

RESPONSIBILITY STATEMENTS

OUR DIRECTORS, PROMOTERS AND OFFERORS HAVE SEEN AND APPROVED THIS PROSPECTUS AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED HEREIN. THEY CONFIRM THAT, AFTER HAVING MADE ALL REASONABLE ENQUIRIES, 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. OUR DIRECTORS HEREBY ACCEPT FULL RESPONSIBILITY FOR THE CONSOLIDATED PROFIT FORECAST INCLUDED IN THIS PROSPECTUS AND CONFIRM THAT THE CONSOLIDATED PROFIT FORECAST HAS BEEN PREPARED BASED ON ASSUMPTIONS MADE THEREIN.

AmINVESTMENT BANK BERHAD, A MEMBER OF AmINVESTMENT BANK GROUP, BEING OUR ADVISER, SOLE UNDERWRITER AND SOLE PLACEMENT AGENT, 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 INITIAL PUBLIC OFFERING ("IPO") AND IS SATISFIED THAT THE CONSOLIDATED PROFIT FORECAST (FOR WHICH OUR DIRECTORS ARE FULLY RESPONSIBLE), PREPARED FOR INCLUSION IN THE PROSPECTUS HAVE BEEN STATED BY OUR DIRECTORS AFTER DUE AND CAREFUL ENQUIRY AND HAVE BEEN DULY REVIEWED BY THE REPORTING ACCOUNTANTS.

STATEMENTS OF DISCLAIMER

THE SECURITIES COMMISSION ("SC") HAS APPROVED THE PUBLIC ISSUE AND OFFER FOR SALE IN RESPECT OF THE IPO AND THAT THE APPROVAL SHALL NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE IPO.

THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON OUR PART AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF INVESTING IN US. IN CONSIDERING 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.

ADMISSION TO THE OFFICIAL LIST OF BURSA MALAYSIA SECURITIES BERHAD ("**BURSA SECURITIES**") IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE IPO, OUR COMPANY OR OUR SECURITIES.

BURSA SECURITIES IS NOT LIABLE FOR ANY NON-DISCLOSURE HEREIN BY US AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS. BURSA SECURITIES MAKES NO REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF THIS PROSPECTUS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THIS PROSPECTUS.

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

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

THIS PROSPECTUS CAN ALSO BE VIEWED OR DOWNLOADED FROM BURSA SECURITIES' WEBSITE AT <http://www.bursamalaysia.com>. THE CONTENTS OF THE ELECTRONIC PROSPECTUS AND THE COPY OF THIS PROSPECTUS REGISTERED WITH THE SC ARE THE SAME.

YOU MAY ALSO OBTAIN A COPY OF THE ELECTRONIC PROSPECTUS FROM THE WEBSITE OF CIMB INVESTMENT BANK BERHAD AT <http://www.eipocimb.com>, THE WEBSITE OF CIMB BANK BERHAD AT <http://www.cimbclicks.com.my>, THE WEBSITE OF MALAYAN BANKING BERHAD AT <http://www.maybank2u.com.my> AND THE WEBSITE OF RHB BANK BERHAD AT <http://www.rhbbank.com.my> VIA HYPERLINK TO THE WEBSITE OF BURSA SECURITIES.

THE INTERNET IS NOT A FULLY SECURED MEDIUM. INTERNET APPLICATIONS MAY BE SUBJECT TO RISKS IN DATA TRANSMISSION, COMPUTER SECURITY THREATS SUCH AS VIRUSES, HACKERS AND CRACKERS, FAULTS WITH COMPUTER SOFTWARE AND OTHER EVENTS BEYOND CONTROL OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION. THESE RISKS CANNOT BE BORNE BY THE INTERNET PARTICIPATING FINANCIAL INSTITUTION.

IF YOU ARE IN DOUBT OF THE VALIDITY OR INTEGRITY OF AN ELECTRONIC PROSPECTUS, YOU SHOULD IMMEDIATELY REQUEST FROM US, OUR ADVISER OR MALAYSIAN ISSUING HOUSE SDN BHD, A PAPER PRINTED COPY OF THIS PROSPECTUS. IF THERE IS ANY DISCREPANCY BETWEEN THE CONTENTS OF THE ELECTRONIC PROSPECTUS AND THE PAPER / PRINTED COPY OF THIS PROSPECTUS, THE CONTENTS OF THE PAPER / PRINTED COPY OF THIS PROSPECTUS, WHICH IS IDENTICAL TO THE COPY OF THE PROSPECTUS REGISTERED WITH THE SC, SHALL PREVAIL. THE ELECTRONIC PROSPECTUS SUBMITTED TO THE SC AND BURSA SECURITIES IS THE SAME AS THE REGISTERED PAPER PRINTED COPY.

IN RELATION TO ANY REFERENCE IN THIS PROSPECTUS TO THIRD PARTY INTERNET SITES (REFERRED TO AS "**THIRD PARTY INTERNET SITES**") WHETHER BY WAY OF HYPERLINKS OR BY WAY OF DESCRIPTION OF THE THIRD PARTY INTERNET SITES, YOU ACKNOWLEDGE AND AGREE THAT: -

- (I) WE DO NOT ENDORSE AND ARE NOT AFFILIATED IN ANY WAY TO THE THIRD PARTY INTERNET SITES. ACCORDINGLY, WE ARE NOT RESPONSIBLE FOR THE AVAILABILITY OF, THE CONTENT ON, OR ANY DATA, FILES OR OTHER MATERIAL PROVIDED ON THE THIRD PARTY INTERNET SITES. YOU BEAR ALL RISK ASSOCIATED WITH THE ACCESS TO OR USE OF THE THIRD PARTY INTERNET SITES;

- (II) WE ARE NOT RESPONSIBLE FOR THE QUALITY OF PRODUCTS OR SERVICES IN THE THIRD PARTY INTERNET SITES, PARTICULARLY IN FULFILLING ANY OF THE TERMS OF ANY OF YOUR AGREEMENTS WITH THE THIRD PARTY INTERNET SITES. WE ARE ALSO NOT RESPONSIBLE FOR ANY LOSS OR DAMAGE OR COST THAT YOU MAY SUFFER OR INCUR IN CONNECTION WITH OR AS A RESULT OF DEALING WITH THE THIRD PARTY INTERNET SITES OR THE USE OF OR RELIANCE ON ANY DATA, FILES OR OTHER MATERIAL PROVIDED BY SUCH PARTIES; AND
- (III) ANY DATA, FILE OR OTHER MATERIAL DOWNLOADED FROM THE THIRD PARTY INTERNET SITES IS DONE AT YOUR DISCRETION AND RISK. WE ARE NOT RESPONSIBLE, LIABLE OR UNDER OBLIGATION FOR ANY DAMAGE TO YOUR COMPUTER SYSTEM OR LOSS OF DATA RESULTING FROM THE DOWNLOADING OF ANY SUCH DATA, INFORMATION, FILES OR OTHER MATERIAL.

WHERE AN ELECTRONIC PROSPECTUS IS HOSTED ON THE WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, YOU ARE ADVISED THAT: -

- (I) THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS ONLY LIABLE IN RESPECT OF THE INTEGRITY OF THE CONTENTS OF THE ELECTRONIC PROSPECTUS, I.E. TO THE EXTENT THAT THE CONTENT OF THE ELECTRONIC PROSPECTUS ON THE WEB OBSERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION MAY BE VIEWED VIA WEB BROWSER OR OTHER RELEVANT SOFTWARE. THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS NOT RESPONSIBLE FOR THE INTEGRITY OF THE CONTENTS OF THE ELECTRONIC PROSPECTUS, WHICH HAS BEEN OBTAINED FROM THE WEB SERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, AND SUBSEQUENTLY COMMUNICATED OR DISSEMINATED IN ANY MANNER TO YOU OR OTHER PARTIES; AND
- (II) WHILE ALL REASONABLE MEASURES HAVE BEEN TAKEN TO ENSURE THE ACCURACY AND RELIABILITY OF THE INFORMATION PROVIDED IN THE ELECTRONIC PROSPECTUS, THE ACCURACY AND RELIABILITY OF THE ELECTRONIC PROSPECTUS CANNOT BE GUARANTEED BECAUSE THE INTERNET IS NOT A FULLY SECURED MEDIUM.

THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS NOT LIABLE (WHETHER IN TORT OR CONTRACT OR OTHERWISE) FOR ANY LOSS, DAMAGE OR COSTS, YOU OR ANY OTHER PERSON MAY SUFFER OR INCUR DUE TO, AS A CONSEQUENCE OF OR IN CONNECTION WITH ANY INACCURACIES, CHANGES, ALTERATIONS, DELETIONS OR OMISSIONS IN RESPECT OF THE INFORMATION PROVIDED IN THE ELECTRONIC PROSPECTUS WHICH MAY ARISE IN CONNECTION WITH OR AS A RESULT OF ANY FAULT WITH WEB BROWSERS OR OTHER RELEVANT SOFTWARE, ANY FAULT ON YOUR OR ANY THIRD PARTY'S PERSONAL COMPUTER, OPERATING SYSTEM OF OTHER SOFTWARE, VIRUSES OR OTHER SECURITY THREATS, UNAUTHORISED ACCESS TO INFORMATION OR SYSTEMS IN RELATION TO THE WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, AND / OR PROBLEMS OCCURRING DURING DATA TRANSMISSION WHICH MAY RESULT IN INACCURATE OR INCOMPLETE COPIES OF INFORMATION BEING DOWNLOADED OR DISPLAYED ON YOUR PERSONAL COMPUTER.

THIS PROSPECTUS HAS NOT BEEN AND WILL NOT BE MADE TO COMPLY WITH THE LAWS OF ANY JURISDICTION OTHER THAN MALAYSIA, AND HAS NOT BEEN AND WILL NOT BE LODGED, REGISTERED OR APPROVED PURSUANT TO OR UNDER ANY APPLICABLE SECURITIES OR EQUIVALENT LEGISLATION OR WITH OR BY ANY REGULATORY AUTHORITY OR OTHER RELEVANT BODY OF ANY JURISDICTION OTHER THAN MALAYSIA.

WE WILL NOT, PRIOR TO ACTING ON ANY ACCEPTANCE IN RESPECT OF THE IPO, MAKE OR BE BOUND TO MAKE ANY ENQUIRY AS TO WHETHER YOU HAVE A REGISTERED ADDRESS IN MALAYSIA AND WILL NOT ACCEPT OR BE DEEMED TO ACCEPT ANY LIABILITY IN RELATION THERETO WHETHER OR NOT ANY ENQUIRY OR INVESTIGATION IS MADE IN CONNECTION THEREWITH.

IT SHALL BE YOUR SOLE RESPONSIBILITY IF YOU ARE OR MAY BE SUBJECT TO THE LAWS OF COUNTRIES OR JURISDICTIONS OTHER THAN MALAYSIA TO CONSULT YOUR LEGAL AND / OR OTHER PROFESSIONAL ADVISERS AS TO WHETHER THE IPO WOULD RESULT IN THE CONTRAVENTION OF ANY LAWS OF SUCH COUNTRIES OR JURISDICTIONS.

FURTHER, IT SHALL ALSO BE YOUR SOLE RESPONSIBILITY TO ENSURE THAT YOUR APPLICATION FOR THE IPO WOULD BE IN COMPLIANCE WITH THE TERMS OF THE IPO AND WOULD NOT BE IN CONTRAVENTION OF ANY LAWS OF COUNTRIES OR JURISDICTIONS OTHER THAN MALAYSIA TO WHICH YOU MAY BE SUBJECTED. WE WILL FURTHER ASSUME THAT YOU HAD ACCEPTED THE IPO IN MALAYSIA AND WILL AT ALL APPLICABLE TIMES BE SUBJECTED ONLY TO THE LAWS OF MALAYSIA IN CONNECTION THEREWITH.

HOWEVER, WE RESERVE THE RIGHT, IN OUR ABSOLUTE DISCRETION TO TREAT ANY ACCEPTANCE AS INVALID IF WE BELIEVE THAT SUCH ACCEPTANCE MAY VIOLATE ANY LAW OR APPLICABLE LEGAL OR REGULATORY REQUIREMENTS.

NO ACTION HAS BEEN OR WILL BE TAKEN TO ENSURE THAT THIS PROSPECTUS COMPLIES WITH THE LAWS OF ANY COUNTRIES OR JURISDICTION OTHER THAN THE LAWS OF MALAYSIA. IT SHALL BE YOUR SOLE RESPONSIBILITY TO CONSULT YOUR LEGAL AND / OR OTHER PROFESSIONAL ADVISERS ON THE LAWS TO WHICH THE IPO OR YOU ARE OR MIGHT BE SUBJECTED TO. NEITHER WE NOR THE ADVISER NOR ANY OTHER ADVISERS IN RELATION TO THE IPO SHALL ACCEPT ANY RESPONSIBILITY OR LIABILITY IN THE EVENT THAT ANY APPLICATION MADE BY YOU SHALL BECOME ILLEGAL, UNENFORCEABLE, AVOIDABLE OR VOID IN ANY COUNTRY OR JURISDICTION.

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INDICATIVE TIMETABLE

The indicative timing of events leading up to the listing of and quotation for our entire enlarged share capital on the Second Board of Bursa Malaysia Securities Berhad is set out below: -

<u>Dates</u>	<u>Events</u>
30 June 2008	Issuance of Prospectus / Opening date of application for the IPO

Tentative Dates

7 July 2008	Closing date of the application for the IPO
9 July 2008	Balloting of application for the IPO Shares
16 July 2008	Allotment of the IPO Shares to successful applicants
21 July 2008	Listing and quotation on the Second Board of Bursa Malaysia Securities Berhad

THIS TIMETABLE IS TENTATIVE AND IS SUBJECT TO CHANGES WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES.

THE APPLICATION PERIOD WILL REMAIN OPEN UNTIL 5.00 P.M. ON 7 JULY 2008 OR FOR SUCH FURTHER PERIOD OR PERIODS AS OUR DIRECTORS AND PROMOTERS TOGETHER WITH OUR SOLE UNDERWRITER IN THEIR ABSOLUTE DISCRETION MAY MUTUALLY DECIDE.

IN THE EVENT THAT THE CLOSING DATE OF THE IPO IS EXTENDED, THE DATES FOR THE BALLOTING, ALLOTMENT OF THE IPO SHARES AND THE LISTING OF UZMA WILL BE EXTENDED ACCORDINGLY. ANY EXTENSION OF THE ABOVEMENTIONED DATES WILL BE ANNOUNCED BY WAY OF ADVERTISEMENT IN A WIDELY CIRCULATED DAILY BAHASA MALAYSIA AND ENGLISH NEWSPAPER IN MALAYSIA.

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DEFINITIONS

In this Prospectus, unless where the context requires otherwise, the following words and abbreviations shall have the following meanings: -

Acquisitions	: Collectively, the Acquisition of Uzma Malaysia and the Acquisitions of Uzma Australia and Uzma Thailand
Acquisitions of Uzma Australia and Uzma Thailand	: The acquisition by Uzma of 100% of the issued and paid-up share capital of Uzma Australia and 48.98% of the issued and paid-up share capital of Uzma Thailand from Uzma Malaysia for a total consideration of RM459,145 satisfied by cash
Acquisition of Uzma Malaysia	: The acquisition by Uzma of 100% of the issued and paid-up share capital of Uzma Malaysia from the Vendors for a total consideration of RM31,000,000 satisfied by the issuance of 61,999,996 new Uzma Shares credited as fully paid-up at an issue price of approximately RM0.50 per Share
Act	: The Companies Act, 1965 or any statutory modification, amendment or re-enactment thereof from time to time
ADA	: Authorised Depository Agent
ADA Code	: ADA (Broker) Code
Admission	: Admission of the Shares to the Official List of the Second Board of Bursa Securities
Adviser	: AmInvestment Bank
AKK Management	: AKK Management Sdn Bhd, a company in which certain of our Directors are Directors and substantial shareholders
AmInvestment Bank	: AmInvestment Bank Berhad (Company No.: 23742-V), a member of AmInvestment Bank Group
Application	: The application for the IPO Shares by way of Application Form, Electronic Share Application and / or Internet Share Application
Application Form(s)	: The printed application form(s) for the application of the IPO Shares
ATM	: Automated Teller Machine
Authorised Financial Institution(s)	: The authorised financial institution(s) participating in the Internet Share Application, with respect to payments for the Public Issue Shares made available for Application under the Public Issue
AUD	: Australian Dollar
Board or Board of Directors	: Our Board of Directors
BOE	: Barrels of Oil Equivalent
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (Company No.: 165570-W), a subsidiary of Bursa Securities
Bursa Securities	: Bursa Malaysia Securities Berhad (Company No.: 635998-W)
CDS	: Central Depository System

DEFINITIONS (Cont'd)

Central Depositories Act	:	The Securities Industry (Central Depositories) Act, 1991 or any statutory modification, amendment or re-enactment thereof from time to time
CMSA	:	The Capital Markets and Services Act 2007, including any statutory modification, amendment or re-enactment thereof from time to time
Dato' Kamarul	:	Dato' Kamarul Redzuan Muhamed, our Promoter, Offeror, substantial shareholder and Director
Datin Rozita	:	Datin Rozita Mat Shah, our Promoter, Offeror, substantial shareholder and Director
Deposited Security	:	A security in the Company standing to the credit of a Securities Account of a Depositor subject to the provisions of the Central Depositories Act and the Rules
Depositor	:	A holder of a Securities Account
Electronic Prospectus	:	A copy of this Prospectus that is issued, circulated or disseminated via the Internet, and / or an electronic storage medium, including but not limited to CD-ROMs or floppy disks
Electronic Share Application	:	An application for the IPO Shares through Participating Financial Institutions' ATM
EPS	:	Earnings per Share
FYE	:	Financial year ended / ending
GBP	:	British Pound
Internet Participating Financial Institution(s)	:	Participating organisation(s) in the Internet Share Application
Internet Share Application	:	Application for the IPO Shares through an Internet Participating Financial Institution
IPO	:	Initial public offering of Uzma comprising namely, the Public Issue and Offer For Sale
IPO Price	:	RM1.90 per IPO Share, being the price payable by investors under the Public Issue / Offer For Sale
IPO Share(s)	:	The Public Issue Shares and Offer Shares, collectively
Listing	:	Admission to the Official List and the listing of and quotation for the entire issued and paid-up share capital of Uzma of RM40,000,000 comprising 80,000,000 Shares on the Second Board of Bursa Securities
Listing Requirements	:	The Listing Requirements of Bursa Securities
Listing Scheme	:	The Acquisitions, Public Issue, Offer For Sale and Listing collectively
LPD	:	30 April 2008, being the latest practicable date for the purposes of ascertaining certain information contained in this Prospectus

DEFINITIONS (Cont'd)

- Malaysian Public or Public** : Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
- Market Day** : A day on which Bursa Securities is open for trading in securities
- MIH or Issuing House** : Malaysian Issuing House Sdn Bhd (Company No.: 258345-X)
- MITI** : Ministry of International Trade and Industry
- NTA** : Net tangible assets
- Offerors** : Dato' Kamarul and Datin Rozita, collectively whose respective Offer Shares are as follows: -

Offerors	No. of Offer Shares	% of our enlarged share capital
Dato' Kamarul	7,692,300	9.62
Datin Rozita	2,307,700	2.88
	10,000,000	12.50

- Offer For Sale or Offer** : Offer for sale by the Offerors of 10,000,000 Shares in Uzma, at an offer price of RM1.90 per Share payable in full upon application, subject to the terms and conditions of this Prospectus
- Offer Shares** : The 10,000,000 Shares in Uzma which are the subject of the Offer For Sale
- Official List** : The official list of the Second Board of Bursa Securities
- OPEC** : Organization of the Petroleum Exporting Countries
- Participating Financial Institution(s)** : The participating financial institution(s) for Electronic Share Application
- PE Multiple** : Price earnings multiple
- PETRONAS** : Petroliam Nasional Berhad
- Prescribed Security** : Shares of a company that are prescribed by Bursa Securities to be deposited in the CDS subject to the provisions of the Central Depositories Act and the Rules
- Promoters** : Dato' Kamarul and Datin Rozita, collectively
- PRSS** : PETRONAS Research Sdn Bhd (formerly known as PETRONAS Research and Scientific Services Sdn Bhd), the research arm of PETRONAS
- PSC** : Production Sharing Contract
- PTTEP** : PTT Exploration and Production Public Company Limited, a Thai state-owned company
- Public Issue** : Public issue of 18,000,000 new Shares in Uzma at the IPO Price payable in full upon application, subject to the terms and conditions of this Prospectus

DEFINITIONS (Cont'd)

Public Issue Shares	: The 18,000,000 new Shares in Uzma which are the subject of the Public Issue
Record of Depositors	: A record provided by Bursa Depository to the Company under Chapter 24.0 of the Rules
RM and sen	: Ringgit Malaysia and sen, respectively
ROC	: Registrar of Companies, Malaysia
Rules	: The Rules of Bursa Depository
SC	: Securities Commission
SC Guidelines	: SC's Guidelines on the Offering of Equity and Equity-linked Securities
Securities Account	: An account established by Bursa Depository for a Depositor for the recording of deposit of securities and for dealing in such securities by the Depositor
Share(s)	: Ordinary share(s) of RM0.50 each in Uzma
Sole Placement Agent	AmlInvestment Bank
Sole Underwriter	: AmlInvestment Bank
THB	: Thai Baht
US	: The United States of America
USD	: US Dollar
Underwriting Agreement	: The underwriting agreement dated 28 May 2008 made between Uzma and the Sole Underwriter for the underwriting of 15,000,000 Public Issue Shares upon the terms and subject to the conditions contained therein
Uzma Australia	: Uzma Engineering Pty Ltd (Company No.: ACN 118 627 848)
Uzma Malaysia	: Uzma Engineering Sdn Bhd (Company No.: 514669-P)
Uzma Thailand	: Uzma Consulting Limited (Company No.: 0105546116861)
Uzma or the Company	: Uzma Berhad (Company No.: 769866-V)
Our Group or Group	: Uzma and its subsidiaries
Vendors	: The vendors of Uzma Malaysia, namely Dato' Kamarul and Datin Rozita

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DEFINITIONS (Cont'd)

Words referring to the singular shall, where applicable, include the plural and *vice versa*, and words referring to the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include a company or a corporation.

Any reference in this Prospectus to any legislation, statute or statutory provision is a reference to that legislation, statute or statutory provision for the time being as amended or re-enacted, and to any repealed legislation, statute or statutory provision which it re-enacts (with or without modification).

All references to "Company" and "Uzma" in this Prospectus are to Uzma Berhad, references to "our Group" is to our Company and our subsidiaries, and references to "we", "us", "our" and "ourselves" are to our Company, and save where the context requires, our Company and our subsidiaries. Unless the context otherwise requires, references to statements as to our beliefs, expectations, estimates and opinions are those of our Directors and key management.

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CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Designation	Address	Nationality / Profession
Senator Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee	Independent Non- Executive Chairman	No. 32, Jalan 1 Taman Tun Abdul Razak 68000 Ampang Selangor Darul Ehsan	Malaysian / Company Director
Dato' Kamarul Redzuan Muhamed	Non-Independent Managing Director / Chief Executive Officer	No. 68, Fraser Business Park Jalan Metro Pudu 2 Off Jalan Yew 55200 Kuala Lumpur	Malaysian / Company Director
Datin Rozita Mat Shah	Non-Independent Executive Director, Corporate Services	No. 68, Fraser Business Park Jalan Metro Pudu 2 Off Jalan Yew 55200 Kuala Lumpur	Malaysian / Company Director
Peter Angus Knowles	Non-Independent Executive Director, International Business	No. 28, Jalan 33/70A Desa Sri Hartamas 50480 Kuala Lumpur	British Subject / Company Director
Che Nazahatuhsamudin Che Haron	Non-Independent Executive Director, Sales and Marketing	No. 23, Taman Permai Jaya Batu 9 1/2, Jalan Gombak 53100 Kuala Lumpur	Malaysian / Company Director
Mohd Khalid Embong	Non-Independent Executive Director, Strategic and Business Planning	No. 16, Jalan Kencana 21 Taman Kencana 56100 Cheras Kuala Lumpur	Malaysian / Company Director
Nordin Md Nor	Independent Non- Executive Director	No. 22, Jalan 2/1B 43650 Bandar Baru Bangi Selangor Darul Ehsan	Malaysian / Company Director
Khalid bin Sufat	Independent Non- Executive Director	No. 15, Jalan SS3/86 Kelana Jaya 47300 Petaling Jaya Selangor Darul Ehsan	Malaysian / Company Director

AUDIT COMMITTEE

Name	Designation	Directorship
Khalid bin Sufat	Chairman of Audit Committee	Independent Non-Executive Director
Nordin Md Nor	Member of Audit Committee	Independent Non-Executive Director
Senator Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee	Member of Audit Committee	Independent Non-Executive Chairman

CORPORATE DIRECTORY (Cont'd)

- COMPANY SECRETARIES** : Kang Shew Meng (MAICSA 0778565)
23 Jalan Tiara Kemensah 1
Tiara Kemensah
Saujana Melawati
53100 Kuala Lumpur
- Seow Fei San (MAICSA 7009732)
1 Jalan SS21/38
Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan
- REGISTERED OFFICE** : 312, 3rd Floor, Block C
Kelana Square
17 Jalan SS 7/26
47301 Petaling Jaya
Selangor Darul Ehsan
Tel: 03-7803 1126
Fax: 03-7806 1387
- CORPORATE OFFICE** : No. 68 & 70, Fraser Business Park
Jalan Metro Pudu 2
Off Jalan Yew
55200 Kuala Lumpur
Tel: 03-9232 1000
Fax: 03-9232 1032
E-mail: info@uzmagroup.com
Website: www.uzmagroup.com
- SHARE REGISTRAR** : Symphony Share Registrars Sdn Bhd (378993-D)
Level 26, Menara Multi-Purpose
Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur
Tel: 03-2721 2222
Fax: 03-2721 2530
- AUDITORS AND REPORTING ACCOUNTANTS** : Horwath (AF1018)
Level 16 Tower C
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
Tel: 03-2166 0000
Fax: 03-2166 1000
- SOLICITORS FOR THE LISTING** : Shook Lin & Bok
20th Floor, Bangunan AmBank Group
55, Jalan Raja Chulan
50200 Kuala Lumpur
Tel: 03-2031 1788
Fax: 03-2031 1775 / 778 / 779
- Messrs David Taylor Solicitors
Suite 29, Stafford Court
8 – 12 Stafford Street
MIDLAND WA 6056
Tel: +61 (08) 9250 2464
Fax: +61 (08) 9250 4722

CORPORATE DIRECTORY (Cont'd)

Antares Consulting Limited
 4th Floor, T. Shinawatra Bld.
 94 Sukhumvit Soi 23, Sukhumvit Road
 Klongtoey-Nua
 Wattana, Bangkok 10110
 Thailand
 Tel: +66 (0) 2264 3445
 Fax: +66 (0) 2664 3446

PRINCIPAL BANKERS

: Alliance Bank Malaysia Berhad (88103-W)
 Ground & 1st Floor
 No. 2, Jalan Murni 25/ 61
 Taman Sri Muda, Seksyen 25
 40400 Shah Alam, Selangor
 Tel: 03-5121 9336
 Fax: 03-5121 9373

RHB Bank Berhad (6171-M)
 Head Office
 Tower Two and Three, RHB Centre
 Jalan Tun Razak
 50400 Kuala Lumpur
 Tel: 03-9281 3030
 Fax: 03-9287 4173

**INDEPENDENT BUSINESS AND
 MARKET RESEARCH
 CONSULTANTS**

: Vital Factor Consulting Sdn Bhd (266797-T)
 75C & 77C, Jalan SS22/19, Damansara Jaya
 47400 Petaling Jaya
 Selangor Darul Ehsan
 Tel: 03-7728 0248
 Fax: 03-7728 7248

**INDEPENDENT BUSINESS
 VALUER**

Ernst & Young (AF0039)
 4th Floor Kompleks Antarabangsa
 Jalan Sultan Ismail
 50250 Kuala Lumpur
 Tel: 03-2144 2333
 Fax: 03-2144 0709

ISSUING HOUSE

: Malaysian Issuing House Sdn Bhd (258345-X)
 27th Floor, Menara Multi-Purpose
 Capital Square
 No. 8, Jalan Munshi Abdullah
 50100 Kuala Lumpur
 Tel: 03-2693 2075
 Fax: 03-2693 0858

**ADVISER, SOLE UNDERWRITER
 AND SOLE PLACEMENT
 AGENT**

: AmInvestment Bank Berhad (23742-V)
 (a member of AmInvestment Bank Group)
 22nd Floor, Bangunan AmBank Group
 No. 55, Jalan Raja Chulan
 50200 Kuala Lumpur
 Tel: 03-2036 2633
 Fax: 03-2070 8596

LISTING SOUGHT

: Second Board of Bursa Securities

1. SUMMARY INFORMATION

THE SUMMARY INFORMATION IS ONLY A SUMMARY OF THE SALIENT INFORMATION ABOUT OUR GROUP. YOU SHOULD READ AND UNDERSTAND THE WHOLE PROSPECTUS PRIOR TO DECIDING WHETHER OR NOT TO INVEST IN OUR SHARES. THE SUMMARY INFORMATION SET OUT BELOW IS DERIVED FROM THIS PROSPECTUS AND SHOULD BE READ IN CONJUNCTION WITH THE FULL TEXT OF THIS PROSPECTUS.

1.1 HISTORY AND BUSINESS

We were incorporated in Malaysia under the Act on 17 April 2007 as a public limited company under the name of Uzma Berhad.

We are an investment holding company. Through our subsidiaries, we are involved in the following principal business activities: -

- (i) Provision of Oil and Gas Geoscience and Reservoir Engineering Services;
- (ii) Provision of Oil and Gas Drilling Services; and
- (iii) Provision of Oil and Gas Project and Operations Services.

Our Group is also involved in the provision of the following secondary and supporting activities, comprising: -

- (i) Oil and Gas Engineer and Personnel Placement; and
- (ii) Management Systems.

The clients of our Group are mainly national and international Oil and Gas companies in the upstream Exploration and Production sector of the industry. Our Group also provide some services to the regulatory authorities and to the downstream Refining, Gas and Petrochemical sector. Our Group has established operations overseas, including operational subsidiaries in Perth, Australia and Bangkok, Thailand, and overseas representative offices in Doha, Qatar and Jakarta, Indonesia. This overseas presence facilitates our Group's overseas marketing activities and supports implementation of our services by enabling our Group to base staff close to existing and potential clients.

Business of Our Group

Provision of Oil and Gas Geoscience and Reservoir Engineering Services

Geoscience and Reservoir Engineering are fields of petroleum engineering concerned with exploring for and optimising the production of Oil and Gas. The Geoscience and Reservoir Engineering Services provided by our Group encompass the following: -

- Geoscience and Reservoir Engineering Studies : Our Group carries out highly technical studies to assist our clients in identifying potential hydrocarbon reserves, characterising reservoirs, estimating the quantity of recoverable hydrocarbons, and optimising production throughout the lifecycle of their Oil and Gas field
- Geoscience and Reservoir Engineering Software Services : Our Group has selectively entered into a variety of partnerships, including exclusive agency agreements, with a number of leading providers of specialised geoscience and reservoir engineering software and associated services. We use the software and services in-house to enhance studies being carried out for clients, and also resell the software to our clients

1. SUMMARY INFORMATION (Cont'd)

Provision of Oil and Gas Drilling Services

The Oil and Gas Drilling Services provided by our Group encompass the following: -

- Drilling Project Management : Our Group assists clients with the planning of drilling campaigns, detailed well design, and the supervision of drilling, completions and testing operations for exploration, appraisal and development of Oil and Gas wells
- Wellsite and Operational Geology : Our Group carries out activities to collect, analyse and interpret geological samples so as to form a geological representation of a specified zone of interest

Provision of Oil and Gas Project and Operations Services

The Project and Operations Services provided by our Group primarily deal with the provision of qualified and experienced geoscientists, engineers and technicians, who are engaged to provide specialised technical services. The Project and Operations Services provided by our Group encompass the following: -

- Resource Management : Our Group provides key human resource functions related to the setting up and efficient running of clients' Technical Department, including sourcing and recruiting senior personnel
- Engineering and Operations : Our Group provides teams and individuals comprising of staff and associates to enable clients to expand their capabilities in areas where they require short-term enhancement of their engineering and operational capabilities

Oil and Gas Engineer and Personnel Placement

Our Group utilises our proprietary database and extensive industry contacts to source experienced geoscientists, engineers and technicians who our clients recruit on a permanent or contract basis.

Management Systems

Our Group has successfully commercialised our internally developed Management System by providing customised versions of the system to our clients. Our Group consults with the client's top-level management to assess their requirements and then designs and implements a bespoke Management System to fulfil these requirements.

History of Our Group

The history of our Group can be traced back to 19 May 2000 with the incorporation of Uzma Malaysia. Our Group was founded by Dato' Kamarul and Datin Rozita, who are collectively our Promoters, with Peter Angus Knowles and Che Nazahatuhisamudin Che Haron as our founding employees. Dato' Kamarul, our Non-Independent Managing Director / Chief Executive Officer; Datin Rozita, Peter Angus Knowles and Che Nazahatuhisamudin Che Haron bring with them extensive working experience in the Oil and Gas Industry. Each of them have between 11 and 25 years of experience in the industry. All the founders and the founding employees have been instrumental in the success, growth and development of our Group.

1. SUMMARY INFORMATION (Cont'd)

The initial business activities of Uzma Malaysia were in the provision of Drilling Project Management and Geoscience and Reservoir Engineering Software Services. As part of our Group's strategy to expand our portfolio of Oil and Gas services, Roxar AS (formerly known as Smedvig Technologies (Holding) AS), of which Dato' Kamarul is a former employee and non-executive director, transferred its Geoscience and Reservoir Engineering, Drilling Project Management and Oil and Gas Engineer and Personnel Placement businesses to our Group in 2002 via a share sales agreement entered into between Uzma Malaysia and Roxar. This is also in line with the streamlining of Roxar's business to concentrate on Geoscience and Reservoir Engineering Services that is closely related to their product.

In 2003, as part of our Group's intention to strengthen the Oil and Gas Engineer and Personnel Placement business and to build the Project and Operations Service, our Group commissioned the design of a proprietary interactive database for personnel and independent consultants to register online. The new interactive database provided our Group with a competitive edge in enhancing our Group's ability to identify specialised and skilled engineers and personnel within the Oil and Gas Industry to supplement our in-house skills and resource base, as well as for placement to our clients.

In 2003, our Group incorporated our first venture overseas in the form of Uzma Thailand in Bangkok, Thailand. The principal activities of Uzma Thailand are in providing Geoscience and Reservoir Engineering Services, Drilling Services, Project and Operations Services, and Oil and Gas Engineer and Personnel Placement Services.

In 2004, our Group was awarded our first major reservoir engineering services contract by PETRONAS Carigali Sdn Bhd to undertake a full field review of the mature Temana Oil and Gas field. Uzma Malaysia was the first indigenous Malaysian company to be awarded such a contract.

In 2004, our Group was awarded a Drilling Project Management contract by Amerada Hess in Thailand. Our Group was also awarded an umbrella contract by Sarawak Shell Berhad to provide Project and Operations services in Malaysia. Our Group also established a presence in the Middle East in 2004, with the opening of an overseas representative office in Doha, Qatar.

In 2005, PTTEP awarded a contract to our Group to carry out reservoir engineering services involving field development, field review, and reservoir characterisation.

In 2006, our Group collaborated with a Malaysian research company to develop a Chemical Enhanced Oil Recovery method. This pilot project was aimed at enhancing oil recovery.

In the same year (2006), our Group was awarded a Resource Management contract by a PSC Operator / Contractor in Malaysia. This is a three-year contract to provide Resource Management Services to manage the entire professional manpower of the Project Engineering Department of that PSC Operator / Contractor.

Our Group further expanded our overseas operations by establishing an overseas subsidiary, Uzma Australia in Perth, Australia in 2006. The principal activities of the subsidiary are focused on providing Oil and Gas Geoscience and Reservoir Engineering Services, and Management Systems.

In 2006, our Group was also active locally and overseas whereby our Group was awarded the following contracts: -

- (i) Drilling Project Management contract by Greater Nile Petroleum Operation Co., Ltd in Sudan;
- (ii) Chevron Offshore (Thailand Limited) awarded our Group a Drilling Project Management contract, and a Geoscience and Reservoir Engineering Services project;

1. SUMMARY INFORMATION (Cont'd)

- (iii) 3 major Geoscience and Reservoir Engineering studies in the area of Field Development by PTTEP in Thailand;
- (iv) Geoscience and Reservoir Engineering studies in the area of Prospect Evaluation study of marginal fields offshore in East Malaysia contracted by the energy division of a Japanese Exploration and Production company; and
- (v) 9 Geoscience and Reservoir Engineering Services projects comprising marginal field resources assessment studies for various PETRONAS subsidiaries.

In 2007, our Group was awarded contracts to carry out and provide Geoscience and Reservoir Engineering Services and Management Systems to Oil and Gas companies in Australia. Yemen LNG also awarded our Group a contract to provide Engineering and Operations Services for a Liquefied Natural Gas Plant in Yemen in 2007.

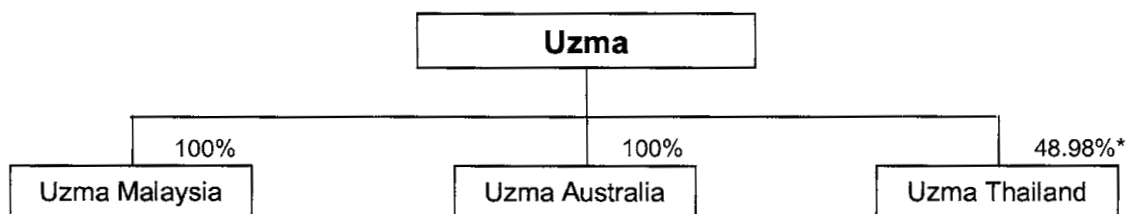
Our Group established a presence in Indonesia in 2007, with the opening of an overseas representative office in Jakarta, Indonesia.

In 2008, a client awarded Uzma Malaysia two contracts on core and cutting analysis for fields in Mozambique and the Philippines. In the same year, Nippon Oil Exploration Limited awarded Uzma Malaysia two contracts for Layang Project Management and Helang Phase II – Field Development. Uzma Malaysia was recently awarded a contract to implement a production optimization contract by a client in Malaysia by implementing a low-pressure production enhancement system.

Since our Group's inception, our Group has become a reputable provider of Oil and Gas Geoscience and Reservoir Engineering, Drilling and Project and Operations Services with proforma consolidated revenue of RM128.2 million for the FYE 31 December 2007.

Structure of Our Group

As at the date of this Prospectus, our Group structure is as follows: -



Note: -

* Although we do not own more than 50% of the equity interest in Uzma Thailand and consequently we do not control more than half of the voting power of Uzma Thailand's shares, we have the power to appoint and remove the majority of the board of directors of Uzma Thailand and the control of the entity will be by our Board. As such, Uzma Thailand is our deemed subsidiary

Further details on the history and business of our Group are set out in Section 4 of this Prospectus.

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1. SUMMARY INFORMATION (Cont'd)

1.2 COMPETITIVE STRENGTHS AND ADVANTAGES

Our Group's competitive strengths include: -

- (i) Integrated provider of oil and gas geoscience and reservoir engineering, and drilling services;
- (ii) Holder of PETRONAS approved licences;
- (iii) Ability to use fit-for-purpose technology;
- (iv) In-house geoscientists, engineers and technicians with advanced academic qualifications;
- (v) Local and regional knowledge;
- (vi) Strong market reputation and established track record;
- (vii) Wide market coverage;
- (viii) Financial strength;
- (ix) Group employees have published or presented technical papers; and
- (x) Geoscientist, engineer and technician database;

Further details on our Group's competitive strengths and advantages are set out in Section 4.2.3 of this Prospectus.

1.3 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT OF OUR GROUP

Our Promoters, substantial shareholders, Directors and key management are as follows: -

Name	Designation
<u>Promoters and Substantial Shareholders</u>	
Dato' Kamarul	Non-Independent Managing Director / Chief Executive Officer
Datin Rozita	Non-Independent Executive Director, Corporate Services
<u>Directors</u>	
Senator Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee	Independent Non-Executive Chairman
Dato' Kamarul	Non-Independent Managing Director / Chief Executive Officer
Datin Rozita	Non-Independent Executive Director, Corporate Services
Peter Angus Knowles	Non-Independent Executive Director, International Business

1. SUMMARY INFORMATION (Cont'd)

Mohd Khalid Embong	Non-Independent Executive Director, Strategic and Business Planning
Che Nazahatuhisamudin Che Haron	Non-Independent Executive Director, Sales and Marketing
Nordin Md Nor	Independent Non-Executive Director
Khalid bin Sufat	Independent Non-Executive Director
<u>Key management</u>	
Dato' Kamarul	Chief Executive Officer
Datin Rozita	Director, Corporate Services
Peter Angus Knowles	Director, International Business
Mohd Khalid Embong	Director, Strategic and Business Planning
Che Nazahatuhisamudin Che Haron	Director, Sales and Marketing
Ahmad Ridzuan Tahir	Group Manager, Geoscience and Reservoir Engineering
Hoon Shat Mei	Group Manager, Finance and Accounting
Bong Leong Sung	Manager, Corporate Finance
Hamzah Yunus	Manager, Integrated Basin Studies
Drs Robert Hulsbos	Manager, Laboratory and Analytical Studies
Jamal Jamil	Team Leader, Development
Robert Charles Shoup	Chief Geoscientist

Further details of our Promoters, substantial shareholders, Directors and key management are set out in Section 5 of this Prospectus.

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1. SUMMARY INFORMATION (Cont'd)**1.4 SALIENT INFORMATION ON THE IPO**

The IPO is subject to the terms and conditions of this Prospectus and upon acceptance, the IPO Shares are expected to be allocated in the manner described below: -

Public Issue : The Public Issue will be allocated in the following manner: -

- (a) 6,000,000 Public Issue Shares, representing 7.50% of our enlarged issued and paid-up share capital, to be allocated via balloting, will be made available for application by the Malaysian Public, of which at least 30% will be set aside for Bumiputera individuals, companies, societies, co-operatives and institutions;
- (b) 3,000,000 Public Issue Shares, representing approximately 3.75% of our enlarged issued and paid-up share capital, by way of private placement to selected investors; and
- (c) 9,000,000 Public Issue Shares, representing 11.25% of our enlarged issued and paid-up share capital, will be made available for application by the eligible Directors and employees, and persons who have contributed to the success of our Group.

Offer For Sale : The Offer For Sale of 10,000,000 Offer Shares, representing 12.50% of our enlarged issued and paid-up share capital, by way of private placement to selected investors.

IPO Price : RM1.90

Detailed information on basis of arriving at the IPO Price is set out in Section 2.4 of this Prospectus.

1.5 UTILISATION OF PROCEEDS

The estimated total gross proceeds to us arising from the IPO of RM34.2 million is expected to be utilised by our Group in the following manner: -

<u>Proceeds raised from the Proposed Listing</u>		Amount (RM'000)
(i) Proposed Public Issue ⁽¹⁾		34,200
Total proceeds from the Proposed Listing		34,200
<u>Nature of utilisation</u>	<u>Timeframe for utilisation</u>	
(i) Setting up of geological lab	} Within 18 months from Listing	2,400
(ii) Purchase of computer equipment		1,800
(iii) Repayment of bank borrowings	Within 6 months from Listing	7,000
(iv) Estimated listing expenses ⁽²⁾	Immediate	2,500
(v) Working capital ⁽²⁾		20,500
Total proceeds from the Proposed Listing		34,200

1. SUMMARY INFORMATION (Cont'd)Notes: -

- (1) Calculation of the gross proceeds arising from the IPO is based on the IPO Price
 (2) If the actual listing expenses are higher than budgeted, the deficit will be funded out of the portion allocated for working capital. Conversely, if the actual listing expenses are lower than budgeted, the excess will be utilised for working capital purposes.

Further details on the utilisation of proceeds are set out in Section 2.6 of this Prospectus.

1.6 PROFORMA CONSOLIDATED INCOME STATEMENTS

The following table sets out a summary of the proforma consolidated results of our Group for the past three (3) FYEs 31 December 2005 to 31 December 2007, prepared on the assumption that our Group has been in existence throughout the period under review. The proforma consolidated results are prepared for illustrative purposes only and should be read in conjunction with the accompanying notes and assumptions included in the Proforma Consolidated Income Statements set out in Section 9.7 of this Prospectus.

	FYE 31 December		
	2005 RM'000	2006 RM'000	2007 RM'000
Revenue	44,573	87,005	128,151
Cost of sales	(35,520)	(66,100)	(100,289)
Gross profit	9,053	20,905	27,862
Other income	12	34	265
	9,065	20,939	28,127
Other expenses	(3,751)	(8,576)	(14,363)
Profit from operations	5,314	12,363	13,764
Finance costs	(29)	(320)	(546)
Profit before taxation	5,285	12,043	13,218
Depreciation	94	285	337
Interest expense	5	80	520
Interest income	(12)	(29)	(74)
Earnings before interest, depreciation and taxation	5,372	12,379	14,001
Depreciation	(94)	(285)	(337)
Interest expense	(5)	(80)	(520)
Interest income	12	29	74
Profit before taxation	5,285	12,043	13,218
Income tax expense	(1,434)	(3,466)	*(4,827)
Profit after taxation	3,851	8,577	8,391
Attributable to: -			
- Equity holders of the parent	3,832	8,263	8,238
- Minority interests	19	314	153
	3,851	8,577	8,391

Note: -

- * Inclusive of approximately RM818,000 of additional tax liabilities for the years of assessment 2002 to 2004. These additional tax liabilities include penalties imposed by the Inland Revenue Board amounting to RM271,000. The impact on additional tax liabilities should be reduced by foreign withholding tax recoverable of approximately RM295,000 pending submission of Uzma Malaysia's tax return for the year of assessment 2007.

1. SUMMARY INFORMATION (Cont'd)**1.7 PROFORMA CONSOLIDATED BALANCE SHEETS AS AT 31 DECEMBER 2007**

The Proforma Consolidated Balance Sheets as at 31 December 2007 set out below has been prepared for illustrative purposes only to show the effects on the audited balance sheet of our Group, had the Listing Scheme been effected on that date and is prepared on the basis consistent with the accounting policies adopted by our Group.

	Audited as at 31 December 2007 RM'000	Proforma I After the Acquisitions RM'000	Proforma II After Proforma I, the Public Issue and Utilisation of Proceeds RM'000
ASSETS			
NON-CURRENT ASSETS			
Plant and equipment	-	1,581	5,781
Other investment	-	23	23
	-	1,604	5,804
CURRENT ASSETS			
Amount owing by contract customers	-	6,382	6,382
Trade receivables	-	35,523	35,523
Other receivables, deposits and prepayments	653	6,758	6,758
Amount owing by related parties	-	697	697
Fixed deposits with licensed banks	-	3,984	3,984
Cash and bank balances	#	911	21,411
	653	54,255	74,755
TOTAL ASSETS	653	55,859	80,559
EQUITY AND LIABILITIES			
EQUITY			
Share capital	#	31,000	40,000
Share premium	-	-	22,700
Retained profits	(13)	21,449	21,449
Merger deficit	-	(29,700)	(29,700)
Foreign exchange translation reserve	-	(17)	(17)
SHAREHOLDERS' EQUITY	(13)	22,732	54,432
MINORITY INTEREST	-	520	520
TOTAL EQUITY	(13)	23,252	54,952
NON-CURRENT LIABILITIES			
Deferred tax liabilities	-	75	75
Hire purchase and lease payables	-	133	133
	-	208	208
CURRENT LIABILITIES			
Amount owing to contract customers	-	1,900	1,900
Trade payables	-	3,246	3,246
Other payables and accruals	666	15,980	15,980
Provision for taxation	-	2,547	2,547
Hire purchase and lease payables	-	26	26
Bank overdraft	-	5,761	1,700
Promissory note	-	2,939	-
	666	32,399	25,399
TOTAL LIABILITIES	666	32,607	25,607
TOTAL EQUITY AND LIABILITIES	653	55,859	80,559

1. SUMMARY INFORMATION (Cont'd)

Number of ordinary shares in issue ('000)	^	62,000	80,000
NTA (RM'000)	(13)	22,732	54,432
NTA per Share	0.50	0.37	0.68

Notes: -

RM2

^ Issued and paid-up capital of RM2 comprising 4 ordinary shares of RM0.50 each

Detailed information on the Proforma Consolidated Balance Sheets is set out in Section 9.7 of this Prospectus.

1.8 SUMMARY OF MATERIAL RISK FACTORS

You should carefully consider the following risk factors (which are not exhaustive) in addition to the other information contained elsewhere in this Prospectus before applying for the IPO Shares: -

Section 3.1 - Risks Relating To Our Business

- (i) Dependence on Major Customers
- (ii) Competition
- (iii) Overseas Operation Risks
- (iv) Dependence on Directors, Key Management and Skilled Workforce
- (v) Licences and Registrations
- (vi) Delay in Completion of Projects
- (vii) Material Litigation, Claim or Arbitration and Legal Uncertainties

Section 3.2 - Risks Relating To The Industry

- (viii) Level of Oil and Gas Prices
- (ix) Changes to Existing Terms of Petroleum Development Act 1974
- (x) Depletion of Hydrocarbon Resources
- (xi) Scarcity of Petroleum Engineers and Technicians
- (xii) Foreign Exchange Risks
- (xiii) Political and Economic Considerations

Section 3.3 - Risks Relating To Investment In Our Shares

- (xiv) No Prior Market for Securities
- (xv) Capital Market Risks
- (xvi) Control by Promoters
- (xvii) Failure / Delay in the Listing

Section 3.4 - Risks Relating To Future Information

- (xviii) Profit Forecast May Vary From Actual Results
- (xix) Disclosure Regarding Forward-Looking Statements

Detailed commentary on these risk factors is set out in Section 3 of this Prospectus.

2. PARTICULARS OF THE IPO (Cont'd)

This Prospectus is dated 30 June 2008. The IPO is subject to terms and conditions of this Prospectus.

A copy of this Prospectus has been registered with the SC and lodged with the ROC who takes no responsibility for its contents.

The approval of the SC for the IPO, as set out in Section 6 of this Prospectus, shall not be taken to indicate that the SC recommends the IPO. You should rely on your own evaluation to assess the merits and risks of the IPO.

Bursa Securities has approved-in-principle the admission to the Official List of the Second Board of Bursa Securities and for the listing and quotation of our entire enlarged issued and paid-up share capital of RM40,000,000 comprising 80,000,000 Shares on the Second Board of Bursa Securities, vide its letter dated 30 May 2008. Listing and quotation of these Shares will commence after, amongst others, receipt of confirmation from Bursa Depository of the receipt of allotment information for the crediting of the Shares, and receipt of an undertaking that all notices of allotment will be issued and despatched to all successful applicants prior to the date of listing and quotation of the Shares.

Acceptance of Application for the IPO Shares will be conditional upon permission being granted by Bursa Securities for the quotation of the entire enlarged issued and fully paid-up share capital of our Company on the Second Board of Bursa Securities. Accordingly, monies paid in respect of any Application accepted from the IPO will be returned without interest within 14 days if the aforesaid permission is not granted within six (6) weeks from the date of issue of this Prospectus (or such longer period as may be specified by the SC) provided that we are notified by or on behalf of Bursa Securities within the aforesaid timeframe. If such monies are not repaid within the said period, the provision of sub-section 243(2) of the CMSA shall apply accordingly.

Pursuant to Section 14(1) of the Central Depositories Act, Bursa Securities has prescribed our Shares as a Prescribed Security. In consequence thereof, our Shares offered through this Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the aforesaid Act and the Rules of Bursa Depository.

Persons submitting Applications by way of Application Forms or by way of Electronic Share Application or Internet Share Application must have a CDS Account. If you do not have a CDS account, you may open one (1) by contacting any of the ADAs listed in Section 15.10 of this Prospectus. In the case of an Application by way of Application Form, an applicant should state his / her CDS Account number in the space provided in the Application Form. In the case of an Application by way of Electronic Share Application or Internet Share Application, only an applicant who is an individual and has a CDS Account can make an Electronic Share Application or Internet Share Application. A corporation or institution cannot apply for the IPO Shares by way of Electronic Share Application or Internet Share Application.

Pursuant to the Listing Requirements, we must have at least 25% of our total number of Shares for which listing is sought in the hands of a minimum of 1,000 public shareholders holding not less than 100 Shares each at the point of listing. In the event that the above requirement is not met pursuant to the IPO, we may not be allowed to proceed with our listing on the Second Board of Bursa Securities. In the event thereof, monies paid in respect of all Applications will be returned if the said permission is not granted.

The SC and Bursa Securities assume no responsibility for the correctness of any statements made or opinions or report expressed in this Prospectus. Admission to the Official List of the Second Board of Bursa Securities is not to be taken as an indication of our merit or the merit of our Shares.

No person is authorised to give any information or to make any representation not contained herein in connection with the IPO and if given or made, such information or representation must not be relied upon as having been authorised by us. Neither the delivery of this Prospectus nor any IPO made in connection with this Prospectus shall, under any circumstances, constitute a representation or create any implication that there has been no change in our affairs since the date hereof.

2. PARTICULARS OF THE IPO (Cont'd)

Nonetheless, should we become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of issue of this Prospectus up to the date of Listing, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238 of the CMSA.

The distribution of this Prospectus and the making of the IPO in certain other jurisdictions outside Malaysia may be restricted by law. The distribution of this Prospectus and the sale of any part of the IPO Shares are subject to Malaysian laws and we, together with the Adviser, Sole Underwriter and Sole Placement Agent, take no responsibility for the distribution of this Prospectus and the offer of any part of the IPO Shares outside Malaysia, which may be restricted by law in certain other jurisdictions. Persons who may come into possession of this Prospectus are required to inform themselves of and to observe such restrictions. This Prospectus does not constitute and may not be used for the purpose of an invitation to subscribe for the IPO Shares in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

If you are in doubt concerning this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant, or other professional advisers.

2.1 PURPOSES OF THE IPO

The purposes of the IPO are as follows: -

- (i) to provide an opportunity for our eligible Directors, employees and the Malaysian investing public and institutions to participate in the equity and continuing growth of our Group;
- (ii) to further enhance the stature of our Group to market our services and capabilities, maintain our market position and expand our customer base;
- (iii) to provide additional funds to meet the present and future working capital requirements of our Group;
- (iv) to enable our Group to gain access to the capital markets to tap equity and debt funds for future expansion, diversification, modernisation and continued growth of our Group; and
- (v) to facilitate the listing of and quotation for our entire enlarged issued and paid-up share capital on the Second Board of Bursa Securities.

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2. PARTICULARS OF THE IPO (Cont'd)

2.2 SHARE CAPITAL

As at the date of this Prospectus, we only have one (1) class of shares, being ordinary shares of RM0.50 each, the details of which are as follows: -

	Number of Shares	Share Capital (RM)
Authorised Share Capital	200,000,000	100,000,000
Existing issued and paid-up share capital	62,000,000	31,000,000
- New Shares to be issued pursuant to the Public Issue	18,000,000	9,000,000
Enlarged share capital upon Listing	80,000,000	40,000,000
Offer For Sale	10,000,000	5,000,000
IPO Price per Share		1.90
- Proforma consolidated NTA per Share (based on the enlarged issued and paid-up share capital after the IPO and deducting the estimated listing expenses of RM2.5 million)		0.68
- Market Capitalisation (based on the IPO Price and enlarged issued and paid-up share capital after Listing)		152,000,000

Our market capitalisation upon Listing, based on the IPO Price and our enlarged issued and paid-up share capital of 80,000,000 Shares amounts to RM152,000,000.

The IPO Price is payable in full upon Application, subject to the terms and conditions of this Prospectus.

Classes of Shares and Rights

We only have one (1) class of share, namely, ordinary shares of RM0.50 each, all of which rank pari passu with one another. The IPO Shares will rank pari passu in all respects with our other existing Shares including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of allotment thereof.

Subject to any special rights attaching to any Shares which we may issue in the future, the holders of our Shares shall, in proportion to the amount paid-up on the Shares held by them, be entitled to share in the whole of the profits paid out by us as dividends and other distributions and the whole of any surplus in the event of our liquidation, in accordance with our Articles of Association.

At any of our general meetings, each ordinary shareholder shall be entitled to vote in person or by proxy or by attorney or, being a corporation, by a representative, and on a show of hands, every person personally present and entitled to vote who is a shareholder or proxy or attorney or, being a corporation, an authorised representative of a shareholder, shall have one (1) vote, and, on a poll, every shareholder present in person or by proxy or by attorney or, being a corporation, other duly authorised representative, shall have one (1) vote for each Share held. A proxy may but need not be a shareholder of the Company and the provisions of Section 149(1)(b) of the Act shall not apply.

2. PARTICULARS OF THE IPO (Cont'd)

2.3 DETAILS OF THE IPO

We will undertake the Public Issue and Offer For Sale in conjunction with, and as an integral part of our Listing, as follows: -

(i) Public Issue

The Public Issue of 18,000,000 Public Issue Shares, representing approximately 22.5% of our enlarged issued and paid-up share capital, is offered at the IPO Price, payable in full on application upon such terms and conditions as set out in this Prospectus and will be allocated and allotted in the following manner: -

(a) Malaysian Public via balloting

6,000,000 Public Issue Shares, representing 7.50% of our enlarged issued and paid-up share capital, to be allocated via balloting, will be made available for application by the Malaysian Public, of which at least 30% will be set aside for Bumiputera individuals, companies, societies, co-operatives and institutions;

(b) Selected investors via placement

3,000,000 Public Issue Shares, representing approximately 3.75% of our enlarged issued and paid-up share capital, by way of private placement to selected investors; and

(c) Eligible Directors, employees and persons who have contributed to the success of our Group

9,000,000 Public Issue Shares, representing 11.25% of our enlarged issued and paid-up share capital, will be made available for application by the eligible Directors and employees, and persons who have contributed to the success of our Group ("**Pink Form Shares Allocation**").

The Public Issue Shares will be allocated to a total of approximately 75 eligible employees and Directors of our Group based on the following criteria approved by our Board: -

- (a) at least eighteen (18) years old;
- (b) designation and position; and
- (c) length of service.

Details of the eligible Directors' Pink Form Shares Allocation are as follows: -

Directors	Designations	No. of Shares allocated
Senator Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee	Independent Non-Executive Chairman	100,000
Dato' Kamarul	Non-Independent Managing Director / Chief Executive Officer	300,000
Datin Rozita	Non-Independent Executive Director, Corporate Services	300,000
Peter Angus Knowles	Non-Independent Executive Director, International Business	300,000

2. PARTICULARS OF THE IPO (Cont'd)

Mohd Khalid Embong	Non-Independent Executive Director, Strategic and Business Planning	250,000
Che Nazahatuhisamudin Che Haron	Non-Independent Executive Director, Sales and Marketing	400,000
Nordin Md Nor	Independent Non-Executive Director	100,000
Khalid bin Sufat	Independent Non-Executive Director	100,000

The Public Issue Shares will also be allocated to the persons who have contributed to the success of our Group after taking into consideration their length of business relationship with our Group and their contribution and support to our Group's success.

(ii) Offer For Sale

The Offer For Sale of 10,000,000 Offer Shares, representing 12.50% of our enlarged issued and paid-up share capital, is offered at the IPO Price payable in full on application upon such terms and conditions as set out in this Prospectus and will be allocated and allotted by way of private placement to selected investors.

All the 15,000,000 Public Issue Shares available for application by the Malaysian Public and our eligible Directors, employees and persons who have contributed to the success of our Group under Section 2.3(i)(a) and Section 2.3(i)(c) of this Prospectus have been fully underwritten.

The 3,000,000 Public Issue Shares and 10,000,000 Offer Shares to be allocated by way of private placement to selected investors under Section 2.3(i)(b) and Section 2.3(ii) of this Prospectus, respectively, are not underwritten as irrevocable undertakings have been obtained from the selected investors to take up the Public Issue Shares available under private placement.

Any Public Issue Shares not subscribed for under Section 2.3(i) of this Prospectus will first be re-offered to the eligible Directors, employees and persons who have contributed to the success of our Group. Subsequently, any of the re-offered Shares not taken up will be made available to selected investors via private placement. Any further re-offered Shares not taken up will then be made available for application by the Malaysian Public. Any remaining re-offered Shares under Section 2.3(i)(a) and Section 2.3(i)(c) of this Prospectus that are not subscribed for will then be subscribed by the Sole Underwriter based on the terms of the Underwriting Agreement.

There is no minimum level of subscription in respect of the IPO.

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2. PARTICULARS OF THE IPO (Cont'd)

2.4 BASIS OF ARRIVING AT THE IPO PRICE

The IPO Price was determined and agreed upon by us and AmlInvestment Bank as the Adviser and Sole Underwriter and Sole Placement Agent after taking into consideration, amongst others, the following factors: -

- (i) our Group's operating and financial history and position as outlined in Section 4 and Section 9, respectively, of this Prospectus;
- (ii) the prospects of the industry in which our Group operates as outlined in Section 4.4 of this Prospectus;
- (iii) the forecast net PE Multiple of 10.66 times based on our Group's consolidated forecasted profit after tax of RM14.26 million for the FYE 31 December 2008 and enlarged issued and paid-up share capital of 80,000,000 Shares upon Listing;
- (iv) our proforma consolidated NTA as at 31 December 2007 of RM0.68 per Share based on the enlarged issued and paid-up share capital of 80,000,000 Shares;
- (v) the future plans and prospects of our Group as set out in Section 4.7 of this Prospectus; and
- (vi) our competitive strengths and advantages as listed in Section 4.2.3 of this Prospectus.

Our Directors and AmlInvestment Bank are of the opinion that the IPO Price is fair and reasonable after careful consideration of the abovementioned factors.

However, you should note that the market price of our Shares upon listing on Bursa Securities is subject to the vagaries of market forces and other uncertainties, which may affect the price of the Shares when they are traded.

You should bear in mind the risk factors as set out in Section 3 of this Prospectus and form your own views on the valuation of the IPO Shares and the reasonableness of the bases used before deciding to invest in our Shares.

2.5 MARKET CAPITALISATION UPON LISTING

Based on the IPO Price and our enlarged paid-up share capital of 80,000,000 Shares, our market capitalisation upon listing will be RM152 million.

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2. PARTICULARS OF THE IPO (Cont'd)**2.6 UTILISATION OF PROCEEDS**

The estimated total gross proceeds to us arising from the IPO of RM34.2 million is expected to be utilised by our Group in the following manner: -

Proceeds raised from the Proposed Listing		Amount (RM'000)
(i) Proposed Public Issue [^]		34,200
Total proceeds from the Proposed Listing		34,200
<u>Nature of utilisation</u>	<u>Timeframe for utilisation</u>	
(i) Setting up of geological lab	} Within 18 months from Listing	2,400
(ii) Purchase of computer equipment		1,800
(iii) Repayment of bank borrowings	Within 6 months from Listing	7,000
(iv) Estimated listing expenses*	Immediate	2,500
(v) Working capital *		20,500
Total proceeds from the Proposed Listing		34,200

Notes: -

[^] Calculation of the gross proceeds arising from the IPO is based on the IPO Price

* If the actual listing expenses are higher than budgeted, the deficit will be funded out of the portion allocated for working capital. Conversely, if the actual listing expenses are lower than budgeted, the excess will be utilised for working capital purposes.

(i) Setting up of Geological Lab

As part of our Group's future plans, our Group plans to establish a new geological laboratory in Malaysia to handle core samples for clients in the Oil and Gas Industry.

Please refer to Section 4.7(ii) for further information on the Geological Lab.

(ii) Purchase of computer equipment

Our Group plans to expand on our existing capabilities to provide Oil and Gas Geoscience and Reservoir Engineering Services by developing or expanding the capability to provide the following services: -

- (i) Seismic Data Bulk Data Processing
- (ii) Specialised Seismic Data Processing
- (iii) Advanced Sequence Stratigraphy
- (iv) Integrated Sub-surface Operations

Please refer to Section 4.7(i) for further information on the above services.

(iii) Repayment of bank borrowings

RM7 million proceeds from the Public Issue will be utilised to repay the RM4.7 million term loan granted by Alliance Bank Malaysia Berhad to finance the purchase of two properties as highlighted in Section 8.1 of this Prospectus as well as to part repay the RM3.0 million promissory notes also granted by Alliance Bank Malaysia Berhad for working capital purposes of our Group.

By repaying these bank borrowings, we will be able to effect annual interest savings of approximately RM355,000 per annum.

2. PARTICULARS OF THE IPO (Cont'd)**(iv) Estimated Listing Expenses**

The estimated listing expenses for the IPO are as follows: -

Estimated Listing Expenses	Amount (RM '000)
Fees to authorities	120
Professional fees ⁽¹⁾	700
Estimated underwriting, selling commissions and brokerage fees	940
Printing, advertising and other miscellaneous expenses	740
Total	⁽²⁾ 2,500

Notes: -

- (1) *Include fees for the Adviser, Reporting Accountants, Solicitors and other professional advisors*
- (2) *Any unutilised amount shall be used for working capital purposes of our Group's core business activities*

We will bear all expenses and fees incidental to our Listing, including professional fees, underwriting and selling commission, brokerage, placement fees, authorities' fees, advertising and other fees the aggregate of which is estimated to be approximately RM2.5 million.

All expenses and fees incidental to the Offer For Sale will be borne by the Offerors.

(v) Working Capital

Our requirements for working capital will increase in tandem with the expected business growth of our Group. Of the total gross proceeds, approximately RM20.5 million will be used as working capital relating to the core business activities of our Group including the payment of trade creditors, salaries, purchases, operating expenses. Our Group will also be in a position to bid for larger projects and to develop the capability in providing a more comprehensive range of services in the Oil and Gas Industry.

As part of our business plans, our Group will also use our working capital proceeds to expand our business in India and North Africa.

Our Group also plans to expand our business coverage in the existing overseas markets, i.e. Indonesia, Middle East, Thailand and Australia.

Please refer to Section 4.7(iii) for further information on our plans for the above overseas market.

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2. PARTICULARS OF THE IPO (Cont'd)

2.7 FINANCIAL IMPACT FROM UTILISATION OF PROCEEDS

The utilisation of the proceeds from the Public Issue by our Group is expected to have a financial impact on our Group as follows: -

(a) Increase in revenue from new opportunities

Our Group will utilise proceeds to expand our current capabilities to enhance our support to our existing customer base as well as to new customers in the region and overseas countries. This will enhance the revenue of our Group as our business base expands over the next few years. These new business opportunities will give our Group added flexibility in terms of utilisation of human capital and assets of our Group.

(b) Enhancement of working capital

Our Group is operating with minimal borrowings, as reflected in the recent years. It is the objective of our Group to minimise our gearing to enable our Group to have the flexibility to invest in new contracts and projects and to raise financing as and when the opportunities arise.

(c) Interest savings

Uzma Malaysia has drawn down a term loan facility to finance the purchase of two properties as highlighted in Section 8.1 of this Prospectus. RM7 million proceeds from the Public Issue will be utilised to repay the term loan as well as to part repay the short-term borrowings of our Group. There will be interest savings arising from the repayment of the term loan and the short-term borrowings of our Group.

2.8 UNDERWRITING COMMISSION, PLACEMENT FEE AND BROKERAGE

We will pay the Sole Underwriter an underwriting commission at the rate of 2.0% of the value of the total underwritten 15,000,000 Public Issue Shares under Section 2.3(i)(a) and Section 2.3(i)(c) of this Prospectus (being the number of underwritten Public Issue Shares multiplied by the IPO Price).

We will pay the Sole Placement Agent a placement fee at the rate of 1.5% of the IPO Price per Share of up to the total of 3,000,000 Public Issue Shares reserved for private placement under Section 2.3(i)(b) of this Prospectus (being the number of Public Issue Shares reserved for private placement multiplied by the IPO Price) to be placed out successfully by our Sole Placement Agent.

We will pay the brokerage to be incurred on the sale of the 6,000,000 Public Issue Shares under Section 2.3(i)(a) at the rate of 1.0% of the IPO Price per Share in respect of successful applications that bear the stamp of the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and / or MIH.

The Offeror will pay the placement fee to be incurred on the sale of the 10,000,000 Offer Shares under Section 2.3(ii) of this Prospectus at the rate of 1.5% of the IPO Price per Share.

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2. PARTICULARS OF THE IPO (Cont'd)

2.9 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

The salient clauses of the Underwriting Agreement, which include the right of the Sole Underwriter to withdraw from its obligations under the Underwriting Agreement prior to the closing date of the Application as extracted from the Underwriting Agreement, are set out below.

Unless otherwise stated, all capitalised terms herein shall bear the same meanings as prescribed in the Underwriting Agreement.

“(i) Conditions precedent

Unless waived by the Underwriter (in which case any condition precedent or any part thereof so waived shall be deemed to have been satisfied), the obligations of the Underwriter under this Agreement shall be conditional upon the following: -

- (a) this Agreement having been duly executed by all the parties hereto and duly stamped;
- (b) the issue of the Public Issue Shares and / or the Offer for Sale of the Public Offer Shares (as the case may be) having been approved by the SC and or any other relevant authority and the shareholders of the Company in General Meeting;
- (c) the listing and quotation of the Offer Shares / issued and paid-up capital of the Company on the Stock Exchange having been unconditionally approved-in-principle by the Stock Exchange or subject only to conditions which are acceptable to the Underwriter and such approval is not withdrawn and the Underwriter being reasonably satisfied that such listing and quotation shall be granted within two (2) clear Market Days after an application for quotation is made to the Stock Exchange;
- (d) the Prospectus being in form and substance satisfactory to the Underwriter;
- (e) the Prospectus having been registered with the SC and lodged with the CCM within two (2) months from the date of this Agreement, or within such other period as the parties may mutually agree;
- (f) there shall not have occurred, on or prior to the Closing Date, any event rendering untrue, inaccurate or incorrect in any material respect any of the representations or warranties contained in Clause 5(1) hereof;
- (g) there shall not have occurred, on or prior to the Closing Date, any material breach of and or failure to perform any of the undertakings contained in Clause 5(1) hereof;
- (h) the Underwriter having been satisfied that arrangements have been made by the Company to ensure payment of the expenses referred to in Clause 19 hereof;
- (i) the Offer for Sale and / or Public Issue (as the case may be) not being prohibited by any statute, order, rule, regulation or directive promulgated or issued by any legislative, executive or regulatory body or authority in Malaysia;

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2. PARTICULARS OF THE IPO (Cont'd)

- (j) the delivery of the following documents to the Underwriter on or before the Closing Date: -
 - (i) such reports and confirmations dated the Closing Date from the board of directors of the Company as the Underwriter may reasonably require to confirm that there has not been any material adverse change or any development reasonably likely to involve a prospective material adverse change in the condition (financial or otherwise) of the Group from that existing as at the date of this Agreement which is material in the context of the Public Issue and / or Offer for Sale (as the case may be) and the listing of and quotation of the Offer Shares and / or the Underwritten Shares; and
 - (ii) a certificate, in the form or substantially in the form contained in the Third Schedule hereto, dated the Closing Date signed by a duly authorised officer of the Company stating that, to the best of his knowledge and belief, having made all reasonable enquiries, there has been no such change, development or occurrence as is referred to in Clause 4(j)(i) above;
 - (k) the Underwriter receiving a copy duly certified by a director or secretary of the Company to be a true copy of a resolution of the Board of Directors of the Company approving the Listing Exercise, the Prospectus and this Agreement, the issue and offer of the Public Issue Shares and authorising a person or persons to sign this Agreement on behalf of the Company;
 - (l) the Prospectus having been issued within two (2) months of the date hereof or within such extended period as may be consented to by the Underwriter; and
 - (m) an application being made to the Stock Exchange within three (3) Market Days from the date of issue of the Prospectus for admission to the Official List of the Stock Exchange (where applicable).
- (ii) **Termination**
- (1) Subject to Clause 14(2) below but notwithstanding any other provision herein contained, the Underwriter may by notice in writing to the Company given at any time before the Closing Date, terminate and cancel and withdraw the commitment of the Underwriter to underwrite the Underwritten Shares if: -
 - (a) any of the conditions precedent set out in Clause 4 hereof are not duly satisfied by the Closing Date; or
 - (b) there is any material breach by the Company of any of the representations, warranties or undertakings contained in Clause 5(1) hereof, which is not capable of remedy or, if capable of remedy, is not remedied to the reasonable satisfaction of the Underwriter within ten (10) Market Days from the date the Company is notified by the Underwriter of such breach; or
 - (c) there is failure on the part of the Company to perform in any material respect any of its obligations herein contained; or
 - (d) there is withholding of information by the Company which, in the reasonable opinion of the Underwriter, 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 Public Issue and / or Offer for Sale, or the distribution or sale of the Offer Shares; or

2. PARTICULARS OF THE IPO (Cont'd)

- (e) the approval-in-principle of the Stock Exchange for the listing and quotation of its entire issued and paid-up share capital on the Stock Exchange is withdrawn; or
- (f) there shall have occurred, or happened any of the following circumstances: -
 - (i) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions or exchange control or currency exchange rates (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 the occurrence of any combination of any of the foregoing; or
 - (ii) 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 Underwriter (including without limitation, acts of God, national disorder, declaration of a state of national emergency, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents);

which, would have or can reasonably be expected to have, in the reasonable opinion of the Underwriter, a material adverse effect on, and / or materially prejudice the business or the operations of the Company or the Group as a whole, the success of the Offer for Sale and / or Public Issue (as the case may be), or the distribution or sale of the Offer Shares, or which has or is reasonably likely to have the effect of making any material part of this Agreement incapable of performance in accordance with its terms.

- (2) In the event that this Agreement is terminated pursuant to Clause 14(1)(f), the Underwriter and the Company may confer with a view to deferring the Offer for Sale and / or Public Issue (as the case may be) by amending its terms or the terms of this Agreement and may enter into a new underwriting agreement accordingly, but neither the Underwriter nor the Company shall be under any obligation to enter into a fresh agreement.

(iii) Force Majeure

- (1) Notwithstanding anything herein contained, the Underwriter may in its reasonable opinion at any time before the Closing Date, by notice in writing delivered to the Company terminate the obligations of the Underwriter under this Agreement and / or request for the Closing Date to be extended to such reasonable date as the Underwriter may decide, upon the occurrence of the following events: -
 - (i) changes in national or international monetary, financial, political, economic or stock market conditions or exchange control or currency exchange rates or interest rates or otherwise as would in the reasonable opinion of the Underwriter prejudice materially and adversely the success of the Offer for Sale and / or Public Issue (as the case may be) and the listing and quotation of the Offer Shares;

2. PARTICULARS OF THE IPO (Cont'd)

- (ii) national disorder, outbreak of war, armed conflict or serious threat of the same, hostilities, embargo, detention, revolution, riot, looting, labour disputes, any unavailability of transportation or severe economic dislocation, outbreak of disease, Act of God or the declaration of a state of national emergency;
- (iii) material changes in law, regulation, directive, policy or ruling in any jurisdiction which may seriously affect the business of the Group;
- (iv) the Kuala Lumpur Composite Index falling below 1,000 points and remaining below 1,000 points for three (3) consecutive days; or
- (v) the imposition of any moratorium, suspension, or material restriction on trading in all securities generally on the Stock Exchange for one (1) Market Day;

and thereupon the parties shall (except for the liability of the Company in the payment of costs and expenses referred to in Clause 19 above incurred prior to or in connection with such termination) be released and discharged from their respective obligations hereunder.

- (2) In the event of a delivery of a request for the Closing Date to be extended by the Underwriter to the Company, the Company shall consent to such request for the extension of the Closing Date.
- (3) The delivery of a request under Clause 37(2) shall not preclude the Underwriter from giving a further request for the extension of the Closing Date or from giving a notice to terminate pursuant to Clause 37(1).”

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3. RISK FACTORS

You should carefully consider the following risk factors (which are not exhaustive) in addition to the other information contained elsewhere in this Prospectus before applying for the IPO Shares: -

3.1 RISKS RELATING TO OUR BUSINESS

(i) Dependence on Major Customers

The main customers of our Group, PETRONAS Carigali Sdn Bhd and Talisman Malaysia Limited, have collectively contributed approximately 49.8% of our total revenue for the FYE 31 December 2007. For the FYE 31 December 2007, revenue from the our Group's top 13 customers totalled RM105.3 million, accounting for 82.2% of our Group's total revenue. The remaining 17.8% of our Group's total revenue was spread across 40 other customers.

However, there is no guarantee that the business relationship with the major customers will not be disrupted and the tendered and forecasted projects will be secured and completed with the expected contract sum and profit margin, which may adversely affect our Group's revenue and profitability.

Nevertheless, our Group has enjoyed long-term business relationships with our customers. This is reflected by the fact that our Group's top 20 customers have been dealing with us for an average of 2 years, which is a relatively long period of time considering that our Group was founded in 2000. In addition, 25% of our top 20 customers have been dealing with our Group for 4 years or more.

In addition, the following factors serve to mitigate our Group's dependency on PETRONAS Carigali Sdn Bhd: -

- (i) PETRONAS Carigali Sdn Bhd has been a customer of our Group for 4 years, indicating a long-term and stable business relationship. This will provide the basis for a continuing business relationship;
- (ii) Our Group has been a provider of a wide range of specialised services to PETRONAS Carigali Sdn Bhd over the past 4 years, including: -
 - (a) Geoscience and Reservoir Engineering Services
 - Geoscience and Reservoir Studies
 - Geoscience and Reservoir Engineering Software Services
 - (b) Drilling Services
 - Drilling Project Management
 - Wellsite and Operational Geology
 - (c) Project and Operations Services
 - Resource Management
 - Engineering and Operations
 - (d) Other Services
 - Oil and Gas Engineer and Personnel Placement
 - Management Systems
- (iii) PETRONAS Carigali Sdn Bhd is a subsidiary of PETRONAS, which is entrusted with developing and adding value to all the Oil and Gas resources in Malaysia. As such PETRONAS and its subsidiaries are principal participants in the Malaysian Oil and Gas Industry, and will inevitably be a major source of revenue for our Group and other Oil and Gas players in Malaysia.

3. RISK FACTORS (Cont'd)

Our Group's dependency on PETRONAS Carigali Sdn Bhd has been declining. Although our Group's revenue from PETRONAS Carigali Sdn Bhd continues to grow, PETRONAS Carigali Sdn Bhd percentage share of our Group's revenue declined from the FYEs 31 December 2005 to 31 December 2007, as our Group increases revenue earned from other customers.

The following factors serve to mitigate our Group's dependency on Talisman Malaysia Limited: -

- (i) Talisman Malaysia Limited has been a customer of our Group for 4 years, indicating a long-term and stable business relationship. This will provide the basis for a continuing business relationship; and
- (ii) Our Group has been a provider of a wide range of specialised services to Talisman Malaysia Limited over the past 4 years, including: -
 - (a) Drilling Services
 - Drilling Project Management
 - (b) Project and Operations Services
 - Resource Management
 - Engineering and Operations
 - (c) Other Services
 - Management Systems

(ii) Competition

Our Group faces competition from other local and foreign service providers in the Oil and Gas Industry in Malaysia. Although competition may exist in the industry, the threat from new entrants is relatively low due to high barriers to entry in terms of working capital resources, technical expertise, skilled workforce, proven track record and the requirements for licenses and registrations with amongst others, PETRONAS, Bank Negara Malaysia and the Ministry of Finance. However, there is no guarantee that our Group is insulated from competition from the existing or newly appointed licensed local service providers in Malaysia.

Although there is no assurance that our Group will always be able to maintain our existing market share in the future, nevertheless, we have several competitive advantages over our competitors. Our Group has managed to implement several strategic measures, including continuous update with the latest technology for our range of equipment and parts and also continuously looking at ways to improve our operation processes in order to increase workflow efficiency. Furthermore, our Group maintains our competitive advantage by ensuring high safety standards, technical expertise, prompt delivery, consistent quality and price competitiveness of our products and services.

(iii) Overseas Operation Risks

During the FYE 31 December 2007, our Group served a customer base comprising 53 clients across a total of 12 countries, including Malaysia. As various multinational Oil and Gas operators have operations in different parts of the world, it is important that our Group ventures overseas to continue to provide our services to the operators in order to sustain future growth. Adverse developments in political, economic, government control and regulatory framework in the countries that our clients are based in could affect the financial prospects of our Group.

In addition, there can also be no assurance that that any change in the policies of the foreign governments with respect to foreign investment and repatriation of profits will not materially and adversely affect the rights and performance of our Group.

3. RISK FACTORS (Cont'd)

Nevertheless, our Group mitigates the above risks by exercising prudence and conducts research and analysis prior to venturing into overseas projects or entering into any business contracts. Our Group will also seek to mitigate the above risks by having strong local and international partners with good knowledge of local laws and regulatory framework in the respective countries.

(iv) Dependence on Directors, Key Management and Skilled Workforce

Being in a highly specialised industry, our Group believes that our continued success will depend, to a significant extent, upon the abilities and continued efforts of our Directors, key management personnel and skilled workforce. Our Group is led by experienced Directors and is managed by a team of qualified key personnel who have extensive knowledge and experience in the Oil and Gas Industry. This is well demonstrated by our Group's established track records for serving multinational Oil and Gas Industry operators in Malaysia and overseas with specialised services. The credentials and list of Directors and key management of our Group are set out in Section 5 of this Prospectus.

Furthermore, the nature of the business demands both the management team and workforce to be skilled and technically competent in quality and safety. Stringent safety measures are in place to prevent and eliminate hazards in the work environment. Progressive and continuous courses are organised by us to further develop our workers' skill and technical competence and also to update them on new technology introduced within the country.

Accordingly, the loss of any key personnel may have an impact on our ability to compete effectively in the industry. Therefore, every effort is made to attract, groom and retain the key management and technical personnel for succession planning to ensure smooth transition in management should changes occur. We motivate our employees by awarding bonuses based on each employee's performances. This will ensure the continued performance and success of our Group in the future.

(v) Licences and Registrations

Our Group's qualification to tender for and secure various Oil and Gas business in Malaysia is dependent on the licenses and registrations as set out in Section 4.2.5 of this Prospectus. All of these licenses and registrations are valid for certain periods of time with the renewal based on our Group's compliance with those requirements imposed by the relevant authorities. Failure by our Group to renew, maintain or obtain the required licences and registration may have an adverse effect on our Group's results of operations, financial condition and prospects.

There is no assurance that the licences and registrations will be renewed, or if they are renewed, that such renewal would be effected within the anticipated time frame or without any new terms and conditions imposed, which may materially affect the operations of our Group.

However, our Group will continue to ensure that it is in compliance with the requirements at all times and our Directors are confident of the on-going renewals of the licenses and registrations as our Group has no instances of failure to obtain the renewals in the past.

(vi) Delay in Completion of Projects

Completion of a project on time is dependent on many external factors which may fall beyond the control of our Group. Any delay caused by any of these factors may have a direct impact on our profitability.

Nevertheless, our Group has an experienced and capable project management team as well as a management system in place to supervise and manage the projects and proper planning is essential for all major projects.

3. RISK FACTORS (Cont'd)

(vii) Material Litigation, Claim or Arbitration and Legal Uncertainties

As at LPD, our Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, which has or may have a material effect on our financial position or the financial position of our subsidiaries and our Directors do not know of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect our position or business or the position or business of our subsidiaries.

However, there can be no assurance that there would be no proceedings in the future that could adversely affect the position or business of our Group in the future.

3.2 RISKS RELATING TO THE INDUSTRY

(viii) Level of Oil and Gas Prices

Hydrocarbons, including crude petroleum and natural gas, are internationally traded commodities whose price fluctuates with the constant interaction between supply and demand for hydrocarbons. Geopolitical factors and unforeseen supply disruptions may also influence the market price of hydrocarbons.

Activity in the Oil and Gas Industry is, to some degree, affected by fluctuations in the market price of hydrocarbons: -

- (a) Activity tends to increase during periods of sustained high hydrocarbon prices. This is due to elevated production activity, as well as increased activity to bring reserves into production, and to explore for new hydrocarbon reserves;
- (b) Activity tends to decline during periods of sustained low hydrocarbon prices. This is due to lower production activity, as well as temporary reduction or shutting down of production from reserves that are no longer commercially viable. Nevertheless, exploration activity tends to continue.

There is a risk that sustained lower price of hydrocarbons will negatively affect activity in the Oil and Gas Industry, leading to lower demand for supporting products and services, including Oil and Gas Geoscience and Reservoir Engineering, and Drilling Services.

OPEC, a grouping that includes many of the world's largest oil producing nations, has some influence on the price of oil through their control of a sizable proportion of the world's production capacity and reserves. Although the influence of OPEC over the market price of oil is not absolute, OPEC has a vested interest in ensuring that oil prices do not collapse, and as such are likely to actively attempt to sustain oil prices at an 'acceptable' level.

The continuing development of the Oil and Gas Industry through growth in export of crude oil, natural gas and refined petroleum products will create and stimulate demand for Oil and Gas Geoscience and Reservoir Engineering, and Drilling Services.

(Source: Independent Assessment of the Oil and Gas Geoscience and Reservoir Engineering, and Drilling Services Industry prepared by Vital Factor Consulting Sdn Bhd)

3. RISK FACTORS (Cont'd)

(ix) Changes to Existing Terms of Petroleum Development Act 1974

PETRONAS is the sole entity with ownership to the Malaysian Crude Oil and Gas deposits under the Petroleum Development Act 1974 and governs and oversees the licensing, safety, contractual and work scope of Oil and Gas service providers that are operating in Malaysia.

A fundamental change in PETRONAS policy with regards to regulating the Oil and Gas Industry in Malaysia may come about through the liberalisation of the Oil and Gas Industry.

PETRONAS may liberalise the Oil and Gas Industry by: -

- (a) Removing licensing requirements for the provision of all supporting products and services;
- (b) Loosening licensing requirements such that it becomes easier to obtain a license; and
- (c) Allowing foreign suppliers to operate in Malaysia without restrictions and the need to operate with a local partner.

Liberalising the Oil and Gas Industry in this manner will negatively impact incumbent service providers by increasing competition in the industry.

Currently, despite the restriction of licensing and registration, competition is intense. In the event of any liberalisation, existing service providers would not be significantly worse off as they have been operating in a very competitive environment already.

On the contrary, the liberalisation of the Oil and Gas Industry may benefit existing service providers, as they may be able to enter new segments of the industry that leverage on their existing strengths and customer base.

(Source: Independent Assessment of the Oil and Gas Geoscience and Reservoir Engineering, and Drilling Services Industry prepared by Vital Factor Consulting Sdn Bhd)

Our Group has been expanding our overseas activities in order to reduce dependency on any geographical market. Our Group has been constantly seeking overseas opportunities and currently has operational subsidiaries in Perth, Australia and Bangkok, Thailand, and overseas representative offices in Doha, Qatar and Jakarta, Indonesia.

(x) Depletion of Hydrocarbon Resources

All hydrocarbon deposits are non-renewable, in that it is not possible to regenerate hydrocarbons within a reasonable timeframe once they have been extracted. As such, hydrocarbon resources in all hydrocarbon-producing regions, including Malaysia, will eventually be depleted.

It is likely that demand for supporting products and services, including Oil and Gas Geoscience and Reservoir Engineering, and Drilling Services in Malaysia will end soon after Oil and Gas Industry Exploration, Appraisal, Development and Production activities cease in Malaysia.

However, the relatively long period of time before current reserves of Crude Oil (including Condensates) and Natural Gas in Malaysia are expected to be completely depleted enables Oil and Gas Industry companies, including providers of Oil and Gas Geoscience and Reservoir Engineering, and Drilling Services to diversify into other industries and / or venture into overseas markets.

As at 1 January 2008, preliminary data indicates that the Hydrocarbon Reserves in Malaysia are as follows: -

3. RISK FACTORS (Cont'd)

- Reserves of Crude Oil (Including Condensates) amounted to 5.35 billion BOE;
- Reserves of Natural Gas amounted to 15.33 billion BOE.

At the present rate of Production, Hydrocarbon Reserves in Malaysia are expected to sustain Production as follows: -

- Production of Crude Oil (Including Condensates) for 22 years;
- Production of Natural Gas for 38 years.

The National Depletion Policy introduced in 1980 to safeguard the exploitation of the natural oil reserves by postponing development and controlling the production of major oil fields (with reserves of 400 million barrels or more) will also ensure that extraction is carefully managed and sustainable over the long term.

Current reserve estimates tend to be conservative and may underestimate the actual amount of hydrocarbons that is ultimately extracted, as they do not take into account the following: -

- the existence of currently undiscovered hydrocarbon reserves;
- technological advances that increases the amount of hydrocarbons that may be commercially extracted from existing reserves;
- technological advances that enable production from previously inaccessible regions.

As such, activity in the overall Oil and Gas Industry in Malaysia may very well continue beyond the currently estimated date of complete hydrocarbon reserve depletion.

(Source: Independent Assessment of the Oil and Gas Geoscience and Reservoir Engineering, and Drilling Services Industry prepared by Vital Factor Consulting Sdn Bhd)

(xi) Scarcity of Petroleum Engineers and Technicians

The provision of Oil and Gas Geoscience and Reservoir Engineering Services, Drilling Services, and Project and Operations Services is dependent on the application of advanced technology and knowledge, and is highly technical. Qualified geoscientists, engineers and technicians with advanced degrees (usually with a minimum of a bachelor degree, with master degrees and doctorates common) or qualifications, and industry experience are typically required to carry out complex technical tasks.

The number of personnel with the required qualifications and experience is small, and competition to acquire their services between PSC Operators / Contractors, other Oil and Gas service companies, and providers of Oil and Gas Geoscience and Reservoir Engineering Services, Drilling Services, and Project and Operations Services, and other services is usually intense.

There is a risk that providers of Oil and Gas Geoscience and Reservoir Engineering Services, Drilling Services, and Project and Operations Services will face difficulty in securing qualified personnel.

Service providers can build a database of qualified geoscientists, engineers and technicians, with detailed information regarding their area of expertise and experience to best match available personnel to tasks and projects. Operators may also build a network of relationships with these geoscientists, engineers and technicians.

3. RISK FACTORS (Cont'd)

Service providers may engage geoscientists, engineers and technicians on a consultant basis to make up any shortages in in-house skill, which has the added benefit of allowing more flexibility in only engaging geoscientists, engineers and technicians as and when there is a need to do so.

(Source: Independent Assessment of the Oil and Gas Geoscience and Reservoir Engineering, and Drilling Services Industry prepared by Vital Factor Consulting Sdn Bhd)

(xii) Foreign Exchange Risks

Fluctuations in foreign exchange rates will have impact on the prices of systems, equipments or chemicals used to facilitate the services.

This may have an impact on the profitability of service providers within the Oil and Gas Industry. An unfavourable foreign exchange rate movement against the Ringgit may negatively affect a service provider's profitability by increasing its costs or reducing its revenue.

Many of the systems, components, equipment, raw materials and services used by the Oil and Gas Industry are imported, with the transaction denominated in a foreign currency.

In addition, a large proportion of the hydrocarbons produced in Malaysia are ultimately exported, with the transaction denominated in a foreign currency.

As such, fluctuations in foreign exchange rates will have an impact on the Ringgit price of imported systems, components, equipment, raw materials and services, and on the Ringgit price of exported products.

On 21 July 2005, the Malaysian Government removed the pegging of the Ringgit to the USD for a managed float system. This system is likely to minimise wide fluctuations in foreign exchange and provide some stability for business transactions denominated in USD.

Bank Negara Malaysia's primary policy objective of promoting the stability of the exchange rate will provide some mitigation against foreign currency risk.

(Source: Independent Assessment of the Oil and Gas Geoscience and Reservoir Engineering, and Drilling Services Industry prepared by Vital Factor Consulting Sdn Bhd)

Where possible, our Group mitigates foreign exchange risk by using our foreign currency earnings to pay for purchases denominated in the same foreign currency. This could provide some natural hedging against foreign exchange fluctuations.

(xiii) Political and Economic Considerations

Changes in political and economic conditions in Malaysia and the countries in which we operate could materially and / or adversely affect the profitability and business prospects of our Group. These political and economic uncertainties include, but are not limited to, the changes in political leadership, expropriation, nationalisation, changes in interest rates or tax, risks of war and global economic downturn.

Whilst our Group practises prudent financial risk management and efficient operating procedures, there is no assurance that adverse political and economic development, which is beyond our control, will not materially affect our Group.

3. RISK FACTORS (Cont'd)

3.3 RISKS RELATING TO INVESTMENT IN OUR SHARES

(xiv) No Prior Market for Securities

There has been no prior public market for our securities. There can be no assurance that an active public market will be developed or sustained after our Listing or that the market price of our Shares will not decline below the IPO Price. We believe that a variety of factors could cause our Share price to fluctuate and such fluctuations may adversely affect the market price of our Shares.

The IPO Price for our Shares has been determined after taking into consideration a number of factors, including but not limited to, our financial and operating history and condition, the prospects of the industries we operate in, our management and the market prices for shares of companies engaged in businesses similar to ours, and may not be indicative of the market price of our Shares after our Listing.

There can be no assurance that the IPO Price will correspond to the price at which our Shares will trade on the Second Board of Bursa Securities upon or subsequent to our Listing.

(xv) Capital Market Risks

The performance of the local bourse is very much dependent on external factors such as the performance of the regional and world bourses and the inflow or outflow of foreign funds. Sentiments are also largely driven by internal factors such as the economic and political conditions of the country as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of trading volumes witnessed on Bursa Securities, thus adding risks to the market price of the listed securities.

Nevertheless, the profitability of our Group is not dependent on the performance of Bursa Securities as the business activities of our Group have no direct correlation with the performance of securities listed on Bursa Securities.

(xvi) Control by Promoters

Upon our Listing, our Promoters, Dato' Kamarul and Datin Rozita will collectively hold approximately 65% of our enlarged Shares. As a result, the Promoters, if acting together, will still be able to, in the foreseeable future, effectively control the business direction and management of our Group as well as influence the outcome of certain matters requiring the vote of our shareholders unless the Promoters are required to abstain from voting by law and / or by the relevant authorities.

We have appointed three (3) Independent Directors and an Audit Committee has been set up to ensure that all future transactions involving related parties, if any, are entered into on an arms-length basis.

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3. RISK FACTORS (Cont'd)

(xvii) Failure / Delay in the Listing

The occurrence of any one or more of the following events, which is not exhaustive, may cause a delay in or cancellation of our Listing on the Second Board of Bursa Securities: -

- (a) The identified investors under the Public Issue and Offer For Sale fail to subscribe for the portion of our Shares allocated to them;
- (b) The Sole Underwriter exercising its rights pursuant to the Underwriting Agreement to discharge themselves from their obligations thereunder; or
- (c) We are unable to meet the public spread requirement as determined by Bursa Securities, including at least 25% of our total listed shares being in the hands of a minimum of 1,000 public shareholders holding not less than 100 Shares each upon completion of the IPO and at the point of our Listing.

Nevertheless, our Directors will endeavour to ensure compliance with the various requirements for our successful listing.

3.4 RISKS RELATING TO FUTURE INFORMATION

(xviii) Profit Forecast May Vary From Actual Results

It should be noted that the profit forecast are based on various assumptions with respect to the levels and timing of revenues, cost and various other matters of an operational or financial nature, which our Directors believe to be reasonable.

A forecast, by its very nature, is subject to uncertainties and unexpected events, many of which are outside the control of our Group and our Directors. Also, events and circumstances often do not occur as anticipated and therefore actual results may differ from the forecast either positively or negatively. Accordingly, our Directors cannot and do not guarantee the achievement of the forecast.

The consolidated profit forecast should be reviewed in conjunction with the description of the business, the historical financial information, risk factors and other material contained in this Prospectus. Potential investors should note carefully the bases and assumptions of the profit forecast.

(xix) Disclosure Regarding Forward-Looking Statements

This Prospectus includes forward-looking statements, which are statements other than statements of historical facts, including, without limitations, those regarding our financial position, business strategy, plans and objectives of our management for future operations. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

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3. RISK FACTORS (Cont'd)

Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which our present and future business strategies and the environment in which we will operate in the future. Such factors include, inter-alia, general economic and business conditions, competition, the impact of new laws and regulations affecting us and the industry, changes in interest rates and changes in foreign exchange rates.

In light of these uncertainties, the inclusion of such forward-looking statement in this Prospectus should not be regarded as a representation or warranty by us, or our advisers, that our plans and objectives will be achieved. Further, no assurance can be given that any change in these factors will not have an adverse effect on the business / operations of our Group.

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4. INFORMATION ON OUR GROUP

4.1 BACKGROUND

4.1.1 Incorporation and Commencement of Business

We were incorporated in Malaysia under the Act on 17 April 2007 as a public limited company under the name of Uzma Berhad. We commenced business on 20 February 2008.

4.1.2 Share Capital and Changes in Share Capital

Our present authorised share capital is RM100,000,000 comprising 200,000,000 Shares. Our present issued and paid-up share capital is RM31,000,000 comprising 62,000,000 Shares.

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

Date of allotment	No. of ordinary shares allotted	Par value (RM)	Consideration	Accumulated total issued and paid-up share capital (RM)
17.04.07	2	1.00	Subscriber shares	2
27.07.07	4	0.50	Share split	2
20.05.08	61,999,996	0.50	Acquisition of Uzma Malaysia	31,000,000

Our issued and paid-up capital will subsequently increase to 80,000,000 Shares by way of the Public Issue of 18,000,000 Shares at the IPO Price.

4.1.3 Listing Scheme

In conjunction with, and as integral part of the listing and quotation for our entire issued and paid-up share capital on the Second Board of Bursa Securities, we undertook the Listing Scheme which involved the following exercises: -

(a) Acquisitions

(i) Acquisition of Uzma Malaysia

On 20 May 2008, we completed the acquisition of the entire issued and paid-up capital of Uzma Malaysia for a purchase consideration of RM31,000,000 which was satisfied by an issuance of 61,999,996 Shares at an issue price of approximately RM0.50 per Share. The purchase consideration was arrived at on a willing buyer-willing seller basis and took into consideration the valuation conducted by Messrs Ernst & Young on the businesses of our Group.

As contained in Section 12 of this Prospectus, Messrs Ernst & Young has conducted an independent valuation on the business of our Group. Messrs Ernst & Young opined that the value of our business ranges from RM40.0 million to RM45.0 million.

4. INFORMATION ON OUR GROUP (Cont'd)

The shareholdings of the Vendors in us after the Acquisition of Uzma Malaysia are as follows: -

Name of vendors of Uzma Malaysia	No. of ordinary shares of RM1.00 each held in Uzma Malaysia		Purchase consideration (RM)	No. of Uzma Shares issued
		%		
Dato' Kamarul	999,999	76.92	23,846,130	47,692,257
Datin Rozita	300,001	23.08	7,153,870	14,307,739
Total	1,300,000	100.00	31,000,000	61,999,996

The completion of the Acquisition of Uzma Malaysia resulted in our issued and paid-up share capital increasing from RM2 comprising 4 Shares to RM31,000,000 comprising 62,000,000 Shares.

(ii) Acquisitions of Uzma Australia and Uzma Thailand

On 20 May 2008, we completed the acquisitions of the following companies from Uzma Malaysia: -

- (i) 100% of the issued and paid-up capital of Uzma Australia for a purchase consideration of RM1. The purchase consideration was arrived at on a willing buyer-willing seller basis and based on the net tangible liabilities position of Uzma Australia as at 31 December 2006 of AUD30,706; and
- (ii) 48.98% of the issued and paid-up capital of Uzma Thailand for a purchase consideration of RM459,144. The purchase consideration was arrived at on a willing buyer-willing seller basis and based on the net tangible assets of Uzma Thailand as at 31 December 2006 of THB9,374,118.

The Acquisitions of Uzma Australia and Uzma Thailand were satisfied entirely in cash.

(iii) Total Purchase Consideration for the Acquisitions

The Listing Scheme entailed the acquisitions by Uzma of the subsidiaries at the following purchase consideration: -

Name of subsidiaries	Purchase consideration paid by Uzma (RM)
Uzma Malaysia (refer to Section 4.1.3(a)(i) above)	31,000,000
Uzma Australia (refer to Section 4.1.3(a)(ii) above)	1
Uzma Thailand (refer to Section 4.1.3(a)(ii) above)	459,144
Total	31,459,145

The total purchase consideration of RM31,459,145 for the Acquisitions represents a discount ranging from 21.35% to 30.09% from the valuation conducted by Messrs. Ernst & Young.

4. INFORMATION ON OUR GROUP (Cont'd)

(b) Public Issue

We are undertaking a Public Issue, details of which are set out in Section 2.3(i) of this Prospectus.

(c) Offer For Sale

Our Offerors are undertaking an Offer For Sale, details of which are set out in Section 2.3(ii) of this Prospectus.

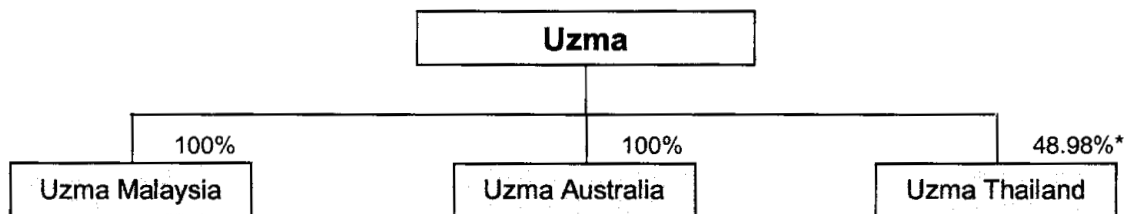
(d) Listing

Upon completion of the abovementioned Acquisitions, Public Issue and Offer For Sale, we will seek Admission and Listing.

4.2 BUSINESS

4.2.1 Group Structure

As at the date of this Prospectus, our Group structure is as follows: -



Note: -

* *Although we do not own more than 50% of the equity interest in Uzma Thailand and consequently we do not control more than half of the voting power of Uzma Thailand's shares, we have the power to appoint and remove the majority of the board of directors of Uzma Thailand and the control of the entity will be by our Board. As such, Uzma Thailand is our deemed subsidiary*

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4. INFORMATION ON OUR GROUP (Cont'd)

Details of our subsidiaries are summarised below: -

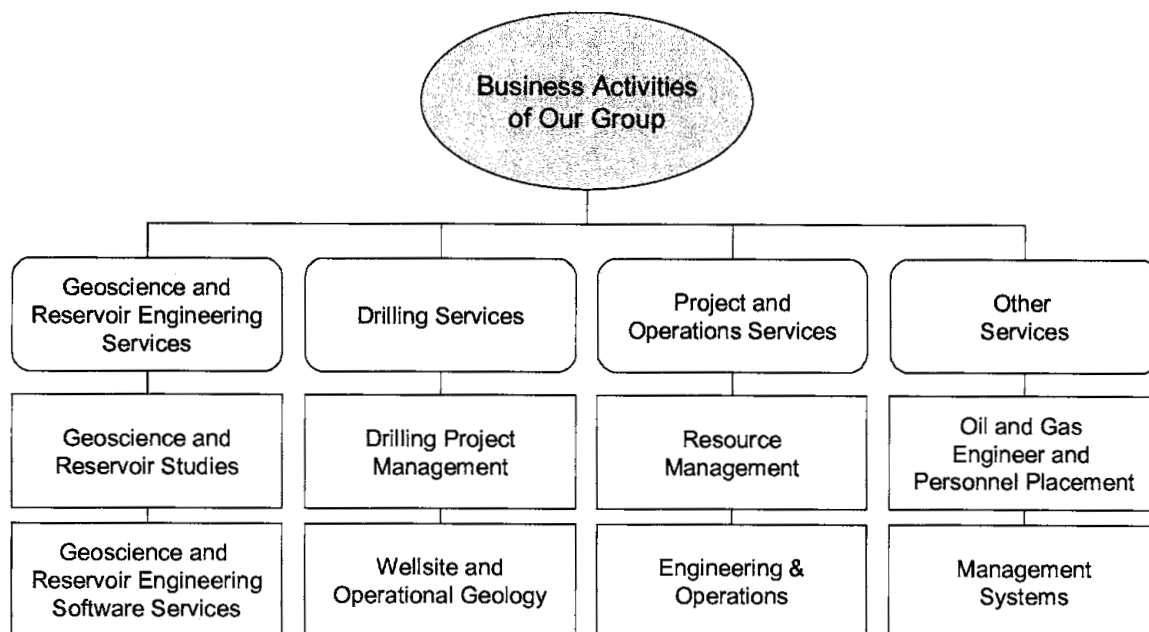
Corporation	Date / place of incorporation	Issued and paid-up share capital	Effective equity interest (%)	Principal activities
Uzma Malaysia	19 May 2000 / Malaysia	RM1,300,000	100.00	Provision of Geoscience and Reservoir Engineering, Drilling, Project and Operations, and Other Services
Uzma Australia	3 March 2006 / Australia	AUD100,000	100.00	Provision of Geoscience and Reservoir Engineering Services, and Management Systems
Uzma Thailand	26 September 2003 / Thailand	THB2,000,000	48.98	Provision of Geoscience and Reservoir Engineering, Drilling, Project and Operations, and Oil and Gas Engineer and Personnel Placement Services

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4. INFORMATION ON OUR GROUP (Cont'd)

4.2.2 Types of Products and Services

The business activities of our Group are depicted in the figure below: -



Business Activities of Our Group

Our Group's principal business activities are in the provision of the following Oil and Gas services: -

- (i) Geoscience and Reservoir Engineering Services;
- (ii) Drilling Services;
- (iii) Project and Operations Services.

Our business activities are supported by in-house facilities and capabilities: -

- (i) Skilled and experienced in-house geoscientists and engineers, including subject experts in key fields within the Oil and Gas Industry;
- (ii) Advanced specialised computer software for geoscience and reservoir engineering;
- (iii) Extensive proprietary database of geoscientists, engineers and technicians to supplement in-house experts and for external placement;
- (iv) Proprietary project workflows, management systems and checklists.

Our Group has the capability to provide a wide range of reservoir engineering, geoscience, drilling and operational services spanning the Exploration, Appraisal, Development and Production segments of the Oil and Gas Industry.

Our Group has established operations overseas, including operational subsidiaries in Perth, Australia and Bangkok, Thailand, and overseas representative offices in Doha, Qatar and Jakarta, Indonesia. These overseas presence facilitates our Group's overseas marketing activities and supports overseas project implementation by enabling our Group to base staff close to existing and potential clients.

Our Group does not experience any significant seasonality in terms of business activity, with revenue remaining fairly stable throughout the year.

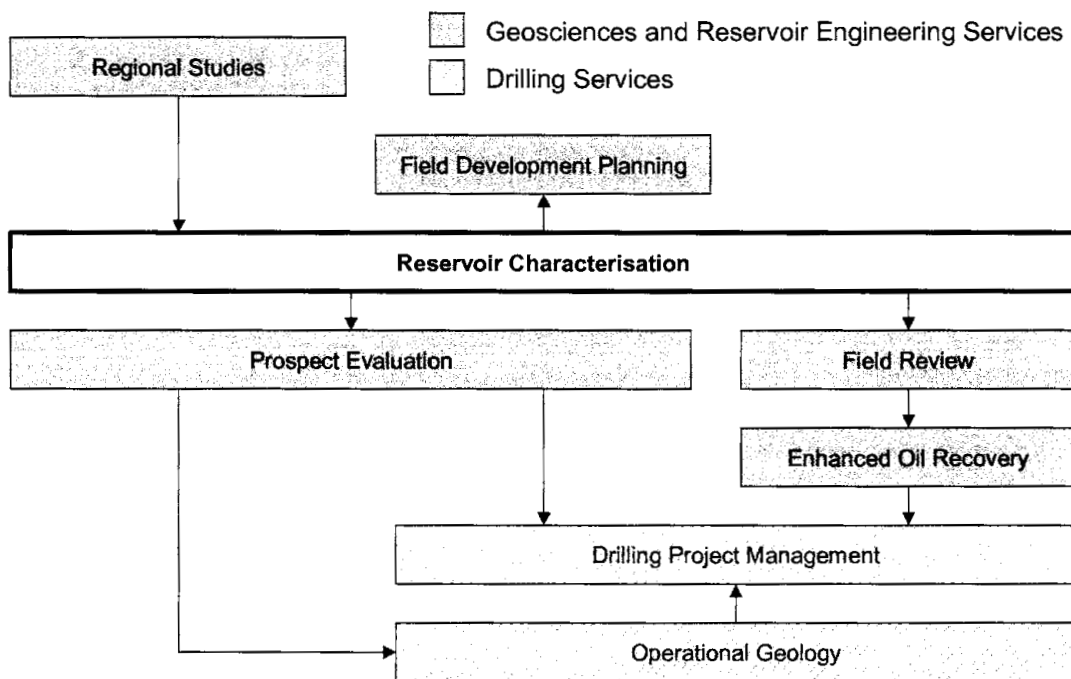
4. INFORMATION ON OUR GROUP (Cont'd)

4.2.2.1 Geoscience and Reservoir Engineering Services

One of the core competencies of our Group is in the provision of Oil and Gas Geoscience and Reservoir Engineering Services.

In general, Geoscience and Reservoir Engineering is the field of petroleum engineering concerned with finding reserves, characterising the reservoir, and optimising the production of Oil and Gas from reserves. Geoscience and Reservoir Engineering is applied to the Exploration, Appraisal, Development and Production segments of the Oil and Gas Industry.

The field of Geoscience and Reservoir Engineering encompasses a broad range of activities. The linkages between the various Geoscience and Reservoir Engineering and Drilling Services provided by our Group is illustrated in the diagram below: -



Inter-relationships Between Geoscience and Reservoir Engineering Services, and Drilling Services Provided by our Group

Geoscience and Reservoir Engineering Services refer to the set of activities that are carried out to locate, characterise and optimise hydrocarbon reservoirs. The Geoscience and Reservoir Engineering Services provided by our Group includes: -

- (i) Regional Studies;
- (ii) Prospect Evaluation;
- (iii) Reservoir Characterisation and Modelling;
- (iv) Field Development Planning;
- (v) Field Review;
- (vi) Enhanced Oil Recovery; and
- (vii) Laboratory Services.

4. INFORMATION ON OUR GROUP (Cont'd)



Visualisation of a reservoir

Geoscience and Reservoir Engineering Services require the application of sophisticated tools and technology, and the use of sophisticated computing and data processing capabilities. Geoscience and Reservoir Engineering Services are also supported by laboratory studies, which is used to help correlate and characterise the reservoir.

As part of our Group's overall Geoscience and Reservoir Engineering Services, our Group also provides Geoscience and Engineering Software Services to our clients.

Our Group recently introduced the following packaged services to enhance our offering in Geoscience and Reservoir Engineering Services: -

- (i) **uzmADSTRAT**
A packaged service that provides accurate and consistent well correlation and stratigraphic analysis. It ensures faster results through the intergration of advanced correlation techniques and interpretation validation procedures.
- (ii) **uzmAPRES**
An innovative low pressure production enhancement total solution service package aimed at enhancing client's field production within a short period of time. The total package includes consultation, supply and installation of equipment, and operation of the system.
- (iii) **uzmARCSI**
A service package that offers an efficient and effective method of framing the workscope of all types of subsurface projects and studies.
- (iv) **uzmALAB**
A packaged service to provide complete laboratory, testing and analysis for core analysis, reservoir geology, biostratigraphy and geochemistry.

During the FYE 31 December 2007, revenue from Geoscience and Reservoir Engineering Services amounted to RM30.1 million. Revenue from Geoscience and Reservoir Studies totalled RM25.6 million, accounting for 20.0% of our Group's total revenue; while revenue from Geoscience and Reservoir Engineering Software Services totalled RM4.5 million, accounting for 3.5% of our Group's total revenue.

4. INFORMATION ON OUR GROUP (Cont'd)

Regional Studies

Regional Studies provide PSC Operators / Contractors with a broader understanding of the basins and its petroleum systems from which prospects and leads can be identified, and potential hydrocarbon volume present can be estimated. This will allow the PSC Operators / Contractors to optimise their exploration and appraisal strategies in order to improve the chances of successfully finding substantial hydrocarbon accumulations. For example, our Group was commissioned to carry out a Regional Study of the Suphanburi Basin offshore Thailand. The aim of the study was to reduce uncertainty in reservoir and fluid prediction in the U-Thong / San Kajai Fields, and to predict reservoir distribution north and across to the eastern part of the basin.

A Regional Study is an integrated multi-disciplinary study of an entire basin area designed to characterise geology and fluid flow in hydrocarbon reserves in that area.

Regional Studies are usually concerned with investigating higher-level issues such as the source of hydrocarbons, hydrocarbon migration patterns, and where hydrocarbons are likely to be trapped.

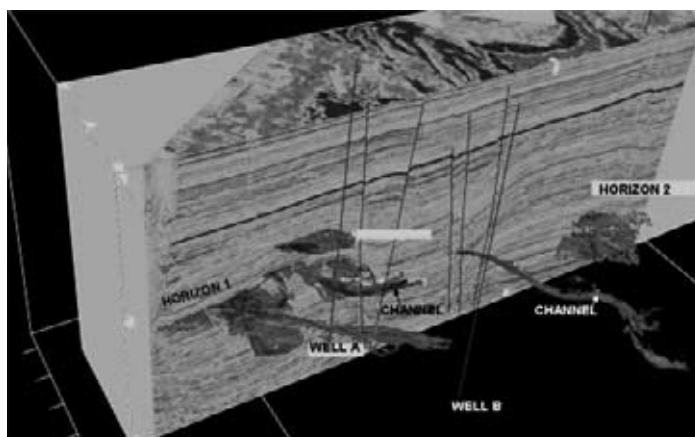
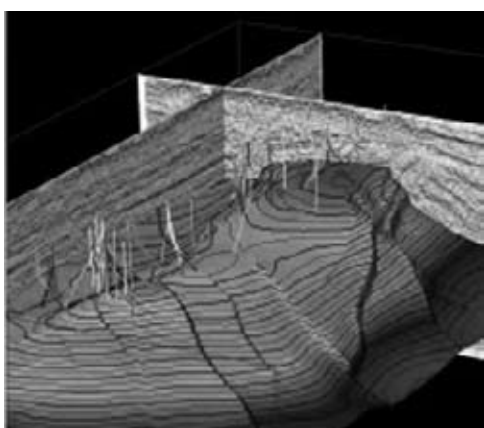
Regional Studies typically utilise data from a range of sources, including seismic data, core samples, reservoir fluid samples, wireline logs and production data. Various modelling techniques are also used.

By carrying out Regional Studies, our Group has the opportunity to participate in follow-on Exploration and other studies.

Prospect Evaluation

Prospect Evaluation studies are preliminary geophysical and geological studies carried out to form an estimate as to the potential size, distribution and prospects of hydrocarbon reserves within an area of interest. Prospect Evaluation studies are usually carried out prior to the drilling of exploration or appraisal wells.

Our Group provides an independent assessment of exploration opportunities and expert selection of well locations during exploration and appraisal.



2-Dimensional Seismic Image (left) and 3-Dimensional Seismic Image (right)

In most Prospect Evaluation studies, the area is initially subjected to a detailed seismic survey.

The seismic data that is acquired is processed, analysed and interpreted to identify the shape and size of prospects, hydrocarbon accumulations and distribution, and the likely volume of hydrocarbon reserves.

4. INFORMATION ON OUR GROUP (Cont'd)

Our Group has carried out a Prospect Evaluation study on marginal fields in the Malay Basin (the marine area off the East Coast of Peninsular Malaysia) on behalf of an Oil and Gas Industry client. The results of the Prospect Evaluation study enabled the client to minimise the risk of making commercial decisions regarding these fields.

Our Group has also carried out Prospect Evaluation studies for fields offshore India, Thailand, Myanmar and Indonesia.

Reservoir Characterisation and Modelling

Reservoir Characterisation is the result from various studies to determine reservoir architecture, establish fluid-flow trends, construct a reservoir model, and identify reserve growth potential.

A Reservoir Characterisation study provides a conceptual, 3-Dimensional construction of a reservoir or Oil and Gas field. The model is constructed from incomplete data, and much of the inter-well space must be estimated from nearby wells or from low vertical resolution data, such as seismic data. Model construction can be performed by deterministic methods or geostatistical methods, or a combination of both.

These involve application of data from seismic interpretation, petrophysical evaluation, sequence stratigraphy, structure geology, geological modelling, reservoir engineering work, and reservoir simulation. The results from these studies are integrated into a coherent and correlated result.

Seismic interpretation is the analysis of data to generate reasonable models and predictions about the properties and structures of the subsurface. Interpretation of seismic data is the primary concern of geophysicists.

Petrophysical evaluation procedures are used to interpret petrophysical data (usually wireline log data). Petrophysical models usually represent a set of equations, algorithms or other mathematical processes, and often have multiple routines.

A petrophysical model is often calibrated using core, production, test and other data sets. Our Group's Laboratory Services can support petrophysical evaluation by correlating the petrophysical model with core analysis results.

A sequence stratigraphy study normally promotes a thorough understanding of the evolution of a basin, and also allows for interpretations of potential source rocks and reservoir rocks in both frontier areas and mature hydrocarbon areas. Prediction of reservoir continuity is currently a key question in mature hydrocarbon provinces where sequence stratigraphy is being applied.

Geological modelling is a study to construct a 3-Dimensional representation of the reservoir based on the results achieved from the various studies described above. The geological model is constructed using computer software, and a powerful computer will then "upscale" the results to perform Reservoir Modelling.

Reservoir Modelling is an "upscaled" and dynamic version of geological model. A reservoir simulation model is built on reservoir models that include the petrophysical characteristics required to understand the behavior of the fluids over time. Usually, the model is historically matched using historic pressure and production data. Once the model is historically matched, it is used to predict future reservoir performance under a series of potential scenarios.

4. INFORMATION ON OUR GROUP (Cont'd)

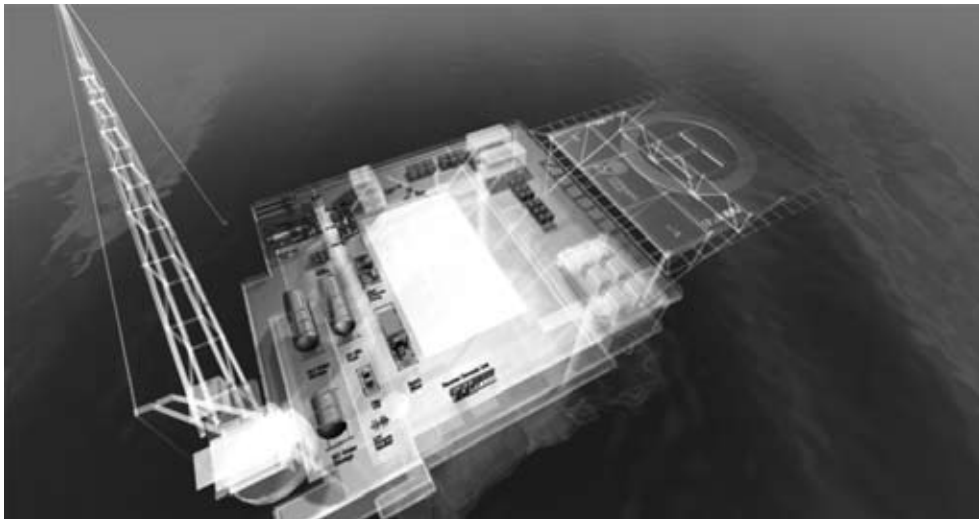
Field Development Planning

A Field Development Plan is a scheduled programme and cost estimate specifying the development activities required to develop and produce hydrocarbons from a particular field over the entire life cycle of the field. A Field Development Plan is prepared prior to the sanctioning of a development project, and its implementation at the Oil and Gas field.

Field Development Plans usually defines a number of key development parameters, such as: -

- (i) The manner in which the reservoirs are going to be produced;
- (ii) The type and number of wells to be drilled and completed;
- (iii) Conceptual well design;
- (iv) The hydrocarbon evacuation (i.e. production) plan;
- (v) Conceptual facilities design;
- (vi) Reservoir management plan;
- (vii) Operation and maintenance philosophy; and
- (viii) Application of Enhanced Oil Recovery techniques.

The Field Development Plan of a mature field is usually updated on a regular basis, taking into consideration updated production performance data and the availability of new technologies to improve production, increase recovery, and reduce re-development and production cost.



***Visual Representation of a Field Development Plan
(The assets depicted in the photograph do not belong to us)***

Our Group has the capability to assemble a multi-discipline team to conduct a Field Review and define Field Development Plans for both Greenfield and mature field development. Our Group also has the capability to mobilise the required technology applications from both technology partners and third-party sources to support the project.

Our Group actively works with the client to identify and select the optimum development or re-development concept and strategy.

4. INFORMATION ON OUR GROUP (Cont'd)

Field Review

A Field Review study is a large-scale, detailed, multi-disciplinary study of a mature hydrocarbon field, typically covering multiple producing wells and reservoirs. Field Review studies may combine expertise from the disciplines of geology, geophysics, petrophysics, reservoir engineering, production technology, drilling engineering, and facilities engineering.

A Field Review is carried out after the fields have been producing for a number of years (usually after 3 to 5 years). The field development concept and reservoir management strategies need to be updated regularly, taking into consideration performance production data and the availability of new, innovative technologies that may enhance production, maximise the rate of hydrocarbon extraction from the reservoir, and minimise operating costs.

Mature hydrocarbon fields may have been developed before modern reservoir characterisation tools and reservoir management techniques were developed. It may therefore be possible to gain a better understanding of the reservoir through the application of new technology and techniques.

Field Reviews usually involve the analysis and interpretation of both historical and newly acquired geological data. Information from existing seismic data, reservoir core and fluid samples, wireline logs and production data are combined with new seismic and other data. The Field Review study may also involve advanced computer modelling and simulation, and physical modelling and simulation.

A successful Field Review is one that increases the value of recoverable assets through the identification of methods for enhancing recovery and improving production, and the discovery of new reserves.

Our Group's Field Review activities are closely linked to our Field Development Planning and Enhanced Oil Recovery activities.

In 2004, our Group was awarded the contract to carry out a comprehensive Field Review study of a mature oil field offshore of Malaysia. Our Group was the first indigenous Malaysian company to be awarded such a contract, as in the past similar projects were awarded to foreign service providers.

The Field Review study was successful, leading to the formulation of a strategy to increase production and recoverable reserves. Our Group also identified new oil reserves, including reserves behind existing pipe (i.e. reserves that can be accessed through further completion work on an existing well).

Enhanced Oil Recovery

Enhanced Oil Recovery is intended to improve the ultimate efficiency of hydrocarbon recovery and / or production from reservoirs. Enhanced Oil Recovery methods include Water-Alternating-Gas (WAG) injection, water injection, gas injection, chemical injection, and thermal recovery.

Our Group has collaborated with a Malaysian research company to develop a Chemical Enhanced Oil Recovery method.

In Chemical Enhanced Oil Recovery, specially formulated chemicals are added to water to improve its ability to displace hydrocarbons from rock pores by increasing its miscibility with the hydrocarbon.

4. INFORMATION ON OUR GROUP (Cont'd)

Based on the results of these R&D activities and other engineering and design work, our Group and the Malaysian research company have designed a pilot Chemical Injection project consisting of the necessary chemical injection skids, chemical formulation, as well as injection tubing location and design for a pilot project involving 2 wells located at a producing oilfield offshore the East Coast of Peninsular Malaysia. The pilot project has been completed successfully.

Although our Group's Enhanced Oil Recovery operations are currently in the development stage, a successful outcome for the pilot project is expected to result in significant follow-on revenue contribution in the future.

Laboratory Services

Our Group's Laboratory Services include both core analysis and reservoir geology laboratory analysis.

Core analysis provides for the direct measurement of a number of basic rock properties, which are needed to determine the total fluid content, distribution, and the flow behaviour of the reservoir fluids or injected fluids.

The reservoir geology laboratory analysis is an interpretation service that integrates data from various sources such as biostratigraphy, geochemistry, sedimentological core descriptions, petrography, and palaeontology to determine the age and environmental deposition of the reservoir.



Core Samples (left) and Laboratory (right)

Biostratigraphy is study using terrestrial microfossils (such as pollen and spores) and marine microfossils (such as diatoms, foraminifera and nanofossils) to determine the absolute or relative age and depositional environment of a particular formation, source rock or reservoir of interest.

Geochemistry is study of the chemistry of the Earth, including the distribution, circulation and abundance of elements, molecules, minerals, rocks and fluids. Geochemical techniques can determine whether a given source rock is rich enough in organic matter to generate hydrocarbons, whether the source rock has generated hydrocarbons, and whether a particular oil sample was generated by a given source rock.

Petrography is the study of rocks in thin section. Rock samples are glued to a glass slide and the rock ground to a thickness of 0.03 mm in order to observe the sample's mineralogy and texture using a microscope.

4. INFORMATION ON OUR GROUP (Cont'd)

Palaeontology is the study of fossilised plants and animals in rock. Changes in the Earth through time can be documented by observing changes in the fossils found in successive strata, and the environments in which they formed or were preserved. The fossils can also be compared with their extant relatives to assess evolutionary changes. The results are used to determine the age of the rock.

Geoscience and Reservoir Engineering Software Services

Our Group has selectively entered into a variety of partnerships, including exclusive agency agreements, with a number of leading providers of specialised Oil and Gas Industry technology, software and services.

Our Group leverages off our technology partnerships to provide services to our customers, including Geoscience and Reservoir Engineering Software Services. Our Group typically provides supporting services to assist our customers in utilising specialised software, and to optimise the use of specialised software.

Our Group assists these partners in marketing their technology, software and services to clients in Malaysia, Southeast Asia, South Asia, Australia and Africa. Our Group also assists our partners in providing local knowledge, as well as winning contracts in the Oil and Gas Industry.

Our Group also occasionally provides engineering and operational support to our partners, as well as the expert local input of our Group's in-house subject matter experts.

The geophysical and geological software and services provided by our Group includes: -

- (i) Specialised data interpretation;
- (ii) Depth imaging;
- (iii) Modelling and interpretation;
- (iv) Reservoir prediction tools;
- (v) Knowledge management;
- (vi) Climate stratigraphy; and
- (vii) 3-dimensional static and dynamic modelling.

4.2.2.2 Drilling Services

Oil and Gas Drilling Services is another core competency of our Group.

Our Group currently provides the following Oil and Gas Drilling Services: -

- (i) Drilling Project Management; and
- (ii) Wellsite and Operational Geology.

Drilling Project Management Services provided by our Group include planning drilling campaigns, detailed well design services, and providing supervision of drilling operations.

Wellsite and Operational Geology Services of the type provided by our Group encompass activities that are carried out to collect, analyse and interpret geological samples so as to form a geological representation of a specified area of interest. The information gathered is typically integrated with other data, such as log data, well testing data, and seismic data in making investment decisions.

4. INFORMATION ON OUR GROUP (Cont'd)



Drilling Operations in Progress
(The personnel depicted in the photograph are not our employees and the assets depicted in the photograph do not belong to us)

During the FYE 31 December 2007, revenue from Drilling Services amounted to RM39.1 million. Revenue from Drilling Project Management totalled RM37.7 million, accounting for 29.4% of our Group's total revenue, while revenue from Wellsite and Operational Geology totalled RM1.5 million, accounting for 1.1% of our Group's total revenue.

Drilling Project Management

The Drilling Project Management services provided by our Group comprise comprehensive integrated multi-disciplinary engineering services to engineer and supervise the construction of wells for the Exploration, Appraisal and Development segments of the Oil and Gas Industry. Our Group strives to design wells that minimise investment and risk, and maximise well integrity and production.

Our Group can undertake the full scope of Drilling Project Management services. Our Group's role in Drilling Project Management can be segmented into the following activities: -

- (i) Design and engineering; and
- (ii) Operations and management.

In executing Drilling Project Management projects, our Group integrates expertise from specialised in-house, client and third-party knowledge workers such as geologists, drilling engineers, completions specialists, and drilling supervisors.

Our Group has access to technology partners with the capability to undertake drilling techniques such as Drilling with Casing and Under Balanced Drilling.

Our Group works to maintain high health, safety and environment standards in order to eliminate downtime due to lost time incidents through rigorous front-end engineering and operational excellence. With this objective in mind, our Group utilises the internally developed Uzma Wells Management System to maximise value.

Whenever possible, our Group integrates our Drilling Project Management with the client's overall exploration and development process to ensure that the well design selected is the best suited to meet overall project objectives such as cost, safety, and environmental concerns in sensitive areas.

4. INFORMATION ON OUR GROUP (Cont'd)

Our Group can also provide more traditional project management services, such as creating a project roadmap and monitoring overall project progress and implementation.

Our Group undertakes a wide range of Well Design and Engineering activities, ranging from formulating the overall drilling strategy to detailed completion design. Our Group can be involved in all stages of the design and engineering process, from conceptual design to specifying drilling rigs and service providers, and finally providing post-drilling review services.

Some of the activities undertaken by our Group include: -

- (i) Selecting the drilling technique to be employed;
- (ii) Selecting the technologies to be used;
- (iii) Well design and engineering;
- (iv) Overall project management; and
- (v) Operation supervision.

Our Group has the capability to undertake a wide range of specialised studies related to designing and engineering of production and injection wells, including Under Balanced Drilling, extended reach drilling, and borehole stability to evaluate different drilling techniques and technologies.

In well casing design and engineering, a drilling engineer, usually with input from geologists and reservoir engineers, will pick strategic depths at which casing should be installed in order for drilling to reach the desired depth. Casing location is usually based on subsurface conditions. Wellbore size, and casing size and strength must also be determined.

Within the Operations segment of the Drilling Project Management business activity, our Group provides project management, supervisory and operational services to execute drilling programs.

Wellsite and Operational Geology

In Wellsite and Operational Geology, our Group provides qualified and experienced geologists, software and hardware to carry out on-site geological analysis and interpretation.

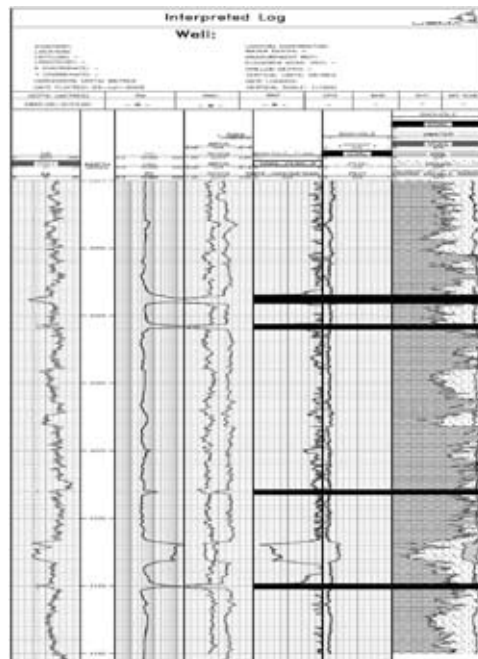
Wellsite and Operational Geology is carried out while drilling is in progress. Our Group currently provides the following types of Wellsite and Operational Geology services: -

- (i) Core and Cutting Description;
- (ii) Lithographic Description;
- (iii) Supervision of Measurement While Drilling operations;
- (iv) Supervision of Formation Evaluation While Drilling operations; and
- (v) Supervision of Mud Logging.

Core and Cutting Description involves carrying out analysis to identify and describe core samples and drilling cuttings obtained during well drilling.

Lithographic Description involves building a detailed description of the geology over the entire length of the well, excluding the surface hole.

4. INFORMATION ON OUR GROUP (Cont'd)



Example of a Well Lithographic Description

Measurement While Drilling (MWD) refers to measurements acquired down hole while drilling is in progress, and specifically describes directional surveying and drilling related measurements. Some MWD tools are capable of providing measurement information in real time.

The MWD tool is installed down hole and close to the drillbit. MWD tools may be mounted in a drill collar, or may be self-contained and retrievable via wireline.

Measurements that can be collected by typical MWD tools include: -

- (i) Directional information in real time, such as inclination and azimuth of the wellbore at that location. The location of the wellbore can be plotted with a series of measurements taken at appropriate intervals; and
- (ii) Drilling mechanics information, such as the rotational speed of the drillstring, type and severity of vibrations down hole, down hole temperature, and mud flow volume.

Our Group is responsible for supervising MWD activities to ensure that they conform to the client's standards.

Formation Evaluation While Drilling (FEWD) refers to petrophysical measurements acquired while drilling, or shortly thereafter, through the use of tools integrated into the bottomhole assembly. FEWD has the advantage of measuring properties of a formation before drilling fluids invade deeply.

In addition, some wellbores (such as highly-deviated wells) may be difficult or impossible to measure with conventional wireline tools. In these situations, the FEWD measurement ensures that some measurement of the subsurface is captured in the event that other measurements are not possible.

4. INFORMATION ON OUR GROUP (Cont'd)

The measurements that can be obtained through FEWD includes Gamma ray spectrometry to measure levels of elements such as Potassium, Thorium and Uranium; electrical resistivity; formation density, porosity and permeability; formation pressure and fluid type.

Our Group is responsible for supervising FEWD activities to ensure that they conform to client's standards.



MWD System (left) and FEWD System (right)
(The personnel depicted in the photograph are not our employees and the assets depicted in the photograph do not belong to us)

In **Mud Logging**, a specialised knowledge worker (known as a “**Mudlogger**”) gathers data and collects samples while drilling is in progress, which is then organised in a form of a graphical representation of the wellbore.

Information gained from Wellsite and Operational Geology activities are vital for other Reservoir Engineering Services.

4.2.2.3 Project and Operations Services

Our Group currently provides Oil and Gas Industry Project and Operations Services to support PSC Operators / Contractors and other Oil and Gas Industry companies in Malaysia and overseas.

The Project and Operations Services provided by our Group primarily deals with qualified and experienced geoscientists, engineers and technicians, who are engaged to provide highly technical services.

Our Group currently provides the following types of Project and Operations Services:

-

- (i) Resource Management; and
- (ii) Engineering and Operations.

During the FYE 31 December 2007, revenue from Project and Operations Services amounted to RM54.7 million. Revenue from Resource Management totalled RM35.6 million, accounting for 27.8% of our Group's total revenue, while revenue from Engineering and Operations totalled RM19.1 million, accounting for 14.9% of our Group's total revenue.

4. INFORMATION ON OUR GROUP (Cont'd)



Project and Operations
(The assets depicted in the photograph do not belong to us)

Resource Management

As part of the Resource Management services provided by our Group, our Group is responsible for key human resource functions related to the efficient running of key Oil and Gas departments.

Our Group manages the key Oil and Gas departments of our clients which consist of the following types of geoscientists, engineers and technicians, and other engineers and professionals: -

- (i) Geologists;
- (ii) Geophysicists;
- (iii) Petrophysicists;
- (iv) Production technologist;
- (v) Reservoir engineers;
- (vi) Mechanical, structural and electrical engineers;
- (vii) Plant maintenance and operational personnel; and
- (viii) Logistics and contracting personnel.

The Resource Management services currently provided by our Group includes a long-term contract to provide management services to run the Project Engineering Department of a PSC Operator / Contractor in Malaysia.

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4. INFORMATION ON OUR GROUP (Cont'd)

Engineering and Operations

In Engineering and Operations, our Group provides teams and individuals comprising our Group's staff and associates to enable Oil and Gas Industry companies in both the upstream Exploration and Production segments, and downstream segments to expand their capabilities in areas where they require a short-term enhancement in their operational capabilities.

These short-term enhancements may arise from situations such as the commencement of new Exploration and Production studies, engineering projects, commissioning of facilities, or shutdown of facilities.

Our Group is currently providing Engineering and Operations service to undertake the commissioning, operation and maintenance of a liquefied natural gas plant located in Yemen. Our Group provides specialised personnel such as engineers and technicians to operate and manage the liquefied natural gas plant. Our Group's staffs are also engaged in training and development of permanent Yemeni personnel, to whom the operation and management of the liquefied natural gas plant will be transitioned in the future.

4.2.2.4 Other Services

The other services currently provided by our Group are: -

- (i) Oil and Gas Engineer and Personnel Placement; and
- (ii) Management Systems.

During the FYE 31 December 2007, revenue from Other Services amounted to RM4.1 million. Revenue from Oil and Gas Engineer and Personnel Placement totalled RM3.3 million, accounting for 2.6% of our Group's total revenue, while revenue from Management Systems totalled RM0.8 million, accounting for 0.6% of our Group's total revenue.

Oil and Gas Engineer and Personnel Placement Services

Our Group also provides Oil and Gas Engineer and Personnel Placement Services, dealing primarily with qualified and experienced geoscientists, engineers and technicians to our clients.

In Oil and Gas Engineer and Personnel Placement Services, our Group utilises our proprietary database and extensive industry contacts to assist participants at all levels of the Oil and Gas Industry in Malaysia such as PETRONAS, PSC Operators / Contractors, and other Oil and Gas Industry companies. Our Group also provides Oil and Gas Engineer and Personnel Placement Services to Oil and Gas Industry companies operating overseas. Our Group primarily assists our clients source experienced geoscientists, engineers and technicians on a permanent or contract basis.

Our proprietary database currently has up-to-date information on approximately 5,700 experienced geoscientists, engineers and technicians. The professional information available on each petroleum engineer and technician includes: -

- (i) Academic qualifications;
- (ii) Skill set and area of specialisation;
- (iii) Past work experience, including note-worthy accomplishments, past employers and projects; and
- (iv) Current employment status.

4. INFORMATION ON OUR GROUP (Cont'd)

Our Group integrates the information contained in the proprietary database with input obtained from our Group's in-house discipline experts to create a quality shortlist of candidates in practically any Oil and Gas Industry technical discipline for the client.

Our Group's discipline experts comprise geoscientists, engineers and drilling technicians, most of whom have 10 years or more of experience in their field of specialisation.

Since inception, our Group succeeded in providing Oil and Gas Engineer and Personnel Placement services to clients throughout Southeast Asia, the Australasian region, the Indian sub-continent, the Middle East, and Africa.

In addition to providing Oil and Gas Engineer and Personnel Placement services to our clients, our Group also utilises our proprietary database to synergistically source experienced personnel to fulfil in-house requirements.

Management Systems

Our Group currently implements an efficient and streamlined internal documented Management System to guide our Group's business and operations. Our Group developed this proprietary Management System internally.

Key documents such as our Group's core values, policies, processes, standards and procedures are formally documented and available on-line through a secure network.

Commonly used work files such as standards, templates and outputs are also available to all staff to maximise efficiency and to ensure that services delivered to customers are presented in a consistent format.

The Management System is built on a checklist format and is designed to be simple to use, maintain and improve. This increases its usefulness and durability as employees are encouraged to use the system, while building in a mechanism for its continued improvement and adaptation.

Our Group has successfully commercialised our Group's internally developed Management System by providing customised versions of the system to our clients.

Our Group consults with the client's top-level management to assess the client's individual goals and needs. Our Group then designs and implements the Management System that fulfils the client's requirements.

Recently, our Group named the packaged Management Systems services as uzmAMS. This is a packaged service that helps companies engaged in Exploration and Production control their risks and improve their performance primarily through the use of advanced documented management system.

To date, our Group has provided Management Systems to clients in the Oil and Gas Industry in Malaysia and overseas.

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4. INFORMATION ON OUR GROUP (Cont'd)**4.2.2.5 Revenue Segmentation by Business Activity**

The breakdown of our Group's revenue by business activity for the FYE 31 December 2007 is as follows: -

Business Activities	Revenue for the FYE 31 December 2007	
	RM'000	%
Geoscience and Reservoir Engineering Services	30,159	23.5%
Geoscience and Reservoir Studies	25,622	20.0%
Geoscience and Reservoir Engineering Software Services	4,537	3.5%
Drilling Services	39,138	30.5%
Drilling Project Management	37,678	29.4%
Wellsite and Operational Geology	1,460	1.1%
Project and Operations Services	54,733	42.8%
Resource Management	35,631	27.8%
Engineering and Operations	19,102	14.9%
Other Services	4,121	3.2%
Oil and Gas Engineer and Personnel Placement	3,346	2.6%
Management Systems	775	0.6%
Total	128,151	100.0%

For the FYE 31 December 2007, total proforma consolidated revenue of our Group was RM128.2 million.

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4. INFORMATION ON OUR GROUP (Cont'd)

4.2.3 Competitive Strengths and Advantages

Our Group thrives on our various competitive advantages: -

(i) Integrated Provider of Oil and Gas Geoscience and Reservoir Engineering, and Drilling Services

Our Group has in-house capability to provide a highly integrated range of Oil and Gas Geoscience and Reservoir Engineering, and Drilling Services to our clients, covering a wide spectrum of services for the upstream Oil and Gas Industry. Our Group has the capability to provide a range of related Geoscience and Reservoir Engineering Services for the Exploration, Appraisal, Development and Production segments, throughout the operational lifetime of the field.

(ii) Holder of PETRONAS Approved Licences

Our Group, through our wholly-owned subsidiary, Uzma Malaysia, is licensed with PETRONAS to provide a range of services to the Oil and Gas Industry in Malaysia. These include the following approved licensed categories: -

- (i) Geophysical services namely seismic data processing / reprocessing, seismic interpretation services, seismic interpretation / mapping systems and seismic modelling;
- (ii) Manpower supply namely professional staff, construction technical personnel and general manpower for office services;
- (iii) Quality Assurance namely general inspection services;
- (iv) Consultancy services namely integrated full field review;
- (v) Specialised Drilling / Workover services namely drilling consultancy (specialised drilling / production study);
- (vi) Geological and Reservoir namely geological fieldwork, rock sample analysis, fluid sample analysis, modelling system / software (structural geology, geochemistry and basin modelling, core analysis and sedimentology), geological consultancy services (structural geology / geomechanics, geochemistry, petrophysical analysis, biostratigraphy, sedimentology and PVT fluid) and data handling and transportation (structural geology / geomechanics, geochemistry, core analysis result, biostratigraphy and PVT fluid);
- (vii) Computer services namely of software licence; and
- (viii) Offshore Facilities Construction namely Offshore Construction (Hook-Up & Commissioning of Offshore Facilities).

This is a key competitive advantage and a major barrier to new entrants as only companies licensed and registered with PETRONAS are allowed to provide products and services to the Oil and Gas Industry in Malaysia.

(iii) Ability to Use Fit-For-Purpose Technology

Our Group is an independent provider of Oil and Gas Industry Geoscience and Reservoir Engineering Services, and Drilling Services, and as such our Group has the freedom to choose the most suitable technology or approach to complete individual projects. Our Group is said to be "tools independent".

Larger service providers, particularly those that have commercialised in-house technology or software, are usually restricted to using in-house technology.

4. INFORMATION ON OUR GROUP (Cont'd)**(iv) In-house Geoscientists, Engineers and Technicians with Advanced Academic Qualifications**

Our Group employs a significant number of qualified and experienced personnel, many of whom possess advanced academic qualifications, with extensive expertise and experience in their fields of specialisation.

As at 16 May 2008, the highest academic qualifications achieved by our Group's staff in petroleum engineering or related academic discipline is as follows: -

Highest Academic Qualification Achieved	Malaysian	Foreign	Total
Doctorate	-	1	1
Masters Degree	4	3	7
Undergraduate Degree	34	3	37

This is a competitive advantage as it allows our Group to successfully execute complex and technically challenging Geoscience and Reservoir Engineering and Drilling Services projects to a high degree of quality.

(v) Local and Regional Knowledge

Individual regions and basins usually have individual geological characteristics in terms of rock and fluid typing. As a result, an understanding of local geological characteristics is required to undertake activities such as basin and regional evaluation, reservoir studies and field development planning.

Our Group possesses a deep and broad pool of local and regional knowledge developed during our Group's implementation of various Geoscience and Reservoir Engineering Studies and Drilling Services in local and regional basins since inception. In addition, our Group's in-house geoscientists and engineers are experienced personnel in carrying out Geoscience and Reservoir Engineering Studies and Drilling Services projects in Malaysia and regional countries.

(vi) Strong Market Reputation and Established Track Record

Our Group has successfully established ourselves as a reputable service provider associated with quality, reliability, high technical skills and the experience to undertake large and complex Oil and Gas Geoscience and Reservoir Engineering Services and Drilling Services projects.

As the tasks and projects undertaken by Oil and Gas Geoscience and Reservoir Engineering and Drilling Service providers are often critical to the customer and challenging in nature, customers need assurance that the projects will be successfully completed on time. A proven track record of successfully completed projects provides this assurance, and is an important factor in securing contracts.

(vii) Wide Market Coverage

Our Group served both local and overseas clients during the FYE 31 December 2007. Our Group has successfully served overseas customers, with customers in 11 overseas countries, and overseas revenue totalling RM27.6 million representing 21.5% of total Group revenue during the FYE 31 December 2007.

4. INFORMATION ON OUR GROUP (Cont'd)

Our Group's market coverage in both the local and overseas markets helps our Group to reduce dependency on business from any individual market.

(viii) Financial Strength

Our Group has been profitable since the 6-month period from 1 July 2001 to 31 December 2001 (the first period for which audited financial statements for our Group are available. Our Group commenced operations in 2000). Our Group has recorded year-on-year growth in both revenue and profit before tax since this period to the FYE 31 December 2007.

Our Group's gearing ratio is 0.16 times based on borrowings and proforma shareholders' funds as at 31 December 2007 upon completion of the Public Issue and after the utilisation of proceeds as set out in Section 2.6 of this Prospectus. Our Group primarily relies primarily on internally generated profit to fund our growth and operations. This reduces our financing costs, and gives us a competitive edge.

The low gearing ratio means that our Group should have access to credit facilities based on our Group's assets and profitability record. Going forward, should opportunities arise that require further injection of capital or investment of funds, our Group should be in a position to avail itself to credit lines to fund expansion.

(ix) Group Employees Have Published or Presented Technical Papers

A number of our Group's employees have published technical papers in a number of Oil and Gas Industry technical and trade publications. In addition, some of our Group's employees have also presented technical papers at international conferences, exhibitions and other events.

The fact that our Group's employees have been active in publishing technical papers and presenting technical papers at conferences and other events indicates that our Group's employees are skilled and knowledgeable in their field of specialisation. This creates a valuable competitive advantage in marketing our Group's services, particularly for technically challenging and complex projects.

(x) Geoscientist, Engineer and Technician Database

Our Group maintains an extensive proprietary database of experienced geoscientists, engineers and technicians. This up-to-date database contains key information regarding the skills, qualifications and experience of approximately 5,700 active geoscientists, engineers and technicians.

Our Group utilises the database to provide Oil and Gas Engineer and Personnel Placement Services, and also to identify suitable candidates for in-house projects. The database is a competitive advantage as it allows our Group to quickly and effectively fill in-house vacancies with suitable candidates.

Our Group will also have an advantage should we choose to expand our business, either by diversifying into the provision of new services or through geographic expansion, as our Group can utilise the database to quickly identify suitable individuals and thereby reduce start-up time and risk.

4. INFORMATION ON OUR GROUP (Cont'd)

4.2.4 Technology Used

Various technologies are relevant to the Geoscience and Reservoir Engineering Services and Drilling Services provided by our Group.

4.2.4.1 Geoscience and Reservoir Engineering

Geoscience and Reservoir Engineering are disciplines in petroleum engineering concerned with finding reserves, characterising the reservoir, and optimising the production of Oil and Gas from reserves. Geoscience and Reservoir Engineering is applied to the Exploration, Appraisal, Development and Production segments of the Oil and Gas Industry.

Our Group analyses and interprets the physical and digital data collected during seismic surveys, drilling and well testing to construct a reasonable representation of the subsurface structure, enabling our clients to make better technical and investment decisions based on our recommendations. This is the strategic decision that will determine the future of the hydrocarbon field or block.

The main technologies relevant to the services provided by our Group can be separated into: -

- (i) Technology used to collect data; and
- (ii) Technology used to analyse and interpret data.

Technology used to collect data

Seismic Acquisition

Within the context of the Oil and Gas Industry, Seismic Services refer to the set of activities that are carried out to acquire, process and interpret information to form an estimate of the geological substructure of a defined area, with the ultimate aim of identifying and characterising potential and existing hydrocarbon reserves.

Seismic Surveys makes use of the principles of seismology to estimate the properties of the geological substructure from reflected energy waves. Energy waves are generated at the surface and directed into the ground. The energy waves travel through the various geological formations at varying speeds, depending on the nature of the formations. Some of these waves are reflected back to the surface by the formations. The weak sound and energy waves that return to the surface are detected and recorded by very sensitive electronic receivers. The information collected is commonly known as "raw field data".

Our Group is not involved in seismic data acquisition.

Logging Activities

Logging is an activity that measures one or more physical quantities in or around a well. Wireline logs are taken downhole, transmitted through a wireline to surface and recorded there. Formation Evaluation While Drilling ("FEWD") (please refer to Section 4.2.2.2 of this Prospectus) are sometimes used to replace or supplement wireline logs. They are either transmitted to surface by mud pulses, or else recorded downhole and retrieved later when the instrument is brought to surface. Mud logs that describe samples of drilled cuttings are taken and recorded on surface.

Our Group is not involved in logging activity directly but as part of our Drilling Services described in Section 4.2.2.2, we offer data collection supervision services.

4. INFORMATION ON OUR GROUP (Cont'd)

Well Testing

Well testing is an activity combined with specialised tools to obtain downhole information such as pressure, temperature, permeability, skin and production. Various technologies and techniques used to obtain the data including: -

- (i) Permanent downhole gauges;
- (ii) Drillstem test;
- (iii) Surface testing;
- (iv) Multi-phase well testing; and
- (v) Fluid Sampling.

Our Group is not directly involved in the provision of well testing services, but occasionally designs and plans well tests and supervises well testing activities to ensure data is collected safely and is quality checked.

Measurement of Reservoir Physical Properties

Knowledge of various reservoir physical properties enables reservoir engineers to develop and make use of equations to predict reservoir performance.

Measurements of properties such Pressure / Volume / Temperature (PVT) relationships, saturation or bubble-point pressure, total quantity of dissolved gas, quantities of gas liberated under various conditions of temperature and pressure, and the shrinkage of oil resulting from the release of dissolved gas from solution are useful in this respect.

To this end, various reservoir measurement and logging tools have been developed and deployed to gather information regarding reservoir physical properties.

Laboratory Services

Core samples and drilled cuttings collected during drilling operations can provide further information on the reservoir. Certain technologies are used to collect the data from core samples and cuttings before a specialist is able to analyse the information that can be useful in describing the reservoir system. Some of the technologies used are: -

- (i) Core Gamma;
- (ii) Porosity and Permeability measurement;
- (iii) High resolution digital imaging; and
- (iv) UltraScan CT Imaging.

The information gathered is used by reservoir engineers to describe the reservoir. In addition to core samples and drilled cuttings, reservoir fluid could have been collected and laboratory work can determine the fluid properties to be correlated with other information gathered.

Our Group is involved in collecting core samples and drilled cuttings as part of our Drilling Services. Our Group currently analyses core samples and drilled cuttings.

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4. INFORMATION ON OUR GROUP (Cont'd)

Technology Used to Analyse and Interpret DataSeismic Processing

Modern seismic survey data processing is performed with powerful computers running sophisticated software. Specialised interpretation geophysicists utilise complex algorithms supported by sophisticated software to transform the raw digital data into a usable form by removing anomalies and improving its quality to a standard that is suitable for further study and use.

Geological Modelling

The definition (building) of a geological model is an important component of a typical reservoir study. A geological model study is often built based on static information gathered from seismic data, logs and core samples. Some dynamic data such as production, pressure and temperature data are used to check the consistency of the model.

Types of geological models include: -

- (i) Structural models;
- (ii) Stratigraphic models;
- (iii) Lithological models; and
- (iv) Reservoir heterogeneity models.

Structural models define the structural top map of the subsurface structure, and interpret the patterns that affect the reservoir. Structural modelling is largely confined to seismic data interpretation, but also utilises geological and well evidence.

Seismic interpretation is the analysis of processed seismic data to generate reasonable representation of the subsurface structure. Modern data interpretation for 3-dimensional Seismic Surveys makes use of powerful computers and software to remove uncertainties in characterising the reservoir. Seismic data interpretation is an essential and integral part of defining the reservoir by utilising seismic attributes and rendering techniques to visualise the subsurface structure and identify hydrocarbon indicators.

Stratigraphic models delineate the nature and extent of hydrocarbon bearing reservoir rocks, seals and traps. Raw stratigraphic study information is obtained during exploratory drilling. The logs and core samples obtained are scientifically examined to uncover useful information, including rock type, age, fossil content, and magnetic properties.

The raw information collected at various depths enable the stratigrapher to form a 1-dimensional segment through the Earth's crust. Integrating stratigraphic data from numerous exploratory wells, such as 3-dimensional seismic survey data, allow scientists to interpret the 3-dimensional stratigraphic characteristics of the area. Other techniques used to build stratigraphic models include Advanced Sequence Stratigraphy, Biostratigraphy and Palinology.

The structural and stratigraphic models described above provide a reference geological framework of the reservoir. A **lithological model** will populate the geological framework with data that describes lithological characteristics of the reservoir rock and their spatial variation.

Raw information from logs and core samples are used in lithological modelling. Powerful computer software is used to propagate the lithological model in the geological framework. In a majority of cases, lithological models use the probabilistic approach (stochastic modelling) in distributing properties. Various algorithms can be used in stochastic modelling, including pixel-based and object-base algorithms.