	Dubai	13 th HVACR Expo+Conference 2006, Islamabad	Pakistan
(iii)	Phil Construction Equipment and Building Material Exhibition	Philippines	Air Conditioning, Refrigeration & Building Services Exhibition	Australia
(iv)	Exhibition VietBuild 2005	Vietnam		
(v)	HVAC&R Exhibition	Pakistan		
(vi)	Building Materials Exhibition	India		
(vii)	Fire Safety and Building Materials	Indonesia		

With our participation in these tradeshows, we are not only able to market our products to potential customers but are also able to gain more market intelligent knowledge from other market players in order to better understand the current technology trend and customers' needs.

6.0 BUSINESS OVERVIEW (Continued)**(iii) Internet Marketing**

As at the Latest Practicable Date, we have an existing website at (<http://www.superlon.com.my>) which includes details of, among others, our Group and organisational structure, our product range and its technical specifications and contact details for the purpose of tapping the global internet market for our range of products.

6.3.4 Major Customers

As at the Latest Practicable Date, we have a total active customer base of 270 customers with 160 active local customers and 110 active overseas customers from 56 countries details of which are as set out in Section 6.3.2 of this Prospectus. The number of years of our relationship with our customers ranged between 1 to 14 years. Set out below are details of our sales to our major customers (in alphabetical order) for the last three (3) financial years up to the FYE 30 April 2006 and 7 month FPE 30 November 2006:-

Customers	Country of origin	←-----FYE 30 April----->						7 month FPE 30 November 2006		Length of relationship as at Latest Practicable Date (Years)
		2004		2005		2006		Value (RM'000)	(%) of total sales	
		Value (RM'000)	(%) of total sales	Value (RM'000)	(%) of total sales	Value (RM'000)	(%) of total sales	Value (RM'000)	(%) of total sales	
Advance Technical Parts (LLC)	U.A.E.	1,087	3	1,123	3	1,130	2	778	2	13
Century Mechanical Systems (I) Pvt. Ltd.	India	2,308	7	4,159	9	6,313	12	3,704	10	13
Fullport Sdn Bhd	Malaysia	267	1	477	1	782	1	392	1	6
Grand Oriental M&E Enterprise Sdn. Bhd.	Malaysia	910	3	660	1	762	1	357	1	14
Heatacraft Australia Pty. Ltd.	Australia	2,303	7	2,184	5	979	2	56	1	13
Mohamed Onn Seiry Trading Est.	Saudi Arabia	637	2	1,155	3	646	1	679	2	13
Namique Co. Ltd.	Korea	704	2	1,443	3	2,571	5	3,327	9	13
PT Sumber Sejahtera Makmur (formerly PT Damar Kristal Mas)	Indonesia	1,067	3	1,321	3	1,225	2	994	3	13
Raco Sdn. Bhd.	Malaysia	1,139	4	1,269	3	1,256	2	778	2	14
TST – STAG S.A.	Spain	563	2	812	2	646	1	50	1	6
Unirate Supply & Agency Sdn Bhd	Malaysia	585	2	951	2	922	2	239	1	13
Wincotec Sdn Bhd	Malaysia	229	1	469	1	774	1	127	1	13
Total		11,799	38	16,023	38	18,006	34	11,481	31	
Others		19,078	62	26,593	62	34,986	66	25,215	69	
Total Sales		30,877	100	42,616	100	52,992	100	36,696	100	

6.0 BUSINESS OVERVIEW (Continued)

Our Directors are of the opinion that the downside risk of over-dependence on any one particular customer is minimal given the broad based list of our customers in terms of geographical location and category of customers, the contribution from each of which is mostly less than 10% of our total annual sales based on our historical sales and also due to our continuous efforts to further diversify and enhance our product range and penetrate other potential overseas markets so as to further increase our existing customers base.

6.4 Business Premises, Production and Suppliers Details**6.4.1 Principal Location of Business and Factories**

As at the Latest Practicable Date, details of the location of our business premises all of which are owned by SWSB are set out below:-

Address	Purpose / Description of Use	Size (approximate)
Lot 2567, Jalan Sungai Jati, Kampung Jawa, 41200 Klang, Selangor ("Factory 1")	Our previous head office and current main manufacturing factory with five (5) manufacturing lines. This location serves as the base of our overall Group's sales department, manufacturing of our NBR thermal insulation range of products and storage for our trading products inventories.	Land area: 2.9 acres Built-up area: 60,000 sq. ft.
Lot 2736, Jalan Raja Nong, Kampung Jawa, 41200 Klang, Selangor ("Factory 2")	Our new manufacturing factory and current head office with one (1) manufacturing line. This location serves as our secondary facility for manufacturing of our NBR thermal insulation range of products and storage for our trading products inventories. It also currently serves as the base of our administrative, management and operation functions.	Land area: 2.769 acres Built-up area: 66,000 sq. ft.

Further details on Factory 1 and Factory 2 are set out in Section 7.4.1 of this Prospectus.

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6.0 BUSINESS OVERVIEW (Continued)**6.4.2 Manufacturing Facilities, Production Details and Interruptions or Constraints on Operations**

At present both Factory 1 and Factory 2 houses our production facilities which include plants and machineries such as, inter-alia, mixers, extruders, heating conveyors, slicing, packing and a series of testing equipments. The machineries are lined up accordingly to the production process to ensure a smooth and efficient batch flow during and between each production stage. Currently we operate with five (5) production lines in Factory 1 and one (1) production line in Factory 2. Set out below are further details on our production lines:-

Items	<-----Factory 1----->					Factory 2	Total
	Line 1	Line 2	Line 3	Line 4	Line 5	Line 6	
Product type (form)	Tubing	Tubing	Sheet	Tubing	Tubing	Sheet	
NBR insulation materials monthly production capacity (MT)*	100	100	130	100	100	150	680

Notes:-

* Based on our Group's twenty four (24) production hours (two (2) shift cycles of twelve hours each) for five (5) days per week.

For the FYE 30 April 2006, our total annual production capacity for NBR thermal insulation materials as at the financial year end was 5,160MT and our total production of NBR thermal insulation products was approximately 3,419MT reflecting a production utilisation rate of about 66%. During the 7 month FPE 30 November 2006, our total production of NBR thermal insulation products was approximately 2,661MT. With the recent inclusion of lines 5 and 6, our annual production capacity has increased to 8,160MT. Further details on our Production capacity and output are set out in Section 11.2.3.

There has been no significant interruption to our business or operations or production in the past twelve (12) months preceding the date of this Prospectus which had a significant effect on our operations and our Directors do not foresee any existing or future constraints on our production or operating capacities.

6.4.3 Manufacturing Facilities and Plant and Equipment

Further details on the number of key machineries and equipment used in each of our production lines are shown below:-

Plant & Equipment	<-----Factory 1----->					Factory 2	Total
	Line 1	Line 2	Line 3	Line 4	Line 5	Line 6	
Mixers^^	<-----2----->					<-----2----->	4
Batch-off Equipment^^	<-----2----->					<-----2----->	4
Extruder	4	4	1	2	2	1	14
Furnace Line	1	1	1	1	1	1	6
Cutter	4	4	1	4	2	1	16

^^ The relevant machineries are shared by the respective production lines

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6.0 BUSINESS OVERVIEW (Continued)

Further details on our material plant and equipment highlighted above are as follows:-

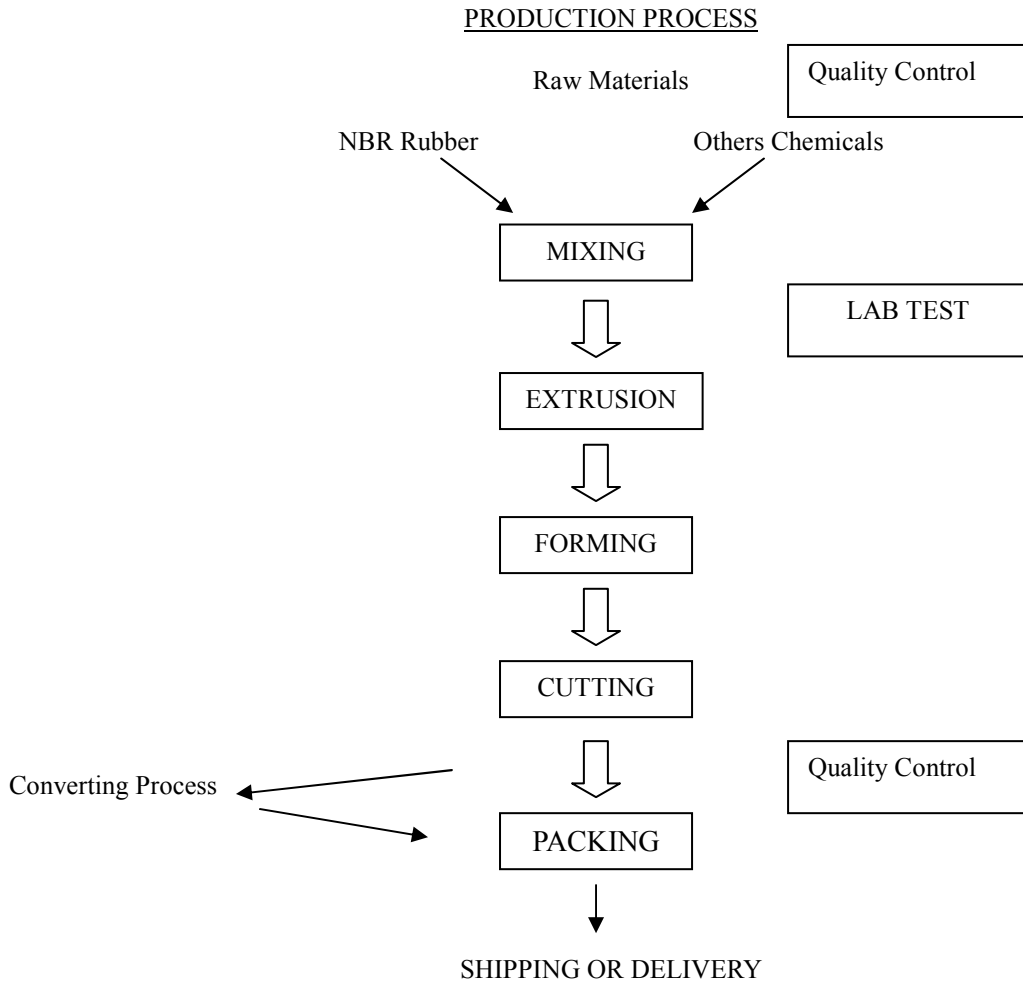
Type	Total units as at Latest Practicable Date	Description	Average range of capacity for 1 unit	Audited NBV as at 30 November 2006 RM'000
Mixers	4	Based on a pre-programmed formulation it pumps the raw materials required, which is based on weight, into the mixing tank where the raw materials are blended.	75 to 90 litres of materials	1,714
Batch-off Equipment	4	The equipment segregates the blended raw materials into batches. Quality control is performed via inspection by using a laboratory machine to ensure that all batches are within the limits of the quality specifications.	4 minutes per batch of about 82kg	433
Extruder	14	High technology machine from Germany with pin-type extruders that extrudes each batch of quality tested raw materials into fixed cross-section, either in thickness for rubber sheets or diameter for tubing.	50kg per hour (for tubes) and 450kg per hour (for sheets)	2,839
Furnace	6	High technology furnace for the vulcanisation or curing process of each blended and extruded batch of the NBR formulation. The furnace is gas operated which is more cost-saving and provides even distribution of heat with minimal temperature fluctuation ($\pm 1^{\circ}\text{C}$) to ensure better product quality.	200 to 500kg of extruded compound per hour	4,806
Cutter	16	Cuts rubber sheets and tubing.	400 pieces of tubes per hour and 42 roll of sheets per hour	329
Total				10,121

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6.0 BUSINESS OVERVIEW *(Continued)*

6.4.4 Production Processes and Trading Business Procedure Flow

The current production process of our NBR thermal insulation products involves the mixing of NBR raw material with other chemical ingredients, profile extrusion, forming and packing. The end product after the forming process undergoes a series of tests before it is packed and shipped out as set out in the diagram below:-



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6.0 BUSINESS OVERVIEW (Continued)

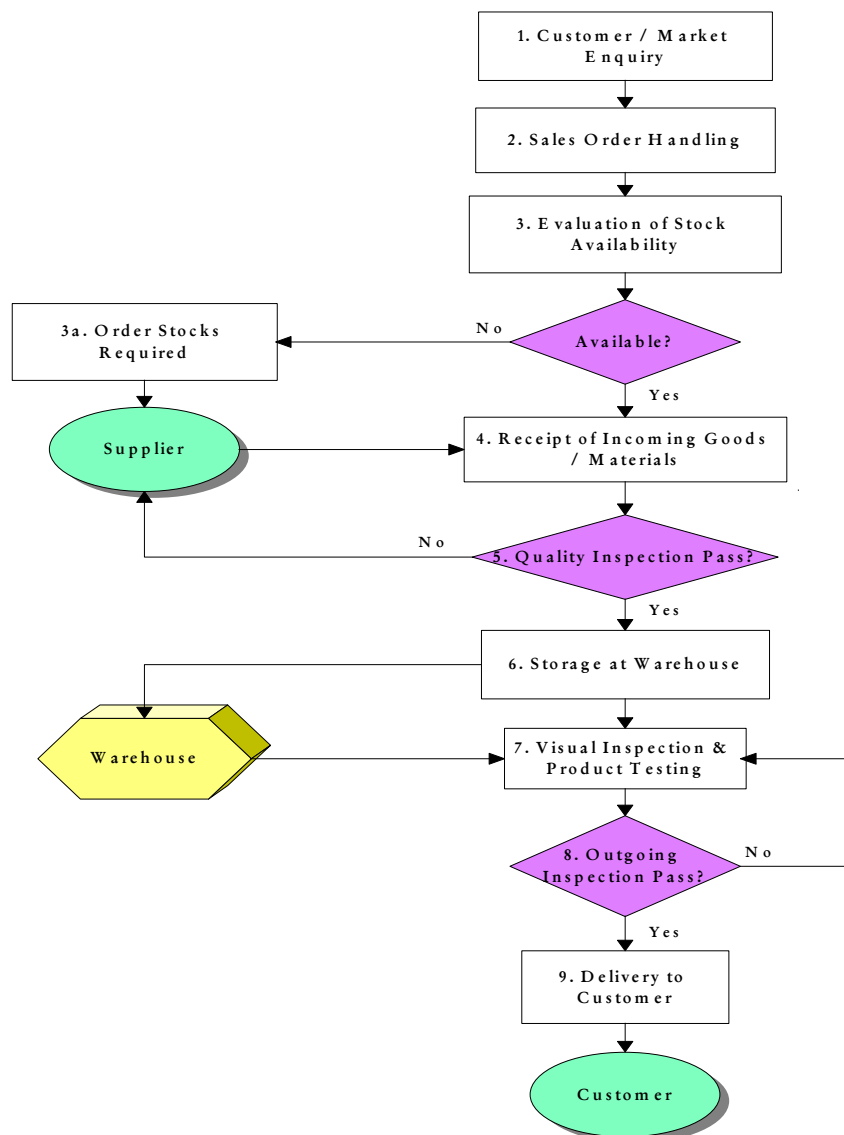
Further narratives of our production process flow above are tabulated below:-

Manufacturing Process	Descriptions
Raw Material Quality Assurance Check	<ul style="list-style-type: none"> ➤ All major raw materials supplied to us are required to be delivered together with a certificate of analysis (“COA”) by the raw material manufacturer which indicates the specification properties analysis of the material. ➤ The COA is then checked on whether it meets our required specifications. Materials not meeting our specifications would be returned to the respective suppliers.
Mixing/Blending Process	<ul style="list-style-type: none"> ➤ The NBR rubber is formulated with other ingredients which include reinforcement fillers, plasticizers, curatives and other additives. ➤ During the process, the various ingredients are blended by an internal mixer or open mill mixing. ➤ The reinforcement fillers are added to improve hardness, stiffness and impact strength of the rubber formulation. ➤ Plasticisers are added to the formulation to alter hardness, flexibility, plasticity and other properties.
Quality Assurance Lab Tests	<ul style="list-style-type: none"> ➤ The mixed rubber compound is tested for its hardness, curing and forming capability, required curing time and characteristics.
Profile Extrusion	<ul style="list-style-type: none"> ➤ The extrusion mould is one round piece of steel with the profile of the intended extrusion wire cut into them. Allowances are made for the shrinkage or expansion of the intended compound. ➤ During the process, the beginning of a continuous strip of rubber compound is fed into the extruder. The compound is heated and under pressure while being forced through the die plate that has the correct profile cut into it. Variations in feed rate, temperature and pressure are tightly controlled.
Vulcanisation, curing and Forming process	<ul style="list-style-type: none"> ➤ The vulcanisation, curing and forming process involves the heating of the compound through a furnace powered either by gas or electric. ➤ During the process, the compound becomes much more durable and the surface would be transformed from a sticky feel to a smooth soft surface. The process is chemically irreversible, causing the (rubber) compound to alter its chemical structure with the forming of closed cell structures thus producing the required NBR thermal insulation materials.
In-house Quality Control and Product Testing	<ul style="list-style-type: none"> ➤ The finished products are then randomly tested for its thickness, inner and outer diameter (for tubing), width and length (for sheets), hardness, tensile strength, ozone and abrasion resistance and electrical conductivity. Products that pass all tests will then proceed to the packaging section.
Cutting and Packing	<ul style="list-style-type: none"> ➤ The finished products are then cut into various standard sizes in primary forms and packed for shipment to customers or sent for further required processes to produce the required secondary forms of products such as adhesive rubber, aluminium rubber, gasket and foam tapes, exercise mats and rubber grips.

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6.0 BUSINESS OVERVIEW (Continued)

The current process flow for our trading operations is shown and described as follows:-



A narrative of the above flow is set out below:-

1. Customer / Market Inquiry

Our Group's trading division receives enquiries from prospective and/or existing customers.

2&3. Sales Order Handling & Evaluation of Stock Availability

The sales order handling department would then check by our Group's inventory system to find out if there is any existing inventory held in stock. If there is sufficient stock, then a quotation shall be forwarded to the potential customer upon approval from the Head of Sales and Marketing Department.

3a. Order Stocks Required

In the case, where there is an insufficient or stock-out situation, then instructions shall be sent to the purchasing department to obtain information on delivery lead time and other logistical information. Such information may be forwarded to the potential customer for further evaluation and next course of action which is done and handled by the sales order handling department.

6.0 BUSINESS OVERVIEW (Continued)

In the case where the requirement is for a product that has not been previously supplied by our Group, then instructions shall be sent to the purchasing department to evaluate any new and/or existing suppliers to meet the customer enquiry. If a new supplier is to be sourced for the product, then the supplier shall be subject to further evaluation activities such as product validation, site visit and price negotiation. Should the supplier eventually be qualified, then the details of the supplier and its product range shall be included in our Group's inventory system. This process increases the number and widens the product range handled by our Group's trading operations.

4&5. Receipt of Incoming Goods / Materials and Quality Inspection

Incoming goods are subjected to the first quality inspection procedure to determine that they satisfy the industry standards and meet the required specifications in our customers' purchase orders. Products that do not meet our required standards will be rejected and returned to the supplier, while those which pass the initial quality inspection will be stored at the warehouse.

6. Storage at Warehouse

The outgoing goods are then sent for storage at our Group's warehouse to await delivery to customers.

7. Visual Inspection and Product Testing

Prior to packaging and delivery, further QC checks are conducted via visual inspections of finished goods for physical and other defects. Product test certificates containing information on product tests conducted and test results obtained (if applicable) are attached for each batch of shipment prior to delivery to customers.

8&9. Outgoing Inspection and Delivery to Customers

At times, products are packed, inspected and immediately delivered to customers, depending on the delivery schedule agreed upon by our Group and the customer. For outgoing goods, these are subjected to an outgoing inspection process where the correct quantity, size and type of goods required are checked and tallied to the packing list and sales invoice and/ or delivery orders. The QC inspectors will also ensure that the quality of the products is matched against the relevant certificates (if applicable). Outgoing goods that pass this inspection process will then be delivered/shipped to customers. Products that fail will be subjected to another round of visual inspection and product testing, where necessary, and then checked for the correct quantity, size and type of goods before final delivery.

6.4.5 Critical Production Technology Application and Processes

Although there is neither significant innovation nor technology development in the production of NBR insulation materials, most NBR insulation materials manufacturers are prudently allocating resources for further R&D in order to increase the quality of their products. Most NBR insulation materials manufacturers conduct their own in-house R&D with technological insight from the US, EU or Taiwan in the drive for better efficiency and innovation that will render them more competitive in the market. At present, there are minor enhancements to the formulation of chemicals in the manufacture of NBR insulation materials. Compared to several decades back, NBR insulation materials today have better stress and heat cracking resistance, and are available at lower cost. Following the increase in global petroleum prices, most manufacturers of NBR insulation materials have improvised their manufacturing technology in a bid to reduce rejection rates. This is to ensure cost controls that ultimately ensure their products are competitively priced.

Given the above, our Group continuously rely on our R&D to further our manufacturing technology to enhance our product specifications and manage costs in order to remain competitive. Our current manufacturing technology or process was initially based on the technology or processes employed by our founder's (ie Jessica Liu's) previous company in Taiwan namely, TransAsia Rubber Industrial Co Ltd. Over the years, we have constantly improved our manufacturing processes and machineries to ensure our competitiveness by acquiring new machineries and adapting or modifying our machineries and our manufacturing process to further improve the quality of our products and the efficiency of our manufacturing process.

6.0 BUSINESS OVERVIEW *(Continued)*

Further, in terms of technological advancement in our production process, we can be considered as relatively advance as one of the main competitive advantages that we have is our fully integrated production line whereby the production of our NBR insulation products starts from the mixing and blending of polymer compound (raw materials) as compared to some of our small competitors which do not mix and blend their own compound but instead purchase readily-mixed compound from third party. By mixing and blending our own compound, we are able to control the quality of our raw materials used thus ensuring that our products is of high and acceptable quality and also be more cost efficient.

The manufacturing process involved in achieving or maintaining the key characteristics in determining the quality or specifications of NBR thermal insulation materials include the mixing or blending process and the heat forming process through the vulcanisation or curing process of each blended and extruded batch of the NBR formulation. In addition to reducing costs and wastages, the effectiveness and efficiency of these processes would also affect the key characteristics and quality of the thermal insulation materials produced in terms of thermal conductivity level, temperature limits, water absorption rates and water vapour permeability rate. Further, higher specifications of NBR thermal insulation materials such as Class O NBR thermal insulation materials are achieved through R&D on the mixing and blending process.

Given the similarities of the production process, our manufacturing process is also able to manufacture other types of rubber based polymers such as EPDM and high resilient sponge (i.e. NBR plus EVA) by mixing and blending raw material EPDM or NBR and EVA with other raw materials required, which are then extruded, vulcanised, cured and formed to produce the required EPDM or high resilient sponge thermal insulation materials which are then cut to various sizes and shapes.

6.4.6 Sources and Availability of Raw Materials

The main raw materials used for the production of our NBR insulation materials are medium high NBR raw material, dispersion polyvinylchloride (or DPVC or PVC), and other rubber additives and fillers.

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6.0 BUSINESS OVERVIEW (Continued)

Details of the suppliers of our major raw materials as at the Latest Practicable Date are set out below:-

Types of Raw Materials	No. of suppliers			Major Suppliers (country of origin)	
	Total	Local	Foreign		
NBR	4	-	4	i	Zeon Asia Ltd (Japan)
				ii	Lanxess Deutschland Gmbh (France)
				iii	Bayer (M) Sdn Bhd (Malaysia). A subsidiary of Bayer AG.
				iv	Bayer AG (Germany)
DPVC	2	1	1	i	Tejana Trading Corp. Sdn Bhd (Malaysia)
				ii	Vinythai Public co. Ltd (Thailand)
DINP	2	2	-	i	Texchem Materials Sdn Bhd (Malaysia)
				ii	Luxchem Trading Sdn Bhd (Malaysia/Import)
Blowing agent	3	1	2	i	Prima Inter-chem Sdn Bhd (Malaysia/Import)
				ii	A.F. Supercell Co. Ltd (formerly A.F. Goodrich Chemicals Co Ltd) (Thailand)
				iii	Kum Yong Co Ltd (Korea)
Rubber additives and fillers	4	4	-	i	Luxhem Trading Sdn Bhd (Malaysia/Import)
				ii	Centre West Ind. Supp. Sdn Bhd (Malaysia/Import)
				iii	Nationchem Trading Sdn Bhd (Malaysia/Import)
				iv	Multisource Chemical (M) Sdn Bhd (Malaysia/Import)

With the exception of NBR raw material, blowing agent and certain rubber additives and fillers which are transacted or based on prices quoted in USD, all other raw materials prices are transacted or based on prices quoted in RM. The weighted average price range of the raw materials used per kg during the FYE 30 April 2006 and 7 month FPE 30 November 2006 are as follows:-

Types of Raw Materials	Weighted average price range during FYE 30 April 2006	Weighted average price range during 7 month FPE 30 November 2006
NBR	USD1.75 - USD2.08 per kg	USD1.80 – USD1.95 per kg
DPVC	RM4.50 - RM4.71 per kg	RM4.65 - RM4.73 per kg
DINP	RM4.45 – RM5.00 per kg	RM4.50 – RM7.12 per kg
Blowing agent [^]	RM5.50 – RM9.00 per kg	RM5.15 – RM7.98 per kg
Rubber additives and fillers [^]	RM1.00 – RM1.30 per kg	RM1.15 – RM2.30 per kg

[^] Comprise various different grades with differing prices

Based on the above, the prices for blowing agent and rubber additives and fillers may be seen as volatile as the highest weighted average prices during the FYE 30 April 2006 represents more than 25% of the lowest weighted average prices during the same financial year. For the 7 month FPE 30 November 2006, the prices for DINP, blowing agent and rubber additives and fillers may be seen as volatile as the highest weighted average prices represents more than 50% of the lowest weighted average prices during the same financial period. However, the above price range includes various types and grades within each material with higher prices applicable for higher grades of the same material. Our Board is of the opinion that currently, the raw materials prices that may be subject to volatility is DINP which is a processing oil used in the manufacturing process where its prices moves usually on a monthly basis. In addition, the stocks for all our trading products of parts and equipment for the HVAC&R industry are mainly sourced from overseas from countries such as Taiwan, China, Korea and India.

6.0 BUSINESS OVERVIEW (Continued)**6.4.7 Major Suppliers**

As at the Latest Practicable Date, we have a total active supplier base of 102 suppliers. The number of years of our relationship with our suppliers ranges between 1 and 13 years. Set out below are details of our purchases from our major suppliers (in alphabetical order) for the last three (3) financial years up to the FYE 30 April 2006 and 7 month FPE 30 November 2006:-

Suppliers	Country of origin / Types of materials supplied	FYE 30 April						7 month FPE 30 November 2006		Length of relationship as at Latest Practicable Date (Years)
		2004		2005		2006		Value (RM'000)	(% of total purchases)	
		Value (RM'000)	(% of total purchases)	Value (RM'000)	(% of total purchases)	Value (RM'000)	(% of total purchases)			
A.F. Supercell Co. Ltd (formerly A.F. Goodrich Chemicals Co. Ltd.)	Thailand / (iv)	558	4	645	3	474	2	521	2	6
Bayer (M) Sdn Bhd	Malaysia / (i)	1,278	9	286	1	130	1	361	1	13
Bridgestone Armstrong (M) Sdn Bhd	Malaysia / (vii)	811	6	1,000	5	1,047	5	771	3	7
Centre West Ind. Supp. Sdn Bhd	Malaysia / (v)	622	4	636	3	265	1	77	1	13
Dazun Paper Industrial Co Sdn Bhd	Malaysia / (vi)	653	5	307	1	172	1	97	1	13
Lanxess Deutschland GmbH (formerly Bayer AG)	France / (i)	1,163	8	4,124	19	2,186	11	1,364	5	11
Luxhem Trading Sdn Bhd	Malaysia / (v) & (iii)	1,225	8	1,394	9	1,974	10	891	3	13
Nationchem Trading	Malaysia / (v)	39	0	397	1	589	3	481	2	4
Prima Inter-chem Sdn Bhd	Malaysia / (iv)	17	0	133	0	616	3	428	2	3
Say Pui Box Factory Sdn Bhd	Malaysia / (vi)	19	0	892	4	801	4	39	1	4
Tejana Trading Corp. Sdn Bhd	Malaysia / (ii)	2,004	14	2,988	14	2,653	13	529	2	5
Texchem Materials Sdn Bhd	Malaysia / (iii)	1,342	9	1,897	7	1,408	7	1,559	6	7
Zeon Asia Ltd.	Japan / (i)	2,475	17	3,156	15	4,536	22	1,347	5	13
Sub-total		12,206	65	17,855	58	16,851	49	8,465	31	
Others		6,591	35	13,104	42	17,337	51	18,610	69	
Total Purchases		18,797	100	30,959	100	34,188	100	27,075	100	

Notes:-

- (i) NBR
- (ii) DP/VC
- (iii) DINP
- (iv) Blowing agent
- (v) Rubber additives and fillers
- (vi) Carton box
- (vii) Adhesive

6.0 BUSINESS OVERVIEW *(Continued)*

Our Directors are of the opinion that the downside risk of over-dependence on any one particular supplier is minimal given the broad based list of our suppliers in terms of geographical location and category of suppliers, the purchases from each of which is mostly less than 10% of our total annual purchases based on our historical purchases and also given we do not foresee any difficulty in sourcing the various materials required from other alternative suppliers if required.

As a precautionary measure, we have already made available alternative suppliers (vide identifying and inquiring of their products and services) to source certain raw materials from them in the event that any of our existing suppliers are not able to provide the required raw materials in a timely manner or satisfactory terms. Please refer to Section 6.4.6 for further details of our supplier base.

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6.0 BUSINESS OVERVIEW (Continued)**6.5 Trademarks, Licences, Permits and Certifications****6.5.1 Trademarks**

Details of the registration or application of trademarks obtained or submitted by our Group with SWSB as the proprietor or applicant as at the Latest Practicable Date are set out below:-

Trademark	Product Type	Trademark registration / application no.	Class and registration date	Approving Authority
"Superfoam"	Rubber foam insulation products	06014736	17 / (18/08/06)^	The Registrar of Trademark, Intellectual Property Corporation of Malaysia
"Superlon"	NBR thermal insulation products	93003341	17 / (13/05/93)	The Registrar of Trademark, Intellectual Property Corporation of Malaysia
"Superlon"	NBR thermal insulation products	DOO.2006.002268	17 / (24/01/06)^	Directorate General of Intellectual Property Indonesia
"Superlon"	NBR thermal insulation products	T06/18133H	17 / (24/08/06)^	Registry of Trade Marks, Intellectual Property Office of Singapore
"Superlon"	NBR thermal insulation products	77/023573	17 / (18/10/06)^	The United States Patent and Trademark Office
"Superlon"	NBR thermal insulation products	2006/29458	17 / (04/12/06)^	Registrar of Patents, Designs, Trade Marks and Copyright of the Republic of South Africa
"Superlon"	NBR thermal insulation products	88743	17 / (19/12/06)^	United Arab Emirates Ministry of Economy & Planning Trade Control Section
"Superlon"	NBR thermal insulation products	195857	17 / (23/01/07)^	Egyptian Trademark Office
"Supermax"	NBR thermal insulation products	1095981	17 / (25/01/06)	IP Australia
"Supermax"	NBR thermal insulation products	06001901	17 / (13/02/06)^	The Registrar of Trademark, Intellectual Property Corporation of Malaysia
"Supermax FR"	NBR thermal insulation products	1135056	17 / (12/09/06)^	IP Australia
"Superkleen"	HVAC Parts	06014735	11 / (18/08/06)^	The Registrar of Trademark, Intellectual Property Corporation of Malaysia
"SuperKool"		06014734		
"Supertool"		06014733		
"Supertube"		06014732		
"Kemtube"		06014731		

^

Application date

Some of the other brand names we currently utilise for our NBR thermal insulation products in some markets such as "Allflex" (as set out in Section 6.2.1.3) or our trading products such as "SuperTube" or "SuperKool" (as set out in Section 6.2.2) are not registered in any country in favour of our Group.

As highlighted in Section 6.10.5, we plan to apply for registration of our 'Superlon' and other trademarks in more countries such as Japan, Thailand, Saudi Arabia and other countries to firm up the rights to use the name.

6.0 BUSINESS OVERVIEW (Continued)**6.5.2 Approvals, Major Licences, and Permits**

Details of the major business licenses, permits and approvals applicable to our Group (all registered under SWSB) as at the Latest Practicable Date are as follows:-

Authority & Country	Effective - Expiry Date (Validity Period)	Nature / Type	Material Conditions Imposed as at Latest Practicable Date	Status of Compliance as at Latest Practicable Date
MITI, Malaysia	26/3/97. Licence is perpetual with no expiry period unless status or conditions are revised.	Manufacturing Licence No. (A010829) pursuant to the Industrial Co-ordination Act 1975.	<ul style="list-style-type: none"> ➤ The use of the designated premises for manufacturing of rubber insulation tubings and sheets is subject to the approval of the relevant State Government and the Department of Environment. ➤ MITI will have to be informed on any disposal of company shares. ➤ The company has to train its Malaysian employees at all position levels to ensure transfer of technology and expertise. ➤ The company has to implement its project as approved and in accordance with the laws and regulations in Malaysia. 	<p>Complied.</p> <p>Complied and on-going.</p> <p>Complied and on-going.</p> <p>Complied and on-going.</p>
Royal Customs and Excise, Malaysia	25/9/2000. Licence is perpetual with no expiry period unless status or conditions are revised.	Licence No. B10-00000126/2000 - under Sales Tax Act, 1972 for SWSB's manufacturer's licence.	<ul style="list-style-type: none"> ➤ Return of taxable sales is to be made for each taxable period (of 2 months each) and sales 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 if a registered company takes over a licensed business or company which is not a registered company or if the business is leased. ➤ In the event of any alteration to the name of the licensed business or company, the licence should be forwarded to the senior officer of sales tax in charge of the district of the principal place of business of the licensed business or company for amendment. 	<p>Complied and on-going. ⁽¹⁾</p> <p>Not applicable.</p> <p>Complied and on-going.</p>

Note:-

- (1) As at the Latest Practicable Date, based on correspondences with the Royal Customs and Excise Malaysia ("Customs"), the taxable period applicable to our Group commenced in January 2000. However, our Group is in the midst of re-appealing the commencement of taxable period to the Ministry of Finance Malaysia ("MOF") as our sales tax licence was only issued in September 2000. Accordingly, the amount of sales tax payable for the period between the months of January 2000 to September 2000 amounting to RM480,622 and penalties of RM235,629 imposed by the Customs have not been paid and are currently withheld by our Group pending the MOF's decision on our appeal. Notwithstanding the above, the total outstanding amount have been provided for in the financial statements of SWSB for the FYE 30 April 2006.

6.0 BUSINESS OVERVIEW *(Continued)***6.5.3 Industry Certifications or Testing**

Details of the major industry certifications or testing applicable to our Group (all registered under SWSB) as at the Latest Practicable Date are as follows:-

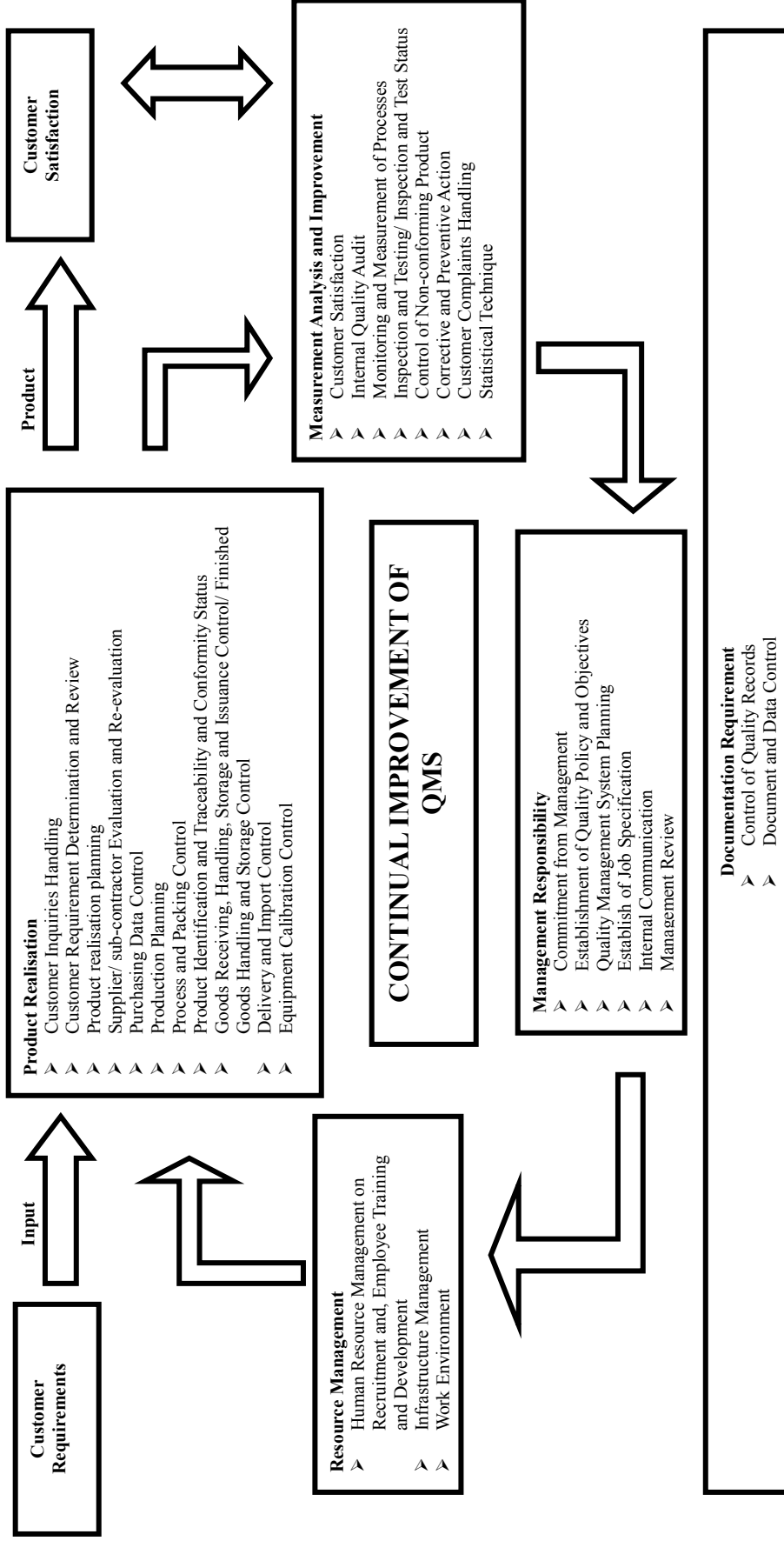
Certification / testing bodies (country base)	Nature / Description / Purpose of testing
Warringtonfire (UK)	Compliance with the requirements for Class O surface, as define in Approved document B, "Fire Safety" to the Building Regulations 1991.
UL (USA)	UL is the trusted source across the globe for product compliance, tested products for public safety. A recognised products and factory certification body especially America region.
PSB (Singapore)	Thermal conductivity, water absorption, density and sound absorption test on insulation materials.
CSIR (South Africa)	Smoke toxicity testing and compliance certification body for mining industry.
SGS (Malaysia)	'Dangerous chemicals free' certification for consumer products like exercise mat.
SIRIM & BOMBA (Malaysia)	Flame spread and fire propagation testing and compliance certification body on building materials. Product mechanical properties test on tensile strength, tear strength, oil resistance and state of ozone deterioration.
Llyods Register	Certificate of Fire Approval materials

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6.0 BUSINESS OVERVIEW (Continued)

6.6 Quality Control Procedures and Quality Management Programmes

In addition to the various quality control procedures applied in our manufacturing and trading processes outlined in Section 6.4.4 of this Prospectus, we have in place a QMS to strive to achieve customer satisfaction and requirements by providing quality products and timely delivery to customers while meeting statutory requirements. Our QMS activities comprise consistent and continuous improvement for all our products and to reduce monthly average rejects to 2.5%. We implemented our QMS in accordance to the ISO 9001:2000 system and can be illustrated as follows:



6.0 BUSINESS OVERVIEW *(Continued)*

Further details on the above quality processes are set out in Sections 6.6.1 to 6.6.4 below.

6.6.1 Product Realisation

Product realisation is the sequence of processes and sub-processes required to achieve the required products. Planning of the realization processes shall be consistent with the other requirements of our QMS and shall be documented in a format suitable for our method of operation. In planning the processes for realisation of products, the following shall be determined, as appropriate:

- a. Quality objectives and requirements of the product;
- b. The need to establish processes and documentation, and provide resources and facilities specific to the product;
- c. Verification, validation, monitoring, inspection activities, and the criteria for acceptability, compliance with documented procedures and quality plan; and
- d. The records that is necessary to provide confidence of conformity of the processes and products meeting the requirements.

6.6.2 Measurements, Analysis and Improvement

As part of our QMS, we plan and implement the monitoring, measurement, analysis and continual improvement processes needed to:

- a. Demonstrate conformity of the product;
- b. Assure conformity of our QMS; and
- c. Achieve improvement of the effectiveness of our QMS.

As part of these processes, our QC department measure and monitor the characteristics of the product to verify that the requirements for the products are met. The QC department also ensures that product which does not conform to product requirements is identified and controlled to prevent unintended use or deliver. Corrective actions will be taken to eliminate the cause of non-conformities of the product in order to prevent recurrence of the problem.

6.6.3 Management Responsibilities

Our top management shall provide evidence of its commitment to the development and improvement of our QMS by:

- a. Communicating to our employees the importance of meeting customer as well as regulatory and legal requirements;
- b. Establishing the quality policy;
- c. Ensure relevant function or Department/ Section establish quality objectives and its objective relevant to the quality policy;
- d. Conducting management reviews; and
- e. Ensuring the availability of necessary resources.

6.6.4 Resource Management

As part of our QMS, we determine and provide, in a timely manner, the resources needed:

- a. To implement and maintain our QMS and continually improve its effectiveness; and
- b. To address client satisfaction.

6.0 BUSINESS OVERVIEW (Continued)

6.7 R&D**6.7.1 R&D Objectives and Policy**

Our R&D team is committed to the improvement and continuous development in all aspects of insulation materials, taking into account customers requirements and needs. The primary objectives or policy for our R&D initiatives are:

- i) To constantly review our products' performance;
- ii) To improve the quality of our existing products;
- iii) To develop new innovative products/applications to meet new trends and provide better performances;
- iv) To be more cost efficient; and
- v) To have the ability to customise our products to certain niche market and meet specific customer demands.

6.7.2 R&D Personnel

Our R&D team comprises four (4) members and is led by our General Manager Mr Koh Eng Siong. The other three (3) members comprise two (2) members who hold different positions within SWSB namely Lee Kiet Wan and Lee Chee Ching, who are the Technical Services Manager and Production Manager respectively, and one (1) full time R&D personnel. The entire team's contribution to R&D efforts and their responsibilities varies with their positions.

Koh Eng Siong, being the General Manager of SWSB possesses an in-depth understanding of customer demand and technology trends and hence allows him to drive R&D initiatives for us and provide directions for the R&D team.

Both Mr. Lee Chee Ching and Mr. Lee Kiet Wan have been with us for over twelve (12) years. During their career with us they have gained extensive knowledge and understanding of NBR insulation materials and its production processes and have been sent for specialised courses in rubber and plastic materials technology to further enhance their technical knowledge from time to time. Both are also technically sound with the entire production process machineries. Accordingly they assist Mr Koh Eng Siong by managing and supervising the implementing of the R&D initiatives and directions provided by him.

Further details on the profiles of Mr. Koh Eng Siong, Mr Lee Chee Ching and Mr. Lee Kiet Wan are set out in Section 8.3.2 of this Prospectus.

Abdul Halim B. Abd. Majid is our full time R&D Executive. He has over ten (10) years of working experience as an R&D Assistant with Akoko Sdn Bhd, a bicycle manufacturer, and as a QC / R&D Supervisor with Pohmay Furniture Industries Sdn Bhd before joining us in 2001. He possesses strong R&D management skills and has an in-depth understanding of rubber technology. He assists Mr Koh Eng Siong, Mr Lee Chee Ching and Mr Lee Kiet Wan by implementing the R&D initiatives and directions set by Mr Koh Eng Siong.

6.7.3 R&D Capabilities and Activities

With their in-depth technical knowledge and immense working experience in the rubber industry, our R&D team has the expertise and technical know-how to continuously improve the product quality and manufacturing process of our Group. Production process efficiency is essential to cut cost and increase the profitability of our Group. Besides the customisation and modification of our high technology extruder machines from Germany to be compatible with our production process, our R&D team has from time to time managed to customise or modify our production lines to be more efficient thus reducing rejection rates and provide cost savings. In addition, our R&D team has and will also keep abreast with the latest technology trend in the rubber industry to further enhance our manufacturing process.

6.0 BUSINESS OVERVIEW *(Continued)*

Our R&D team is also involved in the formulation of chemicals for the manufacturing of our NBR insulation materials. We do not purchase readily mixed compound from suppliers, but instead, we purchase the raw polymer compounds and blend these polymer compounds as per our own formulation catering for the needs and requirements of our customers. This is one of the competitive edges that we possess. In addition, our R&D team will from time-to-time liaise with our raw materials suppliers to better understand the chemical properties and characteristics of different polymer compounds in order to improve the quality and properties of our NBR insulation materials. Further details of the R&D activities undertaken by us are stated in Section 6.7.4 to 6.7.7 below.

6.7.4 R & D Facilities

Some of our Group's main R&D facilities as at the Latest Practicable Date are listed below:

	Facilities	Usage
1	Lab mill	Used for pilot production to determine the ideal product formulation for rubber compound
2	Rheometers	Used to test and measure the properties of the rubber compound used for extrusion process
3	Temperature Controller	Used to monitor the temperature fluctuation during forming process
4	Product Controller	Used to control the size and hardness of the insulation materials
5	Customised Product Testing Equipment	Used to test the final products simulating the actual operating conditions.

6.7.5 R&D Achievements / Milestones

Insulation Material Thickness Calculation Software

One of the notable achievements of our R&D team is the development of our in-house "Insulation Material Thickness Calculation Software". In order to provide a quick and accurate estimation for insulation thickness requirements, we have developed a proprietary insulation material thickness calculation software. The software which is available upon request by our customers allows our customer as the installer of insulation materials to calculate the thickness required for insulation based on the operating conditions. For example, to insulate a cold pipe, the installer will need to obtain the ambient weather conditions and pipe size as inputs. Upon entering these inputs, the software recommends the minimum thickness required to prevent pipe condensation.

The software is designed based on theoretical engineering principles and has been developed by our team of experienced engineers to aid our customers in identifying the amount of insulation material required. The software acts as an alternative estimation tool as well as a verification tool for manually calculated conditions.

Other notable achievements of our R&D team are the development of the following:-

- Class O thermal insulation materials which are suitable for application in environment which requires severe fire resistance level such as insulation in high rise building and high flammability factories; and
- Thermal insulation materials with low smoke toxicity which are specifically used in special environments like in gold mines. One such successful application is the use of our NBR insulation materials in a gold mine located in South Africa.

6.0 BUSINESS OVERVIEW (Continued)**6.7.6 On-going and Future R&D Activities**

Our existing and future R&D initiatives involve activities that are on-going and would not have a specific time-frame for completion. Future R&D initiatives will encompass the development of the following R&D functions:-

- On-going development of new applications for NBR insulation to meet customers needs;
- Continuous improvement to production processes to improve cost efficiency, leading to competitive pricing;
- Continuous quality testing on all products to ensure that our products meet our customer's requirements;
- Development of new instrument and equipment for the in-house testing of our products;
- On-going provision of solutions to any issues and challenges faced by our customers during installation especially for large scale HVAC&R implementation; and
- On-going provision of in-house and external technical training course for our staff, distributors and customers so as to equip them with better technical knowledge on HVAC&R thermal insulation as well as updating them on the current trend in the thermal insulation industry.

6.7.7 Historical R&D Expenditure

Set out below are details of the cost incurred in undertaking our R&D activities for the last three (3) financial years up to the FYE 30 April 2006 and 7 month FPE 30 November 2006:-

	Details of R&D activities expenses incurred	R&D expenditure RM'000	R&D expenditure as % of total sales
FYE 30 April 2004	Product testing expenses by external certification board and apportionment of R&D employees' staff costs based on estimated proportion of time spent on R&D activities.	150	0.49%
FYE 30 April 2005	Product testing expenses by external certification board and apportionment of R&D employees' staff costs based on estimated proportion of time spent on R&D activities.	152	0.36%
FYE 30 April 2006	Product testing expenses by external certification board and apportionment of R&D employees' staff costs based on estimated proportion of time spent on R&D activities.	193	0.36%
7 month FPE 30 November 2006	Product testing expenses by external certification board and apportionment of R&D employees' staff costs based on estimated proportion of time spent on R&D activities.	154	0.42%

6.0 BUSINESS OVERVIEW (Continued)**6.8 Key Achievements / Milestones / Awards**

Details of the key achievements / milestones / awards achieved by our Group as at the Latest Practicable Date are set out below:-

Details of key achievements / milestones / awards	Year	Awarded by
Excellence Brand – Asia Pacific International Entrepreneur Award This award is nominated to strong and stable businesses in the market, and those with excellent performance in all areas or which have pioneered and made significant contributions towards society. Their leadership will serve as role models and subsequently lead to the development of an "Asia Pacific Excellent Entrepreneurs Community". This could improve the industry's overall image, and furthermore encourage other enterprises to actively participate in this area, to accept changes and innovate, and to establish competitive advantages in order to embrace the challenges posed by the electronic era.	30/07/2006	Entrepreneur Development Association of Malaysia
Certificate of approval to certify that the Environmental Management System (EMS) of SWSB has been approved to the EMS Standards of ISO 14001:2004, EN ISO 14001:2004, BS EN ISO 14001:2004 and MS ISO 14001:2004 applicable to development and manufacture of nitrile rubber insulation material for air-conditioning and refrigeration.	31/05/06 - 30/05/09	Llyod's Register Quality Assurance Ltd
Outstanding SME Golden Bull Award - Awarded to SWSB. This award is bestowed on SMEs which are rising fast or making a big impact on the business world in recent years. Being awarded this distinction is a great achievement as it is an indicator or recognition of us as one of the top Malaysian SMEs for outstanding performance and achievements which may enhance our reputation for excellence and trustworthiness.	23/09/2005	Nanyang Siang Pau Sdn Bhd (Malaysia Chinese Newspaper)
Certificate of approval to certify that the Quality Management System (QMS) of SWSB has been approved to the QMS Standards of ISO 9001:2000, EN ISO 9001:2000, BS EN ISO 9001:2000 and MS ISO 9001:2000 applicable to development and manufacture of nitrile rubber insulation material for air-conditioning and refrigeration.	24/9/98 renewed on 7/1/05 - 23/9/07 (approx. 2 years 9 months)	Llyod's Register Quality Assurance Ltd

In addition our Group has also achieved various industry milestones through our Group's internal initiatives through our R&D activities as set out in Section 6.7.5 of this Prospectus.

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6.0 BUSINESS OVERVIEW (Continued)

6.9 Competitive Advantages

We believe that our competitive edges include the following:-

(i) Established management team

Our executive Directors have a combined working experience of over 50 years in the rubber insulation industry. In addition, our other key operations management team comprising our Marketing Director, General Manager, Technical Service Manager and Factory Manager has over 93 years of combined working experience in the rubber insulation industry. Their vast experience and practical industry knowledge have equipped them with the market intelligence to identify the ever-changing market trend in the advancement of rubber insulation materials, changes in customers' needs, changes in government and regulatory requirements and future trends of the application of rubber insulation materials. With a foresight of the market trends and needs, we are able to react to market dynamics in a timely manner including the ability to customise our products in a timely manner to provide the products with the quality required to our customers and providing timely delivery for our products. As a testament to our management's success in steering our Group's future, as set out in Section 6.8, we were recognised as the top 100 SME in Malaysia and was awarded the Outstanding SME Golden Bull Award in 2005 and in 2006 we were awarded with the Excellence Brand – Asia Pacific International Entrepreneur Award, in recognition of our success and achievements. Further details on the profile of our Directors and key management personnel may be referred to in Sections 8.2.2 and 8.3.2 of this Prospectus.

(ii) Market leader for NBR thermal insulation material in Malaysia

Based on the IMR Report, it is estimated that we currently have a market share of approximately 45% to 50% of the Malaysian NBR thermal insulation market with the existence of only one other major competitor namely, Insulflex with an estimated market share of approximately 35% to 40%. The rest of the competitors are foreign manufacturers which only account for an estimated 10% to 20% of the market share. As such, we may be seen operating in an oligopolistic environment in Malaysia. This provides a competitive edge for us, as we may be able to command better pricing for our products in Malaysia. Our management believe that with our continuous effort on R&D and our wide marketing and distribution network, we are able to further increase our market share. In addition, with the imposition of the import tax for NBR thermal insulation products imported into Malaysia, we are at present protected from any major foreigner competitors penetrating further into the Malaysian market. Further details on our market share may be referred to in Section 5.3.2.2 of this Prospectus.

(iii) Wide global distribution network

We currently have either dealers (including stockists) or distributors presence in 56 countries scattered over the major continents of the world. With our wide network of dealers and distributors, market presence of our products is high and thus provide better public awareness of our products globally. Further details of our distribution network may be referred to in Section 6.3.2 of this Prospectus.

6.0 BUSINESS OVERVIEW (Continued)

(iv) Established technical know-how

Our R&D team is currently headed by Mr. Koh Eng Siong who is also the General Manager of SWSB. He is assisted by Mr. Lee Kiet Wan, our Technical Services Manager, Mr. Lee Chee Ching, our Production Manager and Encik Abdul Halim B. Abd. Majid, our R&D Executive. Mr. Koh has a Bachelor's degree in Applied Science and a Master's degree in Industrial Engineering, and has gained over 29 years of working experience from various local and multinational corporations by being involved in the technical aspects and management of these companies. With his vast experience, Mr. Koh is technically sound and has prudent market intelligence which provides us with the ability to be technically updated via our R&D efforts. Furthermore, Mr. Koh has a team of able R&D personnel which has in-depth technical knowledge of the rubber insulation industry. Some of our notable R&D achievements to date are disclosed in Section 6.7.5 of this Prospectus. Further details of our R&D activities and profiles of our R&D personnel may be referred to in Section 6.7 of this Prospectus.

(v) Registered trademark

Details of our trademarks are set out in Section 6.5.1. The trademark "Superlon", our main brand name for our thermal insulation products is currently registered in Malaysia and we have used the said trademark in all the countries we operate in since 1993 with the exception of Australia where we are using 'Supermax' brand name. The usage of our trademark "Superlon" has resulted in the establishment and recognition of our main brand name "Superlon" to be widely identified and associated with our thermal insulation products for the HVAC&R industry by most HVAC&R industry players including our loyal customers which we feel is one of the key success factor in maintaining and establishing relationships with many of our loyal customers globally and regionally. This provides a competitive advantage for us in terms of our customer base as we feel there exists brand loyalty for our NBR thermal insulation products thus enabling us to continue maintaining our relationship with our existing customers and better potential to further expand our customer base by establishing new customer relationships.

(vi) Market recognition for quality of products

We have long established our market presence in the Malaysian thermal insulation market for about 14 years since 1993. Over the years, we have managed to provide quality products to our customers, evidenced by the average of 10 to 13 years of long standing relationship we have with our customers and our current estimated position as the market leader in the thermal insulation industry in Malaysia as provided by F&S in the IMR Report.

Our commitment to provide high quality NBR thermal insulation products to our customers via strict quality control and assurance procedures before, during and upon completion of our manufacturing process can be reflected by the accreditation of ISO 9002:1994 certification in 1998 which was upgraded to ISO 9001: 2000 in 2001 and ISO 14001:2004 certification in 2006. Further, our products have also been tested and accredited by various certification bodies worldwide which include Warringtonfire, UL, PSB, CSIR, SGS, SIRIM and BOMBA. Further details on our quality control procedures and business history may be referred to in Sections 6.6 and 6.1.5 of this Prospectus. Further details on our ISO and industry certifications are set out in Sections 6.8 and 6.5.3, respectively.

6.0 BUSINESS OVERVIEW (Continued)

(vii) Wide applications for product and wide and diverse customer base

With our R&D team, we are able to develop our NBR thermal insulation materials as insulation materials not only for the HVAC&R industry but also for other industries such as the electronic component manufacturing, sport equipments, automotive and mining industries which provides us with a wider customer base and market or industry thus reducing our dependence on customers and the markets from the HVAC&R industry. This provides a competitive edge for us as we would not be solely be subjected to the risks inherent in the HVAC&R market. Further details on our products' application and business risk factors may be referred to in Sections 6.2.1.2 and 4.1 of this Prospectus. In addition, as highlighted in Section 6.3.4, we have a wide customer base of about 270 customers and as highlighted in Section 6.3.1, our customer base comprise of various business entities involved in various business such as HVAC&R dealers and distributors, converters and manufacturers or contractors which provides a competitive edge for us as we have a large customer base and we do not depend on any single group of customer base.

(viii) Long standing relationship with suppliers and customers

Over the years, we have been able to maintain a cordial relationship with a majority of both our suppliers and customers. This is evidenced by some customers and suppliers dealing with us since our inception. So far, we have not have any difficulties in sourcing our raw materials from our suppliers who have been reliable and stable and provide quality and reasonable pricing for raw materials supplied to us. We have also maintained close relationship with our customers by providing high quality products. Please refer to Sections 6.4.7 and 6.3.4 of this Prospectus for further information on our major suppliers and customers and to Section 6.4.6 for factors pertaining to raw materials sources and availability.

(ix) High and potential for further expansion of production capacity

Our Group is currently not constraint by processing capacity as we have unutilised production capacity. As part of our capacity expansion plan, we had purchase Factory 2 which is in close proximity to Factory 1. As at the Latest Practicable Date, the new Factory 2 has only one (1) manufacturing line which had commenced production in December 2006. With Factory 2, we have the potential to increase our existing production lines from the current six (6) with three (3) new additional production lines with an estimated total capacity of 350MT per month if and when the need arises. Further details on our production capacities and business premises may be referred to in Sections 6.4.2 and 6.4.1 of this Prospectus.

(x) Provision of value-added services to customers

To provide value added services to our customers, we also provide free consulting services to our customers such as recommending the best type of insulation materials to use to achieve the best results for our customers and recommending the most cost effective products that we have for our customers' insulation needs and requirements such as the availability of adhesive rubber, thermal insulation calculation software, aluminium rubber, etc. These value-added services do not only enhance the relationships between us and our customers but are also one of the main factors which attract our customers to continue to deal with us. Further details on our product range and calculation software may be referred to in Sections 6.2.1.3 and 6.7.5 of this Prospectus.

6.0 BUSINESS OVERVIEW (Continued)

(xi) Complete Integrated Production Line

One of the main competitive advantages that we have is our fully integrated production line whereby the production of our thermal insulation products starts from the mixing and blending of polymer compound (raw materials) as compared to some of our smaller competitors who do not mix and blend their own compound but instead purchase readily-mixed compound from third party. By mixing and blending our own compound, we are able to control the quality of our raw materials used thus ensuring that our thermal insulation products manufactured are of acceptable quality as only raw materials that meets the criteria of our QC requirements will be used for production and the mixing and blending process is one of the key process in preserving the quality of our thermal insulation materials. Further details on the key technological processes may be referred to in Section 6.4.5 of this Prospectus.

(xii) Market presence in India

Based on the IMR Report, our thermal insulation products holds a strong percentage of market share in the Indian market and the growth in the use of NBR in India is expected to increase due to the increasing public awareness on the benefits and advantages of using NBR over the present materials used which are mainly fibre glass. Further based on the IMR Report, the HVAC&R market in India is expected to grow by 15% per year and this will spur the use of NBR thermal insulation. As such, with our established market presence in India, our potential ability to ride on the expected future growth of the HVAC&R industry in India is enhanced. Further details on our estimated market participation in India may be referred to in Section 5.3.2.2 of this Prospectus.

6.10 Future Plans of Our Group

In the next three (3) years, our strategic initiatives in order to drive future growth would be to focus on the further development of new products for different applications in industries other than the HVAC&R industries, to expand into new markets geographically and within the various sub-sectors of the HVAC&R industry, to increase our current distribution network, to continue to focus on improving branding and marketing and to recruit and retain professional skilled employees. Further details on our future plans are set out in the sub-sections of Section 6.10 below.

6.10.1 Development of higher specifications for our NBR thermal insulation materials

At present, the K-value (which measures the thermal conductivity level, with lower value being better than higher value) of our NBR thermal insulation materials' thermal conductivity level is at approximately 0.038. In this regard, we plan to continuously undertake R&D activities to further lower the K-value of our NBR thermal insulation materials so as to make it even more efficient and effective in providing thermal insulation for HVAC&R systems and thus enabling more energy and cost savings.

With more efficient and effective products, we expect potential demand increase for our products would be enhanced thus providing us with potential future growth. At present, some of the R&D activities we have taken to achieve a lower K-value include exchange of ideas with research and certification bodies such as PSB, Rubber Research Institute of Malaysia and SIRIM.

As this is an on-going process, there is no specific time-frame for completion.

6.10.2 Development of new products for different applications for other industry sectors or markets

We plan to continuously undertake R&D activities to further expand our thermal insulation product application range with more innovative features, functions and higher specification standards. As this is an on-going process, there is no specific time-frame for completion.

6.0 BUSINESS OVERVIEW (Continued)

However, some of the new thermal insulation product variants that we intend to focus on developing for commercialisation during the first three years of our admission to the Second Board of Bursa Securities include the thermal insulation for the various process work for under corrosion insulation protection such as to insulate the network of process pipe works, fittings and vessels such as pipes, tanks, joints, tees, elbows, flanges, valves and crosses of various processes of processing related industries that are exposed to corrosion risk such as oil and gas, gas reticulation, marine, onshore and offshore heavy engineering, petrochemicals, palm oil refining and other related industries. Higher specification thermal insulation products command better pricing and margin and as such, in the event we are able to achieve the commercial production of the same, we expect these products to be a key driver in driving our future growth. At present, some of the steps we have taken in order to achieve the production of such products include initiating contacts and / or relationship with key professional technical industry application service provider like oil and gas service engineers who decides which insulation should be used for the oil and gas sector projects in which they are contracted for by organising seminars for such parties to create awareness of our products. Further steps we intend to undertake include sponsorship of research by providing our products to higher education institution and commercial to study the potential of application in different areas.

In addition, other markets which we may further develop our presence within the next three (3) years include, depending on market acceptance of design and pattern, rubber mats for beach mats or cover by selling to such mat distributors like in Australia and USA where at present, the products used for such purpose include towel and air mattresses.

6.10.3 Increasing Awareness Campaign

We also plan to step-up the health and safety awareness campaign on the benefits of using NBR thermal insulation materials as compared to more health hazardous insulation materials such as fibre glass by providing relevant research materials for our dealers and distributors on the advantages of NBR thermal insulation materials and disadvantageous of fibre glass in most of our markets like Malaysia and India and others for them to market to health conscience end-users such as pharmaceutical industry, hospitals and food processing industries. These measures are also expected to drive our future growth as we may be able to capture some of the market share currently held by the fibre-glass industry.

6.10.4 Increasing Distribution Network

We also plan to appoint more distributors or dealers in countries that at present we do not have any dealer or distributor representation such as in some countries within the regions of Africa and Europe and also more distributor or dealer in countries we are already operating like USA and Indonesia. With the increase in our network of distributors and dealers, we expect potential demand increase for our products would be enhanced thus providing future growth. At present, we are in the midst of appointing new distributors and dealers in countries such as United Kingdom and Slovakia and expect these new appointments to be completed by end of 2007.

6.10.5 Focus on Branding and Marketing Strategies

Our brand names are one of our key assets and as such we plan to apply for registration of our “Superlon” and other trademarks in more countries such as Japan, Thailand, Saudi Arabia and other countries to firm up the rights to use the name.

We also plan to commence advertising in local HVAC&R industry related publications in some of our major markets such as Malaysia, Singapore, Australia, India and Japan which we expect to further create brand awareness of our products.

In addition, we also plan to participate in more trade fairs and exhibition relating to the thermal insulation industry and HVAC&R industry and other relevant fairs or exhibitions to further develop our network and market intelligent to keep abreast of the developments within the industry whilst enhancing the industry’s brand awareness of our products.

6.0 BUSINESS OVERVIEW *(Continued)*

For our internet website, we plan to further develop and update the contents and appearance and to continuously monitor and maintain the site in order to capture internet presence and market share from the potential internet market.

We also plan to expand our concept of one stop HVAC&R solutions centre (i.e. NBR thermal insulation materials plus trading of HVAC&R parts and equipment) to dealers by increasing our trading product range to include more items and we also plan to further expand our concept of one stop solution centre for foam materials supply to converters by advertising in relevant publications relating to the foam converting industry to further create awareness of our foam solutions converting business.

In addition, we also plan to recruit more marketing staff in order to undertake further marketing activities and to beef up our marketing team.

With the steps above, we expect the potential demand increase for our products to strengthen thus providing potential for our future growth.

6.10.6 Recruit more Professional Skilled Employees

We also plan to recruit more technical and R&D staff to increase the depth and know how to our R&D activities to further strengthen our ability to keep abreast of the industry development and to provide better capabilities to come up with new design and product application in a timely manner.

With more technical and R&D staff, we expect an acceleration of our R&D activities thus improving turnaround time of R&D activities which enhances our ability to meet customers' needs which in turn provide potential for our future growth as a result of the potential demand increase for our products.

6.10.7 Increase Production Capacity

As highlighted in Sections 6.10.1 to 6.10.6, we expect the steps stated therein to enhance the potential demand increase for our products. In the event our future plans stated therein achieves its objectives, we may increase our production capacity to meet the potential increase in demand for our products by expanding our Factory 2 and/or by setting up a production facility overseas.

6.11 Prospects of Our Group

In an environment where cost, quality and delivery commitments are major requirements of customers today, industry players need to be more customer-oriented, practise good cost and quality control systems and keep abreast with the latest technology trends. Capitalising on our current capabilities, we are fairly confident that we can further progress to develop our position to be a globally recognised manufacturing company that produces high quality thermal insulation materials for both households and businesses and to build a global brand name within the thermal insulation industry.

The sustainability and future growth of our business will depend on, inter-alia, the continuous development of better quality and cost competitive products, even wider application of products, the network of dealers, distributors and customer base, R&D, quality and marketing initiatives and our management's experience in managing our business.

The strengths and competitive advantages possessed by our Group including having established ourselves as a leading Malaysian manufacturer for NBR thermal insulation products in the region as well as locally, are deemed to be more than adequate to compete in and to remain at the forefront of the industries which we operate within.

However, we still face various risk factors including threats imposed by both regional and international competitors as highlighted in Section 4.1.3.

6.0 BUSINESS OVERVIEW (Continued)

Premised on the above and after considering, inter-alia, the factors set out below, our Directors are of the opinion that the prospects of our Group appears favourable:

- (i) the outlook for NBR thermal insulation materials industry as highlighted in Section 5.7 of this Prospectus which appears to be favourable;
- (ii) our competitive edge as highlighted in Section 6.9 of this Prospectus which enables us to compete in and to remain at the forefront of the industries which we operate within;
- (iii) our future plans as highlighted in Section 6.10 of this Prospectus which is envisaged to provide us with the sustainability and potential future growth of our business;
- (iv) the outlook of NBR thermal insulation markets in our principal markets of Malaysia and India as highlighted in the IMR Report as set out below:-

Malaysia

The economic performance of Malaysia is strong and the prospects sound. The construction area which impacts the NBR thermal insulation market has not had a strong showing of late. However, the Malaysian government is supportive of the industry and the 9MP includes incentives for this sector. Forecasts for certain sub-sectors of construction i.e. purpose-built office and leisure property are promising and this is encouraging for the NBR thermal insulation market.

The total market for thermal insulation in Malaysia for 2005 is estimated to be at approximately RM11.7 million. The base year market growth rate is 8.8 percent and the CAGR is forecast at 6.3 percent from 2006-2011.

Key issues to look out for would be the increase in petrol prices which may increase the cost of raw materials and the entrance of XLPE as a competing product. However, the NBR thermal insulation market in Malaysia has the advantages of being small enough to reduce potential threats from competitors, taxes which discourage new entrants as well as the prohibitive costs of setting up a manufacturing plant which will lessen the entry of new competitors.

NBR thermal insulation manufacturers who are diversifying the use of their products into other areas; e.g. selling the product to the automotive industry etc can also open up new markets for themselves within Malaysia.

However, at present, NBR thermal insulation manufacturers in Malaysia are not solely focusing on the Malaysian market as approximately 65 – 70 percent of their products are exported. This is a sound strategy given the limited size of the local market and abundant opportunities in export markets like India, as further elaborated in the next section.

(Source: IMR Report)

India

India's booming economy is creating strong growth in the construction sector following rapid industrialization. The HVAC&R market is estimated to grow by 15 percent per year and this will spur the use of NBR thermal insulation.

Previously, fibre glass was the thermal insulation materials used most frequently. However, the trend is changing as there is an increasing awareness of the advantages of using NBR thermal insulation. This has convinced global NBR thermal insulation manufacturer Armacell International GmbH to construct a plant in India to serve the local market. This is a positive signal that India is a strong market for NBR thermal insulation.

6.0 BUSINESS OVERVIEW (Continued)

According to F&S's findings through expert opinion, this is further supported by the fact that recent construction projects of pharmaceutical plants used NBR thermal insulation as the thermal insulation material.

Although XLPE is also entering the market in India, there is a general consensus that NBR thermal insulation will still move to the forefront. The manufacturers who are already established in India would do well to capitalize on this increasing market.

(Source: IMR Report)

- (v) the outlook and overview of the general economy of our principal markets of Malaysia and India as highlighted in the IMR Report as set out below:-

Malaysian Economy

The Malaysian economy continues to be resilient amidst persistent high world crude oil prices, rising inflationary pressures and monetary tightening, especially in major advanced economies. The growth momentum in Malaysia remains strong, driven by robust domestic demand and positive export performance, supported by favourable financing and stable labour market conditions.

In 2006, GDP was estimated at 5.8 percent for the whole year with growth rates of 5.5 percent in the first quarter, 5.9 percent in the second quarter and between 5.8 and 5.9 percent in the third quarter. Growth is expected to be broad based, with positive contribution by all sectors, led by services, manufacturing and agriculture. Strong domestic consumption and continued expansion in trade-related activities are expected to support growth in the services sector, especially in the wholesale and retail trade sub-sectors.

Inflation, maintained at below 2 percent annually during the 2000 to 2004 period, edged up to 3 percent in 2005 and 3.9 percent in the first seven months of 2006, due largely to higher administered retail prices of petroleum products. This rise in inflationary pressures was mitigated somewhat by the appreciation of the Ringgit, which helped to lower the cost of imports. Meanwhile, productivity gains contributed to reducing the costs of production. For 2006 as a whole, inflation is projected at 3.7 percent, after factoring the Government's commitment to not raising further the retail prices of petroleum products in the remaining months of the year.

The private sector, which resumed its role as the key engine of growth since 2003, continues to drive domestic economic activities in 2006. With favourable business and financing conditions, rising disposable incomes and a steady labour employment market, private sector expenditure is envisaged to expand strongly by 7.6 percent (2005: 9.1 percent), driven by higher investment and consumption spending.

Private consumption increased at a strong pace of 9.2 percent as positive developments in the economy, in particular, the increase in job vacancies, rising disposable incomes and accommodative financing conditions supported growth. While consumers were affected by higher fuel prices, there was a willingness to moderate their savings rate in order to maintain their level of consumption, underscoring their confidence on income growth and positive outlook for the economy. Private sector expenditure (including consumption and investment) is expected to contribute 4.7 percentage points to real GDP in 2006.

In 2006, the services sector continued to be the major driver of growth with a 58.2 percent share of overall GDP. With continuing strong domestic demand and expanding trade-related activities, the sector is estimated to expand by 5.7 percent (2005: 6.5 percent) with all sub-sectors recording positive growth. Government efforts in promoting new areas of growth including IT began to yield results and contribute towards the services sector's growth.

6.0 BUSINESS OVERVIEW (Continued)

Meanwhile, the manufacturing sector which accounts for 32 percent of GDP remains the largest export earner and the second most important sector generating employment for the economy. This sector is envisaged to record a higher growth of 7.3 percent in 2006 (2005: 5.1 percent) following the anticipated better performance of the export-oriented industries, particularly electrical and electronic (E&E), textile and petroleum.

On the external front, development remains positive with Malaysia continuing to record a higher trade surplus, notwithstanding the higher growth in imports relative to exports. With continued inflows of foreign capital, the overall balance of payments is expected to remain strong in 2006, further strengthening the nation's economic fundamentals as well as boosting investor confidence.

At end-March 2006, the Government launched the Ninth Malaysia Plan ("9MP") 2006-2010, providing the foundation for further development in the Malaysian economy. The 9MP focuses on the importance of new growth areas to successfully transform Malaysia into a knowledge-based economy, while re-emphasising the Government's commitment to maintaining macroeconomic stability. Looking forward, the economy is estimated to grow at 5.8 percent for the full year in 2006, with growth forecasted at 6 percent in 2007.

(Source: IMR Report)

Indian Economy

The Indian economy continued to record strong growth during the fiscal year 2005-06, backed by sustained manufacturing activity and impressive performance of the services sector, with reasonable support from the recovery in agricultural activity. According to revised estimates released by the Central Statistical Organisation (CSO) in May 2006, real gross domestic product (GDP) increased by 8.4 per cent during 2005-06 on top of growth of 7.5 per cent in 2004-05. Thus, real GDP growth has averaged at above 8 per cent in the past three years.

Industrial production, based on the movements in the index of industrial production (IIP), recorded a strong growth of 8.1 percent during 2005-06 albeit marginally lower than that of 8.4 per cent during 2004-05 led by sustained manufacturing activity. The marginal deceleration was largely the reflection of a sharp slowdown in the mining sector, which recorded negative growth between July and December 2005 on account of decline in crude oil production due to break-out of fire at Mumbai High oil field in July 2005.

Manufacturing activity was broad-based, supported by both investment and consumption demand. In terms of use-based classification, acceleration in growth was observed in respect of all sectors except intermediate goods sector. Capital goods sector logged double-digit growth even as there was a sharp rise in imports, reflecting high investment demand on account of fresh investments in various sectors such as power equipment, metals, oil and gas, and petrochemicals. Higher spending on infrastructure also boosted domestic capital goods production.

As a result, the capital goods sector recorded a growth of 15.7 per cent during 2005-06 the highest rate of growth since 1993-94. Impressive performance of both the durable and nondurable segments aided the strong growth of consumer goods sector.

The services sector recorded growth of 10.3 per cent during 2005-06, maintaining the double digit growth recorded in the previous year and, notably higher than the average growth of 8.6 per cent during the last five years. The sector, thus, remained the key driver of growth during 2005-06, contributing almost three-fourths to the overall real GDP growth. The robust performance of the services sector during 2005-06 was led mainly by 'trade, hotels, transport and communication', which contributed almost one-half of the sector's growth. Activity in the hotel industry improved significantly, aided by rise in domestic and international tourism, for both business as well as leisure. Growth in 'financing, insurance, real estate and business services' benefited from sustained growth in bank credit and deposits, progressive expansion of insurance activity and continued buoyancy in exports of software and other business services.

6.0 BUSINESS OVERVIEW (Continued)

The construction sector exhibited double-digit growth for the third consecutive year, reflecting the focus on infrastructure development and supported by housing activity. Capacity addition across various industries also strengthened the demand for construction services.

Developments during 2006-07 so far suggest that the growth momentum of recent years is likely to continue during the year. High growth in the last three years has been led by strong performance of the services activity and manufacturing sector with some support from agricultural activity. This suggests that the growth momentum mainly reflected structural factors, although supported by cyclical and seasonal components. Early trends from the industrial production, services sector indicators, trends in kharif sowing, business confidence surveys, corporate performance, external trade, monetary and credit indicators and financial market conditions support an overall optimistic near-term outlook.

(Source: IMR Report)

- (vi) the risk factors relating to our business as set out in Section 4.1 with most of which has been adequately mitigated;
- (vii) Enlarged ASEAN and Global Market - with trade liberalisation through the World Trade Organisation Free Trade Area and ASEAN Free Trade Area, there exist opportunities for local manufacturers especially one with an existing global presence and brand name like us, to further expand our market share to countries overseas with a bigger market size potential with better competitive environment with the potential gradual abolishment of the various trade barriers currently in place such as import tariffs; and
- (viii) the outlook for the Malaysian residential property market as highlighted below:-

The residential sector in Malaysia remained active as business confidence and consumer sentiment remained strong in 2006. According to the National Property Information Centre (NAPIC) the residential property sub-sector continued to remain the driver of the property market in 2005, contributing 65.7 percent of the total transaction volume. A total of 180,075 residential units were completed in 2005, up by 8.5 percent from 165,964 units in 2004.

In the first half of 2006, the residential property sub-sector remained as the driver of the property market registering 85,153 transactions worth RM13.53 billion. It dominated 64.8 percent of total volume and 47.0 percent of the value of transactions respectively. Compared to the first half of 2005, volume reduced by 3.4 percent whilst value decreased by 2.9 percent.

The industry managed to maintain a positive outlook due to encouraging factors such as relatively low interest rates, competitive and innovative home financing packages, stable employment market, relaxed regulations on foreign ownership and further liberalisation of the Silver Hair Programme (retiring to Malaysia).

The country's demographic profile with a sizeable population aged between 25 to 44 years, which forms the house-buying category is a positive factor for the local residential property market. Young working adults are also purchasing their homes early and there is an increasing awareness of the benefits of investing in residential property. These factors, coupled with the fact that urban migration is on the rise provide further stimulus for growth in the residential property sector. As the country's residential property sector improves and grows, the demand for room air-conditioners will also likely grow.

(Source: IMR Report)

7.0 INFORMATION ON OUR GROUP

7.1 Information on Superlon

7.1.1 History and Principal Activities

Our Company was incorporated in Malaysia under the Act on 10 July 2006 as a public limited company. Our principal activities are investment holding and provision of management services while details of our subsidiary company and its principal activities are as follows:-

Name of Subsidiary	Date of incorporation	Authorised share capital RM	Issued and paid-up share capital RM	Effective interest held by Superlon %	Principal Activities
SWSB	7 November 1992	10,000,000	10,000,000	100.0	Design, test and manufacture of thermal insulation materials mainly for the HVAC&R industry and trading of HVAC&R parts and equipment

The reason for our incorporation is for the setting up of a listing vehicle for the purpose of the IPO and we commenced business on 20 July 2006. Further details on SWSB are set out in Section 7.3 of this Prospectus and as at the Latest Practicable Date we do not have any other subsidiary or associated companies.

7.1.2 Share Capital

Our present authorised share capital is RM100,000,000 comprising 200,000,000 Shares. Our issued and paid-up share capital as at to date is RM33,824,300 comprising of 67,648,600 Shares.

The changes in our issued and paid-up share capital since incorporation are as follows:-

Date of Allotment	No. of Shares allotted	Consideration / reason for allotment	Cumulative total issued and paid-up share capital
			RM
10-07-2006	4	Subscription vide cash for price of RM0.50 per Share (subscribers' shares)	2
31-01-2007	67,648,596	Issued to the Vendors as consideration for the Acquisition of SWSB at an issue price of approximately RM0.52 per Share	33,824,300

As at the Latest Practicable Date, there are no outstanding warrants, options, convertible securities and uncalled capital applicable to our Company.

7.0 INFORMATION ON OUR GROUP (Continued)**7.2 Listing Scheme**

In conjunction with, and as an integral part of the listing of and quotation for our entire enlarged issued and paid-up share capital on the Second Board of Bursa Securities, we undertook the Listing Scheme which was approved by the MITI on 27 November 2006 and the SC on 17 January 2007, involving the transactions as set out below.

7.2.1 Acquisition of SWSB

On 8 September 2006, we entered into a conditional share sale and purchase agreement with the Vendors for the acquisition of the entire issued and paid-up share capital of SWSB comprising 10,000,000 ordinary shares of RM1.00 each (“SWSB Shares”) representing 100% equity interest in SWSB for a purchase consideration of RM34,838,990 which was wholly satisfied by the issuance of 67,648,596 new Shares, at an issue price of approximately RM0.52 per Share and is credited as fully paid up to the Vendors in the following manner:-

Vendors	Shareholdings in SWSB before Acquisition of SWSB		Purchase Consideration (RM)	No. of new Shares issued as consideration
	No. of SWSB Shares held	%		
Jessica Liu	5,111,510	51.11	17,807,985	34,578,696
Tan Sri Hamid	1,488,516	14.89	5,185,839	10,069,600
KPFB	1,100,000	11.00	3,832,289	7,441,300
Sua Hee Yuan	1,098,217	10.98	3,826,077	7,429,300
Wan Khazali	501,757	5.02	1,748,071	3,394,300
Tengku Ardy	500,000	5.00	1,741,949	3,382,400
Koh Eng Siong	200,000	2.00	696,780	1,353,000
Total	10,000,000	100.00	34,838,990	67,648,596

The purchase consideration for the Acquisition of SWSB of RM34,838,990 was arrived at based on the proforma audited net asset value of SWSB as at 30 April 2006 of RM34,838,990, after taking into consideration the audited net asset value of SWSB as at 30 April 2006 of RM30,150,165 and the special issue of 1,488,516 new SWSB Shares to Tan Sri Hamid at an issue price of RM3.15 per SWSB Share which was completed on 5 May 2006 (“Special Issue”) as illustrated below:-

Acquiree Company	Audited net asset value as at 30 April 2006 RM	Increase of net asset value from Special Issue RM	Proforma audited net asset value as at 30 April 2006 RM	Purchase consideration RM
SWSB	30,150,165	4,688,825	34,838,990	34,838,990

Upon completion of the Acquisition of SWSB, our issued and paid-up share capital had increased from RM2 comprising 4 Shares to RM33,824,300 comprising 67,648,600 Shares. The Acquisition of SWSB was completed on 31 January 2007.

7.0 INFORMATION ON OUR GROUP *(Continued)*

7.2.2 IPO

Following the completion of the Acquisition of SWSB and in conjunction with the Listing, we are implementing the IPO of 13,351,400 of our Shares via the following:-

(i) Public Issue

Public issue of 12,351,400 new Shares at an issue price of RM0.72 per Share payable in full on application comprising:-

- (a) 6,000,000 of the Public Issue Shares representing 7.5% of our enlarged issued and paid-up share capital after the IPO available for application by the Malaysian public, via balloting, of which at least 30% is to be set aside to the extent possible for Bumiputera individuals, companies, co-operatives, societies and institutions;
- (b) 3,351,400 of the Public Issue Shares representing approximately 4.19% of our enlarged issued and paid-up share capital after the IPO available for application by our eligible Directors, employees and business associates; and
- (c) 3,000,000 of the Public Issue Shares representing 3.75% of our enlarged issued and paid-up share capital after the IPO available for placement to identified investors of which at least 30% is to be set aside to the extent possible for Bumiputera individuals, companies, co-operatives, societies and institutions.

(ii) Offer for Sale

Offer for sale by the Offerors of 1,000,000 Offer Shares representing 1.25% of our enlarged issued and paid-up share capital after the IPO at an offer price of RM0.72 per Share payable in full on application to identified investors by way of placement of which at least 30% is to be set aside to the extent possible for Bumiputera individuals, companies, co-operatives, societies and institutions.

Upon completion of the IPO, our issued and paid-up share capital will increase from RM33,824,300 comprising 67,648,600 Shares to RM40,000,000 comprising 80,000,000 Shares.

7.2.3 Listing and Quotation

Pursuant to the IPO, the listing and quotation for our entire enlarged issued and paid-up share capital of RM40,000,000 comprising 80,000,000 Shares will be sought on the Second Board of Bursa Securities.

7.3 Details of our Subsidiary Company**7.3.1 SWSB****(a) History and Principal Activities**

SWSB was incorporated in Malaysia as a private limited company under the Act on 7 November 1992 under the name of Villa Mutiara Sdn Bhd and assumed its current name on 29 October 2002. SWSB was incorporated to undertake the manufacturing of thermal insulation materials which commenced in year 1993.

As at the Latest Practicable Date, SWSB is principally engaged in the design, test and manufacture of insulation materials mainly for the HVAC&R industry and trading of HVAC&R parts and equipments.

7.0 INFORMATION ON OUR GROUP (Continued)**(b) Share Capital**

The authorised share capital of SWSB is RM10,000,000 comprising 10,000,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of SWSB is RM10,000,000 comprising 10,000,000 ordinary shares of RM1.00 each.

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

Date of Allotment	No. of ordinary shares of RM1.00 each allotted	Consideration / reason for allotment	Cummulative total issued and paid-up share capital
			RM
07-11-1992	2	Subscription vide cash for price of RM1.00 per share (subscribers' shares)	2
01-05-1993	1,079,328	Subscription vide cash for price of RM1.00 per share	1,079,330
01-05-1993	2,620,672	Issued as consideration for purchase of machinery at issue price of RM1.00 per share	3,700,002
22-05-1998	910,580	Subscription vide cash for price of RM1.00 per share	4,610,582
22-05-1998	2,800,902	Bonus issue from retained profits on the basis of 0.757 new share for every 1 share held	7,411,484
23-01-2006	1,100,000	Subscription vide cash for price of RM3.15 per share	8,511,484
05-05-2006	1,488,516	Subscription vide cash for price of RM3.15 per share	10,000,000

As at the Latest Practicable Date, there are no outstanding warrants, options, convertible securities and uncalled capital applicable to our subsidiary SWSB.

(c) Substantial Shareholders

SWSB is our wholly-owned subsidiary.

(d) Subsidiary and Associate Company

SWSB does not have any subsidiary or associate company.

7.0 INFORMATION ON OUR GROUP (Continued)**7.4 Property Details****7.4.1 Information on Landed Properties owned by our Group**

In addition to the information disclosed in Section 6.4.1 of this Prospectus, further details of the landed properties owned by our Group (all registered under SWSB) as at the Latest Practicable Date are as follows:-

Property / Title Details	Date of acquisition / Prices paid (RM)	Approximate age of building / Tenure	Major encumbrances/ Restrictions in interest	Date of Certificate of Fitness for Occupation ("CF")	Audited NBV as at 30.11.2006 RM'000
Factory 1 / Geran 3947 Lot 2567, Tempat Sungei Jaty Mukim Klang, Daerah Klang Selangor	30/03/1996 / RM7.77 million	10 years / Freehold	Charged to CIMB / No restriction in interest.	3 August 1996	7,222
Factory 2 H.S.M. 42634 PT 118211 (formerly under Geran Mukim 1058 Lot 2736) Tempat Sungai Jaty Mukim Klang, Daerah Klang Selangor	13/10/2004 / RM8.48 million	2 years / Freehold	Charged to CIMB / No restriction in interest.	10 November 2006	8,481

7.4.2 Information on Landed Properties Leased/ Rented by our Group

As at the Latest Practicable Date, there are no properties leased/rented by our Group that are material to the operations of our Group as the only properties rented by our Group are for the purposes of accommodation for our management and foreign employees.

7.4.3 Material Breaches of any Law, Rules and Building Regulations

To the best of our Directors' knowledge, there are no material breaches of any law, rules and building regulations including CF issuance, category and express land-use conditions or permissible land use which may result in a potential adverse material impact to our Group in relation to the properties owned and/ or leased or rented by our Group.

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7.0 INFORMATION ON OUR GROUP (Continued)**7.5 Employees****Overview**

As at the Latest Practicable Date, our Group have in our employment a total of 186 employees. Our Group have not encountered any major problem in our staff turnover and enjoy a cordial relationship with our employees. None of our Group's employees are members of any trade union. Furthermore, there are currently no pending cases related to labour or industrial dispute taken against us or our subsidiary. As at the Latest Practicable Date, our Group's employees can be categorised as follows:

Category	Number of Employees			Average length of services (years)	No. of contractual and temporary employees
	Malaysian	Foreigner	Total		
Managerial & Professionals	25	3	28	1-14	-
Technical & Supervisory	7	6	13	1-14	-
Clerical & Administration	9	-	9	1-4	-
Factory Workers					
• Skilled	24	16	40	1-9	-
• Unskilled	41	55	96	1-4	-
Total	106	80	186		

As at the Latest Practicable Date, there are 80 foreign employees who are currently employed by us. Our Directors have confirmed that all the foreign employees have valid working permits and are not in breach of any immigration laws.

Training and Development Programmes Undertaken and On-going

In recognition that our employees are the backbone to the success of our Group, we constantly ensure 95% completion of recommended trainings for all our Group's employees. Our training programmes include both in-house and external, and on-job training. Our recent in-house and external training undertaken and on-going include the following:-

- Problem Solving and Creativity
- Employee's Role as a Production/Factory Manager
- Understanding Malaysian Shipping & Custom Procedures
- Department Objectives and Monitor
- Briefing of Letter of Credit Collection for Export & Import
- Carbon Black Application in Rubber Products
- Quality Control System Training
- Safety, Security and Environmental Awareness

Our Group also conducts orientation and has a comprehensive On-Job-Training programmes for our new recruits. Basically, new recruits will be evaluated on a monthly basis and will be required to undergo certain training and tests in order to assess their understanding of their respective job functions. These on-job-training plans are assigned based on the employee's department or job functions and some examples are listed below:

QC Department

- Awareness of Quality Policy, Objective and Work Instruction
- Understand QC responsibilities & How to Achieve Customer Requirements
- How to Check WIP for Tubing & Sheets & the Way to Record In Form
- How to Identify Calibration Equipment & its Reasons for Calibration
- Understanding of Sampling Plan and Level Checking

7.0 INFORMATION ON OUR GROUP *(Continued)*

Purchasing Department

- Incoming Goods Sampling Checking Plan
- Implementation According to FIFO
- The Techniques of Stacking
- Analysis of Incoming Goods

Production Department

- Understanding Work Instructions in Heating Area
- Understanding Work Instructions in Compound Area
- Product Quality Checking Before Packing
- Allocation of Packing Area
- Production Planning & Control

We strongly believe in continuous staff development and are committed to train our Group's staffs continuously in the following major areas:

- Effective purchasing and negotiation skills
- Teambuilding
- Practical problem-solving skills
- Managing customers for profit not for sales
- Strategic management

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8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT**8.1 Promoters and Substantial Shareholders****8.1.1 Shareholdings**

The shareholdings of our Shares of our Promoters and existing substantial shareholders before and after the IPO are as follows:-

Name	Nationality / Place of incorporation	Shareholdings as at the date of this Prospectus before IPO				Shareholdings after IPO			
		Direct	%	Indirect	%	Direct	%	Indirect	%
<u>Promoters and Substantial Shareholders</u>									
Jessica Liu	Taiwanese & Australian	34,578,700	51.12	-	-	*34,178,700	42.72	-	-
Sua Hee Yuan	Malaysian	7,429,300	10.98	-	-	7,429,300	9.29	-	-
<u>Substantial Shareholders</u>									
Tan Sri Hamid	Malaysian	10,069,600	14.88	-	-	10,069,600	12.59	-	-
KPFB	Malaysia	7,441,300	11.00	-	-	7,441,300	9.30	-	-
Tengku Ardy	Malaysian	3,382,400	5.00	-	-	3,382,400	4.23	-	-
Wan Khazali	Malaysian	3,394,300	5.02	-	-	3,394,300	4.24	-	-

Note:-

* Assuming the Offer Shares offered by Jessica Liu are fully taken up

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8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Continued)**8.1.2 Changes in the Shareholdings of our Promoters and Substantial Shareholders for the Past Three (3) Years**

Save as disclosed below, there has been no other changes in the shareholdings of our Promoters and existing substantial shareholders in our Company since our incorporation on 10 July 2006.

Name	Nationality / Place of incorporation	Shareholdings upon incorporation on 10 July 2006				Shareholdings after completion of the Acquisition of SWSB as at the date of this Prospectus ^			
		Direct	%	Indirect	%	Direct	%	Indirect	%
<u>Initial Subscribers</u>									
Majelis Bin Majid	Malaysian	2	50.00	-	-	-	-	-	-
Mah Sin Yee	Malaysian	2	50.00	-	-	-	-	-	-
<u>Promoters and Substantial Shareholders</u>									
Jessica Liu	Taiwanese & Australian	-	-	-	-	34,578,700	51.12	-	-
Sua Hee Yuan	Malaysian	-	-	-	-	7,429,300	10.98	-	-
<u>Substantial Shareholders</u>									
Tan Sri Hamid	Malaysian	-	-	-	-	10,069,600	14.88	-	-
KPFB	Malaysia	-	-	-	-	7,441,300	11.00	-	-
Tengku Ardy	Malaysian	-	-	-	-	3,382,400	5.00	-	-
Wan Khazali	Malaysian	-	-	-	-	3,394,300	5.02	-	-

Note:-

^ The interest of the initial subscribers had been acquired by Jessica Liu after the completion of the Acquisition of SWSB

8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(Continued)*

8.1.3 Profiles

The profiles of our promoters and existing substantial shareholders as at the Latest Practicable Date are set out below.

(i) Jessica Liu

Liu Lee, Hsiu-Lin (also known as Jessica H. Liu), a Taiwanese & Australian (dual citizenship), aged 49 is our Managing Director and Chief Executive Officer and was appointed to our Board on 31 January 2007. Born in Taiwan, Jessica Liu graduated from Ming Chuan Commercial and Management College, a local college in Taiwan with a Secretarial Science and Management degree qualification in 1978.

She began her career as an international trading secretary with Flying Eagle Co. Ltd, in Taiwan which was involved in international trading of various types of curtain in 1978 until 1983. In 1983, she co-founded TransAsia Rubber Industrial Co Ltd (“**TransAsia**”), a Taiwanese company principally involved in the manufacturing of rubber thermal insulation products and was a Director and shareholder of the company from 1983 to 1997. While attached to TransAsia, she was responsible for the crafting and implementation of the company's business development strategies specifically for its overseas market and was also involved in the production line design and materials composition methodologies for its rubber insulation products.

In 1989, Jessica Liu together with her co-founder for TransAsia entered into a joint venture agreement with Malaysian parties to set up a local company under the name Superlon (Malaysia) Sdn Bhd (now known as Insulflex) for the manufacturing of rubber thermal insulation products by transferring the technology know-how accumulated by TransAsia.

After assisting the setting-up of Insulflex and contributing to the initial start-up and growth of the company's business and operations, Jessica Liu together with her TransAsia partner had encountered disagreements with their local partners with regards to Insulflex's business operations and strategic direction. In 1992, Jessica Liu together with her co-founder for TransAsia ceased their participation and interest from the joint venture and Insulflex.

Realising the potential of Malaysia, Jessica Liu stayed on in Malaysia and established a new rubber thermal insulation manufacturing business under Villa Mutiara Sdn Bhd (now known as SWSB) based on her accumulated technological know-how for the manufacturing of rubber based thermal insulation materials gathered from her experiences and knowledge from TransAsia and Insulflex.

Since her appointment as the Managing Director of SWSB in 16 November 1992, Jessica Liu had successfully set-up our Group's business from scratch and managed the day to day operations of our Group spearheading the growth and performance of our Group to where we are today and successfully groomed and trained local talents to assist her (and possibly one day taking over the mantle from her) in the management of our Group's business development and production and trading operations.

As the Managing Director and Chief Executive Officer of Superlon and with more key management able to manage the Group's business on daily basis, Jessica Liu now primarily embarks on the overall business strategies and planning of our Group focusing on the corporate planning, investment and international business development strategies of our Group.

8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(Continued)*

Overall, Jessica Liu has over 24 years of working experience in the rubber thermal insulation industry and has to date accumulated in-depth knowledge in management skills, the business and market environment of the thermal insulation industry, the HVAC&R industry, the production processes, production line design products and the materials composition methodologies for the production of rubber based thermal insulation products.

(ii) Sua Hee Yuan

Sua Hee Yuan, aged 32, was appointed to our Board on 31 January 2007 and is currently our Executive Director in charge of the overall financial management of our Group. He graduated with a Bachelor degree in Accountancy from the University of Glasgow, United Kingdom in 1997 and is currently a Chartered Accountant of the Malaysian Institute of Accountants.

Mr. Sua joined SWSB in 2000, initially as an Accounts and Finance Manager. In 2002, he was promoted to Finance and Administration Manager and by 2005, promoted to Financial Controller of SWSB. On 1 May 2006, Mr Sua was appointed to the Board of SWSB as an Executive Director responsible for the overall financial management of SWSB.

Prior to joining our Group, Mr. Sua was attached to Perwira Affin Bank Berhad (now known as Affin Bank Berhad) as a Credit Executive for approximately 3 years. While with the bank, he was responsible for the credit processing and business evaluation of corporate and small to medium enterprises financing which encompasses financial analysis, risk management, review and monitoring of borrowing accounts. He is also responsible in supervising the operations of daily banking activities, marketing trade finance products such as Letter of Credit, Trade Receivables etc. to potential importers and exporters as well as liaising with lawyers, insurance companies and government departments to safeguard the interest of the bank.

Since he joined us in 2000, with his accumulated knowledge from the banking industry, Mr Sua had assisted Jessica Liu in steering the growth of our Group's business by providing insights and in-depth analysis and review of our Group's financial management such as key corporate finance techniques of appraisal and investment and financing decisions, business strategic management and analysis and other administrative matters such as company secretarial, procurement, human resource matters, credit processing and monitoring of accounts, operations of daily banking activities such as trade finance products such as Letter of Credit, as well as liaising with local authorities, lawyers, insurance companies and government departments to safeguard the interest of our Group.

Overall, Mr. Sua has over 7 years of experience in the rubber thermal insulation industry and well over 10 years of working experience in the field of financial management and has to date accumulated knowledge in management and financial management skills, the business and market environment of the thermal insulation industry, the HVAC&R industry, the production processes, production line design and the materials composition methodologies for the production of rubber based thermal insulation products.

As the Executive Director in charge of our Group's financial management, Mr. Sua is responsible for the corporate finance, business strategies, company secretarial, procurement and human resource matters of our Group.

8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(Continued)*

(iii) Tan Sri Hamid

Tan Sri Datuk Amar (Dr.) Tommy bin Bugo @ Hamid bin Bugo, Malaysian, aged 61, was appointed to our Board on 31 January 2007 as a Non-Independent Non-Executive Chairman. He graduated from Canterbury University, New Zealand in 1969 with a B.A. and M.A. in Economics. In addition, he obtained a Postgraduate Diploma in Teaching in 1970 and a Postgraduate certificate in Business Studies, from Harvard Institute of Development Studies, USA. He was also honoured with PhD (Honorary) degree from Lincoln University New Zealand

He is a board member of several listed and non-listed companies. He has served both in the private sector and the public service in Sarawak. He held various distinguished positions in the public service, including the first general manager of Land Custody and Development Authority, Permanent Secretary of Ministry of Resource Planning and the State Secretary of Sarawak from 1992 until 2000.

(iv) KPFB

KPFB is a co-operative society with limited liability registered under the Co-Operative Societies Act 1993 in Malaysia on 1 July 1980. KPFB was principally established to encourage savings and investments by its members who are mainly Felda settlers and KPFB's employees and their respective organisations and co-operatives through investments in its shares whereby the funds received would be invested by KPFB to enhance the economic status of its members from the returns of its investment. Its subsidiaries are mainly principally involved in businesses mainly relating to the agriculture industry.

As at the Latest Practicable Date, KPFB has an authorised share capital of RM938,364,313 comprising 938,364,313 ordinary shares of RM1.00 each and an issued and paid-up share capital of RM938,364,313 comprising 938,364,313 ordinary shares of RM1.00 each.

As KPFB is enacted under the Co-Operative Societies Act 1993, it does not have any substantial shareholders or holding company and is mainly own by its co-operative members who invest in its share capital. As at the Latest Practicable Date, the category of its members, the total members for each category and their respective shareholdings in KPFB are as follows:-

Category of members	Total no. of members	<---Shareholdings--->	
		Direct	%
Felda settlers	154,839	551,011,711	58.72
Co-operatives or organisations of Felda settlers	1,826	124,224,220	13.24
Employees	21,322	243,338,136	25.93
Co-operatives or organisations of Employees	16	16,304,489	1.74
Felda	1	3,485,757	0.37
Total	178,004	938,364,313	100.00

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8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(Continued)*

As at the Latest Practicable Date, the Directors of KPFB (all of whom are Malaysians) and their respective shareholdings in KPFB are as follows:-

Directors	<-----Shareholdings----->	
	Direct	%
Abdul Majid Abdullah	206,830	*
Dato' Mat Abas Yusoff	176,167	*
Datuk Khamis Md. Som	168,532	*
Suhaimi Zainuddin	70,935	*
Abdul Karim Ahmad	37,418	*
Saadah Sudi	32,048	*
Mahamood Sarjono	26,098	*
Dato' Zainal Hassan	26,031	*
Arifin Husain	25,155	*
Che Megat Dewa Khalid	21,422	*
Ahmad Tarmizi Alias	2,897	*
Abdul Latif Othman	1,856	*
Total	795,389	*

* *Less than 1%*

(v) **Tengku Ardy**

Tengku Ardy Esfandiari Bin Tengku A. Hamid Shah, Malaysian, aged 48, is currently one of our existing substantial shareholder. However, pursuant to the IPO, his current interest would be diluted resulting in him ceasing to be a substantial shareholder. From 1988 to 1997 he was with Worldwide Holdings Bhd as a Director and then a project Director. At present, he is an Executive Director of CB Industrial Product Holding Berhad which he has sat on the Board since 1999.

(vi) **Wan Khazali**

Wan Khazali Bin Mohd Nor, Malaysian, aged 51, is currently one of our existing substantial shareholder. However, pursuant to the IPO, his current interest would be diluted resulting in him ceasing to be a substantial shareholder. He graduated from the Mara Institute of Technology in 1979 with a Diploma in Mechanical Engineering. He has total of 26 years experience in the oil & gas industry. Over these 26 years he has held various positions in Esso Production Malaysia Inc. followed by EXXON-MOBIL Exploration and Production (M) Inc from Drilling Supervisor, Workover Supervisor and Drilling Superintendent. Currently he is working for Greater Nile Petroleum Operation Company Limited. Over his 26 years in the abovementioned industry, he has supervised almost every aspect of drilling and workover operation in almost every type of rigs available in the industry such as Jack-up, Semi-Submersible, Tender Assisted Rigs, Self Contained Platform Rigs and Land Rigs.

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8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(Continued)***8.2 Directors****8.2.1 Shareholdings**

The shareholdings of certain of our Directors namely, Jessica Liu, Tan Sri Hamid and Sua Hee Yuan in our Company before and after the IPO are set out in Section 8.1.1 of this Prospectus. The shareholdings of our other Directors, before and after the IPO, in our Company are set out below.

Name	Nationality	Shareholdings as at the date of this Prospectus before IPO				Shareholdings after IPO*			
		Direct	%	Indirect	%	Direct	%	Indirect	%
Lai Keng Choe	Malaysian	-	-	-	-	68,000	0.0850	-	-
Lim E @ Lim Hoon Nam	Malaysian	-	-	-	-	30,000	0.0375	-	-
Freddie Chew Sun Ghee	Malaysian	-	-	-	-	30,000	0.0375	-	-

Notes:-

* Assuming our Directors above subscribe for the Public Issue Shares allocated to them under their Pink Form Allocation

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8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(Continued)*

8.2.2 Profiles

The profiles of Jessica Liu, Sua Hee Yuan and Tan Sri Hamid are set out in Section 8.1.3 of this Prospectus. The profiles of our other Directors are as follows:-

(i) Lai Keng Choe

Lai Keng Choe, aged 44, was appointed to our Board on 31 January 2007 and is currently our Executive Director in charge of marketing. He holds a Bachelor of Economics degree with Honours from the City of London Polytechnic, London, United Kingdom in 1985 and a Master degree in Marketing from the University of Strathclyde, United Kingdom in 1987. Mr Lai has been with us since 1993 initially as Marketing Manager, then General Manager in 1999 and subsequently as Marketing Director in 2001. During that period, Mr. Lai left us for approximately 1 year (1998 to 1999) and joined Danfoss Industries Sdn Bhd as Sales Manager. Prior to joining us, Mr Lai worked as a Department Manager with a company in London and once back in Malaysia in 1991, he joined Antara Publications Sdn Bhd as a Marketing Manager.

Overall, Mr Lai has over 19 years of working experience with more than 10 years of working experience in the rubber insulation industry.

As our Executive Director in charge of marketing, Mr Lai is responsible in crafting the overall sales and marketing strategies as well as the new business development strategies of our Group. He is also responsible in providing products training to our sales and marketing team.

(ii) Lim E @ Lim Hoon Nam

Lim E @ Lim Hoon Nam, aged 63, was appointed to our Board on 31 January 2007 as an Independent Non-Executive Director. He holds a Bachelor degree in Accountancy from National Chengchi University, Taiwan and Bachelor degree in Commerce from Otago University, New Zealand. He is a member of the Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants and New Zealand Institute of Chartered Accountants. He has been practicing as an accountant since 1977 under his own audit firm, Lim Hoon Nam & Co. He is also a director in a public listed company, Metech Group Berhad and a number of private limited companies.

(iii) Freddie Chew Sun Ghee

Freddie Chew Sun Ghee, aged 50, was appointed to our Board on 31 January 2007 as an Independent Non-Executive Director. Mr Chew is a Chartered Financial Analyst (“CFA”), a member of the CFA Institute and has a Masters in Accounting from Washington State University. He commenced his professional career as an officer with Bank Negara Malaysia (from 1981 to 1984) and had worked as a research analyst in a number of local, foreign (GK Goh Research Pte Ltd) and bank backed stockbroking companies from 1988 to 2004. He had also served as a Committee Member in the Association of Stockbroking Companies Malaysia from 2000 to 2001. Mr Chew had also held senior positions in the financial services industry. Mr Chew served as the Head of Equity Capital Markets in MIMB from 2004 - 2006. Prior to joining us, he was the Senior Director of Kenanga’s Equity Capital Markets until 2 February 2007.

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8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(Continued)*

8.2.3 Directors' Remuneration and Term of Office

The range of amount for total annual remuneration and benefits in-kind (including contingent or deferred compensation accruable) paid or payable to our existing Directors (including a Director who is also our Chief Executive Officer and Managing Director) for services rendered or to be rendered to our Group in any capacity for the FYE 30 April 2006 and FYE 30 April 2007 are set out below:-

Remuneration Band	<--Name of Directors within Remuneration Band-->	
	FYE 30 April 2006	FYE 30 April 2007
Below RM50,000	N/A	Lim E @ Lim Hoon Nam Freddie Chew Sun Ghee
Between RM50,001 and RM100,000	N/A	Tan Sri Hamid
Between RM100,001 and RM150,000	N/A	-
Between RM150,001 and RM200,000	N/A	Sua Hee Yuan Lai Keng Choe
Between RM200,001 and RM250,000	Jessica Liu	-
Between RM250,001 and RM300,000	N/A	Jessica Liu

Details of the period served by our existing Directors up to the Latest Practicable Date are set out below:-

	Period served up to Latest Practicable Date
Tan Sri Hamid	1 month
Jessica Liu	1 month
Sua Hee Yuan	1 month
Lai Keng Choe	1 month
Lim E @ Lim Hoon Nam	1 month
Freddie Chew Sun Ghee	1 month

According to our Articles of Association, all our Directors must retire at the first general meeting. At each annual general meeting subsequent thereto, one-third (or the number nearest to one-third) of our Directors are required to retire from office. Further, all our Directors are required to retire from office at least once every three (3) years. However, a retiring Director is eligible for re-election at the meeting at which he or she retires. An election of Directors shall take place every year.

Any person appointed as a Director, either to fill a casual vacancy or as an addition to the existing Directors shall hold office only until the next annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Accordingly, all Directors shall hold office only until the next annual general meeting, and shall then be eligible for re-election.

8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(Continued)*

8.2.4 Audit Committee

The main functions of our Audit Committee will fall within the ambit of the Listing Requirements. At present, the members of our Audit Committee are as follows:-

Name	Committee Designation	Directorship
Lim E @ Lim Hoon Nam	Chairman	Independent Non-Executive Director
Sua Hee Yuan	Member	Executive Director
Freddie Chew Sun Ghee	Member	Independent Non-Executive Director

Our Audit Committee is responsible for, among others, recommending to our Board regarding selection of external auditors, reviewing and reporting the results and scope of audit and other services provided by our external auditors as well as reviewing and evaluating our internal audit and control functions. Our Audit Committee is also responsible in reviewing and reporting to the Board prior to its review, our quarterly and year end results and matters relating to related party transactions and conflicts of interests. Our Audit Committee may obtain advice from independent parties and other professionals in the performance of its duties.

8.2.5 Remuneration Committee

At present, the members of our Remuneration Committee are as follows:-

Name	Committee Designation	Directorship
Freddie Chew Sun Ghee	Chairman	Independent Non-Executive Director
Lim E @ Lim Hoon Nam	Member	Independent Non-Executive Director
Jessica Liu	Member	Managing Director

Our Remuneration Committee is responsible for, among others, recommending to our Board the remuneration of all of our Executive Directors in all its forms, drawing from outside advice as necessary. In the event an Executive Director is a member of the Remuneration Committee, then he or she would not be part of the decision making process to arrive at his or her own remuneration. The determination of remuneration packages of non-executive directors, including non-executive chairmen would be a matter for our Board as a whole. Nonetheless, the individuals concerned would abstain from discussion of their own respective remuneration.

8.2.6 Nomination Committee

At present, the members of our Nomination Committee are as follows:-

Name	Committee Designation	Directorship
Freddie Chew Sun Ghee	Chairman	Independent Non-Executive Director
Tan Sri Hamid	Member	Non Independent Non Executive Chairman
Lim E @ Lim Hoon Nam	Member	Independent Non-Executive Director

Our Nomination Committee is responsible for, among others, proposing new nominees for our Board and for assessing Directors on an on-going basis including through annual review of the required mix of skills and experience and other qualities, including core competencies which Non-Executive Directors should bring to our Board, assessing the effectiveness of our Board as a whole, the committees of our Board and assessing the contribution of each individual Director.

8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Continued)**8.3 Key Management****8.3.1 Shareholdings**

The shareholdings of certain of our Directors who are part of our key management namely, Jessica Liu, Sua Hee Yuan and Lai Keng Choe in our Company before and after the IPO are set out in Sections 8.1.1 and 8.2.1 of this Prospectus. The shareholdings of our other key management, before and after the IPO, in our Company are set out below.

Name	Designation / Nationality	Shareholdings as at the date of this Prospectus before IPO			Shareholdings after IPO*				
		Direct	%	Indirect	%	Direct	%	Indirect	%
Koh Eng Siong	General Manager / Malaysian	1,353,000	1.69	-	-	**753,000	0.94	-	-
Lee Kiet Wan	Technical Service Manager / Malaysian	-	-	-	-	120,000	0.15	-	-
Low Teck Leong	Factory Manager / Malaysian	-	-	-	-	120,000	0.15	-	-
Ongi Cheng San	Accountant / Malaysian	-	-	-	-	80,000	0.10	-	-
Lee Leng Leng	Sales Manager / Malaysian	-	-	-	-	80,000	0.10	-	-
Soon Chong Sein	Production Planning & Control Manager / Malaysian	-	-	-	-	100,000	0.13	-	-
Lee Chee Ching	Production Manager / Malaysian	-	-	-	-	100,000	0.13	-	-

Notes:-

* Assuming our key management above subscribes for the Public Issue Shares allocated to them under their Pink Form Allocation

** Assuming Koh Eng Siong subscribes for the Public Issue Shares allocated to him under the Pink Form Allocation and the Offer Shares offered by him are fully taken up

8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(Continued)*

8.3.2 Profiles

The profiles of Jessica Liu, Sua Hee Yuan and Lai Keng Choe are set out in Sections 8.1.3 and 8.2.2 of this Prospectus. The profiles of our other key management are as follows:-

(i) Koh Eng Siong

Koh Eng Siong, aged 52, is currently our General Manager. He graduated with a Bachelor degree in Applied Physics from Nanyang University, Singapore in 1976 and subsequently a Master degree in Industrial Engineering from Cranfield University, United Kingdom in 1981. Mr Koh started off his career in 1976 as a Process Engineer in Toshiba Electronics Malaysia Sdn Bhd for 3 years and was sent for various technical training in several Toshiba's factories in Japan for a 7 months period. In 1981, Mr Koh joined Kayel Retreads Sdn Bhd as a Manufacturing Engineer and subsequently promoted to Manufacturing Division Manager after a year of service with the company. By 1989, Mr Koh has ventured into his own business which is principally involved in the trading of rubber and tyre materials. Nonetheless, due to the economic downturn, Mr Koh sold off his business and joined Talam Manufacturing Sdn Bhd, a company principally involved in the manufacturing of activated carbon for air/ water treatment, insulation material for automotive and air conditioning industries as well as edible ice, in 1993 as General Manager. Since then, Mr. Koh had joined other manufacturing companies as General Manager which includes Anshin Steel Processor Sdn Bhd. In 2001, Mr. Koh joined SWSB.

Overall, Mr. Koh has over 29 years of working experience in the manufacturing industry.

As our General Manager, Mr. Koh is responsible in assisting our Managing Director in overseeing the overall operations of our Group and also heads the R&D team of our Group.

(ii) Lee Kiet Wan

Lee Kiet Wan, aged 36, is currently our Technical Service Manager. Mr Lee holds a Sijil Pelajaran Malaysia qualification which he obtained in 1988. Mr. Lee has been with the Company for over 12 years since 1993 and initially started off as a Production Supervisor, then QA/QC Manager and finally Technical Service Manager. During his employment with us, Mr. Lee has gained in-depth knowledge in the technical know-how on the manufacturing of our rubber insulation products. Mr Lee has also gained experience in the manufacturing industry from his previous employment in manufacturing companies in various industries such as for Percetakan Bronson Sdn Bhd which is involved in printing from 1989 to 1990 as the general worker, Central Malaya Paper Sdn Bhd which is involved in manufacturing of carton box from 1990 to 1991 as an Assistant Supervisor and Superbrass (M) Sdn Bhd which is involved in metal moulding from 1991 to 1992 as a Production Supervisor.

Overall, Mr. Lee has over 17 years of working experience in the manufacturing industry and 14 years of working experience in the rubber manufacturing industry.

As our Technical Service Manager, Mr. Lee is responsible in assisting the Head of R&D in the overall R&D activities of our Group such as the development of products and production engineering.

8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(Continued)*

(iii) Low Teck Leong

Low Teck Leong, aged 38, is currently our Factory Manager. With only his Sijil Tinggi Pelajaran Malaysia qualification which he obtained in 1990, Mr Low has come a long way and has gained well over 15 years of experience in the manufacturing industry. Prior to joining us, Mr Low worked as a Production Supervisor in two separate manufacturing companies, namely Insulflex and Linear Plastic Sdn Bhd. In 1993, Mr Low joined SWSB initially as Production Supervisor and subsequently climbed up the corporate ladder to be promoted as the Store Manager and then to Assistant Factory Manager and finally Factory Manager.

Overall, Mr Low has over 13 years of working experience in the rubber insulation industry.

As our Factory Manager, Mr. Low is responsible in supervising the daily factory operations, quality control of products as well as the production planning and control of the production lines.

(iv) Ongi Cheng San

Ongi Cheng San, aged 37, is currently our Accountant. He is currently a chartered accountant through his membership of the Association of Certified Chartered Accountant since the year 2001. Mr. Ongi holds a LCCI Higher Group Diploma from Bintang Academic, Klang which he obtained in 1991. Prior to joining us, Mr Ongi has worked in various accounts-related jobs in several companies in different industries, starting initially as an Accounts Assistant in 1992 with IJM Corporation Berhad and subsequently as the Head of Finance and Accounts with Emko Properties Sdn Bhd in 2003. In mid-2003, Mr Ongi joined SWSB as an Accountant.

Overall, Mr Ongi has over 14 years of working experience and 4 years of experience in the rubber insulation industry.

As our Accountant, Mr Ongi assists our Executive Director, Mr Sua in his daily responsibilities and is also responsible for the international trade financing, accounting and credit control matters of our Group.

(v) Lee Leng Leng

Lee Leng Leng, aged 33, is currently our Sales Manager. She completed her LCCI diploma in 1994. From 1994 to 2001 she joined Pohmay Furniture Sdn Bhd as Marketing Executive responsible for the sales and marketing of various types of furnitures. From 2001 to 2002, she joined a plastic recycle business company, Karich Marketing Sdn Bhd as Marketing Executive. In 2002, Miss Lee joined SWSB as a Sales Executive and promoted to Sales Manager in 2006.

Overall, Miss Lee has over 4 years of working experience in the rubber insulation industry.

As Sales Manager, Miss Lee assists our Executive Director, Mr Lai in the formulation of sales and marketing strategies as well as new business development strategies of our Group. Miss Lee also leads her team in the sales and marketing of our products.

8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(Continued)*

(vi) Soon Chong Sein

Soon Chong Sein, aged 33, is currently our Production Planning & Control Manager. He completed his education until high school form 4 in 1991. From January to October 1992, he was under the employment of Carrier (M) Sdn Bhd as a production operator. From November 1992 to April 1993 he was with Linear Plastics Sdn Bhd as line leader. He joined SWSB in May 1993 initially as a production supervisor. Over the years with us he has gained various experience in the manufacturing of thermal insulation materials and have attended various related courses such as statistical process control, production process mixing and heating, rubber technology, function and operation of machinery and material planning and control. Since joining us, he has been promoted from production supervisor to assistant production manager before his appointment to his current post of Production Planning & Control Manager.

Overall, Mr Soon has over 14 years of working experience in the rubber insulation industry.

As our Production Planning & Control Manager, Mr Soon is involved in production planning, inventory control and production reprocess section.

(vii) Lee Chee Ching

Lee Chee Ching, aged 35, is currently our Production Manager. He completed his Sijil Pelajaran Malaysia in 1989. In 1991, he was under the employment of Superbrass (M) Sdn Bhd as a production operator. In 1992, he was with Insulflex as a production operator. He joined SWSB in April 1993 initially as a production supervisor. Over the years with us he has gained various experience in the manufacturing of thermal insulation materials and have attended various related courses such as statistical process control, LPG product and safety training, rubber and plastic material, production process mixing and heating and rubber technology. Since joining us, he has been promoted from production supervisor to assistant production manager before his appointment to his current post of Production Manager.

Overall, Mr Lee has over 15 years of working experience in the rubber insulation industry.

As our Production Manager, Mr Lee is involved in daily production process, workers' training and production lines' efficiency.

8.4 Service Agreements

As at the date of this Prospectus, our Group has not entered into nor proposed to enter into any service agreement which is not terminable by 'notice without payment of compensation' (other than statutory compensation) with any of our Directors or key management.

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8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(Continued)*

8.5 Declaration from Promoters, Directors and Key Management

As at the date of this Prospectus, none of our Promoters, Directors and key management is or has been involved in any of the following events (whether in or outside Malaysia):-

- (i) a petition under any bankruptcy or insolvency laws filed (and not struck out) against such person or any partnership in which he or she was a partner or any corporation of which he or she was a director or key management personnel; or
- (ii) was disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation; or
- (iii) was charged and/or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding; or
- (iv) any judgment was entered against him or her involving a breach of any law or regulatory requirement that relates to the securities or futures industry; or
- (v) was the subject of any order, judgment or ruling of any court, government, or regulatory authority or body temporarily enjoining him or her from engaging in any type of business practice or activity.

8.6 Family Relationship

As at the date of this Prospectus, there are no family relationships or associations among our Directors, existing substantial shareholders, Promoters and key management.

8.7 Involvement of Executive Directors/Key Management in Other Business /Corporations

As at the date of this Prospectus, all our key management (which includes our Executive Directors) are involved in our Group on a full time basis and save as disclosed below, none of our Executive Directors or key management are involved in any other businesses or corporations.

Executive Director / Key Management	Name of Business / Corporation	Principal activities	Nature of interest or involvement
Jessica Liu	Gemwell Sdn Bhd	Dormant	Director and substantial shareholder

Jessica Liu's involvement in the above company is minimal and mainly on a non-executive basis as she is not involved in the day-to-day operations of the above company and the above company is dormant and is not undertaking any business. Hence her directorship and interests in the above company has not and is not expected to affect her performance and contributions to our Group.

8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(Continued)***8.8 Previous or Existing Directorships and Substantial Shareholdings in All Other Public Corporations**

Save as set out below, none of our Promoters, substantial shareholders (after IPO) or Directors have any previous or existing directorship and/or substantial shareholdings (representing 5% or more of the issued and paid-up capital) in all other public corporations for the two (2) years preceding the date of this Prospectus.

Name	Public Company Name	Nature of interest	Date of Directorship Appointment / (Date of Resignation)	Date of commencement of substantial interest / (Date of cessation of substantial interest)	Principal Activities	Shareholdings as at Latest Practicable Date			
						Direct		Indirect	
						No. of shares held	%	No. of shares held	%
Lim E @ Lim Hoon Nam	Metech Group Berhad	Director	16/3/1998	N/A	Investment Holding And Provision Of Management Services.	-	-	-	-
Tan Sri Hamid	Tradewinds Corporation Berhad	Director / shareholder	27/07/2001	N/A	Investment Holding And Provision Of Management Services.	65,500	0.01	-	-
	Sarawak Concrete Industries Berhad	Director / substantial shareholder	23/10/2001	19/05/2000	Manufacturing & Sale Of Precast Concrete Pipes.	2,403,000	3.26	^9,203,500	12.51
	SapuraCrest Petroleum Berhad	Director / shareholder	25/07/2003	N/A	Investment Holding & Letting Of Property.	100,000	0.011	^^20,000	0.002
	Permodalan Sarawak Berhad	Director / shareholder	13/03/1989	N/A	Property Development Investment In Shares & Securities.	8,000	0.58	-	-
	Tractors Malaysia Holdings Berhad	Director	01/12/2004	N/A	Investment Holding.	-	-	-	-

^ Deemed interested via Pacific Unit Sdn. Bhd

^^ Deemed interested via his son, Rewi Hamid Bugo

8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(Continued)*

Name	Public Company Name	Nature of interest	Date of Directorship Appointment / (Date of Resignation)	Date of commencement of substantial interest / (Date of cessation of substantial interest)	Principal Activities	Shareholdings as at Latest Practicable Date			
						Direct		Indirect	
						No. of shares held	%	No. of shares held	%
KPFB	Felda Holdings Bhd	Substantial shareholder	N/A	30 November 1994	Assisting, planning, controlling, managing and providing shared services to FELDA and its related companies and investment holding.	112,200,000	51.00	-	-
	Felda Bridge (Africa) Propriety Limited	Substantial shareholder	N/A	28 August 1971	Trading.	-	-	97,200	32.4
	Rex Metal Packagings Bhd (Formally known as Rheem (Malaysia) Bhd)	Substantial shareholder	N/A	8 March 1960	Manufacturer of steel drums and sale of thermoformed plastic containers.	-	-	4,308,380	18.4
	Royal & Sun Assurance Alliance (M) Bhd	Substantial shareholder	N/A	29 October 1976	General insurance.	-	-	17,591,952	16.4
	UMS-Neiken Group Berhad	Substantial shareholder	N/A	26 April 2004	Investment holding company with subsidiaries which are principally involved in the designing, manufacturing and trading of electrical wiring accessories.	7,000,000	8.75	-	-
	Voray Holdings Ltd	Substantial shareholder	N/A	26 August 1993	Investment holding.	-	-	1,845,000	22.5
	Mah Sing Group Berhad	Substantial shareholder	N/A	9 May 2006	Investment holding and provision of management services to subsidiaries - Property Development.	23,348,900	13.23	-	-

8.0 INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(Continued)*

Name	Public Company Name	Nature of interest	Date of Directorship Appointment / (Date of Resignation)	Date of commencement of substantial interest / (Date of cessation of substantial interest)	Principal Activities	Shareholdings as at Latest Practicable Date			
						Direct		Indirect	
						No. of shares held	%	No. of shares held	%
KPFB <i>(Continued)</i>	Leweko Resources Bhd	Substantial shareholder	N/A	12 October 2006	Investment holding company with subsidiaries which are principally involved in timber, plantation and others and a provider of management and corporate services.	15,000,000	13.03	-	-
	Cheetah Holdings Berhad	Substantial shareholder	N/A	11 January 2007	Investment holding company with subsidiaries which are principally involved in product designing, development, marketing and retailing of sports apparel and accessories and casual wear and property investment holding.	9,100,000	11.36	-	-
	Hunza Properties Berhad	Substantial shareholder	N/A	12 January 2007	Investment holding company with subsidiaries which are principally involved in property development, property construction and rental of properties, plant and machinery, financing of housing properties and trading of buildings materials.	6,000,000	5.18	-	-
	Malaysia Steel (KL) Berhad	Substantial shareholder	N/A	22 January 2007	Group principal activities include the manufacture and sale of steel bars including high tensile round and deformed bars and steel billets.	9,950,000	6.82	-	-
	Notion Vtec Berhad	Substantial shareholder	N/A	5 February 2007	Group principal activities include the design and volume production of high precision metal machining and high precision appearance parts of hard disk drive, computer, consumer electronic and electrical and automotive industries' components.	95,500,000	16.29	-	-
	Gefung Berhad	Substantial shareholder	N/A	29 January 2007	Investment holding company with subsidiaries which are principally involved in processing, trading, exporting and contract workmanship of high quality marble and granite slabs.	10,000,000	6.46	-	-
	Pantech Group Holdings Bhd	Substantial shareholder	N/A	10 November 2006	Investment holding company and provision of management services with subsidiaries which are principally involved in the manufacturing, trading, supply and stocking of high pressure seamless and specialised steel pipes, fittings, flanges, valve and other related products.	23,659,600	15.77	-	-