

ewein

PROSPECTUS

EWEIN BERHAD

(COMPANY NO : 742890-W)
(INCORPORATED IN MALAYSIA UNDER THE COMPANIES ACT 1965)

THE OFFER OF 25,117,557 EXISTING ORDINARY SHARES OF RM0.50 EACH AS FOLLOWS:

- I. **RESTRICTED OFFER FOR SALE OF 18,117,557 ORDINARY SHARES OF RM0.50 EACH TO THE SHAREHOLDERS OF MBM RESOURCES BERHAD WHO ARE PUBLIC AS AT 5.00 P.M. ON 6 MARCH 2008; AND**
- II. **OFFER FOR SALE OF 7,000,000 ORDINARY SHARES OF RM0.50 EACH COMPRISING:**
 - **6,000,000 ORDINARY SHARES OF RM0.50 EACH MADE AVAILABLE FOR APPLICATION BY THE PUBLIC; AND**
 - **1,000,000 ORDINARY SHARES OF RM0.50 EACH MADE AVAILABLE FOR APPLICATION BY ELIGIBLE DIRECTORS AND EMPLOYEES OF EWEIN BERHAD AND ITS SUBSIDIARY COMPANIES**

AT AN OFFER PRICE OF RM0.70 PER ORDINARY SHARE OF RM0.50 EACH PAYABLE IN FULL ON APPLICATION IN CONJUNCTION WITH THE LISTING OF EWEIN BERHAD ON THE SECOND BOARD OF BURSA MALAYSIA SECURITIES BERHAD

ADVISER AND MANAGING UNDERWRITER



CO-UNDERWRITERS



FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" IN SECTION 4 OF THIS PROSPECTUS.

THIS PROSPECTUS IS DATED 10 MARCH 2008



THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND THE PROMOTER OF EWEIN BERHAD (742890-W) ("EWEIN" OR "COMPANY") AND THE OFFERORS AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED HEREIN AND CONFIRM, HAVING MADE ALL REASONABLE ENQUIRIES, THAT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN FALSE OR MISLEADING. THE DIRECTORS HEREBY ACCEPT FULL RESPONSIBILITY FOR THE PROFIT FORECAST INCLUDED IN THIS PROSPECTUS AND CONFIRM THAT THE PROFIT FORECAST HAS BEEN PREPARED BASED ON THE ASSUMPTIONS MADE.

ALLIANCE INVESTMENT BANK BERHAD (21605-D) ("ALLIANCE"), AS THE ADVISER AND MANAGING UNDERWRITER, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE OFFERS (AS DEFINED HEREIN). ALLIANCE IS SATISFIED THAT THE PROFIT FORECAST (FOR WHICH THE DIRECTORS OF THE COMPANY ARE FULLY RESPONSIBLE), PREPARED FOR INCLUSION IN THE PROSPECTUS HAS BEEN STATED BY THE DIRECTORS AFTER DUE AND CAREFUL ENQUIRY AND HAVE BEEN DULY REVIEWED BY THE REPORTING ACCOUNTANTS.

THE SECURITIES COMMISSION ("SC") HAS APPROVED THE OFFERS. HOWEVER, THE APPROVAL IS NOT AN INDICATION THAT THE SC RECOMMENDS THE OFFERS.

THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS DOCUMENT, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE ON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. **INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

THE VALUATION APPROVED OR ACCEPTED BY THE SC SHALL ONLY BE UTILISED FOR THE PURPOSE OF THE LISTING SCHEME SUBMITTED TO AND APPROVED BY THE SC, AND SHALL NOT BE CONSTRUED AS AN ENDORSEMENT BY THE SC ON THE VALUE OF THE SUBJECT ASSETS FOR ANY OTHER PURPOSES.

ADMISSION TO THE OFFICIAL LIST OF BURSA MALAYSIA SECURITIES BERHAD ("SECURITIES EXCHANGE") IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE INVITATION, THE COMPANY OR ITS SHARES AND OFFERS.

A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SC. A COPY OF THIS PROSPECTUS, TOGETHER WITH THE FORMS OF APPLICATION, HAS ALSO BEEN LODGED WITH THE REGISTRAR OF COMPANIES WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

INVESTORS ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE OR MISLEADING STATEMENTS OR ACTS IN CONNECTION WITH THE PROSPECTUS IS DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CAPITAL MARKETS & SERVICES ACT, 2007.

A COPY OF THIS PROSPECTUS MAY BE OBTAINED FROM THE WEBSITE OF THE SECURITIES EXCHANGE AT www.bursamalaysia.com.

THE DISTRIBUTION OF THIS PROSPECTUS AND THE OFFERS ARE SUBJECT TO MALAYSIAN LAWS. THE COMPANY AND ITS ADVISERS TAKE NO RESPONSIBILITY FOR THE DISTRIBUTION OF THIS PROSPECTUS (IN PRELIMINARY OR FINAL FORM) OUTSIDE MALAYSIA. THE COMPANY AND ITS ADVISERS HAVE NOT TAKEN ANY ACTION TO PERMIT A PUBLIC OFFERING OF ITS SHARES BASED ON THIS PROSPECTUS OR THE DISTRIBUTION OF THIS PROSPECTUS OUTSIDE MALAYSIA. THIS PROSPECTUS MAY NOT BE USED FOR ANY OFFER TO SELL OR INVITATION TO BUY EWEIN SHARES IN ANY JURISDICTION OR IN ANY CIRCUMSTANCE IN WHICH SUCH AN OFFER OR INVITATION IS NOT AUTHORISED OR UNLAWFUL. THIS PROSPECTUS SHALL ALSO NOT BE USED TO MAKE AN OFFER OR INVITATION OF THE COMPANY'S SHARES TO ANY PERSON TO WHOM IT IS UNLAWFUL TO DO SO. THE COMPANY AND ITS ADVISERS REQUIRE POTENTIAL INVESTORS TO INFORM THEMSELVES OF AND TO OBSERVE SUCH RESTRICTIONS.

THIS PROSPECTUS IS PREPARED AND PUBLISHED SOLELY FOR THE OFFERS IN MALAYSIA UNDER THE LAWS OF MALAYSIA. THE OFFER SHARES (AS DEFINED HEREIN) ARE OFFERED IN MALAYSIA SOLELY BASED ON THE CONTENTS OF THIS PROSPECTUS. THE COMPANY AND ITS ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE POTENTIAL INVESTORS WITH INFORMATION WHICH IS NOT CONTAINED IN THIS PROSPECTUS.

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INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative times and dates:

EVENT	INDICATIVE TIME AND DATE
Opening of applications	10.00 a.m. on 10 March 2008
Closing of applications	5.00 p.m. on 17 March 2008
Balloting	19 March 2008
Allotment	27 March 2008
Listing	28 March 2008

Our Board, the Offerors and the Underwriters may mutually decide, at their absolute discretion, to extend the date and time for the closing of applications to any later date or dates. If the date of the closing of applications is extended, the dates of the balloting, allotment and listing would be extended accordingly. We will announce any extension of the date of closing of applications in a widely circulated English newspaper and Bahasa Malaysia newspaper not less than one (1) market day before the original date of the closing of applications.

The success of the Listing is also exposed to the risk that it may fail or be delayed should the Company be unable to meet the public spread requirement of at least 25% of the Company's total number of shares for which listing is sought is in the hands of a minimum number of 1,000 public shareholders holding not less than 100 shares each.

Although Ewein and Alliance will endeavour to secure the listing and ensure compliance with the Securities Exchange LR, no assurance can be given that the abovementioned factors will not cause a delay in or failure of the listing.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to “Company” are to Ewein Berhad (742890-W); references to “Group” are to the Company and its subsidiary companies; and references to “we”, “us”, “our” and “ourselves” are to the Company, and, save where the context otherwise requires, our subsidiary companies. Unless the context otherwise requires, references to “Management” are to the directors, key management and key technical personnel of the Group as at the Latest Practicable Date, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

Certain abbreviations, acronyms and technical terms used are defined in “Definitions” appearing after this section. Words denoting the singular only shall include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and vice versa. References to persons shall include companies and corporations.

All references to dates and times are references to dates and times in Malaysia.

Any reference in this Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted.

This Prospectus includes statistical data provided by the Management and various third parties and cites third party projections regarding growth and performance of the industry in which we operate. This data is taken or derived from information published by publicly available sources. In each such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originates from us. In particular, certain information in this Prospectus is extracted or derived from the report(s) prepared by Dun & Bradstreet (D&B) Malaysia Sdn Bhd (“D&B”). We believe that the statistical data and projections cited in this Prospectus are useful in helping you understand the major trends in the industry in which we operate. However, neither we nor our advisers have verified these third-party figures.

Certain information in this Prospectus is extracted or derived from report(s) prepared by various third parties. As such, we and our advisers do not make any representation as to the correctness, accuracy or completeness of such reports. You should not place undue reliance on the statistical data and third party projections cited in this Prospectus. Third-party projections, including D&B’s projections, cited in this Prospectus are subject to uncertainties that could cause actual data to differ materially from the projected figures. The Management gives no assurance that the projected figures will be achieved.

The information on our website, or any website directly or indirectly linked to such websites does not form part of this Prospectus and you should not rely on it to invest in our Shares.

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FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, plans and objectives of our Management for future operations are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, our performance or achievements, or industry results, to differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our Management's current view with respect to the future events and are not a guarantee of future performance. Forward-looking statements can be identified by the use of forward-looking terminology such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast" or any other similar expressions and include all statements that are not historical facts. Such forward-looking statements include, but not limited to, statements in relation to:

- (i) demand for our products/services;
- (ii) our future plans, business strategies and objectives of our Management for future operations;
- (iii) our financial performance and position; and
- (iv) our future earnings, cash flows and liquidity.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, but not limited to:

- (i) the economic, political and investment environment in Malaysia and globally; and
- (ii) government policies, laws, legislations and regulations.

Additional factors that could cause our actual results, our performance or achievements to differ materially include, but not limited to, those discussed in Section 4 of this Prospectus. The Management cannot give any assurance that the forward-looking statements made in this Prospectus will be realised or achieved. Such forward-looking statements are made only as at the Latest Practicable Date. We expressly disclaim any obligation or undertaking to release publicly any update or revision to any forward-looking statement contained in this Prospectus to reflect any change in our expectations or any change in events, conditions or circumstances on which any such forward-looking statement is based.

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DEFINITIONS

The following terms shall apply throughout this Prospectus unless otherwise defined or the context requires otherwise:

“Acquisitions”	:	The KRSB Acquisition and the MBMI Acquisition, collectively
“Act”	:	Companies Act, 1965, as amended from time to time and any re-enactment thereof
“ADA”	:	Authorised Depository Agent(s)
“ADA Code”	:	ADA (Broker) Code
“Alliance” or “Managing Underwriter”	:	Alliance Investment Bank Berhad (21605-D)
“Application Form(s)”	:	Printed application form(s) for the application of the Offer Shares
“ATM(s)”	:	Automated Teller Machine(s)
“Board”	:	Board of Directors of the Company
“Bursa Depository”	:	Bursa Malaysia Depository Sdn Bhd (165570-W)
“CDS”	:	Central Depository System
“CDS Account”	:	An account established by Bursa Depository for a depositor for the recording of securities and for dealing in such securities by the depositor
“Central Depositories Act”	:	The Securities Industry (Central Depositories) Act, 1991 as amended from time to time
“CMS Act”	:	Capital Markets and Services Act, 2007
“D&B” or “Independent Market Researcher”	:	Dun & Bradstreet (D&B) Malaysia Sdn Bhd (527570-M)
“D&B Report”	:	D&B Independent Market Research Report dated 23 July 2007
“ECU”	:	Equity Compliance Unit of the SC
“EPS”	:	Earnings per share
“ESA”	:	Application for the Offer for Sale Shares through a Participating Financial Institution’s ATM
“Ewein” or “Company”	:	Ewein Berhad (742890-W)
“Ewein Group” or “Group”	:	Ewein and its subsidiary companies, collectively
“Ewein Share(s)” or “Share(s)”	:	Ordinary share(s) of RM0.50 each in Ewein

DEFINITIONS (Cont'd)

“Excluded Parties”	: (i) Persons who are located in jurisdictions outside Malaysia in which acceptance under the Offers would result in the contravention of the laws of such jurisdiction (whether in the absence of any necessary consent and/or compliance with any registration of other legal requirements or for any other reason); or
	(ii) Persons who are, in the opinion of the Board (on the advice of its legal adviser), would be necessary or expedient to be excluded from participating in the Offers by reason of legal or regulatory requirements.
“FIC”	: Foreign Investment Committee
“FMM”	: Federation of Malaysian Manufacturers
“FPE”	: Financial period ended
“FYE”	: Financial year(s) ended/ending
“GDP”	: Gross domestic product
“Government”	: Government of Malaysia
“Hijauwasa”	: Hijauwasa Sdn Bhd (368233-W)
“Hijauwasa Restricted Offer for Sale”	: The restricted offer for sale by Hijauwasa of 8,100,000 Ewein Shares representing approximately 7.68% of the issued and paid-up share capital of Ewein to Med-Bumikar at the Offer Price
“HR”	: Human resources
“Internal Reorganisation”	: The acquisition by Ewein of the entire equity interest in TASB and PPISB and the remaining 54% equity interest in KRSB held by MBMI for a total consideration of RM50,723,659, which have been accounted for as an amount owing to MBMI by Ewein
“IT”	: Information technology
“JIT”	: Just-in-time
“KPMG” or “Reporting Accountants”	: KPMG (AF 0758)
“KPTSB”	: Kelpen Plastics Technology Sdn Bhd (326919-W)
“KRSB”	: Kelpen Resources Sdn Bhd (392762-U)
“KRSB Acquisition”	: The acquisition by Ewein of 920,000 ordinary shares of RM1.00 each in KRSB representing the remaining 46% of the total issued and paid-up share capital of KRSB for a total purchase consideration of RM3,248,806 fully satisfied by the issuance of 6,497,612 new Ewein Shares at par
“Latest Practicable Date”	: 31 January 2008, being the latest practicable date prior to the issuance of this Prospectus

DEFINITIONS (Cont'd)

“Listing”	:	Admission of Ewein to the Official List of the Securities Exchange and the listing of and quotation for the entire issued and paid-up share capital of Ewein of RM52,731,300 comprising 105,462,600 Ewein Shares
“Listing Scheme”	:	The Acquisitions, Internal Reorganisation, Hijauwasa Restricted Offer for Sale, MBMR Restricted Offer for Sale to Med-Bumikar, Offers and Listing, collectively
“MARA”	:	Majlis Amanah Rakyat
“Market Day”	:	Any day on which the Securities Exchange is open for the trading of securities
“MBMI”	:	MBM Industries Sdn Bhd (340740-X)
“MBMI Acquisition”	:	The acquisition by Ewein of 18,000,000 ordinary shares of RM1.00 each in MBMI representing the entire issued and paid-up share capital of MBMI for a total purchase consideration of RM49,482,493 fully satisfied by the issuance of 98,964,986 new Ewein Shares at par
“MBMR”	:	MBM Resources Berhad (284496-V), a company listed on the Main Board of the Securities Exchange
“MBMR Restricted Offer for Sale to Public”	:	The non-renounceable restricted offer for sale by MBMR of 18,117,557 Ewein Shares representing approximately 17.18% of the issued and paid-up share capital of Ewein to the shareholders of MBMR who are Public (save for Excluded Parties) as at 5.00 p.m. on 6 March 2008, on a balloting basis, at the Offer Price, of which at least 30% will, to the extent possible, be allocated to Bumiputera individuals, companies, societies, co-operatives and institutions
“MBMR Restricted Offer for Sale to Med-Bumikar”	:	The non-renounceable restricted offer for sale by MBMR of 21,358,477 Ewein Shares representing approximately 20.25% of the issued and paid-up share capital of Ewein to Med-Bumikar, a substantial Bumiputera shareholder of MBMR, at the Offer Price
“MBMR ROS Share(s)”	:	The 18,117,557 Ewein Shares offered under the MBMR Restricted Offer for Sale to Public
“Med-Bumikar”	:	Med-Bumikar Mara Sdn Bhd (8321-V)
“MI”	:	Minority interest
“MIDA”	:	Malaysian Industrial Development Authority
“MIDFCCS” or “Issuing House”	:	MIDF Consultancy and Corporate Services Sdn Bhd (11324-H)
“MIS”	:	Management information system
“MITI”	:	Ministry of International Trade and Industry
“MNC(s)”	:	Multinational corporation(s)
“NBV”	:	Net book value
“NPI”	:	New production introduction

DEFINITIONS (Cont'd)

- “NTA” : Net tangible assets
- “Offer for Sale” : The offer for sale by Hijauwasa of 7,000,000 new Ewein Shares representing approximately 6.64% of the issued and paid-up share capital of Ewein at the Offer Price
- “Offer for Sale Share(s)” : The 7,000,000 Ewein Shares offered under the Offer for Sale
- “Offeror(s)” : The offerors of the Offer Shares are as follows:
- | Name of Offeror | No. of Offer Shares |
|-----------------|---------------------|
| MBMR | 18,117,557 |
| Hijauwasa | 7,000,000 |
| Total | 25,117,557 |
- “Offer Price” : The offer price of RM0.70 per Offer Share
- “Offers” : The MBMR Restricted Offer for Sale to Public and Offer for Sale, collectively
- “Offer Share(s)” : The MBMR ROS Shares and Offer for Sale Shares, collectively
- “Participating Financial Institution(s)” : Financial institution(s) participating in the ESA
- “PAT” : Profit after tax
- “PBT” : Profit before tax
- “PE Multiple” : Price-earnings multiple
- “Pink Form Shares” : The 1,000,000 Offer Shares representing approximately 0.95% of the issued share capital of Ewein which are reserved for application by the eligible Directors and employees of the Ewein Group (save for Excluded Parties)
- “PPISB” : Precision Press Industries Sdn Bhd (198245-W)
- “Promoter” : Dato’ Ewe Swee Kheng
- “Public” : All persons or members of the public excluding the Directors of our Group, our substantial shareholders and persons connected or associated with them (as defined in the Securities Exchange LR)
- “QA” : Quality assurance
- “QC” : Quality control
- “QMR” : Quality management representative
- “QMS” : Quality management system
- “Raine & Horne” : Raine & Horne International Zaki + Partners Sdn Bhd (99440-T)

DEFINITIONS (Cont'd)

“RM” and “sen”	:	Ringgit Malaysia and sen respectively, the lawful currency of Malaysia
“Rules”	:	Rules of the Bursa Depository as amended from time to time
“SC”	:	Securities Commission
“SC Guidelines”	:	Policies and Guidelines on Issue/Offer of Securities of the SC, as amended from time to time
“Securities Exchange”	:	Bursa Malaysia Securities Berhad (635998-W)
“Securities Exchange LR”	:	Listing Requirements of the Securities Exchange as amended from time to time
“TASB”	:	Tekun Asas Sdn Bhd (200660-K)
“Underwriter(s)”	:	Alliance, M&A Securities Sdn Bhd (15017-H) and MIMB Investment Bank Berhad (10209-W), collectively
“US”	:	United States of America
“USD”	:	United States Dollar

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GLOSSARY OF TECHNICAL TERMS

“AutoCAD”	:	Automated computer-aided design
“CAM”	:	Computer-aided manufacturing
“CNC”	:	Computer numerical control
“EDM”	:	Electrical discharge machine
“EMS”	:	Electronic manufacturing services
“KVM”	:	Keyboard, video and mouse
“OEM”	:	Original equipment manufacturer
“SME”	:	Small and medium enterprises

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1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name/Designation	Address	Occupation	Nationality
Dato' Ewe Tiong Hor <i>(Non-Independent Non-Executive Chairman)</i>	No. 10, Cangkat Taman Bukit Taman Pelandok 14000 Bukit Mertajam Penang	Company Director	Malaysian
Dato' Ewe Swee Kheng <i>(Managing Director)</i>	The Palazzo, Penthouse 29, Jalan Kelawai 10250 Penang	Company Director	Malaysian
Chuah Poh Lim <i>(Deputy Managing Director)</i>	Blok 95-10-01, Jalan Thomas Bukit Dumbar 11700 Gelugor Penang	Company Director	Malaysian
Saffie bin Bakar <i>(Non-Independent Non-Executive Director)</i>	No. 14, Jalan Permai 2 Taman Sena Indah 01000 Kangar Perlis	Company Director	Malaysian
Dato' Abdul Rahim bin Abdul Halim <i>(Non-Independent Non-Executive Director)</i>	No. 1, Jalan Bunga Melati 2/2 40000 Shah Alam Selangor Darul Ehsan	Company Director	Malaysian
Looi Kok Loon <i>(Non-Independent Non-Executive Director)</i>	No. 3, Lorong Kemaris Satu Bukit Bandaraya 59100 Kuala Lumpur	Company Director	Malaysian
Tan Sri Dato' Wong See Wah <i>(Independent Non-Executive Director)</i>	No. 149, Jalan Dato Klana Ma'amor 70200 Seremban Negeri Sembilan	Company Director	Malaysian
Dato' Khor Ah Hua @ Khor Choo Fong <i>(Independent Non-Executive Director)</i>	No. 3, SS19/3B 47500 Subang Jaya Selangor Darul Ehsan	Company Director	Malaysian
Lau Tiang Hua, DJN <i>(Independent Non-Executive Director)</i>	11-1-2, Jalan Concordia The Ascot 10250 Penang	Company Director	Malaysian

AUDIT COMMITTEE

Name	Designation	Directorship
Lau Tiang Hua, DJN	Chairman	Independent Non-Executive Director
Dato' Khor Ah Hua @ Khor Choo Fong	Member	Independent Non-Executive Director
Tan Sri Dato' Wong See Wah	Member	Independent Non-Executive Director

1. CORPORATE DIRECTORY (Cont'd)

NOMINATION AND REMUNERATION COMMITTEE

Name	Designation	Directorship
Tan Sri Dato' Wong See Wah	Chairman	Independent Non-Executive Director
Dato' Khor Ah Hua @ Khor Choo Fong	Member	Independent Non-Executive Director
Lau Tiang Hua, DJN	Member	Independent Non-Executive Director

COMPANY SECRETARY : Wong Yee Lin
MIA 15898
1Q Medan Tembaga
Island Park
11600 Penang

REGISTERED OFFICE : 51-8-B Menara BHL Bank
Jalan Sultan Ahmad Shah
10050 Penang
Tel. No.: (604) 228 7828
Fax. No.: (604) 227 9800
E-mail address: enquiry@fastrack.com.my

HEAD OFFICE : Plot 317 & 318, Tingkat Perusahaan Tiga, MK 1
Kawasan Perusahaan Prai
13600 Prai
Penang
Tel. No.: (604) 399 2122 / 390 2058 / 390 9468
Fax. No.: (604) 398 9129
E-mail address: info@tekunasas.com
Website: www.tekunasas.com

AUDITORS AND REPORTING ACCOUNTANTS : KPMG (AF0758)
1st Floor, Wisma Penang Garden
42, Jalan Sultan Ahmad Shah
10050 Penang
Tel. No.: (604) 227 2288
Fax. No.: (604) 227 1888

SOLICITORS FOR THE LISTING EXERCISE : Salina, Lim Kim Chuan & Co.
Advocates and Solicitors
(Corporate Division)
51-15-C2, Menara BHL
Jalan Sultan Ahmad Shah
10050 Penang
Tel. No.: (604) 228 2785
Fax. No.: (604) 228 3161

1. CORPORATE DIRECTORY (Cont'd)

- PRINCIPAL BANKERS** : OCBC Bank (Malaysia) Berhad
No. 36, Beach Street
10300 Penang
Tel. No.: (604) 262 5108
Fax. No.: (604) 261 7332
- RHB Bank Berhad
1st Floor, No. 1244-1246, Jalan Padang Lallang,
Taman Desa Damai
14000 Bukit Mertajam
Pulau Pinang
Tel. No.: (604) 539 1171
Fax. No.: (604) 539 4148
- ABN-AMRO Bank Berhad
No. 9, Lebu Pantai
10300 Pulau Pinang
Tel. No.: (604) 255 9188
Fax. No.: (604) 255 9184
- VALUER** : Raine & Horne International Zaki + Partners Sdn Bhd (99440-T)
14, Penang Street
10200 Penang
Tel No.: (604) 262 6888
Fax. No.: (604) 261 2032
- INDEPENDENT MARKET RESEARCHER** : Dun & Bradstreet (D&B) Malaysia Sdn Bhd (527570-M)
Level 9-3A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel No.: (603) 2080 6000
Fax. No.: (603) 2080 6001
- ISSUING HOUSE** : MIDF Consultancy and Corporate Services Sdn Bhd (11324-H)
Level 8, Menara MIDF
82 Jalan Raja Chulan
50200 Kuala Lumpur
Tel. No.: (603) 2161 3355
Fax. No.: (603) 2164 7995
- REGISTRAR** : Mega Corporate Services Sdn Bhd (187984-H)
Level 15-2, Faber Imperial Court
Jalan Sultan Ismail
50774 Kuala Lumpur
Tel. No.: (603) 2692 4271
Fax. No.: (603) 2732 5388, 2732 5399

1. CORPORATE DIRECTORY (Cont'd)

ADVISER AND MANAGING UNDERWRITER : Alliance Investment Bank Berhad (21605-D)
3rd Floor, Menara Multi-Purpose
Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur
Tel. No.: (603) 2692 7788
Fax. No.: (603) 2691 9028

CO-UNDERWRITERS : M&A Securities Sdn Bhd (15017-H)
5th, 6th, 7th & 8th Floors, M&A Building
52A, Jalan Sultan Idris Shah
30000 Ipoh
Tel. No.: (605) 241 9800
Fax. No.: (605) 255 9944

MIMB Investment Bank Berhad (10209-W)
21st Floor, Menara EON Bank
288, Jalan Raja Laut
50350 Kuala Lumpur
Tel. No.: (603) 2691 0200
Fax. No.: (603) 2694 9788/2698 5388

LISTING SOUGHT : Second Board of the Securities Exchange

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2. SUMMARY INFORMATION

THIS SECTION IS ONLY A SUMMARY OF THE SALIENT INFORMATION CONTAINED IN THIS PROSPECTUS. YOU SHOULD READ AND UNDERSTAND THE ENTIRE PROSPECTUS BEFORE YOU DECIDE WHETHER TO INVEST IN OUR COMPANY.

2.1 PRINCIPAL BUSINESS

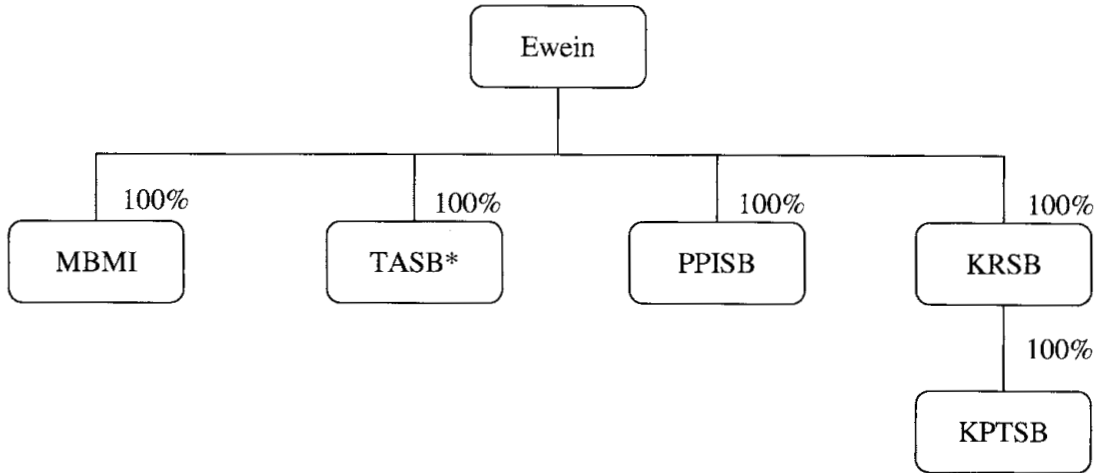
Ewein was incorporated in Malaysia under the Act on 2 August 2006 as a private limited company under the name of Ewein Sdn Bhd. Our Company was subsequently converted into a public limited company on 5 April 2007.

Ewein is the investment holding company of our Group. As at the Latest Practicable Date, Ewein has five (5) subsidiary companies. The principal activities of the subsidiary companies of Ewein are as follows:

Name	Date and place of incorporation	Principal business	Issued and paid-up share capital	% interest held
MBMI	17 April 1995/ Malaysia	Investment holding company.	RM18,000,000	100%
TASB	10 July 1990/ Malaysia	Manufacturing of precision sheet metal fabricated parts which are used in the manufacturing of audio, video and acoustic equipment, satellite antennas, electrical and electronics equipment, KVM switches, computer monitors and keyboards.	RM500,000	100%
PPISB	23 May 1990/ Malaysia	Designing and fabrication of precision moulds, tools and dies.	RM1,000,000	100%
KRSB	3 July 1996/ Malaysia	Investment holding company.	RM2,000,000	100%
KPTSB	12 December 1994/ Malaysia	Manufacturing of precision plastic injection moulding products and product finishing.	RM1,980,000	100%

2. SUMMARY INFORMATION (Cont'd)

Our corporate structure is as follows:



Note:

* As at the Latest Practicable Date, TASB has investments in quoted shares, comprising of 3.51% in KBB Resources Berhad and 1.15% in Magni-Tech Industries Berhad.

Further details on the information of our Group are set out in Section 5 of this Prospectus.

2.2 PRINCIPAL PRODUCTS AND SERVICES

Our Group's principal products and services are summarised as follows:

Subsidiaries	Products and Services	Application Markets
TASB	<ul style="list-style-type: none"> • Enclosures and finishing • Antenna outdoor units • Metal brackets and finishing • Heat sinks (dissipation unit) • Metal grilles and finishing • Metal shieldings for radio frequency • Aluminium formed container 	<p>Audio, video, set-top box, KVM switches, computer, power management units and etc.</p> <p>Satellite antenna</p> <p>Audio, video, printer, photocopier, computer, networking and etc.</p> <p>Audio, video, computer and etc.</p> <p>Audio, acoustic and etc.</p> <p>Audio, video, computer and etc.</p> <p>Cosmetics</p>
PPISB	Progressive, robotic transfer and single precision press tools	Audio, video, set-top box, networking, computer, printer, photocopier and all related precision sheet metal components.
KPTSB	Precision plastic moulded components and product finishing	Audio, video, computer, networking, medical and all related precision plastic injection components.

Further details of our Group's principal products and services are set out in Section 5.4.2 of this Prospectus.

2. SUMMARY INFORMATION *(Cont'd)*

2.3 COMPETITIVE STRENGTHS

We consider the following to be our competitive strengths:

(a) Ability to reach a wide international market

Our Group has direct access to EMS companies in a wide international market which are on the approved vendor lists of the OEMs and vice versa. Hence, we are able to offer our products and services to a wide international market.

(b) Reduction of holding cost through JIT strategy

Our Group has successfully implemented a lean manufacturing process to serve our customers better through the JIT strategy. This strategy enables us to have improvements in our return on investment, quality and efficiency.

(c) Full participation in supply chain management

Our Group participates in the vendor managed inventory system, in which we specify delivery quantities to be sent to the OEMs or EMS companies through the electronic data interchange. This minimises the risk of shortage in supply for our customers.

(d) Established track record

Our Group places priority in establishing a good rapport and long term strategic relationship with our customers by providing high quality, prompt delivery and competitively priced products and services to our customers. As a result, our list of long standing customers has increased steadily over the years.

(e) Integration into global production networks

We have a wide and strong customer base, some of which are world-renowned MNCs with operations spread across many countries globally. We are firmly established in the global production networks of these MNCs.

(f) Fully integrated plant

We possess a vertical integration plant which has the flexibility to cater for low, medium and high production volumes to cater to market demands. Hence, we can assist our customers in improving resource allocation, integrate technical solutions, reduce risk and deliver better quality performance.

(g) Experienced management team

Our Group is led by a team of professionals with a wide experience in the sheet metal enclosures industry seeking to deliver the best service and products to our customers.

Further details of our Group's competitive strengths are set out in Section 5.4.3 of this Prospectus.

2. SUMMARY INFORMATION *(Cont'd)*

2.4 FUTURE PLANS AND STRATEGIES

Our strategies and future plans are as follows:

(a) Working closely with EMS companies

Following the growing trend for both contract manufacturers and EMS companies to work together to fulfil the demands of the OEMs worldwide, our Group aims to work closely with the EMS companies to assist them in achieving better efficiency in their value chain.

(b) Providing more complementary services

Our Group is contemplating offering more products and services to be supplied as a bundle to the OEMs as recognition of the increasing demand from OEMs to deal with as few vendors as possible in their operations.

(c) Venturing into India

In view of the rapid industrialisation activities taking place in India, our Group is planning to venture into this country, which is also in line with the influx of foreign direct investments into this country, particularly in the electronics industry.

(d) Expanding into the automotive components market

Our Group is considering venturing into the automotive components market in view of the increasing industrialisation and expansion of the country's economy which will fuel the demand for automobiles, and indirectly the demand for automotive components.

Further details of our Group's future plans and strategies are set out in Section 5.9 of this Prospectus.

2.5 PRINCIPAL STATISTICS RELATING TO THE OFFERS

2.5.1 Share Capital

	RM
<i>Authorised share capital</i>	
200,000,000 ordinary shares of RM0.50 each	<u>100,000,000</u>
<i>Issued and fully paid-up share capital as at the date of this Prospectus</i>	
105,462,600 ordinary shares of RM0.50 each	<u>52,731,300</u>
<i>To be offered pursuant to the Offers</i>	
25,117,557 ordinary shares of RM0.50 each	<u>12,558,779</u>
Market capitalisation upon listing based on the Offer Price	RM73,823,820

Further details of our Group's share capital are set out in Section 3.5 of this Prospectus.

2. SUMMARY INFORMATION *(Cont'd)*

2.5.2 Offer Shares

(i) MBMR Restricted Offer for Sale to Public

In conjunction with our listing on the Second Board of the Securities Exchange, MBMR is making a non-renounceable restricted offer for sale of 18,117,557 Ewein Shares representing approximately 17.18% of the issued and paid-up share capital of Ewein to the shareholders of MBMR who are Public (save for Excluded Parties) as at 5.00 p.m. on 6 March 2008, on a balloting basis, at the Offer Price, of which at least 30% will, to the extent possible, be allocated to Bumiputera individuals, companies, societies, co-operatives and institutions.

(ii) Offer for Sale

In conjunction with our listing on the Second Board of the Securities Exchange, Hijauwasa is making an offer for sale of 7,000,000 Ewein Shares representing approximately 6.64% of the issued and paid-up share capital of Ewein at the Offer Price in the following manner:

(a) Public

6,000,000 Ewein Shares representing approximately 5.69% of the issued and paid-up share capital of Ewein shall be reserved for application by the Public (save for Excluded Parties), of which at least 30% will, to the extent possible, be allocated to Bumiputera individuals, companies, societies, co-operatives and institutions.

(b) Eligible Directors and Employees of our Group

1,000,000 Ewein Shares representing approximately 0.95% of the issued and paid-up share capital of Ewein shall be reserved for application by eligible Directors and employees of our Group (save for Excluded Parties).

Further details of the Offer Shares are set out in Section 3.3 of this Prospectus.

2.5.3 Offer Price

Offer Price per Offer Share

RM0.70

The factors taken into consideration in determining the Offer Price are set out in Section 3.6 of this Prospectus.

2.6 EXPENSES AND PROCEEDS

Based on the Offer Price, the gross proceeds of RM17,582,290 raised from the Offers will accrue to the Offerors. Expenses incurred relating to the Offer for Sale will be borne by Hijauwasa while expenses incurred relating to the MBMR Restricted Offer for Sale to Public will be borne by MBMR.

The Company will bear all expenses in relation to the Listing such as professional fees, fees to the authorities, printing and advertising fees estimated at RM1,300,000.

Further information on the expenses and proceeds is provided in Section 3.7 of this Prospectus.

2. SUMMARY INFORMATION (Cont'd)

2.7 PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL OF OUR GROUP

2.7.1 Promoter and Substantial Shareholders

As at 13 February 2008, the direct and indirect shareholdings of our Promoter and substantial shareholders in our Company before and after the Offers are as follows:

Name of Promoter/ Substantial Shareholder	Designation	Nationality/ Place of Incorporation	Before the Offers				After the Offers					
			Direct		Indirect		Direct		Indirect			
			No. of Ewein Shares held	% held	No. of Ewein Shares held	% held	No. of Ewein Shares held	% held	No. of Ewein Shares held	% held		
<u>Promoter</u>												
Dato' Ewe Swee Kheng	Managing Director	Malaysian	-	-	⁽ⁱ⁾ 51,388,954	48.73	(iv) 50,000	0.05	⁽ⁱ⁾ 44,388,954	42.09		
<u>Substantial Shareholders</u>												
Hijauwasa	-	Malaysia	51,388,954	48.73	-	-	44,388,954	42.09	-	-	-	-
MBMR	-	Malaysia	18,117,557	17.18	-	-	-	-	-	-	-	-
Med-Bumikar	-	Malaysia	29,458,477	27.93	⁽ⁱⁱ⁾ 18,117,557	17.18	29,458,477	27.93	-	-	-	-
Dato' Ewe Swee Kheng	Managing Director	Malaysian	-	-	⁽ⁱ⁾ 51,388,954	48.73	^(iv) 50,000	0.05	⁽ⁱ⁾ 44,388,954	42.09		
Saffie bin Bakar	-	Malaysian	-	-	⁽ⁱ⁾ 51,388,954	48.73	-	-	⁽ⁱ⁾ 44,388,954	42.09		
MARA	-	Malaysia	-	-	⁽ⁱⁱⁱ⁾ 47,576,034	45.11	-	-	⁽ⁱⁱⁱ⁾ 29,458,477	27.93		

Notes:

- (i) Deemed interest by virtue of their shareholdings in Hijauwasa pursuant to Section 6A of the Act.
(ii) Deemed interest by virtue of its shareholding in MBMR pursuant to Section 6A of the Act.
(iii) Deemed interest by virtue of its shareholding in Med-Bumikar and MBMR pursuant to Section 6A of the Act.
(iv) Assuming full subscription of Pink Form Shares pursuant to the Offer for Sale.

2. SUMMARY INFORMATION (Cont'd)

2.7.2 Directors

As at 13 February 2008, the direct and indirect shareholdings of our Directors in our Company before and after the Offers are as follows:

Name	Designation	Nationality	Before the Offers				After the Offers				
			Direct		Indirect		Direct		Indirect		
			No. of Ewein Shares held	% held	No. of Ewein Shares held	% held	No. of Ewein Shares held	% held	No. of Ewein Shares held	% held	
Dato' Ewe Tiong Hor	Non-Independent Non-Executive Chairman	Malaysian	-	-	-	-	-	-	-	-	-
Dato' Ewe Swee Kheng	Managing Director	Malaysian	-	-	(i) 51,388,954	48.73	(ii) 50,000	0.05	(i) 44,388,954	42.09	-
Chuah Poh Lim	Deputy Managing Director	Malaysian	-	-	-	-	(ii) 50,000	0.05	-	-	-
Saffie bin Bakar	Non-Independent Non-Executive Director	Malaysian	-	-	(i) 51,388,954	48.73	-	-	(i) 44,388,954	42.09	-
Dato' Abdul Rahim bin Abdul Halim	Non-Independent Non-Executive Director	Malaysian	-	-	-	-	-	-	-	-	-
Looi Kok Loon	Non-Independent Non-Executive Director	Malaysian	-	-	-	-	-	-	-	-	-
Tan Sri Dato' Wong See Wah	Independent Non-Executive Director	Malaysian	-	-	-	-	-	-	-	-	-
Dato' Khor Ah Hua @ Khor Choo Fong	Independent Non-Executive Director	Malaysian	-	-	-	-	-	-	-	-	-
Lau Tiang Hua, DJN	Independent Non-Executive Director	Malaysian	-	-	-	-	-	-	-	-	-

Notes:

- (i) Deemed interest by virtue of their shareholdings in Hijaawasa pursuant to Section 6A of the Act.
(ii) Assuming full subscription of Pink Form Shares pursuant to the Offer for Sale.

2. SUMMARY INFORMATION (Cont'd)

2.7.2 Key Management and Key Technical Personnel

As at 13 February 2008, the direct and indirect shareholdings of our Group's key management and key technical personnel in our Company before and after the Offers are as follows:

Name	Designation	Nationality	Before the Offers			After the Offers				
			Direct		Indirect		Direct		Indirect	
			No. of Ewein Shares held	% held	No. of Ewein Shares held	% held	No. of Ewein Shares held	% held	No. of Ewein Shares held	% held
Dato' Ewe Swee Kheng	Managing Director	Malaysian	-	-	(i) 51,388,954	48.73	(ii) 50,000	0.05	(i) 44,388,954	42.09
Chuah Poh Lim	Deputy Managing Director	Malaysian	-	-	-	-	(ii) 50,000	0.05	-	-
Chan Gooi Yew	Finance/Administration Senior Manager	Malaysian	-	-	-	-	(ii) 30,000	0.03	-	-
Mohan Balakrishna Shindhe	Technical/Design Senior Manager	Indian	-	-	-	-	(ii) 30,000	0.03	-	-
Yeoh Hock Peng	Production/Planning Senior Manager	Malaysian	-	-	-	-	(ii) 30,000	0.03	-	-
Khor Say Khoon	Production/Planning Manager	Malaysian	-	-	-	-	(ii) 15,000	0.01	-	-
Phung Ah Onn	Technical Manager	Malaysian	-	-	-	-	(ii) 15,000	0.01	-	-
Ong Ching Kok	Finance/Administration Manager	Malaysian	1,836,282	1.74	-	-	(ii) 1,851,282	1.76	-	-
Lim Kheng Kar	MIS Manager	Malaysian	-	-	-	-	(ii) 15,000	0.01	-	-
Yeap King Shing	Business Development/Marketing Manager	Malaysian	-	-	-	-	(ii) 15,000	0.01	-	-
Marimuthu A/L Aydappen	Procurement Manager	Malaysian	-	-	-	-	(ii) 15,000	0.01	-	-
Manickavasagam A/L Singaravelu	QMR Manager	Malaysian	-	-	-	-	(ii) 15,000	0.01	-	-
Samiappan Kandiar A/L Muniyandy	QA Manager	Malaysian	-	-	-	-	(ii) 10,000	0.01	-	-
Suresh Kumar A/L Subramaniam	NPI/Program Manager	Malaysian	-	-	-	-	(ii) 10,000	0.01	-	-
Lim Chooi Peng	HR Manager	Malaysian	-	-	-	-	(ii) 15,000	0.01	-	-

2. SUMMARY INFORMATION (Cont'd)

Notes:

- (i) Deemed interest by virtue of his shareholding in Hijauwasa pursuant to Section 6A of the Act.
(ii) Assuming full subscription of Pink Form Shares pursuant to the Offer for Sale.

Further information on our Promoter, substantial shareholders, Directors and key management and key technical personnel is set out in Section 7 of this Prospectus.

2.8 SUMMARY OF HISTORICAL FINANCIAL INFORMATION

2.8.1 Proforma Consolidated Income Statements

The following is a summary of the proforma consolidated income statements of Ewein for the past three (3) FYE 31 December 2005 to 2007 prepared based on the assumption that our Group has been in existence throughout the financial years under review. The proforma consolidated income statements have been prepared for illustrative purposes only and should be read in conjunction with the basis of preparation and the accompanying notes and assumptions as set out in the Reporting Accountants' Letter on Proforma Consolidated Financial Information set out in Section 10.4 of this Prospectus.

	31.12.05 RM	31.12.06 RM	31.12.07 RM
Revenue	<u>75,198,345</u>	<u>101,077,947</u>	<u>104,686,939</u>
Profit before depreciation and interest	7,541,415	13,442,767	14,208,151
Depreciation	(2,285,015)	(1,890,719)	(1,902,604)
Interest expense	(268,397)	(247,948)	(264,607)
PBT	<u>4,988,003</u>	<u>11,304,100</u>	<u>12,040,940</u>
Tax expense	(63,507)	(1,054,650)	(1,952,211)
PAT	<u>4,924,496</u>	<u>10,249,450</u>	<u>10,088,729</u>
Proforma number of shares in issue	105,462,600	105,462,600	105,462,600
Gross profit	9,000,349	16,388,518	17,324,898
Gross profit margin (%) *	11.97	16.21	16.55
Pre-tax profit margin (%) **	6.63	11.18	11.50
Net profit margin (%) ^	6.55	10.14	9.64
EPS (sen)			
- Gross	4.73	10.72	11.42
- Net	4.67	9.72	9.57
Gross dividend rate (%)	-	-	-

2. SUMMARY INFORMATION (Cont'd)

Notes:

- * Gross profit over revenue
- ** Profit before taxation over revenue
- ^ Profit after taxation over revenue

2.8.2 Proforma Consolidated Balance Sheets as at 31 December 2007

The following proforma consolidated balance sheets of our Group as at 31 December 2007 have been prepared for illustrative purposes only and should be read in conjunction with the accompanying notes and assumptions as set out in the Reporting Accountants' Letter on Proforma Consolidated Financial Information set out in Section 10.4 of this Prospectus.

	Company RM	Proforma (I) RM
Property, plant and equipment	-	19,023,124
Other investments	-	4,816,391
Goodwill on consolidation	-	656,714
Deferred tax assets	-	1,000,000
Current assets		
Inventories	-	8,945,729
Trade and other receivables	-	26,903,481
Tax recoverable	-	64,000
Cash and cash equivalents	1	22,435,431
	1	58,348,641
Current liabilities		
Trade and other payables	55,658	24,937,554
Borrowings	-	827,648
Taxation	-	1,152,187
	55,658	26,917,389
Net current (liabilities)/assets	(55,657)	31,431,252
	<u>(55,657)</u>	<u>56,927,481</u>

2. SUMMARY INFORMATION (Cont'd)

	Company RM	Proforma (I) RM
Financed by :		
Share capital	1 *	21,248,806
(Accumulated loss)/Retained earnings	(55,658)	31,171,761
Shareholders' funds	<u>(55,657)</u>	<u>52,420,567</u>
Borrowings	-	3,772,037
Deferred tax liabilities	-	734,877
	<u>(55,657)</u>	<u>56,927,481</u>
 <u>Ratios</u>		
Number of shares in issue	2	105,462,600
Net (liabilities)/assets (NA) per share (RM) **	(27,828.50)	0.50
Net tangible (liabilities)/assets (NTA) per share (RM) ^	(27,828.50)	0.49
Current ratio (times) #	-	2.17
Total borrowings - all interest bearing debts (RM)	-	4,599,685
Gearing (times) ##	-	0.09

Notes:

- * *Denotes 2 ordinary shares of RM0.50 each*
- ** *NA over number of shares in issue*
- ^ *NTA over number of shares in issue*
- # *Current assets over current liabilities*
- ## *All interest-bearing debts over shareholders' funds*

Proforma I incorporates the Acquisitions and Internal Reorganisation and estimated listing expenses of RM1,300,000 which will be charged to the income statement.

Detailed information on the historical financial information is set out in Section 10 of this Prospectus.

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2. SUMMARY INFORMATION (Cont'd)

2.9 SUMMARY OF CONSOLIDATED PROFIT AND DIVIDEND FORECAST

2.9.1 Consolidated Profit Forecast

The consolidated profit forecast of our Group should be read in conjunction with the accompanying notes and assumptions as set out in the Reporting Accountants' Letter on the Proforma Consolidated Profit Forecast set out in Section 12.2 of this Prospectus.

	FYE 31 December 2008 RM'000
Revenue	111,577
Consolidated PBT	13,701
Taxation	(3,467)
Consolidated PAT	10,234
Number of issued and paid-up share capital ('000)	105,463
EPS based on the issued and paid-up share capital (sen)	
- Gross EPS	12.99
- Net EPS	9.70
PE Multiple based on the Offer Price of RM0.70 (times)	
- calculated over the gross EPS	5.39
- calculated over the net EPS	7.22

The completion date for the Acquisitions is on 15 January 2008. Accordingly, the consolidated profit forecast shown above is in relation to post-acquisition profits.

Detailed information on the consolidated profit forecast is set out in Section 12 of this Prospectus.

2.9.2 Dividend Forecast

Based on the forecast consolidated PAT of our Company as set out in Section 2.9.1 above and on the assumption that the present basis for calculating taxation and taxation rates remain unchanged, our Directors propose to declare net dividend of 5% or 2.5 sen per Ewein Share based on the issued and paid up share capital of 105,462,600 Ewein Shares for the FYE 31 December 2008:

FYE 31 December 2008	RM
Dividend per Share (sen)	
- Gross	3.38
- Net	2.50
Dividend yield ⁽ⁱ⁾ (%)	
- Gross	4.83
- Net	3.57
Net dividend cover ⁽ⁱⁱ⁾ (times)	3.88

2. SUMMARY INFORMATION (Cont'd)

Notes:

- (i) *Calculated based on gross/net dividend per Share divided by the Offer Price.*
- (ii) *Calculated based on the forecast consolidated PAT of our Company for the FYE 31 December 2008 divided by the aggregate net dividend proposed of RM2.637 million.*

Further details on our dividend policy are set out in Section 12.5 of this Prospectus.

2.10 RISK FACTORS

Prior to applying for any of the Offer Shares, which is the subject of this Prospectus, you should carefully consider, along with other matters in this Prospectus, the risks and investment considerations as set out in Section 4 of this Prospectus (which may not be exhaustive):

2.10.1 Risks relating to our industry and our business

- (i) Dependency on the consumer electronics and industrial electronics markets;
- (ii) Competition and new market entrants;
- (iii) Shortage of skilled labour and human capital;
- (iv) Lack of long-term contractual agreements;
- (v) Dependency on key personnel;
- (vi) Dependency on key customers;
- (vii) Production/Operational risks;
- (viii) Foreign currency exchange fluctuations;
- (ix) Fluctuations in raw material prices; and
- (x) Regulatory risks.

2.10.2 Risks relating to investments in our shares

- (i) Potential delay or abortment of our Listing;
- (ii) Achievability of profit forecast and forward-looking statements;
- (iii) No prior market for our Shares; and
- (iv) Control by substantial shareholders.

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3. PARTICULARS OF THE LISTING

3.1 INTRODUCTION

This Prospectus is dated 10 March 2008.

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

The approvals of the SC and the ECU (pursuant to the FIC Guidelines) for the Listing Scheme were granted on 15 November 2007 and the approval of the MITI was obtained on 9 January 2008. Approval-in-principle has also been obtained from the Securities Exchange on 5 February 2008 for the admission to the Official List of the Second Board of the Securities Exchange and permission to deal in and for the quotation of the entire issued and paid-up share capital of Ewein of RM52,731,300 comprising 105,462,600 Ewein Shares.

The entire issued and fully paid-up share capital of 105,462,600 Shares will be admitted to the Official List of the Securities Exchange and their official quotation will commence upon receipt of confirmation from Bursa Depository that all CDS Account of the successful applicants have been duly credited and notices of allotment have been despatched to all successful applicants.

Pursuant to Section 14(1) of the Central Depositories Act, the Securities Exchange has prescribed the Shares as a prescribed security. Therefore, we will deposit the Offer Shares directly with the Bursa Depository. Any dealings in these Ewein Shares will be carried out in accordance with the aforesaid act and the Rules.

Pursuant to the Securities Exchange LR, at least 25% of the issued and paid-up share capital must be in the hands of a minimum number of 1,000 public shareholders, holding not less than 100 Ewein Shares each. We expect to meet the public shareholding requirement at the point of listing. If we do not meet the public shareholding requirement, we may not be allowed to proceed with the listing. In such an event, we will return in full, without interest, moneys paid in respect of all applications.

Applicants of the Offer Shares must have a CDS account. For application by way of Application Forms, the applicant should state his/her CDS account number in the space provided in the Application Forms. For application by way of ESA, the applicant shall furnish his/her CDS account number to the Participating Financial Institution in the ESA by keying in his/her CDS account number if the instructions on the ATM screen at which he enters his/her ESA requires him to do so. A corporation or institution cannot apply for the Offer Shares by way of ESA. The Offer Shares under the MBMR Restricted Offer for Sale to Public cannot be applied by way of ESA.

Investors should rely only on the information contained in this Prospectus or information that we have referred investors to. We or our advisers have not authorised anyone to provide any information or represent us in relation to the Offers. The information contained in this Prospectus shall not be deemed to indicate that there are no changes in the affairs of our Group since the date of this Prospectus. Nonetheless, should our Company be aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of the Prospectus up to the date of the Listing, our Company shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238 of the CMS Act.

The distribution of this Prospectus and the sale of the Offer Shares are subject to Malaysian laws. Our Company and our advisers are not responsible for the distribution of this Prospectus and the sale of the Offer Shares outside Malaysia, which shall be restricted by law in other jurisdictions. Persons who may come into possession of this must be aware of such restrictions. This Prospectus is not an invitation to subscribe for the Offer Shares in any jurisdiction that is not authorised or lawful.

3. PARTICULARS OF THE LISTING *(Cont'd)*

You should rely on your own evaluation to assess the merits and risks of the Offers before investing in us. If you are in any doubt as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately before applying for the Offer Shares.

3.2 PURPOSES OF LISTING

The purposes of our listing are as follows:

- (i) To obtain the listing of and quotation for our entire issued and paid-up share capital on the Second Board of the Securities Exchange;
- (ii) To provide our Company access to the capital market to raise funds in the future to finance future expansion and continuing growth of our Group;
- (iii) To enhance our Group's profile in Malaysia and in the international markets that we are serving or intend to serve in the future; and
- (iv) To provide an opportunity for the Public, Bumiputera investors, eligible Directors and employees of our Group (save for Excluded Parties) to participate directly in the equity and continuing growth of our Group.

3.3 OFFER SHARES

The Offer Shares issued at the Offer Price are payable in full upon application. The Listing is subject to the terms and conditions of this Prospectus and, upon acceptance, the Offer Shares will be allocated in the following manner:

3.3.1 MBMR Restricted Offer for Sale to Public

In conjunction with our listing on the Second Board of the Securities Exchange, MBMR is making a non-renounceable restricted offer for sale of 18,117,557 Ewein Shares representing approximately 17.18% of the issued and paid-up share capital of Ewein to the shareholders of MBMR who are Public (save for Excluded Parties) as at 5.00 p.m. on 6 March 2008 at the Offer Price, of which at least 30% will, to the extent possible, be allocated to Bumiputera individuals, companies, societies, co-operatives and institutions.

The MBMR Restricted Offer for Sale to Public is non-renounceable and acceptance of application in respect of the Ewein Shares shall be subjected to ballot in the event of over-subscription.

Any shares offered under the MBMR Restricted Offer for Sale to Public which are not subscribed by the shareholders of MBMR above will be made available for application by eligible employees of our Group who are Public (save for Excluded Parties). Any unsubscribed shares after the subsequent offer will be made available for application by members of the Public (save for Excluded Parties), of which at least 30% will, to the extent possible, be allocated to Bumiputera individuals, companies, societies, co-operatives and institutions, and shall be underwritten by the Underwriters.

3. PARTICULARS OF THE LISTING *(Cont'd)*

3.3.2 Offer for Sale

In conjunction with our listing on the Second Board of the Securities Exchange, Hijauwasa is making an offer for sale of 7,000,000 Ewein Shares representing approximately 6.64% of the issued and paid-up share capital of Ewein at the Offer Price in the following manner:

(i) **Public**

6,000,000 Ewein Shares representing approximately 5.69% of the issued and paid-up share capital of Ewein shall be reserved for application by the Public (save for Excluded Parties), of which at least 30% will, to the extent possible, be allocated to Bumiputera individuals, companies, societies, co-operatives and institutions.

(ii) **Eligible Directors and Employees of our Group**

1,000,000 Ewein Shares representing approximately 0.95% of the issued and paid-up share capital of Ewein shall be reserved for application by eligible Directors and employees of our Group (save for Excluded Parties).

Should there be an under-subscription for the Offer for Sale Shares set out in Section 3.3.2 (i) above, such unsubscribed shares shall be made available for application by eligible employees of our Group who are Public (save for Excluded Parties). Any shares remaining after the subsequent offer will be made available for application by the shareholders of MBMR who are Public (save for Excluded Parties) as at 5.00 p.m. on 6 March 2008, of which at least 30% will, to the extent possible, be allocated to Bumiputera individuals, companies, societies, co-operatives and institutions, and shall be underwritten by the Underwriters.

Any Offer for Sale Shares set out in Section 3.3.2 (ii) above which are not subscribed by the eligible Directors and employees of our Group (save for Excluded Parties) will be reoffered to other eligible Directors and employees of our Group (save for Excluded Parties). Any shares remaining unsubscribed after the subsequent offer will be made available for application by the shareholders of MBMR who are Public (save for Excluded Parties) as at 5.00 p.m. on 6 March 2008, of which at least 30% will, to the extent possible, be allocated to Bumiputera individuals, companies, societies, co-operatives and institutions. Should there be any shares remaining unsubscribed thereafter, such shares will be made available to the members of the Public (save for Excluded Parties), of which at least 30% will, to the extent possible, be allocated to Bumiputera individuals, companies, societies, co-operatives and institutions, and shall be underwritten by the Underwriters.

The terms and conditions of the Underwriting Agreement are set out in Section 3.9 of this Prospectus.

3.3.3 No Minimum Subscription Level

There is no minimum subscription amount to be raised in order to satisfy the objectives of the Listing. All the Offer Shares has been underwritten by the Underwriters.

3.4 PINK FORM SHARES ALLOCATION

1,000,000 Ewein Shares will be allocated to eligible Directors and employees of our Group (save for Excluded Parties) based on the following criteria which has been approved by our Board:

- position and length of service in our Group; and/or
- contribution to the success of our Group.

3. PARTICULARS OF THE LISTING (Cont'd)

Based on the abovementioned criteria, 785,000 Ewein Shares have been reserved for application by 336 employees of our Group (save for Excluded Parties) whilst 215,000 Ewein Shares have been reserved for application by the following seven (7) Directors of Ewein and its subsidiary companies:

Name of Director	Designation	No. of Pink Form Shares allocated
Dato' Ewe Swee Kheng	Managing Director of Ewein, Director of MBMI, TASB and PPISB	50,000
Chuah Poh Lim	Deputy Managing Director of Ewein, Director of MBMI, TASB and PPISB	50,000
Looi Kum Pak @ Looi Kam Phak	Director of MBMI, TASB and PPISB	35,000
Poh Chee Kwan	Director of TASB and PPISB	35,000
Phung Ah Onn	Director of KRSB and KPTSB	15,000
Khor Say Khoon	Director of KRSB and KPTSB	15,000
Ong Ching Kok	Director of KRSB and KPTSB	15,000
		215,000

3.5 SHARE CAPITAL AND MARKET CAPITALISATION

	RM
<i>Authorised share capital</i>	
200,000,000 ordinary shares of RM0.50 each	<u>100,000,000</u>
<i>Issued and fully paid-up share capital as at the date of this Prospectus</i>	
105,462,600 ordinary shares of RM0.50 each	<u>52,731,300</u>
<i>To be offered pursuant to the Offers</i>	
25,117,557 ordinary shares of RM0.50 each	<u>12,558,779</u>
Market capitalisation upon listing based on the Offer Price	RM73,823,820

There is only one (1) class of shares, being ordinary shares of RM0.50 each in Ewein. The Offer Shares rank equally in all respects with all our other existing issued and fully paid-up Ewein Shares including voting rights and the rights to all dividends and other distributions that may be declared subsequent to the date of transfer of the Offer Shares.

Unless there are special rights attached to any share which may be issued in the future, a shareholder shall be entitled to share in the whole of profits paid out as dividends and other distributions and the whole of any surplus in the event of the Company's liquidation in accordance with the Company's Articles of Association. Such entitlement shall be in proportion to the amount of Ewein Shares held by them.

Each shareholder is entitled to vote at any of our general meeting in person, by proxy or by attorney and on a show of hands. Every person present who is a shareholder or representative or proxy or attorney of a shareholder shall have one (1) vote, and, on a poll, every shareholder who is present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for each ordinary share held. A proxy may but need not be our member.

3. PARTICULARS OF THE LISTING *(Cont'd)*

3.6 OFFER PRICE AND BASIS OF ARRIVING AT THE OFFER PRICE

Offer Price per Offer Share **RM0.70**

The Offer Price is payable in full upon application.

The Offer Price was determined and agreed upon by us, our Directors, Promoter, Offerors and the Underwriters, after taking into account the following factors:

(i) Financial and Operating History

Based on the proforma results of our Group for the FYE 31 December 2007, we have recorded PAT of RM10.09 million which translates into a net EPS of 9.57 sen based on the issued and paid-up capital of Ewein of 105,462,600 Ewein Shares. This represents a net PE multiple of 7.31 times;

(ii) Forecast PE Multiple and Earnings

For the FYE 31 December 2008, our Group has forecast a PAT of approximately RM10.23 million. Based on the issued and paid-up capital of Ewein of 105,462,600 Ewein Shares, the forecast net EPS would be 9.70 sen. Accordingly, the Offer Price represents a forecast net PE multiple of 7.22 times.

(iii) Proforma Consolidated NTA

Based on the proforma consolidated NTA of Ewein as at 31 December 2007 of RM51.76 million after adjusting for the Acquisitions and Internal Reorganisation and the estimated listing expenses of RM1,300,000 (net of expenses relating to the Offers), the Offer Price represents a premium of RM0.21 or 42.9% over the proforma NTA per share of RM0.49.

(iv) Prevailing Market Conditions and Prospects

The prevailing favourable market conditions and prospects in the consumer electronics and industrial electronics markets in which our Group operates in as described in Section 6 of this Prospectus.

(v) Future Plans and Potential Growth

The future plans, strategies and prospects of our Group as described in Sections 5.9 and 5.10 of this Prospectus.

(vi) Experience of our Board, Key Management and Key Technical Personnel

The experience of our Board, key management and key technical personnel as described in Section 7 of this Prospectus.

Investors should also note that the market price of Ewein Shares upon Listing is subject to the vagaries of market forces and other uncertainties, which may affect the price of Ewein Shares being traded.

3. PARTICULARS OF THE LISTING *(Cont'd)*

There can be no assurance that the market price of the Ewein Shares will commensurate with the fundamentals of the Company or that an active market for the Ewein Shares will develop after Listing. Further, we believe that a number of factors could cause the price of the Ewein Shares to fluctuate, including sales of substantial amounts of the Ewein Shares in the public market in the immediate future, announcements of developments relating to our Group's business, fluctuations in our Group's operating results and revenue levels, general industry conditions or the world wide economy, announcements of new products and services by our Group, changes in regulatory requirements and new entrants in the market in which our Group operates.

You should bear in mind the risk factors as set out in Section 4 of this Prospectus and form your own views on the valuation of the Offer Shares before deciding to invest in us.

3.7 EXPENSES AND PROCEEDS

Based on the Offer Price, the gross proceeds of RM17,582,290 raised from the Offers will accrue to the Offerors. Expenses incurred relating to the Offer for Sale will be borne by Hijauwasa while expenses incurred relating to the MBMR Restricted Offer for Sale to Public will be borne by MBMR.

The Company will bear all expenses in relation to the Listing such as professional fees, fees to the authorities, printing and advertising fees estimated at RM1,300,000.

3.8 BROKERAGE AND UNDERWRITING COMMISSION

Brokerage

Brokerage relating to the Offer Shares made available for application by the Public (save for Excluded Parties), which will be paid by the Offerors, amounting to approximately RM175,822 based on the rate of 1.0% of the Offer Price in respect of successful applications bearing the stamp of Alliance, a member company or a participating organisation of the Securities Exchange, a member of the Association of Banks in Malaysia, a member of the Malaysian Investment Banking Association or the Issuing House.

Underwriting commission

An underwriting agreement was entered into between the Offerors and the Underwriters to underwrite the Offer Shares. Underwriting commission and managing underwriter's commission are payable by the Offerors, at the rate of 2.0% and 0.5% of the Offer Price, respectively. The total underwriting commission and managing underwriter's commission amount to RM439,557.

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3. PARTICULARS OF THE LISTING (Cont'd)

3.9 DETAILS OF THE UNDERWRITING AGREEMENT

An underwriting agreement was entered into between our Company, the Offerors and the Underwriters on 18 February 2008 ("Underwriting Agreement") to underwrite the Offer Shares. Underwriting commission and managing underwriter's commission are payable by the Offerors, at the rate of 2.0% and 0.5% of the Offer Price, respectively.

The following salient terms are reproduced from the Underwriting Agreement and unless otherwise stated, all capitalised terms shall bear the same meaning as prescribed in the Underwriting Agreement:

4. UNDERWRITING OF THE UNDERWRITTEN SHARES

4.1 *In consideration of the Managing Underwriting Commission and the Underwriting Commission payable by the Offerors to the Managing Underwriter and the Underwriters respectively, and relying upon each of the representations, warranties and undertakings by the Offerors and the Company herein contained, the Managing Underwriter hereby agrees to act as the managing underwriter and the Underwriters hereby agree severally to underwrite such number of the Underwritten Shares as set out opposite the Underwriters' respective names in Column 3 of the Second Schedule hereto, subject to the terms and conditions of this Agreement.*

8. CONDITIONS PRECEDENT

8.1 *The obligations of the Underwriters to perform its obligations to underwrite the Underwritten Shares under this Agreement are conditional upon the following conditions precedent being fulfilled to the satisfaction of the Managing Underwriter:*

8.1.1 *there not having been on or prior to the Closing Date in the opinion of the Managing Underwriter (which opinion is final and binding), any adverse change or any development reasonably likely to result in any adverse change in the financial position, business operations or conditions (financial or otherwise) and the business prospects of the Group, taken as a whole, which is material in the context of the Offer for Sale from that set forth in the Prospectus nor the occurrence of any event or discovery of any fact or circumstance rendering untrue or incorrect to an extent which is material as aforesaid or any breach of any of the representations, warranties contained in Clause 5 as though they had been given or made on such date with reference to the facts and circumstances then subsisting, nor the occurrence of any breach of the undertakings of the Offerors and the Company as contained in this Agreement;*

8.1.2 *the issuance of the Prospectus within two (2) months from the date of this Agreement, or such other later date as the Managing Underwriter may extend and the Company receiving the approval-in-principle of the Bursa Securities for the Listing within two (2) weeks from the date of issue of the Prospectus (or such longer period as may be specified by the Appropriate Authorities) and complying with the conditions imposed by the Bursa Securities (if any);*

8.1.3 *the Managing Underwriter having been satisfied that arrangements have been made by the Offerors to ensure payment of the Underwriting Commission, the Managing Underwriting Commission and the expenses referred to in Clause 22;*

8.1.4 *the Offer for Sale and/or the Listing not being prohibited or impeded by any statute, order, rule, regulation or directive promulgated or issued by any legislative, executive or regulatory body or authority in Malaysia and all consents, approvals, authorisations or other orders required by the Offerors and/or the Company under such laws for or in connection with the Offer for Sale and/or the Listing have been obtained and are in force on the Closing Date or the Managing Underwriter being reasonably satisfied that the same will be in force on the Closing Date;*

3. PARTICULARS OF THE LISTING (Cont'd)

- 8.1.5 *the Managing Underwriter having been satisfied that the Offerors and/or the Company have complied with the policies, guidelines and requirements of the Appropriate Authorities and all revisions, amendments and/or supplements thereto;*
- 8.1.6 *the Listing being approved by the shareholders of the Company in an Extraordinary General Meeting;*
- 8.1.7 *the due registration and lodgement of the Prospectus with the Appropriate Authorities together with copies of all required documents in accordance with the CMSA, the Act and the relevant laws and regulations before the issuance of the same for purposes of the Offer for Sale;*
- 8.1.8 *all approvals of the Appropriate Authorities remain in full force and effect on the Closing Date or the Managing Underwriter being reasonably satisfied that the same will be in force on the Closing Date and the Managing Underwriter being reasonably satisfied that all conditions of the same (to the extent that can be complied with prior to the Closing Date) have been complied with;*
- 8.1.9 *the fulfilment of all the covenants and undertakings contained in **Clause 5.2** by the Company and the Offerors within two (2) months from the date of this Agreement or such later date as may be approved by the Appropriate Authorities and agreed in writing by the Managing Underwriter;*
- 8.1.10 *the Composite Index of the Bursa Securities does not close at or below 1,200 points for three (3) consecutive Market Days at anytime prior to the date of Listing; and*
- 8.1.11 *the listing of the Shares on the Second Board of the Bursa Securities within one (1) month from the Closing Date or any later date as may be approved by the Appropriate Authorities and agreed in writing by the Managing Underwriter.*
- 8.2 *If any of the foregoing condition(s) is not satisfied or complied with to the satisfaction of the Managing Underwriter on or before the Closing Date, the Managing Underwriter shall thereupon be entitled subject as mentioned below, to terminate this Agreement by notice in writing served by the Managing Underwriter on behalf of the Underwriters and upon such termination, the obligations and liabilities of the Company, the Offerors, Managing Underwriter and the Underwriters hereunder shall become null and void, except for the costs and expenses referred to in **Clause 22** which shall be paid within three (3) days of the receipt of such notice PROVIDED THAT the Managing Underwriter may at its discretion waive compliance with any of the above provisions of Clause 8.1.*

9. EVENTS AFFECTING THE LISTING

- 9.1 *The Underwriters shall be entitled to terminate this Agreement by notice in writing delivered by the Managing Underwriter on behalf of the Underwriters to the Company and the Offerors prior to the Closing Date if the success of the Listing is in the reasonable opinion of the Underwriters seriously jeopardised or affected by:*
- 9.1.1 *the coming into force of any law or governmental regulation or directive which seriously affects or is likely to seriously affect the business of the Group or the Listing; or*
- 9.1.2 *any material breach by the Company and/or the Offerors of any of its representations, warranties, obligations or undertakings under this Agreement; or*
- 9.1.3 *any material and adverse change in the condition (financial or otherwise) of the Group from that described in the Prospectus.*

3. PARTICULARS OF THE LISTING (Cont'd)

9.2 On delivery of such a notice, this Agreement shall be terminated and the rights and obligations of the Company, the Offerors, the Managing Underwriter and the Underwriters hereunder shall cease and none of the parties shall have any claim against the other (except for the liability of the Offerors in respect of payments of costs and expenses referred to in **Clause 22** incurred prior to or in connection with such termination). Thereafter the Managing Underwriter, the Underwriters, the Company and the Offerors shall confer with a view to deferring the Offer for Sale or amending its terms and/or entering into a new Underwriting Agreement PROVIDED THAT the Offerors, the Company, the Managing Underwriter and the Underwriters shall not be under any obligation to enter into such new agreement.

10. **TERMINATION IN THE EVENT APPROVAL FOR THE LISTING IS WITHDRAWN**

The Underwriters shall have the right to terminate this Agreement by notice in writing served by the Managing Underwriter on behalf of the Underwriters on the Company and the Offerors in the event that the approvals of the Appropriate Authorities (including the SC) is withdrawn or the approval-in-principle of the Bursa Securities for the Listing is not procured within two (2) weeks from the date of issue of the Prospectus (or such longer period as may be specified by the Appropriate Authorities and agreed by the Underwriters) and upon such termination, the liabilities and obligations herein of the Company, the Offerors, the Managing Underwriter and the Underwriters shall become null and void and none of the parties aforementioned shall have any claim against the other except for the liability of the Offerors in respect of payments of costs and expenses referred to in **Clause 22** incurred prior to or in connection with such termination).

11. **FORCE MAJEURE**

11.1 Notwithstanding anything herein contained, the Managing Underwriter may on behalf of the Underwriters, after consultation with the Company and the Offerors in good faith at any time before the Closing Date, terminate this Agreement by notice in writing delivered by the Managing Underwriter on behalf of the Underwriters to the Company and the Offerors if in the reasonable opinion of the Underwriters there shall have occurred, happened or come into effect any of the following circumstances ("**Force Majeure**"):

11.1.1 any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of the Underwriters (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, earthquake, epidemic, disease, civil commotion, sabotage, hijacking, acts of war or terrorism, hostilities, riot, uprising or accidents);

11.1.2 without prejudice to the generality of the foregoing, any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing;

11.1.3 the imposition of any moratorium, suspension or material restriction on trading in securities generally in the Bursa Securities due to exceptional financial circumstances or otherwise;

which, in the reasonable opinion of the Underwriters, would have or can reasonably be expected to have a material adverse effect on the financial, business or operations or business prospects of the Group taken as a whole or the success of the Listing and the distribution or sale of the Offer for Sale Shares (whether in the primary market or in respect of dealings in the secondary market) or market conditions generally or which has or is likely to have the effect of making any material part of this Agreement incapable of performance in accordance with its terms and upon such termination, the parties hereto shall (except for the liability of the Offerors in the payment of costs and expenses referred to in **Clause 22** hereof incurred prior to or in connection with such termination) be released and discharged from their respective obligations hereunder.

3. PARTICULARS OF THE LISTING (Cont'd)

12. TERMINATION

- 12.1 Notwithstanding anything herein contained, the Managing Underwriter may, at any time prior to the Closing Date, by notice in writing delivered by the Managing Underwriter on behalf of the Underwriters to the Company and the Offerors, terminate, cancel or withdraw its underwriting commitment to underwrite the Underwritten Shares under this Agreement if:
- 12.1.1 there is any breach by the Company and/or the Offerors of any of the representations, warranties and undertakings contained in **Clause 5** above which is not capable of remedy, or if capable of remedy, is not remedied within such period as stipulated in the notice given by the Managing Underwriter to the Company and/or the Offerors or by the Closing Date, whichever is earlier;
- 12.1.2 there is failure on the part of the Company and/or the Offerors to perform any of its obligations under this Agreement;
- 12.1.3 there is withholding of information of material nature from the Underwriters which is required to be disclosed pursuant to this Agreement which, in the opinion of the Underwriters would have or can reasonably be expected to have a material adverse effect on the business or operations of the Group, the success of the Listing or the distribution or sale of the Offer for Sale Shares;
- 12.1.4 there is any material and adverse change in the business or financial condition of the Company or the Group as a whole which in the reasonable opinion of the Underwriters have occurred or happened or is threatened against the Company or the Group as a whole;
- 12.1.5 there shall have in the reasonable opinion of the Underwriters, occurred or happened or threatened, any Force Majeure event referred to in **Clause 11** above.
- 12.2 Upon any such notice being given pursuant to **Clause 12.1**, the Managing Underwriter and the Underwriters shall be released and discharged from their obligations under this Agreement whereupon this Agreement shall be of no further force or effect and no party shall be liable to the other in respect of this Agreement save and except that the Offerors shall remain liable in respect of its liabilities under **Clause 5** or for any antecedent breach and for the payment of the costs and expenses referred to in **Clause 22** below which are incurred prior to or in connection with such termination and such reimbursement of the costs and expenses incurred shall be paid to the Managing Underwriter who receives on behalf of the Underwriters within three (3) days from the date of notification to the Offerors by the Managing Underwriter on behalf of the Underwriters.

13. UNDERWRITERS TO APPLY OR TO PROCURE APPLICATION

- 13.1 If on or before the Closing Date or such other date as the Directors and the Managing Underwriter may mutually agree upon, valid applications for the whole of the Underwritten Shares have been received in accordance with the terms of the Prospectus together with valid bank drafts or other remittances for the full amount payable, no obligation shall arise on the part of the Underwriters to apply for any of the Underwritten Shares under this Agreement and the Underwriters' obligations herein shall be discharged.
- 13.2 If on the Closing Date any part of the Underwritten Shares shall not have been applied for, the Underwriters shall be bound in accordance with its underwriting commitments hereunder to subscribe or procure responsible persons (whether individuals or corporations) to subscribe the Unsubscribed Underwritten Shares which have not been applied in the proportions as set out opposite their respective names in **Column 3 of the Second Schedule** hereto.

3. PARTICULARS OF THE LISTING (Cont'd)

14. UNDERWRITING NOTICE

- 14.1 *The Offerors shall as soon as practicable and in any event not later than three (3) Market Days following the Closing Date upon receipt of a notice from the Issuing House, give the Underwriting Notice to the Managing Underwriter, delivered by hand to the address of the Managing Underwriter, specifying the number of such Unsubscribed Underwritten Shares.*
- 14.2 *Within one (1) Market Day of the receipt by the Managing Underwriter of the Underwriting Notice from the Company, the Managing Underwriter shall give a written notice to each of the other Underwriters specifying the number and portion of Unsubscribed Underwritten Shares for which each of them is required to subscribe or procure subscribers. The Underwriters shall, not later than three (3) Market Days after receipt of the notice from the Managing Underwriter, apply for the Unsubscribed Underwritten Shares or shall, in compliance with any applicable laws and regulations, procure applications for such Unsubscribed Underwritten Shares as required in the notice from the Managing Underwriter on the terms of the Prospectus and the Application Form and shall, deliver to the Issuing House the application(s) in the appropriate form(s) for the Unsubscribed Underwritten Shares for which the Underwriters are required to apply or procure applications together with remittances for the amounts payable on such applications in respect of such Unsubscribed Underwritten Shares.*
- 14.3 *In the event that the Underwriters are required to apply for any of the Unsubscribed Underwritten Shares pursuant to this Agreement, the parties agree that the Managing Underwriter shall have the right and absolute discretion to round up the number of Unsubscribed Underwritten Shares that each Underwriter is required to apply for to the nearest board lot of 100 Shares (so far as possible) and the Managing Underwriter shall give notice of such rounding up (if any) to the Underwriters together with the notice described in Clause 14.2.*

15. DEFAULT BY THE UNDERWRITER

- 15.1 *If an Underwriter (for the purpose of this Clause referred to as the “**the Defaulting Underwriter**”) shall fail to deliver to Issuing House such applications and remittance within three (3) Market Days after the receipt of the notice described in Clause 14.2 hereinabove from the Managing Underwriter, then the Offerors shall be at liberty to sign and lodge such application(s) on behalf and in the name of the Defaulting Underwriter and this authority and any application(s) made thereunder shall be irrevocable. The Defaulting Underwriter further expressly declares and agrees that all applications, instruments, acts and things signed, executed and done by the Offerors, as aforesaid described shall be as good, valid and effectual to all intent and purposes whatsoever as if the same has been signed, executed and done by the Defaulting Underwriter. The Offerors in such an instance shall also be entitled to have recourse to all remedies against the Defaulting Underwriter to recover all cost, damages and all expenses incurred resulting from or arising from out of the Defaulting Underwriter's failure as abovesaid.*
- 15.2 *Without prejudice to the generality of the provisions of **Clause 15.1**, in the event that the Defaulting Underwriter shall fail to deliver the remittance for the Unsubscribed Underwritten Shares on lodgement of such application(s) to the Issuing House within the stipulated time, the Offerors shall be entitled, without prejudice to any other remedy available to the Offerors, to arrange for a financial institution or third party to subscribe on behalf of the Defaulting Underwriter for its commitment of the Unsubscribed Underwritten Shares and the Defaulting Underwriter shall be liable to reimburse such financial institution or third party the subscription monies together with interest thereon at the rate of ten percent (10%) per annum on the amount due calculated on a daily basis. The financial institution or third party has the right to dispose of the Shares subscribed for if the Defaulting Underwriter fails to reimburse the financial institution or third party and the Defaulting Underwriter undertakes to reimburse the financial institution or third party for any losses incurred as a result of the disposal.*

3. PARTICULARS OF THE LISTING (Cont'd)

15.3 *For the avoidance of doubt, the Managing Underwriter and the other Underwriters shall not be held liable for the underwriting commission of the Defaulting Underwriter and the Company and the Offerors shall not have any recourse against the Managing Underwriter and the other Underwriters for any failure by any of the Defaulting Underwriter to meet its underwriting obligation hereunder.*

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4. RISK FACTORS

YOU SHOULD RELY ON YOUR OWN EVALUATION AND CAREFULLY CONSIDER THE MERITS, RISKS AND INVESTMENT CONSIDERATIONS (WHICH MAY NOT BE EXHAUSTIVE) THAT MAY HAVE A SIGNIFICANT IMPACT ON OUR COMPANY OR OUR SHARES IN THE FUTURE, IN ADDITION TO THE OTHER INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, BEFORE APPLYING FOR ANY OF THE OFFER SHARES, WHICH ARE THE SUBJECT OF THIS PROSPECTUS. IF YOU ARE IN ANY DOUBT AS TO THE INFORMATION CONTAINED IN THIS SECTION, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER.

4.1 RISKS RELATING TO OUR INDUSTRY AND OUR BUSINESS

4.1.1 Dependency on consumer electronics and industrial electronics markets

The main application markets for the products of our Group are the electronics industry, specifically consumer electronics and industrial electronics. Hence, the demand for our products is closely related to the viability of these two (2) markets. The segmentation of the electronics industry is discussed in Section 6 of this Prospectus.

Based on the annual surveys conducted by the Department of Statistics, ex-factory sales registered by business establishments involved in forging, pressing, stamping, roll-forming metal and powder metallurgy activities increased by 9.1% and 11.7% in 2005 and 2006, respectively, in Malaysia. The Department of Statistics lumps manufacturing activities in sheet metal fabrications together with these related business activities. By inference, this data indicates robust activities on the part of the contract manufacturers for sheet metal enclosures in 2006. (*Source: Independent Market Research Report on the Contract Manufacturing Industry for Sheet Metal Enclosure in Malaysia prepared by D&B*)

Based on the latest available statistics, during the years between 2002 and 2006 in Malaysia, imports had always exceeded exports for tools used in pressing, stamping and punching. This indicates that there is still scope for import substitution in the country. In this context, there is much room for further business expansion on the part of the contract manufacturers for sheet metal enclosures, so as to fulfil the demand of the various application markets in the manufacturing sector. This involves the domestic manufacturing of more sophisticated tools used in pressing, stamping and punching, which are needed more and more in both quality and quantity, as the country climbs up the value added ladder and industry deepening takes place. (*Source: Independent Market Research Report on the Contract Manufacturing Industry for Sheet Metal Enclosure in Malaysia prepared by D&B*)

However, there is no assurance that a decline in the performance of these two (2) markets will not affect the demand for the products of our Group.

4.1.2 Competition and new market entrants

Our Group faces competition from existing competitors and new market entrants.

Our Management believes that the competition from our Group's competitors is, to a certain extent, mitigated as our Group can leverage on our competitive strengths as set out in Section 5.4.3 of this Prospectus to defend our market position.

Our Management also believes that the impact of competition from new entrants on our business, to a certain extent, is mitigated due to the numerous barriers to entry as set out in Section 6 of this Prospectus.

Over the years with persistent hard work and a positive focus, our Group has successfully carved a niche in servicing the consumer electronics and industrial electronics markets. This is a result of our continuous design and development efforts and continuous upgrading of new manufacturing technologies, machines and equipment as well as the practice of stringent QC management.

4. RISK FACTORS (Cont'd)

Although our Management seeks to continue to adopt appropriate strategies to remain competitive, there can be no assurance that competition from existing competitors and/or new entrants will not have a material adverse effect on our performance.

Although no assurance is given that our Group will be able to maintain our market position in the consumer electronics and industrial electronics markets, our Group will strive to maintain our relationship and strengthen our market position amongst our MNC customers.

4.1.3 Shortage of skilled labour and human capital

The nature of the industry our Group is operating in is such that it is highly dependent on skilled labour and currently, in Malaysia there is a shortage of skilled labour in the industry.

Our Management recognises that there should not be any over reliance on any single personnel in the production process of our Group. In view of the above, our Group provides on-the-job and external training for our employees so as to ensure that the technical know-how of the production process is spread across the workforce to mitigate over-reliance on any single personnel.

However, although our Group seeks to limit the above risk, no assurance can be given that a shortage of skilled labour and human capital will not have adverse effect on our Group's operations.

4.1.4 Lack of long-term contractual agreements

A lack of long-term contractual agreements with customers is a norm in the industry in which our Group is operating in.

Despite the lack of long-term contractual agreements, our Group believes that our customers have the confidence and recognise the quality of our products, which are sold at competitive prices. Our Group has established strong working relationships with our major customers, as shown in the number of years of relationship with our major customers ranging between eight (8) and eighteen (18) years as set out in Section 5.6 of this Prospectus. Thus, our Group does not foresee any material terminations of orders by our major OEM and EMS customers.

However, there is no assurance that our Group will not experience a stoppage in orders from our major OEM and EMS customers over the foreseeable future.

4.1.5 Dependency on key personnel

Our Board recognises and believes that our continuing success depends, to a significant extent, on the abilities and continuing efforts of our Directors as well as our key management and key technical personnel. The loss of any Director, key management, and/or key technical personnel could adversely affect our Group's continued ability to compete in this industry.

Our Board recognises the importance of our Group's ability to attract and retain our key management and technical personnel, and has in place a remuneration package which is on par with the industry standards for employees, especially for key management and technical personnel as well as providing a good working environment which promotes productivity and loyalty. In addition, efforts are constantly made to continuously attract new skilled personnel to strengthen our existing personnel.

Although we seek to limit the dependence on key management and technical personnel through the efforts mentioned above, there is no assurance that any change in the key management and technical personnel structure will not have a material adverse effect on our future performance.

4. RISK FACTORS (Cont'd)

4.1.6 Dependency on key customers

The majority of our Group's revenue comes from MNCs which have operations in Malaysia. For the FYE 31 December 2007, our Group's major customers (which individually contributed more than 10% of our Group's revenue) accounted for approximately 62.6% of our Group's total revenue (FYE 2006: 65.5%).

Companies which are operating in the contract manufacturing industry for sheet metal enclosures are typically dependent on a few key MNCs to generate a large portion of their sales. This is mainly due to the fact that these companies are able to provide additional value added services to the MNCs, which minimise the points of contact for the MNCs during the procurement process. Instead of dealing with many vendors, the points of contacts are concentrated into a few main vendors which have the track record of meeting their stringent requirements.

Our Group has managed to build a strong market presence locally and internationally for our product quality and reliability over the years. Our Group has long-term business relationship ranging from between eight (8) years and eighteen (18) years with our major customers. These long-term business relationships are an indicator of the recognition by MNCs for the quality and reliability of our products and services and we do not foresee material terminations of orders by our major customers.

Although our Group seeks to limit the dependency on key customers, no assurance can be given that the existing customers will continue to use our products and services or will maintain their relationships with us.

4.1.7 Production/Operational risks

Our production processes are susceptible to risk such as fire, flood, energy crisis and sabotage, amongst others which can impede our operations and ultimately result in delay or failure to meet customer demands.

Our Management has taken precautionary steps to minimise the risk of fire outbreak through the implementation of fire-fighting equipment as well as training to our employees to handle a fire outbreak crisis.

Furthermore, we have taken up fire and fire consequential loss insurance coverage for our factory building, machineries and equipment which are reviewed on a yearly basis.

However, even with all the precautions we have taken to limit these risks, there is no assurance that these production/operational risks will not materially affect our business and/or the insurance coverage we have taken would be comprehensive enough to reflect the replacement cost of the assets or any consequential loss we may suffer.

4.1.8 Foreign currency exchange fluctuations

Our Group is exposed to foreign exchange risks on sales to foreign customers, which are billed mainly in the USD. Our raw materials are mainly paid in RM if they are purchased locally, and mainly in the USD if purchased overseas.

The risk of foreign currency exchange fluctuations is, to a certain extent, mitigated by the managed float mechanism adopted by Bank Negara Malaysia on the RM vs. the USD conversion rate since the de-pegging of the RM. This may prevent any extreme fluctuations of the RM vis-à-vis USD.

However, there is no assurance that any foreign currency exchange fluctuations in the future will not adversely affect our financial performance.

4. RISK FACTORS (Cont'd)

4.1.9 Fluctuations in raw materials prices

Our Group is exposed to fluctuations in raw materials prices which may have adverse impact on its financial results.

Most of our suppliers of raw materials are selected by our customers. The list of suppliers is normally revised by our customers on a quarterly basis and is then provided to our Group. Hence, any increase or decrease in the price of the raw materials shall be adjusted accordingly to reflect the selling price for the next quarter to our customers. In other words, the pricing of the final products are periodically reviewed with our customers. This facilitates to some extent the pass-through effects of any fluctuations in the prices of raw materials in the market.

Furthermore, our Group has built strong working relationships with our suppliers and this has resulted in access to regular supply of raw materials at competitive prices. However, there is no assurance that fluctuations in prices of raw materials will not affect us.

4.1.10 Regulatory risks

Changes in regulatory conditions in Malaysia and abroad could materially and adversely affect the financial and business prospects of the contract manufacturing industry for sheet metal enclosures as a whole as well as the prospects of our Group. Regulatory risks include (but are not limited to) changes in the interpretation of current regulations or introduction of new laws and regulations which impose and/or increase restrictions on the conduct of our business in Malaysia and/or overseas, restrictions on business or export licences and trade barriers.

Whilst we have complied with all relevant laws and regulations in relation to our business and have not in the past experienced any restrictions on the conduct of our business in Malaysia and/or overseas and we have not been served with any notices, summons or been subject to any proceedings for breach or non-compliance with any Malaysian and/or overseas laws and legislations, there is no assurance that any adverse development or change in the regulatory environment we operate in would not have an adverse impact on our ability to conduct business in Malaysia and overseas.

4.2 RISKS RELATING TO INVESTMENTS IN OUR SHARES

4.2.1 Potential delay or abortment of our Listing

Our Listing may be potentially delayed or aborted in the event of the following:

- (i) the Underwriters exercises their rights pursuant to the Underwriting Agreement to discharge themselves from their obligations upon the happening of those events stated in the Underwriting Agreement; or
- (ii) we are unable to meet the public spread requirement of at least 25% of the issued and paid-up share capital of our Company being held by a minimum of 1,000 public shareholders holding not less than 100 Shares each.

4.2.2 Achievability of profit forecast and forward-looking statements

Certain statements in this Prospectus are based on historical data which may not be reflective of the future results, whilst others are forward-looking in nature and are subject to uncertainties and contingencies. All forward-looking statements are based on estimates and assumptions made by our Board, and although believed to be reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements expressed or implied in such forward looking statements.

4. RISK FACTORS (Cont'd)

In particular, the consolidated profit forecast of the Ewein Group for the FYE 31 December 2008 has been prepared based on assumptions that are subject to uncertainties and contingencies. While our Directors have considered the assumptions used in the preparation of the profit forecast to be reasonable at this point in time, due to the inherent uncertainties underlying the profit forecast, and given that events and circumstances may not occur as expected or forecasted, there can be no assurance that the profit forecast will be realised and the actual profit may be lower than forecasted. Such deviation may be material and could affect the market price of our Shares and any dividend that may be contemplated under Section 12.5 of this Prospectus. Investors are deemed to have read and understood the description of the assumptions and uncertainties underlying the profit forecast contained herein.

4.2.3 No prior market for our Shares

Prior to the Listing, there was no public market for our Shares. Accordingly, there can be no assurance as to the liquidity of our Shares, the ability of shareholders to sell our Shares or the prices at which the shareholders would be able to sell our Shares. Further, there can be no assurance that an active market for our Shares will develop upon our Listing or, if developed, that such a market can be sustained.

4.2.4 Control by substantial shareholders

Following the Listing, the substantial shareholders of Ewein, as shown in Section 7.1 of this Prospectus, will collectively hold approximately 70.11% of our issued and fully paid-up share capital. The substantial shareholders may be able to influence the outcome of certain matters requiring the vote of shareholders unless they are required to abstain from voting by law and/or by the relevant authorities.

The introduction of corporate governance that requires the formation of an audit committee, which must be comprised of independent non-executive directors, would help to promote greater transparency in all material transactions and our Group's accountability, thereby safeguarding the interests of the minority shareholders and the general public at large. Substantial shareholders would also be required to abstain from voting if there is any related-party transaction which may create a conflict of interests.

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5. INFORMATION ON OUR GROUP

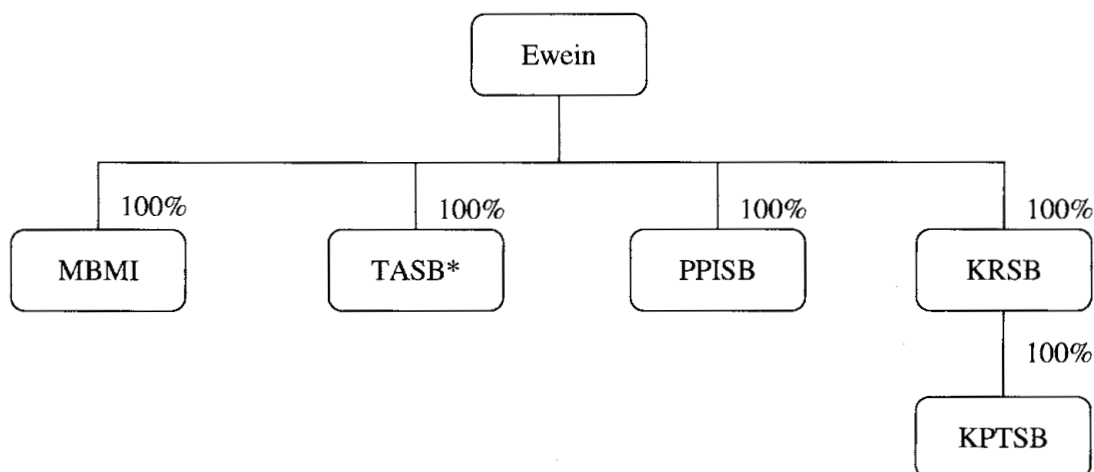
5.1 HISTORY AND BUSINESS

Ewein was incorporated in Malaysia under the Act on 2 August 2006 as a private limited company under the name of Ewein Sdn Bhd. Our Company was subsequently converted into a public limited company on 5 April 2007.

Ewein was incorporated as the investment holding company of our Group to facilitate the Listing. As at the Latest Practicable Date, Ewein has five (5) subsidiary companies. The principal activities of the subsidiary companies of Ewein are as follows:

Name	Date and place of incorporation	Principal business	Issued and paid-up share capital	% interest held
MBMI	17 April 1995/ Malaysia	Investment holding company.	RM18,000,000	100%
TASB	10 July 1990/ Malaysia	Manufacturing of precision sheet metal fabricated parts which are used in the manufacturing of audio, video and acoustic equipment, satellite antennas, electrical and electronics equipment, KVM switches, computer monitors and keyboards.	RM500,000	100%
PPISB	23 May 1990/ Malaysia	Designing and fabrication of precision moulds, tools and dies.	RM1,000,000	100%
KRSB	3 July 1996/ Malaysia	Investment holding company.	RM2,000,000	100%
KPTSB	12 December 1994/ Malaysia	Manufacturing of precision plastic injection moulding products and product finishing.	RM1,980,000	100%

Our corporate structure is as follows:



Note:

* As at the Latest Practicable Date, TASB has investments in quoted shares, comprising of 3.51% in KBB Resources Berhad and 1.15% in Magni-Tech Industries Berhad.

5. INFORMATION ON OUR GROUP *(Cont'd)*

Our Group was founded by Dato' Ewe Swee Kheng in 1990 with the incorporation of two (2) private limited companies, namely PPISB and TASB on 23 May 1990 and 10 July 1990, respectively.

PPISB started its operations in 1990 in the designing and fabrication of precision moulds, tools and dies. TASB commenced its operations in 1991 as a pioneer in precision sheet metal fabrication for the consumer electronics (audio equipment) market under the Malaysian Industrial Development Authority - List of Promoted Activities and Products. Subsequently, TASB was awarded with a pioneer status by MITI. PPISB is primarily involved in providing in-house services to TASB and its customers in the precision sheet metal fabrication industry. During the initial years of operations, TASB and PPISB's customers were mainly local companies and in 1991, both companies expanded their businesses by servicing the MNCs.

In 1991, PPISB employed Taiwanese tool and die engineering expatriates to head its tool and die design and fabrication department. The Taiwanese expatriates were responsible for the transfer of the technical know-how and expertise in the design and fabrication of tool and die to PPISB's local engineers.

In 1992, TASB expanded into the manufacturing of precision sheet metal fabricated parts which are used in the manufacturing of electrical and electronic equipment, computer monitors and keyboards. This paved the way for its specialisation in high-end products.

In 1993 and 1994, due to the increase in demand in the consumer electronics and industrial electronics markets, both TASB and PPISB began to expand their manufacturing operations by investing in various mass production facilities that are equipped with full automation capabilities. In addition, our Group had, in 1995, moved forward to enhance their manufacturing capabilities by appointing a Japanese adviser to train us in the technical and technology transfers.

On 17 April 1995, MBMI was incorporated in Malaysia under the Act as an investment holding company. MBMI commenced its operations in 1996 by acquiring TASB and PPISB as its wholly-owned subsidiary companies.

Over the years, our Group has continuously committed to provide quality products and services to our customers. In recognition of their up-to-standard internal quality control policies and procedures and business and quality management system, TASB and PPISB were awarded with ISO 9001 certifications in 1996 from SIRIM QAS International Sdn Bhd.

In addition to the above, our Group continued to venture into other business segments, and in 1997, our Group embarked into the satellite antenna market, with a different target customer base. With the introduction of the new product range, our Group was thus able to expand further, thereby increasing our revenue and earnings.

In 2000, by investing into KRSB which owns 100% of KPTSB, our Group expanded further into the provision of precision plastic injection moulding services for the audio, video, medical, automotive and other plastics-related markets. KRSB was incorporated in Malaysia on 3 July 1996 under the Act as an investment holding company. Subsequently, KRSB was involved in the manufacturing and assembly of plastic products on 1 August 2000. Then, it transferred its manufacturing operation to its subsidiary, KPTSB on 1 April 2002.

KPTSB was incorporated on 12 December 1994 under the name of Impeccable Advantage Sdn Bhd. Subsequently, it changed its name to Sanda Plastics Sdn Bhd on 27 May 1995 and assumed its present name on 31 January 2002. KPTSB's core activity is in the provision of precision plastic injection moulding for audio, video, electronics, automotive, medical and other plastics-related markets.

These new businesses enable our Group to offer to our customers additional products such as the wide range of solution in component parts. In 2001, our Group commenced direct exports of our products to overseas customers in Japan, Singapore and Hungary.

5. INFORMATION ON OUR GROUP (Cont'd)

In 2002, a business development team was formed primarily to focus on the IT and networking business sectors. Our Group registered a 10.7% growth in these industries and presently a significant portion of the KVM switches enclosures and its components are built and shipped to the USA and the European markets. Currently, our Group serves as a global hub for most of the precision metal fabricated enclosures used in KVM and IT integration devices owned by the world's leading KVM switches and IT integration devices providers.

Our Group consistently improves our products over the years, and in 2006, our Group, through MBMI, acquired further shares in KRSB and as a result of which KRSB became our 54%-owned subsidiary and transformed it into a fully integrated manufacturing plant. With the vertical integration process capabilities, our Group is in a better position to serve as a one stop solution centre for our customers and provide a wide range of precision plastic and precision metal components including various product finishing. Our Group also manage to enhance and improve our manufacturing turnaround lead-time and increase our flexibilities for low, medium and high volume capabilities and sub-assembly processes.

In 2006, KPTSB started providing product finishing services to its customers, which include spray painting, hot rolling, hot stamping, silk screening, heat stacking, ultrasonic welding, tempo printing, lamination of overlays and sub-assembly services. In the same year, KPTSB was awarded with ISO 9001 certification from BM Trada Certification Ltd for its quality management system in the manufacturing of plastic injection moulded products and secondary processes, such as silk screening, printing, paint spraying and assembly.

Over the years, our Group has successfully improved its operation through the integration of its processes and resources. As a result, we have managed to commence supply for the cosmetics market in 2007. In the same year, our Group had also commenced the export our products, both directly and indirectly, to Ireland and Canada. With our well established track record with our existing customers, we have been able to acquire new customers from India for our satellite antenna products at the end of 2007.

Presently, our Group exports its products, directly or indirectly, to various countries, namely Brazil, US, Hungary, Japan, Canada, India, Ireland, Australia, Taiwan, Hong Kong, Singapore and Thailand.

Our Group has achieved numerous milestones since our inception and some of the major ones are listed below:

Year	Event
1990	<ul style="list-style-type: none"> ▪ Dato' Ewe Swee Kheng established PPISB and it commenced operations in the designing and fabrication of precision moulds, tools and dies. ▪ Dato' Ewe Swee Kheng established TASB.
1991	<ul style="list-style-type: none"> ▪ TASB commenced its business operations as a pioneer in precision sheet metal fabrication for the consumer electronics (audio equipment) market under MIDA - List of Promoted Activities and Products. ▪ TASB was awarded with a pioneer status by MITI. ▪ Our Group embarked into projects with MNCs. ▪ PPISB employed Taiwanese tool and die engineering expatriates to head our Group's tool and die design and fabrication department.
1992	<ul style="list-style-type: none"> ▪ TASB expanded into the manufacturing of precision sheet metal fabricated parts which are used in the manufacturing of electrical and electronic equipment, computer monitors and keyboards.
1993	<ul style="list-style-type: none"> ▪ Our Group began to expand our manufacturing operations by investing in various mass production facilities equipped with full automation capabilities.
1995	<ul style="list-style-type: none"> ▪ Our Group employed a technical adviser from Japan, who was responsible in training our Group's engineers in sheet metal fabrication. ▪ MBMI was incorporated as an investment holding company.

5. INFORMATION ON OUR GROUP (Cont'd)

Year	Event
1996	<ul style="list-style-type: none"> ▪ TASB and PPISB were awarded with ISO 9001 certifications, by SIRIM QAS International Sdn Bhd, in recognition of their up-to-standard internal quality control policies and procedures and business and quality management system. ▪ MBMI commenced its operations by acquiring TASB and PPISB as its wholly-owned subsidiary companies.
1997	<ul style="list-style-type: none"> ▪ Our Group embarked into the satellite antenna market with a different target customer base.
2000	<ul style="list-style-type: none"> ▪ Our Group invested into KPTSB via KRSB, for the provision of precision plastic injection moulding for the consumer electronics, industrial electronics, medical, automotive component parts and other plastics-related markets.
2001	<ul style="list-style-type: none"> ▪ Our Group commenced direct exports of our products to overseas customers in Japan, Singapore and Hungary.
2002	<ul style="list-style-type: none"> ▪ Our Group formed a business development team to focus primarily on the IT and networking business sectors.
2006	<ul style="list-style-type: none"> ▪ Our Group acquired further shares in KRSB and as a result of which KRSB became our 54% owned subsidiary and transformed it into a fully integrated manufacturing plant. ▪ KPTSB started providing product finishing services, which include spray painting, hot rolling, hot stamping, silk screening, heat stacking, ultrasonic welding, tempo printing, lamination of overlays and sub-assembly services. ▪ KPTSB was awarded with ISO 9001 certification by BM Trada Certification Ltd in recognition for its quality management system. ▪ Our Group penetrated into various countries, such as Brazil, US, Hungary, Japan, India, Australia, Taiwan, Hong Kong, Singapore and Thailand through both direct and indirect export.
2007	<ul style="list-style-type: none"> ▪ TASB commenced supply of its products to the cosmetics market sector. ▪ Our Group exports its products to new countries namely Ireland and Canada. ▪ Our Group expands its current customer base by establishing new customer base in India for its satellite antenna product.

5.2 SHARE CAPITAL

As at the Latest Practicable Date, the authorised and issued and paid-up share capital of the Company is as follows:

	RM
Authorised	
200,000,000 ordinary shares of RM0.50 each	<u>100,000,000</u>
Issued and paid-up share capital	
105,462,600 ordinary shares of RM0.50 each	<u>52,731,300</u>

5. INFORMATION ON OUR GROUP (Cont'd)

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

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Cumulative issued and paid-up share capital RM
02.08.2006	2	0.50	Subscribers' shares	1
11.01.2008	98,964,986	0.50	Shares issued pursuant to the MBMI Acquisition	49,482,494
11.01.2008	6,497,612	0.50	Shares issued pursuant to the KRSB Acquisition	52,731,300

As at the Latest Practicable Date, there are no outstanding warrants, options, convertible securities or uncalled capital in the Company.

5.3 LISTING

As an integral part of the Listing, we undertook the Listing Scheme which was approved by the following:

- (i) the SC and the ECU (pursuant to the FIC Guidelines) vide its letter dated 15 November 2007;
- (ii) the MITI vide its letter dated 9 January 2008; and
- (iii) the Securities Exchange (approval-in-principle) vide its letter dated 5 February 2008.

The Listing Scheme entails the following:

5.3.1 Acquisitions

(a) MBMI Acquisition

Ewein had, on 31 May 2007, entered into a conditional share sale agreement with Hijauwasa and MBMR, the vendors of MBMI, for the acquisition by Ewein of the entire issued and paid-up share capital of MBMI comprising 18,000,000 ordinary shares of RM1.00 each in MBMI for a total purchase consideration of RM50,024,780 to be fully satisfied by the issuance of 100,049,560 new Ewein Shares at par.

Subsequent to the above, Ewein had, on 17 July 2007, entered into a supplemental agreement which is supplemental to the above conditional share sale agreement dated 31 May 2007, with Hijauwasa and MBMR, the vendors of MBMI, to revise the total purchase consideration for the acquisition of the entire issued and paid-up share capital of MBMI comprising 18,000,000 ordinary shares of RM1.00 each in MBMI to RM49,482,493 to be fully satisfied by the issuance of 98,964,986 new Ewein Shares at par.

The vendors and their respective equity interests in MBMI acquired by Ewein together with the number of new Ewein Shares issued as consideration are as follows:

Name of vendor	Shareholdings in MBMI		Purchase consideration RM	Number of new Ewein Shares issued as consideration
	No. of shares held	% held		
Hijauwasa	10,820,000	60.11	29,744,476	59,488,952
MBMR	7,180,000	39.89	19,738,017	39,476,034
	18,000,000	100.00	49,482,493	98,964,986

The purchase consideration for MBMI of RM49,482,493 was arrived at on a "willing buyer-willing seller" basis after taking into consideration the audited consolidated net assets of MBMI as at FYE 31 December 2007 of RM49,809,556.

5. INFORMATION ON OUR GROUP (Cont'd)

The ordinary shares of RM1.00 each in MBMI were acquired by Ewein free from all liens, pledges, charges, mortgages and other encumbrances whatsoever and with all rights attached thereto including all dividends and bonus or rights issues thereafter to be declared.

The MBMI Acquisition was completed on 15 January 2008.

(b) KRSB Acquisition

Ewein had, on 31 May 2007, entered into a conditional share sale agreement with Abdul Rahim bin Ismail and Ong Ching Kok, vendors of KRSB, for the acquisition by Ewein of the remaining 46% equity interest in KRSB comprising 920,000 ordinary shares of RM1.00 each in KRSB for a total purchase consideration of RM3,710,719 to be fully satisfied by the issuance of 7,421,438 new Ewein Shares at par.

Subsequent to the above, Ewein had, on 17 July 2007, entered into a supplemental agreement which is supplemental to the above conditional share sale agreement dated 31 May 2007, with Abdul Rahim bin Ismail and Ong Ching Kok, vendors of KRSB, to revise the total purchase consideration for the acquisition of the remaining 46% equity interest in KRSB comprising 920,000 ordinary shares of RM1.00 each in KRSB to RM3,248,806 to be fully satisfied by the issuance of 6,497,612 new Ewein Shares at par.

The vendors and their respective equity interest acquired by Ewein together with the number of new Ewein Shares issued as consideration are as follows:

Name of vendor	Shareholdings in KRSB		Purchase consideration RM	Number of new Ewein Shares issued as consideration
	No. of shares held	% held		
Abdul Rahim Bin Ismail	660,000	33.00	2,330,665	4,661,330
Ong Ching Kok	260,000	13.00	918,141	1,836,282
	920,000	46.00	3,248,806	6,497,612

The purchase consideration of RM3,248,806 for KRSB was arrived at on a "willing buyer-willing seller" basis after taking into consideration 46% interest in the audited consolidated net assets of KRSB as at FYE 31 December 2007 of RM6,195,553.

The ordinary shares of RM1.00 each in KRSB were acquired by Ewein free from all liens, pledges, charges, mortgages and other encumbrances whatsoever and with all rights attached thereto including all dividends and bonus or rights issues thereafter to be declared.

The KRSB Acquisition was completed on 15 January 2008.

5.3.2 Internal Reorganisation

Subsequent to the Acquisitions, Ewein had, on 11 January 2008, acquired from MBMI the entire equity interest in TASB and PPISB and the remaining 54% equity interest in KRSB for a consideration of RM50,723,659, which have been accounted for as an amount owing to MBMI by Ewein. The purchase consideration was arrived at on a "willing buyer-willing seller" basis after taking into consideration the aggregate of the respective companies' audited net assets as at FYE 31 December 2007 of RM50,077,806. The Internal Reorganisation is undertaken to enable Ewein to streamline its corporate structure.

The Internal Reorganisation was completed on 15 January 2008.

5. INFORMATION ON OUR GROUP *(Cont'd)*

5.3.3 Hijauwasa Restricted Offer for Sale

In conjunction with our listing on the Second Board of the Securities Exchange, Hijauwasa is making a restricted offer for sale of 8,100,000 Ewein Shares representing approximately 7.68% of the issued and paid-up share capital of Ewein at the Offer Price to Med-Bumikar, a substantial Bumiputera shareholder of MBMR.

The Hijauwasa Restricted Offer for Sale was completed on 13 February 2008.

5.3.4 MBMR Restricted Offer for Sale to Med-Bumikar

In conjunction with our listing on the Second Board of the Securities Exchange, MBMR is making a non-renounceable restricted offer for sale of 21,358,477 Ewein Shares representing approximately 20.25% of the issued and paid-up share capital of Ewein to Med-Bumikar, a substantial Bumiputera shareholder of MBMR, at the Offer Price.

The MBMR Restricted Offer for Sale to Med-Bumikar was completed on 13 February 2008.

5.3.5 Offers

(i) MBMR Restricted Offer for Sale to Public

In conjunction with our listing on the Second Board of the Securities Exchange, MBMR is making a non-renounceable restricted offer for sale of 18,117,557 Ewein Shares representing approximately 17.18% of the issued and paid-up share capital of Ewein to the shareholders of MBMR who are Public (save for Excluded Parties) as at 5.00 p.m. on 6 March 2008 at the Offer Price, of which at least 30% will, to the extent possible, be allocated to Bumiputera individuals, companies, societies, co-operatives and institutions.

The MBMR Restricted Offer for Sale to Public is non-renounceable and acceptance of application in respect of the Ewein Shares shall be subjected to ballot in the event of over-subscription.

Any shares offered under the MBMR Restricted Offer for Sale to Public which are not subscribed by the shareholders of MBMR above will be made available for application by eligible employees of our Group who are Public (save for Excluded Parties). Any unsubscribed shares after the subsequent offer will be made available for application by members of the Public (save for Excluded Parties), of which at least 30% will, to the extent possible, be allocated to Bumiputera individuals, companies, societies, co-operatives and institutions, and shall be underwritten by the Underwriters.

(ii) Offer for Sale

In conjunction with our listing on the Second Board of the Securities Exchange, Hijauwasa is making an offer for sale of 7,000,000 Ewein Shares representing approximately 6.64% of the issued and paid-up share capital of Ewein at the Offer Price in the following manner:

(a) Public

6,000,000 Ewein Shares representing approximately 5.69% of the issued and paid-up share capital of Ewein shall be reserved for application by the Public (save for Excluded Parties), of which at least 30% will, to the extent possible, be allocated to Bumiputera individuals, companies, societies, co-operatives and institutions.

(b) Eligible Directors and Employees of our Group

1,000,000 Ewein Shares representing approximately 0.95% of the issued and paid-up share capital of Ewein shall be reserved for application by eligible Directors and employees of our Group (save for Excluded Parties).

5. INFORMATION ON OUR GROUP *(Cont'd)*

Should there be an under-subscription for the Offer for Sale Shares set out in Section 5.3.5 (ii)(a) above, such unsubscribed shares shall be made available for application by eligible employees of our Group who are Public (save for Excluded Parties). Any shares remaining after the subsequent offer will be made available for application by the shareholders of MBMR who are Public (save for Excluded Parties) as at 5.00 p.m. on 6 March 2008, of which at least 30% will, to the extent possible, be allocated to Bumiputera individuals, companies, societies, co-operatives and institutions, and shall be underwritten by the Underwriters.

Any Offer for Sale Shares set out in Section 5.3.5 (ii)(b) above which are not subscribed by the eligible Directors and employees of our Group (save for Excluded Parties) will be reoffered to other eligible Directors and employees of our Group (save for Excluded Parties). Any shares remaining unsubscribed after the subsequent offer will be made available for application by the shareholders of MBMR who are Public (save for Excluded Parties) as at 5.00 p.m. on 6 March 2008, of which at least 30% will, to the extent possible, be allocated to Bumiputera individuals, companies, societies, co-operatives and institutions. Should there be any shares remaining unsubscribed thereafter, such shares will be made available to the members of the Public (save for Excluded Parties), of which at least 30% will, to the extent possible, be allocated to Bumiputera individuals, companies, societies, co-operatives and institutions, and shall be underwritten by the Underwriters.

5.3.6 Listing

The Securities Exchange had, on 5 February 2008, approved-in-principle the admission of our Company to the Official List of the Securities Exchange and the listing of and quotation for the entire issued and paid-up share capital of Ewein of RM52,731,300 comprising 105,462,600 Ewein Shares on the Second Board of the Securities Exchange. The listing and quotation of Ewein Shares will commence immediately two (2) clear Markets Days after receipt of the list of documents specified in the Securities Exchange's letter dated 5 February 2008.

5.4 BUSINESS OVERVIEW

5.4.1 Principal Activities

Our Group is principally engaged in the business of precision sheet metal fabrication, designing and fabrication of precision moulds, tools and dies, precision plastic injection moulding and product finishing.

(i) Precision Sheet Metal Fabrication

Precision sheet metal fabrication is the process of forming and cutting a sheet metal into the desired shape and size with the help of a die loaded on computer-aided machines and press machines. In the process of cutting and shaping metal alloys into specific forms, it also requires further operations and processes such as clinching, hardware installation, spot welding, riveting, caulking and other mechanical integrations. The most common alloys that are used in precision sheet metal fabrication are ferrous and non-ferrous sheet metals. Precision sheet metal fabrication is a very cost-effective and productive way of producing many kinds of metal products on a large scale. The parts produced normally have a good finish, minimal material wastage and, if correctly designed, the fabricated products, as they are called, can offer a high level of strength, complexity, rigidity and close tolerances. The precision sheet metal enclosures manufactured by the contract manufacturers for the OEMs and EMS companies are delivered fully assembled and ready for production use.

Our Group's core competency lies in precision sheet metal fabrication in which we are equipped with advanced and reliable machineries and equipment which can produce high quality products. Our Group also has a vertical integration plant whereby we have the flexibility to cater for low, medium and high production to cater to various market demands.

5. INFORMATION ON OUR GROUP *(Cont'd)*

(ii) **Designing and Fabrication of Precision Moulds, Tools and Dies**

Tools and dies are the most important devices used in volume precision sheet metal fabrication. The tools and dies are carefully designed to meet the final component specifications and to be consistent with high accuracy requirements during mass production.

The latest technology software, AutoCAD, is used to design and develop tools and dies. The software will also furnish a programming that is used in CNC machining and CNC cutting during the process of tool and die making. The tool material will then undergo a hardening, tempering and stress relief process, depending on the grade of high carbon steel used and the function of the tool during the sheet metal fabrication process.

The tools and dies can be designed into a single stage tool where a component or operation is completed in every stroke of the die or it can be a progressive die where a series of various techniques are performed in different stages in a single stroke to produce complex-shaped metal parts.

In general, tools and dies can be categorised into form tools and dies; and cutting tools and dies. In the former, the work materials are not pierced but impressions of the desired shapes are formed into the work materials. In the electronics industry, form tools are used mainly to make the outer metal body of products such as audio, video and acoustics equipment, satellite antennas, electrical and electronics equipment and KVM switches. Cutting tools and dies are piercing tools, which are used to cut, trim and pierce the work materials into the desired shapes and sizes.

The designing and fabrication of moulds, tools and dies complements our Group's activities in precision sheet metal fabrication. By operating simultaneously, our Group is able to supply the moulds, tools and dies that are designed and manufactured for its internal sheet metal fabrication division, in order to produce the sheet metal products at an optimum level.

Consequently, a high level of skill and expertise is required in the precision mould, tools and dies fabricating and designing fields. Our Group was able to tap into the expertise of the tool and die engineering expatriates from Taiwan and Japan for the transfer of the technical know-how.

(iii) **Precision Plastic Injection Moulding Service**

Precision plastic injection moulding is a manufacturing technique for making parts from thermoplastic material. Molten plastic is injected at high pressure into a mould, which is the inverse of the desired shape. The mould is made by carbon steel that is selected depending on the type of thermoplastic materials to be used and precision-machined to form the features of the desired part. The most commonly used thermoplastic materials are polystyrene, acrylonitrile butadiene styrene, nylon, polypropylene, polyethylene, and polyvinyl chloride.

Our Group's expertise lies in precision plastic injection moulding where mass-produced parts are produced to high levels of precision and accuracy. Our customers require strict and exact compliance to their specifications as to the shape, dimensions and tolerance levels.

(iv) **Product Finishing**

Product finishing covers both surface finishing and value added services like various coatings, hot rolling, hot stamping, heat stacking, ultrasonic welding, tempo printing, silk screening, lamination of overlays, and electro-mechanical assembly of components. Surface finishing are utilised for aesthetics and corrosion resistance functions. It also increases the wearability of the exterior surface of the product. The surface finish of both discrete components and complete products is crucial as the customer's first impressions are very important. Electro-mechanical assembly of components include the incorporation of backplanes, cable assemblies, switches, brackets, fans, transformers, shields, power strips and wire harnesses into the enclosures.

5. INFORMATION ON OUR GROUP (Cont'd)

5.4.2 Principal Products and Services

Our Group's principal products are mainly sheet metal fabricated parts, precision tooling and precision plastic injection moulding parts undertaken by TASB, PPISB and KPTSB. MBMI and KRSB are investment holding companies. The principal products and services and its principal applications markets as well as revenue for TASB, PPISB and KPTSB for the latest financial year, presented for information purposes, are as follows:

Subsidiaries	Products and Services	Application Markets	Revenue FYE 31 December 2007 RM'000
TASB	<ul style="list-style-type: none"> • Enclosures and finishing • Antenna outdoor units • Metal brackets and finishing • Heat sinks (dissipation unit) • Metal grilles and finishing • Metal shieldings for radio frequency • Aluminium formed container 	<p>Audio, video, set-top box, KVM switches, computer, power management units and etc.</p> <p>Satellite antenna</p> <p>Audio, video, printer, photocopier, computer, networking and etc.</p> <p>Audio, video, computer and etc.</p> <p>Audio, acoustic and etc.</p> <p>Audio, video, computer and etc.</p> <p>Cosmetics</p>	93,866
PPISB	Progressive, robotic transfer and single precision press tools	Audio, video, set-top box, networking, computer, printer, photocopier and all related precision sheet metal components.	7,441
KPTSB	Precision plastic moulded components and product finishing	Audio, video, computer, networking, medical and all related precision plastic injection components.	# 5,714

Note:

Included in the revenue of KPTSB are inter-company sales of approximately RM2.334 million.

5.4.3 Competitive Strengths

(a) Ability to Reach a Wide International Market

Our Group is able to supply our products and services to EMS companies, which are on the approved vendor lists of the OEMs, in a wide international market. We are able to do this through accessing the centralised internal documentation system of the OEMs which are our Group's customers. Similarly, the EMS companies in the approved vendor lists of the OEMs can also access the centralised internal documentation system of the OEMs and request for a part number of a particular component that it needs for its production. Should our Group be the manufacturer of this particular component, the EMS company will purchase the part from our Group which conform to the OEM's requirements. These are customised products and not available off-the-shelves. Hence, through participating in this system, we are able to offer our products and services to a wide international market.

5. INFORMATION ON OUR GROUP (Cont'd)

(b) Reduction of Holding Costs through JIT Strategy

Our Group has put in place a lean manufacturing process to serve our customers better through the JIT strategy. It is a method of minimising product and supply inventories by ordering materials as close as possible to the actual time of need. However, both precise timing and reliable suppliers are essential for this technique to work effectively. JIT is an inventory strategy implemented to improve the return on investment of a business by reducing in-process inventory and its associated costs. Inventories incur costs and tie up working capital resources. By implementing this strategy, our Group believes that we are able to improve our return on investment, quality and efficiency. The JIT inventory system is all about having “the right material, at the right time, at the right place, and in the exact amount.”

(c) Full Participation in Supply Chain Management

Our Group also participates in the vendor managed inventory system, in which we specify delivery quantities to be sent to the OEMs or EMS companies through the electronic data interchange. The finished goods are stocked in a warehouse close to our customer’s location, and are managed by the vendor and / or a third party.

To minimise our customer’s holding costs, the “pay as use” system and the “kanban pull and replenished” system are used. The goods are sent to our customer’s warehouse and they are only invoiced when the goods are pulled for use in the production lines. As a mutually-beneficial relationship, this system makes it less likely for an OEM or EMS company to run out of stock for its intermediate inputs and at the same time, reduces inventory in the supply chain.

(d) Established Track Record

Our Group places priority in establishing a good rapport and long term strategic relationship by providing high quality, prompt delivery and competitively priced products and services to our customers. This can be illustrated from the numerous certificates given to it by the MNCs as set out in Section 5.4.13 of this Prospectus. Our Group views our customers as business partners, in order to create a symbiotic situation. Through enduring commitment and unwavering dedication, our list of long standing customers has increased steadily over the years. Among our long term customers are Sony EMCS (M) Sdn Bhd and Tele System Electronic (M) Sdn Bhd, with relationships of 18 years and 12 years, respectively. We have also continuously strived to surpass requirements of our customers, by paying close attention to customer feedback and working in tandem with our customers’ requirements to improve on product quality and to reduce production cost, as well as timely delivery. This is achieved by the establishment of a highly responsive business model with the required time-to-retool, time-to-volume, time-to-market and time-to-profit capabilities in place.

(e) Integration into the Global Production Networks

Our Group has a wide and strong customer base, some of which are world-renowned MNCs with their operations spread across many countries globally. Many of these established MNCs which are OEMs and EMS companies, have a manufacturing base in Malaysia. The products manufactured by our Group are assembled with other component parts in the factories of these MNCs before they are exported. Hence, our Group is firmly established in the global production networks of these MNCs. The global production networks refer to the nexus of interconnected functions and operations through which goods and services are produced and distributed. The ability to be in the approved vendor lists of these MNCs and our participation in the global production network is an indication of the service quality of our Group.

5. INFORMATION ON OUR GROUP (Cont'd)

(f) Fully Integrated Plant

We possess a vertical integration plant which has the flexibility to cater for low, medium and high production volumes to cater to market demands. The turret punching machines are suitable for low volume production; the single press machines are appropriate for medium volume production; while the progressive stamping and robotic transfer machines are for high volume production. In addition, the possession of capabilities in machining, tool and die as well as product finishing enables it to operate as a one-stop centre, concentrating the point of contacts between ourselves and a particular customer. In addition, our Group also owns plastic injection moulding machines and are able to cater for customers who require these services. In the industry, vendors who are able to offer the entire gamut of support services in a particular area are preferred as they can assist to improve resource allocation, integrate technical solutions, reduce risk and deliver better quality performance.

(g) Experienced Management Team

Our Group is managed by a team of professionals with a wide experience in the sheet metal enclosures industry. Our Managing Director, Dato' Ewe Swee Kheng and our Deputy Managing Director, Chuah Poh Lim have more than 19 years and 18 years experience, respectively, in the design, development, manufacturing, marketing and distribution of sheet metal enclosure for the consumer electronics and industrial electronics markets. Most of our key personnel possess either an engineering or management qualification thus creating a strong technical foundation and hands-on culture throughout our Group. Our Group has the necessary experience, knowledge and network and seeks to deliver the best services and products to our customers.

5.4.4 Principal Markets

Our Group's principal markets are mainly the MNCs based in Malaysia which contributed 88.8% of our revenue in FYE 31 December 2007. We have built healthy relationships with MNCs in promoting our products over the past 18 years and we have exported our products direct to the international market since 2001. Presently, our Group's products have been exported, directly and indirectly, to various countries, namely Brazil, US, Hungary, Japan, Canada, India, Ireland, Australia, Taiwan, Hong Kong, Singapore and Thailand. Our export revenue for FYE 31 December 2007 is approximately 11.2%.

5.4.5 Location of Principal Place of Business and Production Facilities

Our principal place of business and production facilities are situated at the following locations:

Company	Address	Description of Activities
MBMI	Suite 9.05, Menara PSCI, No. 39, Jalan Sultan Ahmad Shah, 10050 Penang	Administrative Office
TASB and PPISB	Plot 317 & 318, Tingkat Perusahaan Tiga, MK 1, Kawasan Perusahaan Prai, 13600 Prai, Penang	Headquarters, Factory and Administrative Office
KRSB and KPTSB	Plot 212, Mukim 1, Tingkat Perusahaan 4, Kawasan Perusahaan Prai, 13600 Prai, Penang	Factory

5. INFORMATION ON OUR GROUP (Cont'd)

5.4.6 Production Capacity and Output

Based on our existing manufacturing facilities, our production capacity and output are as follows:

Production Activities/ Machinery Type	Place of Purchase	No. of Units	Optimum Annual Production Capacity (Strokes)	FYE 31 December 2007 Annual Output (Strokes)	% of Utilisation
300 ton Progressive Power Press Machine with NC Leveler and Feeder	Japan	1	2,000,000	1,227,000	61.35%
250 ton Progressive Power Press Machine with NC Leveler and Feeder	Taiwan	1	1,500,000	500,000	33.33%
200 ton Progressive Power Press Machine with NC Leveler and Feeder	Taiwan	1	1,500,000	625,000	41.67%
200 ton Robotic Transfer Press Machine	Japan	5	8,600,000	5,545,000	64.48%
150 ton Robotic Transfer Press Machine	Japan	10	17,200,000	11,973,000	69.61%
CNC Turret Punch Machine	Belgium	2	200,000*	73,000*	36.50%
CNC Press Brake Bending Machine	Belgium	2	200,000*	73,000*	36.50%
25 ton to 200 ton Power Press Machines	Taiwan	26	44,200,000	25,483,000	57.65%
Automated Corrugation Line for Heat Sink	Taiwan	4	23,000,000	20,792,000	90.40%
Plastic Injection Moulding Machine	Japan	20	14,532,000	5,609,000	38.60%
PEM Nut/Self-Clinch/Riveting Machine	Malaysia	13	6,000,000	3,641,000	60.68%

Notes:

* Output capacity and annual outputs are measured in units of closure.

NC Numerical control.

Currently, the factories' manufacturing facilities are running on two (2) shifts (eight (8)-hour per shift) daily. The production output for our Group is measured by the number of strokes. A stroke is a single movement of the machine. For example, some enclosures require three (3) strokes and some may require more strokes. Thus, the optimum production capacity and actual production output of precision sheet metal enclosures are measured by strokes.

The optimum annual production capacity is based on the assumption that the machines are operating on two (2) shifts (12-hour per shift) daily.

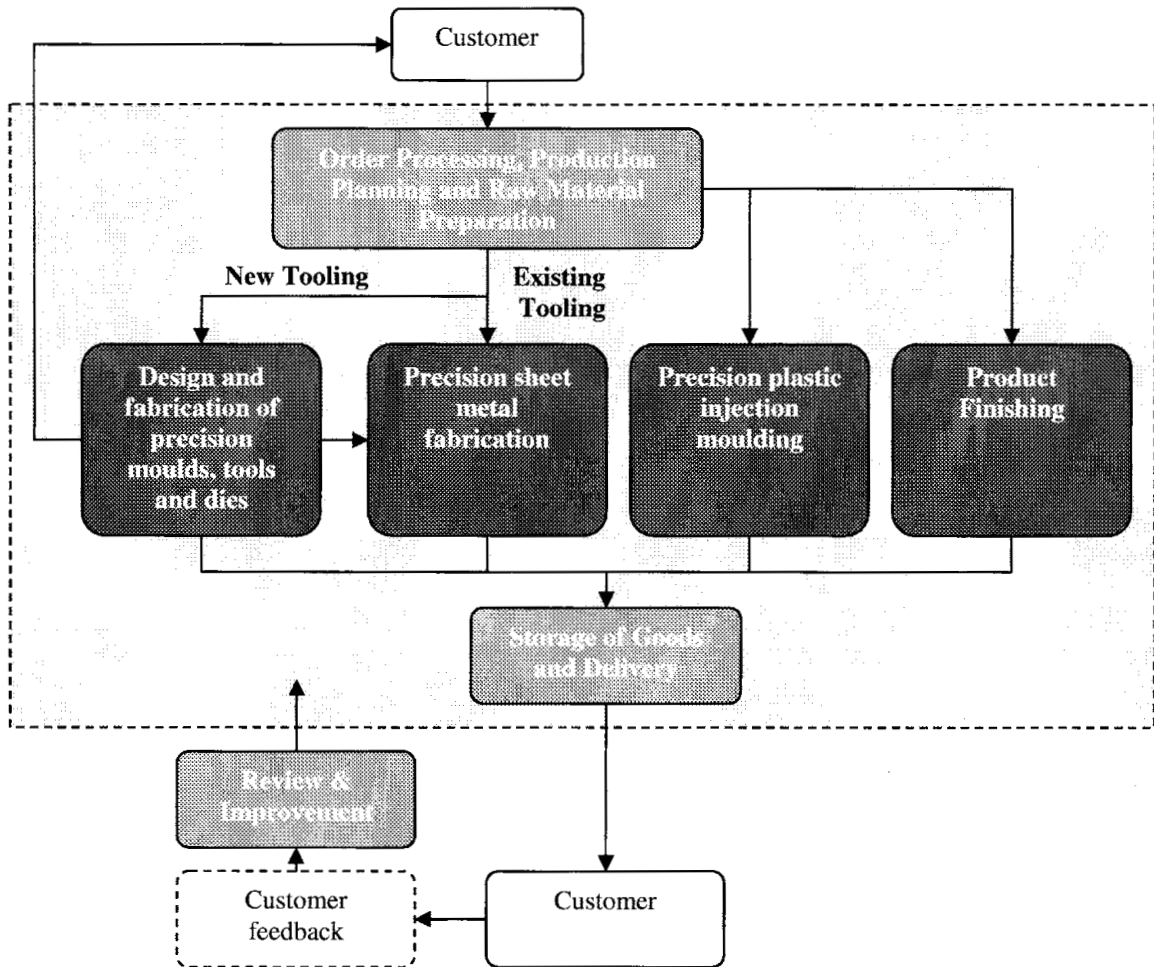
To the best of our knowledge, there are no constraints on the capacity of our Group's current production facilities.

5. INFORMATION ON OUR GROUP (Cont'd)

5.4.7 Production Process

The principal activities of our Group are carried out by our three (3) subsidiary companies, namely TASB, PPISB and KPTSB, which comprise precision sheet metal fabrication, designing and fabrication of precision moulds, tools, and dies, plastic injection moulding and product finishing. Our Group's business operation flowchart is outlined as follows:

Figure 1: Our Group's Business Operation Flowchart



5. INFORMATION ON OUR GROUP (Cont'd)

(a) Order Processing, Production Planning and Raw Material Preparation**Order Processing**

Our customer can send their orders to us either via electronic data interchange or facsimile. Upon receipt of our customers' orders, our business unit department will process all incoming customer orders by checking the price, lead-time/due date and download into the sales order system. If there are any discrepancies or lead-time issues, it will immediately notify the relevant customer for further adjustment.

Production Planning

The business unit department will key-in the customers' weekly forecast into the forecast order system. A weekly cycle run of Enterprise Resource Planning ("ERP") will provide the Master Production Schedule ("MPS") for the business unit department to make the necessary planning and to ensure that the production department is aware of the production build date. This will reflect the actual demand for production build, taking into consideration the manufacturing lead-time (turnaround), finished goods inventory level, sales order delivery dates and the provided customer forecast. A build report will be provided to the production department for the weekly build plan. The business unit department will provide feedback to the customers if any constraint arises and will make the necessary amendments to the orders, subject to customers' confirmation.

Raw Material Preparation

A Materials Requirement Planning ("MRP") report will be generated on a weekly basis during the "ERP" weekly cycle run. This MRP report will be sent to the purchasing department for further processing of raw material ordering and forecasting to suppliers. MRP will provide the actual demand taking into consideration the supplier's open order, MPS build plan, raw material on hand inventory and registered lead-time for individual raw material.

At the same time, a weekly shortage simulation report will be generated for the purchasing department to monitor its raw materials. This report is also used to ensure that there are sufficient raw materials available for production in the next two (2) weeks. The purchasing department will advise the business unit department if there is any unavoidable delay of raw material.

All the incoming raw materials need to be inspected by the QA department before acceptance from the suppliers. The QA department will conduct a sampling lot size. The raw materials which do not meet our standard of quality will be returned to the suppliers for their further action.

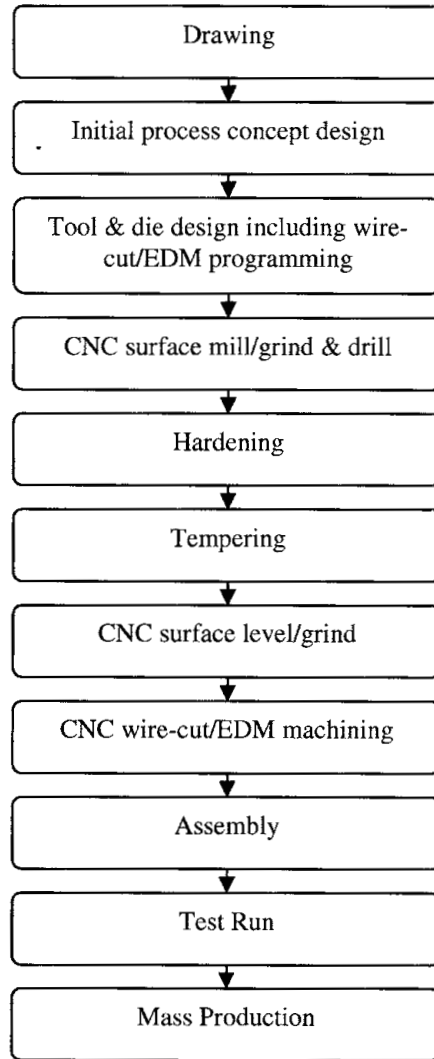
All the raw materials accepted by the incoming quality control inspector will be sent to the warehouse for storage. The warehouse's storekeeper will attach an identification label on all the crates for the incoming quality check inspector to stamp on upon acceptance. The storekeeper will also arrange for the raw materials to be stored in the warehouse properly without over-stacking the raw materials so as to ensure that the raw materials will not be damaged in the storage room. The raw materials are sent to the production floor based on a first-in-first-out arrangement.

5. INFORMATION ON OUR GROUP *(Cont'd)*

(b) Process for Designing and Fabrication of Precision Moulds, Tools and Dies

PPISB specialises in the designing and fabrication of precision moulds, tools and dies. The process for designing and fabrication of precision moulds, tools and dies is illustrated below:

Figure 2: Flowchart for Designing and Fabrication of Precision Moulds, Tools and Dies



Drawing

Upon receiving orders from our customers, the technical/design department will proceed with the tooling design. Normally, our customers have two (2) options to choose from. First, our customer can provide its own tooling. This is due to the fact that some of the MNCs have existing tooling from previous projects. In this case, we can commence our precision sheet metal fabrication without new tool design and tool fabrication. Otherwise, PPISB will provide the tools design and fabrication for our customer based on their specifications.