
16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION

16.1 SHARE CAPITAL

- (i) No shares will be allotted or issued on the basis of this Prospectus later than twelve (12) months after the date of issue of this Prospectus.
- (ii) There are no founder, management or deferred shares in the Company.
- (iii) As at the latest practicable date prior to the printing of this Prospectus, there is only one class of shares in the Company, namely ordinary shares of RM0.10 each, all of which rank *pari passu* with one another.
- (iv) There are no shares, debentures, warrants, options, convertible securities or uncalled capital of the Company and its subsidiaries have been issued or are proposed to be issued as fully or partly paid-up in cash or otherwise, within the two (2) years preceding from the date thereof.
- (v) Save for the Public Issue Shares reserved for the eligible Directors and employees of the Group and ESOS as disclosed in Section 1.2 and Section 2.5 (iii) of this Prospectus, no person or Director or employee of the Group has been or is entitled to be given an option to subscribe for any shares, stocks or debentures of the Company or its subsidiaries.
- (vi) Save for the Public Issue Shares reserved for the eligible Directors and employees of the Group and ESOS as disclosed in Section 1.2 and Section 2.5 (iii) of this Prospectus, there is currently no other scheme for or involving the Directors or employees of the Company or its subsidiaries.
- (vii) As at 31 August 2005, being the last practicable date prior to the printing of this Prospectus, the Company does not have any outstanding convertible debt securities, options, warrants or uncalled capital.

16.2 ARTICLES OF ASSOCIATION

The following provisions are reproduced with minor amendments from the Company's Articles of Association: -

TRANSFER AND TRANSMISSION OF SECURITIES

Article 24

The transfer of any securities or class of securities of the Company, shall be by way of book entry by the Bursa Depository in accordance with the Rules and, notwithstanding sections 103 and 104 of the Act, and any exemption that may be made from compliance with subsection 107C(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such listed securities.

Article 25

The instrument of transfer of any share of the Company shall be executed by or on behalf of the transferor, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered into the Register of Members and/or the Record of Depositors, as the case may be, in respect thereof.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

Article 26

Subject to the Rules and the requirements of the Exchange, the transfer of any securities may be suspended at such times and for such periods as the Directors may from time to time determine. Notice shall be given of such closure in accordance with the requirements of the Exchange.

Article 27

The Bursa Depository may refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and the Rules.

Article 28

Subject to any law in Malaysia for the time being in force, neither the Company nor the Directors nor any of its officers shall incur any liability for the act of the Central Depository in registering or acting upon a transfer of shares apparently made by a Member or any person entitled to the shares by reason of death, bankruptcy or insanity of a Member although the same may by reason of any fraud or other causes not known to the Company or the Directors or the Bursa Depository or other officers be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor Member and the transferee be liable to be set aside and notwithstanding that the Company may have notice that such instrument or transfer was signed or executed and delivered by the transferor Member in the blank as to the name of the transferee, of the particulars of the shares transferred or otherwise in defective manner.

Article 29

Subject to the provisions of these Articles, the Directors may recognise a renunciation of any share by the allottee thereof in favour of some other person.

Article 32

In the case of the death of a Member, the legal representative(s) of the deceased Member, shall be the only person(s) recognised by the Company as having any title to his interest in the shares but nothing herein contained shall release the estate of a deceased holder from any liability in respect of any share which had been held by him.

Article 33

Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence being produced as may from time to time properly be required under the Act and/or the Rules and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Directors shall, in accordance with the provisions of written law, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that Member before his death or bankruptcy. Provided always that where the share is a Deposited Security, subject to the Rules, a transfer or withdrawal of the shares may be carried out by the person so becoming entitled.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)**Article 34**

If any person so becoming entitled elects to register himself, he shall deliver or send to the Company, a notice in writing signed by him and stating that he so elects, provided that where the share is a Deposited Security and the person becoming entitled elects to have the share transferred to him, the aforesaid notice must be served by him on the Bursa Depository. If he elects to have another person registered, he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

Article 35

Where a Depositor holding any Deposited Securities dies or becomes bankrupt, his personal representative or the assignee or his estate, as the case may be, shall, upon the production of such evidence as may from time to time be properly required by the Directors and/or the Bursa Depository in that behalf, be entitled to the same dividends and other advantages and to the same rights (whether in relation to meetings of the Company or to voting or otherwise) as the Depositor would have been entitled to if he had not died or become bankrupt.

REMUNERATION OF DIRECTORS**Article 92(1)**

- (1) The Directors shall be paid by way of fees for their services, such fixed sums (if any) as shall from time to time be determined by an ordinary resolution of the Company in general meeting and shall (unless such resolution otherwise provide) be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall be entitled only to rank in such division for a proportion of the fees related to the period during which he has held office provided always that :-
 - (a) fees payable to Directors who hold no executive office in the Company shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover; and
 - (b) salaries and other emoluments payable to Directors who hold an executive office in the Company pursuant to a contract of service need not be determined by the Company in general meeting but such salaries and emoluments may not include a commission on or percentage of turnover.
- (2) The Directors shall be entitled to be reimbursed all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or general meeting or otherwise howsoever incurred in the course of the performance of their duties as Directors.
- (3) Any Directors who is appointed to any executive office or serves on any committee or who otherwise performs or renders services, which in the opinion of the Directors are outside his ordinary duties as a Director, may be paid such extra remuneration as the Directors may determine, subject however as is hereinafter provided in this Article.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (4) Any fee paid to an alternate Director shall be such as shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Article 93

Fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where the notice of the proposed increase has been given in the notice convening the meeting

Article 94

If any Director, being willing and having been called upon to do so, shall render or perform extra or special services of any kind, including services on any committee established by the Board, or shall travel or reside abroad for any business or purposes of the Company, he shall be entitled to receive such sum as the Board may think fit for expenses, and also such remuneration as the Board may think fit, either as a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) provided that in the case of non-executive Directors of the Company, the said remuneration shall not include a commission on or percentage of profits or turnover. In the case of an Executive Director, such fee may be either in addition to or in substitution for his share in the fee from time to time provided for the Directors.

VOTING AND BORROWING POWERS OF DIRECTORS

Article 98

- (1) The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or any related company as may be thought fit.
- (2) The Directors may borrow or raise any such money as aforesaid, upon such terms and conditions in all respects as the Directors may think fit, upon or by the issue or sale of any bonds, debentures, debenture stocks or securities. The Company may in general meeting grant a right for the holders of bonds, debentures, debenture stocks or securities to exchange the same for shares in the Company or any class authorised to be issued. The Directors may secure or provide for the payment of any moneys to be borrowed or raised by a mortgage or a charge upon all or any part of the undertaking or property of the Company, both present and future and upon any capital remaining unpaid upon the shares of the Company, whether called up or not or by any other security and the directors may confer upon any mortgages or persons in whom any debentures, debenture stock or security is vested, such rights and powers as they think necessary or expedient; and they may vest any property of the Company in trustees for the purpose of securing any moneys so borrowed or so raised and confer upon the trustees or any receiver to be appointed by them or by any debenture holder, such rights and powers as the Directors may think necessary or expedient in relation to the undertaking or property of the Company, or the management or the realization thereof, or the making, receiving or enforcing of calls upon the members in respect of unpaid capital and otherwise, and may make and issue debentures to trustees for the purpose of further security, and any such trustees may be remunerated.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (3) The Directors shall not borrow any money or mortgage or charge any of the Company's or the subsidiaries' undertaking, property or any uncalled capital, or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

Article 112

Subject to these Articles, any question arising at any meeting of Directors shall be decided by a majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote except where at the meeting only two (2) Directors from the quorum are competent to vote on an issue in question.

Article 115

Subject to these Articles, the Act and the requirements of the Exchange, a Director may contract with and be interested in any contract or proposed contract with the Company and shall not be liable to account for any profit made by him by reason of any such contract; provided always that the nature of the interest of the Director in any such contract be declared at a meeting of the Directors as required by Section 131 of the Act. A Director shall not vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly a personal interest (and if he shall do so his vote shall not be counted), nor shall he be counted for the purpose of any resolution regarding the same, in the quorum present at the meeting.

Article 116

A Director notwithstanding his interest may, provided that none of the other Directors present disagree, be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any office or place of profit under the Company or whereat the Directors resolve to exercise any of the rights of the Company (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a Director to hold any office or place of profit under any other company, or whereat any decision is taken upon any contract or arrangement in which he is in any way interested provided always that he has complied with Section 131 and all other relevant provisions of the Act and of these Articles.

Article 117

A Director may vote in respect of: -

- (a) any arrangement for giving the Director himself or any other Directors any security or indemnity or any other Directors any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; and
- (b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part, under a guarantee or indemnity or by the deposit of a security.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

MODIFICATION OF CLASS RIGHTS

Article 7

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be two (2) persons at least holding or representing by proxy, one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution, the provisions of Section 152 of the Act shall with such adaptations as are necessary, apply.

16.3 DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- (i) The names, addresses and occupations of the Directors of CCHB are set out in the Corporate Directory Section of this Prospectus.
- (ii) The shareholding qualification for Directors may be fixed by the Company in general meeting and until so fixed, no shareholding qualification for Directors shall be required. All Directors shall be entitled to receive notice of and to attend all general meetings of the Company.

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16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (iii) The substantial shareholders of CCHB and their respective direct interests based on the Register of Substantial Shareholders of CCHB as at 31 August 2005 (being the latest practicable date prior to the printing of this Prospectus) and their respective indirect interests before and after the Public Issue are as follows: -

Substantial shareholders	Nationality	No of Ordinary Shares Held											
		Before the Public Issue		After the Public Issue		After Full Exercise of ESOS ^(c)		Direct		Indirect			
		No. of shares	(%)	No. of shares	(%)	No. of shares	(%)	No. of shares	(%)	No. of shares	(%)		
Ang Chuang Juy	Singaporean	36,099,530	33.29	^(a) 70	0.00	^(b) 36,899,530	24.60	^(a) 400,070	0.27	38,899,530	23.15	^(a) 1,400,070	0.83
Chng Seng Chye	Singaporean	33,439,480	30.83	-	-	33,439,480	22.29	-	-	33,439,480	19.90	-	-
Noraini Binti Ahmad	Malaysian	15,000,000	13.83	-	-	15,150,000	10.10	-	-	15,150,000	9.02	-	-
Lee Siew Kee	Singaporean	9,974,410	9.20	-	-	9,974,410	6.65	-	-	9,974,410	5.94	-	-
Ng Poh Seng	Singaporean	8,312,010	7.66	-	-	8,312,010	5.54	-	-	8,312,010	4.95	-	-

Notes:

- (a) Deemed interested, by virtue of the shareholding of his spouse, Goh Mee Chin, who is an employee of the Group including their respective entitlements under the pink form share allocation.
 (b) The ESOS will only be implemented i.e. the Options under the ESOS will only be offered to the eligible directors and employees of the Group, on and/or after the date of the Company's listing on the MESDAQ market. The shareholdings shown here are based on the assumptions that the number of Options to be granted under the ESOS is 18,000,000 representing approximately 12% of the Company's enlarged issued and paid-up share capital on the date of listing.
 (c) On or after the date of listing of CCHB on the MESDAQ Market, the Board of Directors of CCHB proposes to grant up to 18,000,000 Options to eligible executive directors and employees of the Group, based on their respective ESOS allocations as set out in Section 2.5 (iii) of this Prospectus.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (iv) The Directors of CCHB and their respective direct interests based on the Register of Directors' Shareholdings as at 31 August 2005 (being the latest practicable date prior to the printing of this Prospectus) and their respective indirect interests before and after the Public Issue are as follows: -

	Designation	Nationality	No of Ordinary Shares Held											
			Before the Public Issue		After the Public Issue		After Full Exercise of ESOS ^(c)		Indirect		Direct			
			No. of shares	(%)	No. of shares	(%)	No. of shares	(%)	No. of shares	(%)	No. of shares	(%)		
Noraini Binti Ahmad	Chairperson / Non-Independent Non-Executive Director	Malaysian	15,000,000	13.83	-	-	15,150,000	10.10	-	-	15,150,000	9.02	-	-
Ang Chuang Juey	Group Managing Director	Singaporean	36,099,530	33.29	^(a) 70	0.00	^(b) 36,899,530	24.60	^(a) 400,070	0.27	38,899,530	23.15	^(a) 1,400,070	0.83
Turker Hidirilar	Executive Director	German	1,080,550	1.00	-	-	^(b) 1,680,550	1.12	-	-	3,080,550	1.83	-	-
Robert Jean Tondreault	Executive Director	American	-	-	-	-	^(c) 600,000	0.40	-	-	2,000,000	1.19	-	-
Huang Yan Teo	Independent Non-Executive Director	Malaysian	-	-	-	-	100,000	0.07	-	-	100,000	0.06	-	-
Toh Wing Yew	Independent Non-Executive Director	Malaysian	-	-	-	-	100,000	0.07	-	-	100,000	0.06	-	-

Notes:

- (a) Deemed interested, by virtue of the shareholding of his spouse, Goh Mee Chin, who is an employee of the Group including their respective entitlements under the pink form share allocation.
 (b) The ESOS will only be implemented i.e. the Options under the ESOS will only be offered to the eligible directors and employees of the Group, on and/or after the date of the Company's listing on the MESDAQ market. The shareholdings shown here are based on the assumptions that the number of Options to be granted under the ESOS is 18,000,000 representing approximately 12% of the Company's enlarged issued and paid-up share capital on the date of listing.
 (c) On or after the date of listing of CCHB on the MESDAQ Market, the Board of Directors of CCHB may grant up to 12,000,000 Options to eligible executive directors and employees of the Group, based on their respective ESOS allocations as set out in Section 2.5 (iii) of this Prospectus.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (v) Save as disclosed in Sections 2.9, no commission, discounts, brokerages or other special terms have been paid, granted or are payable by the Company or its subsidiaries within the two (2) years immediately preceding the date of this Prospectus for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares in or debentures of the Company or its subsidiaries or in connection with the issue or sale of any capital of the Company or any of its subsidiaries and no Directors, proposed Directors, promoters or experts is or are entitled to receive any such payment.
- (vi) Other than salary and employment related benefits as disclosed in Section 5.3.5 of this Prospectus, no amounts or benefits has been paid or given within the two (2) years immediately preceding the date hereof, nor is it intended to be so paid or given, to, any promoters.
- (vii) Save as disclosed in Sections 3(m), 16.3(iii) and 16.3(iv) of the Prospectus, the Directors and substantial shareholders are not aware of any persons who are able, directly or indirectly, jointly and severally, to exercise control over the Company and its subsidiaries.
- (viii) Save as disclosed in Section 8 of this Prospectus, none of the Directors and/or substantial shareholders of CCHB have interest in any subsisting contract or arrangement, which is significant in relation to the business of the Company or the Group taken as a whole.

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16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)**16.4 MATERIAL CONTRACTS**

Save as disclosed below, there are no other material contracts (including contracts not reduced into writing), not being contracts entered into in the ordinary course of business which have been entered into by CCHB and its subsidiary or associated companies within two (2) years preceding 31 August 2005 (being the latest practicable date prior to the printing of the Prospectus):-

- (a) A conditional Acquisition Agreement dated 24 December 2003 between CCHB ("Purchaser") and Chng Seng Chye, Ang Chuang Juay, Lee Siew Kee, Ng Poh Seng, Loh Tong Yew, Chin Hock Seng, Turker Hidirlar, Chin Yin Por and Goh Mee Chin (collectively referred to as "the Vendor") to acquire the entire issued and paid-up share capital of CCPL held by the Vendor ("Acquisition of CCPL") comprising 3,661,827 shares of SGD1.00 each ("the Sale Shares") subject to the terms and conditions of this Agreement. Subject to the term of this Agreement, the Vendor shall sell as registered and beneficial owners and the Purchaser shall purchase, free from all liens, charges, equities and encumbrances and together with all rights now or hereafter attaching thereto the Sale Shares at the total purchase price of RM4,617,500 which purchase price shall be satisfied by the issuance and allotment of 4,617,500 new ordinary shares of RM1.00 each in the Purchaser credited as fully paid-up ("Consideration Shares").

The Agreement is entered into and the completion of the Agreement is strictly subject to and conditional upon, inter alia, the simultaneous completion of the sale of shares agreement for the Acquisition of CCPL and the Acquisition of CCSB and the admission by the Bursa Securities of the Company for listing on MESDAQ market and such listing having become fully effective by the making of the appropriate announcement under the Rules of the Bursa Securities.

Pursuant to a Variation Agreement dated 20 May 2005 entered into between the Purchaser, the Vendor and Noraini binti Ahmad, Noraini binti Ahmad was added as a party to the Acquisition Agreement dated 24 December 2003.

Pursuant to a Supplemental Acquisition Agreement dated 20 May 2005 entered into between the Vendor, the Purchaser and Noraini binti Ahmad, the parties agreed to vary the purchase consideration from RM4,617,500 to RM7,892,235.

- (b) A conditional Acquisition Agreement dated 24 December 2003 between CCHB ("Purchaser") and CCPL ("Vendor") to acquire the entire issued and paid-up capital of RCI ("Acquisition of RCI") comprising 73,158 shares without par value each ("the Sale Shares") from CCPL subject to the terms and conditions of the Agreement. Subject to the terms of this Agreement, the Vendor shall sell as registered and beneficial owners and the Purchaser shall purchase, free from all liens, charges, equities and encumbrances and together with all rights now or hereafter attaching thereto the Sale Shares at the total purchase price of SGD1,284,160 which shall be payable on completion date.

The Agreement is entered into and the completion of the Agreement is strictly subject to and conditional upon, inter alia, the simultaneous completion of the sale of shares agreement for the Acquisition of CCPL and the Acquisition of CCSB and the admission by the Bursa Securities of the Company for listing on MESDAQ market and such listing having become fully effective by the making of the appropriate announcement under the Rules of the Bursa Securities.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (c) A conditional Acquisition Agreement dated 24 December 2003 between CCHB ("Purchaser") and CCPL ("Vendor") to acquire the entire issued and paid-up capital of CCSB ("Acquisition of CCSB") comprising 3,410,000 shares of RM1.00 each ("the Sale Shares") from CCPL subject to the terms and conditions of the Agreement. Subject to the terms of this Agreement, the Vendor shall sell as registered and beneficial owners and the Purchaser shall purchase, free from all liens, charges, equities and encumbrances and together with all rights now or hereafter attaching thereto the Sale Shares at the total purchase price of SGD1,505,121 which shall be payable on completion date.

The Agreement is entered into and the Completion of the Agreement is strictly subject to and conditional upon, inter alia, the simultaneous completion of the sale of shares agreement for the Acquisition of CCPL and the Acquisition of RCI and the admission by the Bursa Securities of the Company for listing on MESDAQ market and such listing having become fully effective by the making of the appropriate announcement under the Rules of the Bursa Securities.

- (d) the Underwriting Agreement dated 21 September 2005 between the Company and the Managing Underwriter and Underwriter for the underwriting of 18,000,000 Public Issue Shares for an underwriting commission of 2.00% of the Public Issue price of RM0.32 per share.

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16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)**16.5 MATERIAL AGREEMENTS**

Save as disclosed below, there are no other material agreements or contracts (including informal arrangements or understandings), as at 31 August 2005, being the latest practicable date to the printing of the Prospectus, which have been entered into by CCHB and its subsidiary that are in subsistence: -

- (a) Insurance policies - the Group has purchased the following insurance policies from various insurers as follows: -
- (i) Machinery All Risks insurance policy number CAM-C0027272-ML taken by CCSB from Overseas Assurance Corporation (Malaysia) Berhad for an aggregate sum insured of RM239,000 to cover various equipment and machineries purchased by CCSB and shall expire on 30 January 2006,
 - (ii) Machinery All Risks insurance policy number CAM-C0025300-ML taken by CCSB from Overseas Assurance Corporation (Malaysia) Berhad for an aggregate sum insured of RM553,000 for the coverage of various equipment and machineries purchased by CCSB and shall expire on 5 September 2005. The Group shall renew this policy upon expiry,
 - (iii) Machinery All Risks insurance policy number CAM-C0024664-ML taken by CCSB from Overseas Assurance Corporation (Malaysia) Berhad for an aggregate sum insured of RM1,176,200 for the coverage of various equipment and machineries purchased by CCSB and shall expire on 15 July 2006,
 - (iv) Machinery All Risks insurance policy number CAM-C0027686-ML taken by CCSB from Overseas Assurance Corporation (Malaysia) Berhad for an aggregate sum insured of RM255,000 for the coverage of various equipment and machineries purchased by CCSB and shall expire on 27 March 2006,
 - (v) Machinery All Risks insurance policy number CXA-X0043359-71 taken by CCSB from AmAssurance Berhad for an aggregate sum insured of RM311,000 for the coverage of various equipment and machineries purchased by CCSB and shall expire on 26 July 2006,
 - (vi) Fire Material Damage insurance policy number FIR-F0090913-ML taken by CCSB from Overseas Assurance Corporation (Malaysia) Berhad for an aggregate sum insured of RM401,500 for the insurance coverage on CCSB's office equipment, furniture, fixtures and fittings, machinery and equipment and stock in trade and shall expire on 5 September 2005. The Group shall renew this policy upon expiry,
 - (vii) Burglary insurance policy number CBU-C0025301-ML taken by CCSB from Overseas Assurance Corporation (Malaysia) Berhad for an aggregate sum insured of RM70,000 for the insurance coverage on CCSB's office equipment, furniture, fittings and fixtures, stock in trade, plant and machinery and shall expire on 5 September 2005. The Group shall renew this policy upon expiry,

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (viii) Public Liability insurance policy number LPL-L0012686-ML taken by CCSB from Overseas Assurance Corporation (Malaysia) Berhad for an aggregate sum insured of RM500,000 for the insurance coverage within Malaysia and shall expire on 5 September 2005. The Group shall renew this policy upon expiry.
- (ix) Personal Accident insurance policy number PAG-P0101156-ML taken by CCSB from Overseas Assurance Corporation (Malaysia) Berhad for an aggregate sum insured of RM1,175,000 for various employees of CCSB and shall expire on 5 September 2005. The Group shall renew this policy upon expiry;
- (x) Machinery All Risks insurance policy number CAM-C0027688-ML taken by CCSB from Overseas Assurance Corporation (Malaysia) Berhad for an aggregate sum insured of RM285,000 for the coverage of various equipment and machineries purchased by CCSB and shall expire on 8 March 2006,
- (xi) Insurance policy renewal number A0109-11-5700 taken by RCI from Mid-Century Insurance Company for an aggregate sum insured of USD1,000,000 for the insurance coverage of workers compensation and employers liability insurance policy and shall expire on 19 March 2006;
- (xii) Insurance policy renewal number H705-92307 taken by RCI from Houston Casualty Company for an aggregate sum insured of USD500,000 for the insurance coverage of the employment practices liability insurance and shall expire on 14 July 2006;
- (xiii) Insurance policy bearing purchaser ID 223144 taken by RCI from Kaiser Foundation Health Plan, Inc, for a limit of out-of-pocket maximum of USD1,500 per calendar year per employee for medical expenses.
- (xiv) Insurance policy bearing Identification number 536556022 taken by RCI from Unum Life Insurance Company of America for an aggregate sum insured of USD10,000 for the insurance coverage of group life and accidental death and dismemberment plan whereby premium is paid monthly;
- (xv) Insurance policies bearing policy number TEO6102630 taken by RCI from ST. Paul Fire & Marine Insurance Company for coverage of the following and shall expiry on 19 March 2006: -
- Technology Premier Property Protection Blanket Earnings and Expense for a limit of coverage of USD4,100,000
 - Technology Commercial General Liability Protection for a limit of coverage of: -
 - a) General Total limit- USD2,000,000
 - b) Products and completed work total limit-USD2,000,000
 - c) Personal Injury each person limit- USD1,000,000
 - d) Advertising Injury each person limit- USD1,000,000
 - Employee Benefit Plans Administration Liability Protection for a limit of coverage of USD3,000,000.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- Auto Liability Protection for a limit of coverage of USD1,000,000 for each accident.
- Crime Protection for a limit of coverage of
 - a) Employee Theft- USD250,000
 - b) Forgery or Alteration- USD250,000
 - c) Computer Fraud- USD250,000
- Technology Premier Property Protection Coverage with deductible option of USD5,000 for all coverages and USD5,000 for portable computer hardware theft deductible.
- Technology Premier Property Protection Scheduled Locations Coverage for a limit of USD2,400,000 for business personal property.
- Technology Umbrella Excess Liability Protection Coverage of:-
 - a) General total limit-USD1,000,000
 - b) Products and completed work total limit- USD1,000,000
 - c) Personal injury each person limit-USD1,000,000
 - d) Advertising injury each person limit-USD1,000,000
- Umbrella Excess Liability Protection Schedule of Basic Insurance for a limit of :-
 - Commercial General Liability
 - a) General total limit-USD2,000,000
 - b) Products and completed work total limit-USD2,000,000
 - c) Personal injury each person limit-USD1,000,000
 - d) Advertising injury each person limit-USD1,000,000
 - Automobile Liability
 - a) Bodily injury and property damage combined. Each accident-USD1,000,000
- Excess Errors and Omissions Liability Protection-Claims – Made Coverage for a limit of USD1,000,000.

(xv) Insurance policy bearing insurance number 1056000010105000174 taken by RCC from Ping An Property & Casualty Insurance Company of China, Ltd. for an aggregate sum insured of RMB390,000 for insurance coverage of various fixed asset and shall expire on 19 July 2006.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (b) Business Agreement made on 25 November 2002 between CCSB and TEM for CCSB to be engaged to carry out and undertake the manufacture and supply of cable assemblies for TEM. The Business Agreement shall be in force from the date of execution of the agreement for a period of five (5) years and thereafter unless or until terminated by TEM by giving one (1) month notice in writing to the CCSB. Among the terms of the Business Agreement are CCSB is accountable for any losses as a result of late deliveries, CCSB is liable for any production downtime in TEM and charges, such as insurances, freight and labour costs, and logistics and warehousing costs, due to late, overdue or over deliveries, and CCSB shall warrant parts/services free from defects, where if the warranty is breached, CCSB shall repair or provide replacement so as to remedy the defects at no cost to TEM.
- (c) Business Agreement made on 31 July 2002 between CCSB and TEM, where effective from 1 June 2002, CCSB is to be engaged to assemble and supply PCBA to TEM at an agreed assembly cost per piece (depending on model), where the PCBA operations shall be carried out at the allocated area in TEM. The PCBA assembly cost chargeable by CCSB may be subject to revisions from time to time through negotiations and mutual agreements between both parties. Direct materials for the PCBA assembly shall be provided free of charge (i.e. on consignment) by TEM to CCSB, however, any negative variances in inventory count will have to be compensated by CCSB. The Business Agreement may be terminated by either party by giving a three (3) months prior notice to the other party of such intention. The agreement may also be cancelled by either party without giving any pre-emptory notice should there be a failure to correct any default in performance within 30 days after being notified or in the case of bankruptcy, liquidation or receivership of any one party.
- (d) Contract Agreement dated 1 September 2004 between Orisystems Opto Sdn. Bhd. and CCSB whereby CCSB shall carry out the work of SMT MOUNTING PROCESS. This Contract Agreement is effective from 1 September 2004 to 31 August 2005. Subject to the terms and conditions of the Contract Agreement, CCSB is liable to pay compensation for defective units.
- (e) Adopters Agreement dated 2nd July 2002 between Intel Corporation, Dell Computer Corporation, Quantum Corporation, APT Technologies Inc., Maxtor Corporation and Seagate Technology ("Promoters") and RCI ("Adopting Party" or "Adopter") relating to the usage of Serial ATA specification as adopted and published by the Promoters ("Final Specification"). Final Specification shall be deemed to include only architectural and interconnection requirements and shall not include any implementation examples unless such implementation examples are expressly identified as being included as part of the limited patent license in the Final Specification.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

The salient terms of the Adopters Agreement are as follows:-

(a) Limited Patent License

- i) Subject to the termination clause, effective upon the adoption by the Promoters of the Final Specification, the Promoters hereby grant to the Adopting Party and its Subsidiaries (collectively "Licensee") limited patent license involving nonexclusive, royalty-free, non-transferable, non-sublicenseable, worldwide, perpetual, reciprocal license under their necessary claims solely to make, have made, use, import, and directly and indirectly, offer to sell, sell and otherwise distribute and dispose of Compliant Portions (i.e. portions of products, whether hardware, software or combinations thereof, that are compliant with all the relevant portions of the Final Specification within the bounds of the **Scope**); provided that such license shall not extend to any part or function of a product the inclusion or operation of which is not a Compliant Portion.

Scope here means protocols, application program interfaces, service provider interfaces, and/or data structures solely to the extent disclosed with particularity in the Final Specification where the sole purpose of such disclosure is to enable products to interoperate, interconnect or communicate as defined within the Final Specification.

- ii) For Compliant Portions covered by the abovementioned license that consist solely of software object code, such license shall be deemed to allow each Licensee to have third party use, reproduce and distribute such Compliant Portions solely in the form supplied by Licensee, for the sole purpose of distributing such Compliant Portions a license agreement rather than selling such Compliant Portions, provided that the license in abovementioned license shall not extend to any modification of any Compliant Portion or the combination of any Compliant Portion into or with any other hardware or software.

(b) Copyright License

Effective upon the adoption by the Promoters of the Final Specification, the Promoters also grants to the Adopting Party and its Subsidiaries a nonexclusive, royalty-free, non-transferable, non-sublicenseable, worldwide, perpetual copyright license to the Final Specifications to reproduce the Final Specification as necessary in order to exercise the patent rights granted under the aforementioned limited patent license, provided that all reproductions thereof shall include any copyright notices and disclaimers contained in the Final Specification.

Termination of the patent license shall arise in the event of any such Promoter or Adopter and its affiliates thereof initiates any patent infringement action against the granting Promoter or Adopter and its affiliates ("Granting Party"); or any customers or distributors of the Granting Party, in relation to either (i) any of the Granting Party's Compliant Portions or (ii) any of the Granting Party's products or services for which the Granting Party has a contractual indemnification obligation.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- f) Tenancy Agreement dated 5 April 2005 between Lee Kim Swee, Lee King Hock and Lee Mok Hock as Landlord and CCSB as Tenant in respect of the single storey factory known as PT 3823 Jalan TTC8, Taman Teknologi Cheng, 75250 Melaka erected on part of the land held under HS(D) 39895, PT 3823 Mukim Cheng, Daerah Melaka Tengah, Negeri Melaka for an area of approximately 12,000 square feet at a rental of RM5,000 per month for a term of two (2) years commencing on 1 June 2005 for the purpose of manufacture and assembly of cables with and without connectors, disk drive assembly.
- g) Agreement dated on 23 September 2004, between ShenZhen Tongfukan Realty Development Pte. Co., Shenzhen Zhengyao Technology Pte. Co. and CCHB in respect of the premises known as 2-2, 4F, Tongfuyu Ind. Area, Shiyan, ShenZhen for an area approximately 2085.7 square meter commencing from 1 October 2004 and expiring on 14 December 2012 for purpose of industrial use. The monthly rental from 1 October 2004 to 14 December 2004 is RMB22,942.70, the monthly rental from 15 December 2004 to 14 December 2007 is RMB25,028.40 and the monthly rental from 15 December 2007 onwards shall be based on the current market prevailing rate.
- h) Tenancy Agreement dated 19 July 2002 between The Housing And Development Board, as the Landlord and CCPL as Tenant in respect of premises known as Block 2, Joo Chiat Road, #03-1135, Joo Chiat Complex, Singapore 420002 for an area approximately 61.5 square meters at a rental of SGD523-00 per month for a term of three (3) years commencing on 1 August 2002 for the purpose of office use.
- i) Tenancy Agreement dated 25 July 2005 between Swiftskill Engineering Pte. Ltd., as the Landlord and CCPL as Tenant in respect of premises known as No. 37 Tannery Road #02-06 Tannery House Singapore 347790 for an area approximately 104 square meter at a rental of SGD 1,400-00 per month for a term of two (2) years commencing 1 September 2005 for the purpose of office cum warehouse.
- j) Standard Sublease Agreement dated 23 April 2004 between Alacer Corporation as the sub lessor and RCI as the sub lessee in respect of the industrial building known as 19751 Pauling, County of Orange, State of California, USA for an area of approximately 25,138 sq ft at a rental of USD15,083 per month for a term of 2 years 9 months and 21 days commencing on 15 May 2004 and expiring on 7 March 2007 for the purpose of general office use, administration, engineering, storage and light manufacturing of connectors and cables to be approved by the City of Lake Forest. The main lease expires on 31 July 2006 with an option to renew for a further five (5) years. The Lessor Foothill-Parkstone 1, LLC has consented to the said sublease.
- k) Factoring and Security Agreement dated 30 September 2003 between RCI and PM Factors, Inc for the purpose of RCI obtaining financing by factoring, selling and assigning accounts receivable. The Agreement shall continue in effect until September 2005 and automatically renewed for another twelve (12) months unless terminated by PM Factors upon breach by RCI or terminated by RCI after the second year of the agreement.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- l) USB-IF Trademark License Agreement between RCI and Universal Serial Bus Implementers Forum, Inc (USB-IF) with effect from 1 November 2004 for a term of two years from the effective date for the grant of license to RCI to use the USB-IF logos on its Product and to be posted on USB-IF Integrators List.
- m) Confidential Agreement between RCI and Product Systems Limited ("PSL") commencing on 6 April 2005 and expiring on 5 April 2007 whereby RCI undertakes :-
- a. to use the proprietary information disclosed to it by PSL solely for the purpose of evaluating internally its relationships with PSL;
 - b. to hold PSL's information in strict confidence and to take reasonable precautions to protect such proprietary information (including without limitation all precautions RCI employs with respect to its own confidential information).
 - c. not without the prior written consent of PSL to disclose:-
 - i. the proprietary information or
 - ii. any information derived therefrom and contained in any report analysis or other document or
 - iii. any other facts relating thereto including without limitation the existence of subject matter status of negotiations or business relationship contemplated by this agreement to any person other than those representative of RCI who have a clear and legitimate "need to know" the proprietary information in order to advise and assist RCI and the RCI' s representatives.
- n) Mutual Confidentiality Agreement dated 11 October 2004 between RCI and Oakley, Inc where the parties agree that in the provision of services and/or materials to Oakley by RCI and Oakley obtaining those services and/or materials, the receiving party inter-alia shall hold the confidential information in confidence and use only for the purposes of business with the disclosing party and shall only disclose it to its officers, directors or employees with a specific know how and that are bound by this agreement or other obligations of confidentiality .The receiving party will not disclose, publish, or otherwise reveal any of the confidential information received from the disclosing party and the receiving party shall provide the names of the individuals having access to the disclosing party's confidential information if requested to do so by the disclosing party..
- o) Confidentiality and Non-Disclosure Agreement between RCI and Power Measurement Ltd., effective from 23 February 2004, both parties agree that they would inter-alia keep strictest confidence and not disclose any confidential and/or proprietary information in relation to their discussions concerning the manufacturing and design of plastic injection molded parts and connector cable assemblies. With respect to confidential and/or proprietary information solely financial in nature, neither party shall have any obligations with respect to such information under this agreement after three (3) years from the date of disclosure. With respect to all other confidential and/or proprietary information, neither party shall have any obligations with respect to such information under this agreement after three (3) years from the date of disclosure unless the disclosing party advises the recipient in writing prior to the expiry of that period that the disclosing party still deems the said information confidential and/or proprietary and of value.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- p) Mutual Confidentiality Agreement between RCI and Schweitzer Engineering Laboratories, Inc effective from 18 November 2004 and terminating two (2) years after the effective date or thirty (30) days after written notice of termination by either party where both parties agree :-
- i) to use confidential information solely in connection with discussions with the disclosing party and any resulting business transactions between the parties;
 - ii) not to use or exploit confidential information for its own benefit or that of any third party and shall only use confidential information as contemplated by this agreement;
 - iii) not to make more copies of confidential that are necessary pursuant to this agreement;
 - iv) except as may be required by law or otherwise permitted by the agreement, not to disclose to any third party any of the confidential information or the fact that discussions between the parties are taking place or any of the terms and conditions or other facts with respect thereto, including the status thereof, without the prior written consent of the disclosing party.
- q) Mutual Non-Disclosure Agreement between RCI and Zebra Technologies Corporation effective from 14 September 2004 where both parties inter alia agreed the recipient shall retain confidential information in confidence and to be bound by all confidentiality obligations with regard to trade secrets.
- r) Non-Disclosure Agreement between RCI and Jabil Circuit Inc effective from 25 April 2004 wherein both parties shall protect the confidential information and prevent any use not authorised in the agreement,
- s) Serial ATA International Organisation Membership Agreement dated 24 September 2004 whereby RIC agreed to be a member and to be bound by the terms and conditions stated in the Articles of Incorporation and bylaws of SERIAL ATA INTERNATIONAL ORGANISATION. The membership is renewable on a year to year basis,
- t) Jabil Circuit, Inc Worldwide Terms and Conditions Agreement Custom Products between RCI and Jabil Circuit, Inc entered into by RCI on 13 May 2004 covering sales and warranty terms inter-alia pricing to be negotiated prior to order placement, payment terms net sixty (60) days end of month and warranty terms Return Material Authorisation ("RMA") and/or replacement within 24 hours,
- u) Supplier Owned Inventory Agreement between RCI and Jabil Circuit Incorporated effective from 25 April 2004 until terminated in accordance with agreement in respect of RCI stocking components at Jabil's facilities and supply delivery requirements,
- v) Electronic Data Interchange Agreement between RCI and Jabil Circuit, Inc effective from 13 May 2004 and terminating on either party giving thirty (30) days written notice to the other in respect of data transmission by electronic transmission.
- w) Non-Disclosure Agreement between RCI and New Grand Tech (HK) Ltd. ("NGT"), dated 19 April 2005 where NGT agrees :-
- a. not to disclose to any party other than CCSB and CCPL in any manner or any portion, material or information classified as proprietary ; and

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- b. not to discuss, demonstrate or otherwise divulge concepts, functions or methods with anyone outside RCI without the written approval signed by an officer of RCI; and
- c. not to copy drawings, documents, computer files and other printed matter unless at the instruction of RCI representative; and
- d. not to photograph equipment, processes or products of RCI unless agreed by RCI; and
- e. at the conclusion of doing business with RCI, all printed matter, computer files/disks and documents files related to purchased services will be returned to RCI.

For itself and on behalf of its officers, directors, agents and employees, business partners, each party agrees that it will keep in confidence all Confidential Information and that it will not directly disclose to any third party, other than CCSB and CCPL or use for its own benefit, or use for any purpose other than the project any Confidential Information it receives from the other party.

- x) Non-Disclosure Agreement between RCI and San Ji Electronics Co. Ltd ("SJI"), dated 26 April 2005 where SJI agrees :-

- i) not to disclose to any party other than CCSB and CCPL in any manner or any portion, material or information classified as proprietary ; and
- ii) not to discuss, demonstrate or otherwise divulge concepts, functions or methods with anyone outside RCI without the written approval signed by an officer of RCI; and
- iii) not to copy drawings, documents, computer files and other printed matter unless at the instruction of RCI representative; and
- iv) not to photograph equipment, processes or products of RCI unless agreed by RCI; and
- v) at the conclusion of doing business with RCI, all printed matter, computer files/disks and documents files related to purchased services will be returned to RCI.

For itself and on behalf of its officers, directors, agents and employees, business partners, each party agrees that it will keep in confidence all Confidential Information and that it will not directly disclose to any third party, other than CCSB and CCPL or use for its own benefit, or use for any purpose other than the project any Confidential Information it receives from the other party.

- y) Non-Disclosure Agreement between RCI and Comlink Electronics Co. Ltd. ("CE"), dated 29 April 2005 where CE agrees:-

- i) not to disclose to any party other than CCSB and CCPL in any manner or any portion, material or information classified as proprietary ; and
- ii) not to discuss, demonstrate or otherwise divulge concepts, functions or methods with anyone outside RCI without the written approval signed by an officer of RCI; and
- iii) not to copy drawings, documents, computer files and other printed matter unless at the instruction of RCI representative; and
- iv) not to photograph equipment, processes or products of RCI unless agreed by RCI; and
- v) at the conclusion of doing business with RCI, all printed matter, computer files/disks and documents files related to purchased services will be returned to RCI.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

For itself and on behalf of its officers, directors, agents and employees, business partners, each party agrees that it will keep in confidence all Confidential Information and that it will not directly disclose to any third party, other than CCSB and CCPL or use for its own benefit, or use for any purpose other than the project any Confidential Information it receives from the other party.

- z) Non-Disclosure Agreement between RCI and Fuan Gee Mechancial Ind. Co. ("FGM"), dated 23 April 2005 where FGI agrees :-
- i) not to disclose to any party other than CCSB and CCPL in any manner or any portion, material or information classified as proprietary ; and
 - ii) not to discuss, demonstrate or otherwise divulge concepts, functions or methods with anyone outside RCI without the written approval igned by an officer of RCI; and
 - iii) not to copy drawings, documents, computer files and other printed matter unless at the instruction of RCI representative; and
 - iv) not to photograph equipment, processes or products of RCI unless agreed by RCI; and
 - v) at the conclusion of doing business with RCI, all printed matter, computer files/disks and documents files related to purchased services will be returned to RCI.

For itself and on behalf of its officers, directors, agents and employees, business partners, each party agrees that it will keep in confidence all Confidential Information and that it will not directly disclose to any third party, other than CCSB and CCPL or use for its own benefit, or use for any purpose other than the project any Confidential Information it receives from the other party.

- aa) Banking Facilities from AmBank Berhad vide Letter of Offer dated 15 June 2004 CCSB for a facility of RM500,000-00 secured against a Corporate Guarantee of CCPL and the Joint and Several Guarantee of Ang Chuang Juay, Loh Tong Yew and Chin Hock Seng.
- ab) Al-ijarah Thumma Al-Bai (Non-act) Facility from AmFinance Berhad vide Letter of Offer dated 18 May 2004 to CCSB for an approved limit of RM1,000,000 to purchase equipment from Le Champ (SEA) Pte Ltd against a Corporate Guarantee of CCPL and the Joint and Several Guarantee of Ang Chuang Juay, Loh Tong Yew and Chin Hock Seng.
- ac) Factoring Facility granted by Malayan Banking Berhad vide Letter of Offer dated 1 November 2004 to CCPL for a facility up to USD600,000 secured against a fresh continuing Personal Guarantee from Ang Chuang Juay for USD600,000.
- ad) Hire Purchase Agreement granted by United Overseas Bank Limited vide agreement dated 3 March 2004 to CCPL for the purchase of Mercedes Benz E200 Auto at hire purchase price of SGD149,680.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- ae) Letter of Offer dated 6 October 2000 from Bank Industri & Teknologi Malaysia Berhad making available to CCSB a term loan facility of RM1,500,000. The loan is secured by way of a debenture of a first fixed charge on the machinery and equipment financed by the bank and a debenture by way of a first fixed and floating charge on all present and future assets of the company and an irrevocable joint and several guarantees by Ang Chuang Juay, Chin Yin Por, Leong Lian Foong and Loh Tong Yew.
- af) As disclosed in Section 5.9, on 21 December 2003, the Company entered into service agreements with the Directors of the Company and on 20 May 2005 the Directors and the Company varied and/or amended the said agreements. The salient terms of the service agreements are as follows:-

- i) *Directors' Service Agreement (as varied by Variation of Directors' Service Agreement dated 20 May 2005) between CCHB and Ang Chuang Juay for employment as Group Managing Director of CCHB*

Under the terms and conditions of the contract, Ang Chuang Juay will perform duties in his capacity as the Group Managing Director in connection with the business of the Company and the business of any one or more of its subsidiaries (including performing duties as requested by the Board from time to time by serving on the board of such Subsidiaries or by any other executive body or any committee of such a company). In consideration for his services, his remuneration to be paid by the Company includes monthly salary, profit sharing scheme and other contractual employment benefits.

- ii) *Directors' Service Agreement (as amended by Amendment of Director's Service Agreement dated 20 May 2005) between RCI and Turker Hidirlar for employment as the CEO and Sales and Marketing Director of RCI*

Under the terms and conditions of the contract, Turker Hidirlar will perform duties in his capacity as the CEO and Sales and Marketing Director of RCI in connection with the business of the RCI. In consideration for his services, his remuneration to be paid by the RCI includes monthly salary and other contractual employment benefits.

- iii) *Directors' Service Agreement (as amended by Amendment of Directors' Service Agreement dated 20 May 2005) between RCI and Robert Jean Tondreault for employment as the Director of Research and Development of RCI*

Under the terms and conditions of the contract, Robert Jean Tondreault will perform duties in his capacity as the Director of Research and Development in connection with the business of RCI. In consideration for his services, his remuneration to be paid by the RCI includes monthly salary and other contractual employment benefits.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

Included under the terms and conditions of service agreements of Turker Hidirlar and Robert Jean Tondreault are entitlements to a percentage of the net profits of the Group in each financial year of Group (hereinafter referred to as "net profits") as per the audited accounts. The percentage of the net profits payable to the individual directors in each financial year shall be determined by the Board based on their performance and contribution to the Group, the overall annual performance and profitability of the Group **PROVIDED** that the net profits shall only be paid to the individual directors if the net profits of the Group reaches the target set by the Board.

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16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

16.6 GENERAL INFORMATION

- (a) Save for the Public Issue, there is no present intention on the part of the Directors of the Company to issue any part of the authorized but unissued share capital of the Company.
- (b) Save as disclosed in Section 2.9 of this Prospectus, there is no amount paid within the two (2) years immediately preceding the date of this Prospectus or is payable by the Company as commission, discount, brokerage or other special terms for subscribing for any shares in or debentures of the Company and no Director, promoter or expert is entitled to receive any such commission.
- (c) No commission, discount, brokerage or other special terms have been granted within the two (2) preceding years immediately the date of this Prospectus in connection with the sale or issue of any share capital of the Company.
- (d) During the last financial year and the current financial year to date, there were no: -
 - (i) public take-over offers by third parties in respect of the Company's shares; and
 - (ii) public take-over offers by the Company in respect of other companies' shares.
- (e) There are no ordinary shares or debentures of the Company that have been issued or proposed to be fully or partly paid-up for cash or other wise than for cash within the two (2) years preceding the date of this Prospectus.

16.7 CONSENTS

The written consent of the Adviser, Sponsor, Managing Underwriter and Placement Agent, Underwriters, Auditors and Reporting Accountants, Company Secretaries, Principal Banker, Solicitors for the due diligence, Registrars and Issuing House to the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.

The written consent of the Auditors and Reporting Accountants to the inclusion in this Prospectus of their names, Accountants' Report and letter on the Proforma Consolidated Balance Sheets as at 31 March 2005 in the form and context in which they appear in this Prospectus has been given before the issue of this Prospectus and have not subsequently been withdrawn.

The written consent of the Independent Market and Research Consultant to the inclusion in this Prospectus of their name and the Executive Summary of the Independent Market Research Report in the form and context in which they appear in this Prospectus has been given before the issue of this Prospectus and have not subsequently been withdrawn.

The written consent of Chia & Tang and Alex J. Llorente, to the inclusion of their name and their expert reports in the form and context in which they appear in this Prospectus has been given before the issue of this Prospectus and have not subsequently been withdrawn.

16. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

The written consent of Chia & Tang and Alex J. Llorente, to the inclusion of their name and their legal opinions in the form and context in which they appear in this Prospectus has been given before the issue of this Prospectus and have not subsequently been withdrawn.

16.8 DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company during normal business hours for a period of twelve (12) months from the date of this Prospectus: -

- (a) The Memorandum and Articles of Association of the Company;
- (b) The material contracts and material agreements referred to in Sections 16.4 and 16.5 of this Prospectus respectively;
- (c) The existing or proposed service agreements of the Directors;
- (d) The Directors' Report and Accountants' Report as included herein;
- (e) The Reporting Accountants' letters relating to the Proforma Consolidated Balance Sheets as at 31 March 2005 as included in Section 9.6 of this Prospectus;
- (f) The audited financial statements of CCHB and its subsidiaries for the past five (5) financial years ended 31 December 2004;
- (g) The writ and cause papers in respect of the material litigation and arbitration referred to in Section 1.11 and Section 9.4 (v) of this Prospectus;
- (h) The letters of consent referred to in Section 16.7 of this Prospectus;
- (i) The Executive Summary of the Independent Market Research Report and the Independent Market Research Report;
- (j) ESOS By-Laws referred to in Section 13 of this Prospectus;
- (k) Expert reports on foreign investments and repatriation of profits referred to in Section 14 of this Prospectus; and
- (l) Legal opinions on ownership of title to securities and enforceability of agreements, representations and warranties as referred to in Section 15 of this Prospectus.

16.9 RESPONSIBILITY STATEMENTS

This Prospectus has been seen and approved by the Directors and Promoters of CCHB and they collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, after having made all reasonable enquiries, and 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 statements herein false or misleading.

The Adviser, Sponsor and Managing Underwriter acknowledges that based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the Public Issue.