
13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION

13.1 Share Capital

1. No Shares will be allotted or issued on the basis of this Prospectus later than twelve (12) months after the date of this Prospectus.
2. There are no founder, management or deferred Shares in the Company.
3. A director is not required to hold any qualification Share in the Company.
4. There is only one (1) class of shares in the Company, namely ordinary shares of RM0.10 each, all of which rank pari passu with one another.

13.2 Articles of Association

1. The provisions of the Articles of Association of the Company in respect of the arrangements for the transfer of Shares of the Company and the restrictions on their free transferability are as follows:-

Article 12

Evidence

To give effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser and may enter the purchaser's name in the Register as holder of the shares. The title of the purchaser of the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale and the purchaser shall not be bound to see to the application of the purchase money.

Article 21

Transfer of securities

Subject to the provisions of the Central Depositories Act and the Rules, the transfer of any listed security or class of listed security 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, but subject to subsection 107C(2) of the Act, and any exemption that may be made from compliance with section 107C(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the listed securities. Subject to these Articles, the Central Depositories Act and the Rules, there shall be no restriction on the transfer of fully paid shares except where required by law.

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13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)**Article 24***Closing of registers*

The registration of transfers of any Security which is not a Deposited Security may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty (30) days in any year. The Company may require the Bursa Depository to suspend the trading of shares that are Deposited Securities at such time and for such period as the Directors may determine and upon giving notice to the Bursa Securities. Such notice shall state the book closing date, which shall be at least twelve (12) clear days (or such other period as prescribed by the Bursa Securities or any relevant governing laws and/or guidelines) after the date of notification to the Bursa Securities, and the address of share registry at which documents will be accepted for registration. At least three (3) Market Days prior notice shall be given to the Bursa Depository to enable the Bursa Depository to prepare the appropriate Record of Depositors.

Article 27(b)*Transfer of shares to Minister charged with responsibility for finance*

If after the expiration of one (1) month from the date of the advertisement the whereabouts of the Member remains unknown, the Company may transfer the shares held by the Member to the Minister charged with responsibility for finance and for that purpose may execute for and on behalf of such Members a transfer of those shares to the Minister charged with responsibility for finance.

Article 28*Refusal to register transfer*

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 29*Transmission*

In the case of the death of a Member, the executors or administrators of the deceased shall be the only persons recognised by the Company as having any title to the shares of the deceased Member.

Article 30*Death or bankruptcy of a member*

- (a) Any person becoming entitled to a share in consequence of the death or bankruptcy or, in the case of a body corporate, the insolvency or liquidation of a Member may, upon such evidence being produced as may from time to time be properly required by the Directors and subject as hereinafter provided, elect either to be registered himself as the 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 laws 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 or, in the case of a body corporate, the insolvency or liquidation as the case may be. PROVIDED ALWAYS that where the share is a Deposited Security subject to the Rules, a transfer or withdrawal of the share may be carried out by the person becoming so entitled.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

- (b) If any person so becoming entitled elects to be registered himself, he shall deliver or send to the Company and the Bursa Depository a notice in writing signed by him and stating that he so elects PROVIDED ALWAYS that where the shares is a Deposited Security subject to the Rules, a transfer of the share may be carried out by the person so becoming entitled. If he elects to have another person registered he shall testify his election by executing to that other 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 or, in the case of a body corporate, the insolvency or liquidation of the Member had not occurred and the notice or transfer was a transfer signed by the Member.

Election of person entitled to be registered himself

Article 31

A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for any Dividends or other moneys payable in respect of the share, but he shall not be entitled to receive notice of or to attend or vote at meetings of the Company or, save as aforesaid, to exercise any of the rights or, privileges as a Member unless and until he shall become a Member in respect of the share.

Person entitled to receive and give discharge for Dividends

Article 33

Where –

- (a) the securities of the Company are listed on an Approved Market Place; and
- (b) the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act, 1988, as the case may be, under the Rules in respect of such securities, the Company shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the Company in the jurisdiction of the Approved Market Place (hereinafter referred to as the "Foreign Register"), to the register of holders maintained by the registrar of the Company in Malaysia (hereinafter referred to as the "Malaysian Register") provided that there shall be no change in the ownership of such shares.

Transmission of Shares from Foreign Register

For the avoidance of doubt, notwithstanding the compliance with the requirements of subparagraph (a) and (b) above no transmission of securities from the Malaysian Register into the Foreign Register shall be allowed.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)**Article 43(b)***Shareholders
of stock may
transfer their
interests*

The holders of stock may transfer all or any part of their holdings in the same manner and subject to the same provisions as and subject to which the shares from which the stock arose might prior to conversion have been transferred or as near to that manner and the provisions as circumstances admit; and the Directors may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum amount of stock transferable but the minimum shall not exceed the nominal amount of the shares from which the stock arose.

2. The provisions of the Company's Articles of Association dealing with the remuneration of the directors are as follows:

Article 82*Equality of
votes*

- (a) 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:-
- (i) 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
 - (ii) 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 of the Company.
- (b) The Directors may 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.
- (c) 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.
- (d) Any fee paid to an alternate Director shall be such as agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.
- (e) Fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increased has been given in the notice convening the meeting.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

3. The provisions of the Company's Articles of Association dealing with the voting and borrowing powers of the directors are as follows:-

Article 61

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to any other vote he may have.

Chairman to have casting votes

Article 85

The business of the Company shall be managed by the Directors who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not required to be exercised by the Company in general meetings, by the Act or by these Articles. No regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

General powers of the Company vested in Directors

Article 91(b)

The Directors shall not without the prior approval in general meetings:-

- (a) (i) carry into effect any proposal or execute any transaction for the acquisition of an undertaking or property of a substantial value, or the disposal of a substantial portion of the Company's main undertaking or property;
- (ii) exercise any power of the Company to issue shares unless otherwise permitted under the Act; or
- (iii) and subject to Section 132E and 132F of the Act, enter into any arrangement or transaction with a Director of the Company or with a person connected with such Director to acquire from or dispose to such Director or person any non-cash assets of requisite value.

Directors to obtain prior approval in general meetings in respect of certain transactions

Article 95

The Directors may from time to time at their discretion raise or borrow for the purpose of the Company such sums of moneys, as they think proper.

Borrowing powers of Directors

Article 96

The Directors may raise or secure the payment of money in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the issue of debentures or debenture stock of the Company (both present and future) including uncalled capital, or by means of charges, mortgages, bonds and disposition in security or bonds of cash-credit, with or without power of sale, as the Directors shall think fit.

Directors may raise money and provide securities

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)**Article 97**

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 a security for any debt, liability or obligation of an unrelated third party.

Directors not to borrow money, etc. for unrelated third party

Article 98

(a) The Directors may borrow or raise any such money as aforesaid upon the issue or sale of any bonds, debentures, debenture stock, or securities, and upon such terms as to time of repayment, rate of interest, price of issue or sale, payment of premium or bonus upon redemption or repayment or otherwise as they may think proper. The Company may in general meetings grant a right for the holders of bonds, debentures, debenture stock or securities to exchange the same for shares in the Company or any authorised class of shares to be issued.

Classification of securities and terms

(b) Subject as aforesaid, the Directors may secure or provide for the payment of any money 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 whether called up or not or by any other security and the Director may confer upon any mortgagees or persons in whom any debentures, debenture stock or security is vested such rights and powers as they think necessary or expedient; and the Directors 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 Director may think necessary or expedient in relation to the undertaking or property of the Company, or the management or the realisation 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 trustee may be remunerated.

Nature of Security

(c) The Directors may give security for the payment of any money payable by the Company in like manner as for the payment of money borrowed or raised, but in such case the amount shall be reckoned as part of the money borrowed.

Security for payments due

Article 104

Subject to these Articles, questions 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. Subject to Article 111(b), in case of an equality of votes the chairman of the meeting shall have a second or casting vote.

Meetings of Directors

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)**Article 105***Disclosure of
interest*

Every Director shall comply with the provisions of Sections 131 and 135 of the Act in connection with the disclosure of his shareholding and interests in the Company and his interest in any contract or proposed contract with the Company and in connection with the disclosure, every Director shall state the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly, duties or interests might be created in conflict with his duty or interest as a Director of the Company.

Article 106*Restriction on
voting*

A Director who is in any way, whether directly or indirectly interested in a contract or proposed contract with the Company shall declare the nature of his interest in accordance with the provisions of the Act and the requirements of Bursa Securities. A Director shall not vote in respect of any contract or arrangement in which he is interested (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.

However, 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 107*Director may
vote*

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.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

Article 109

The quorum necessary for the transaction of the business of the Directors shall be two (2).

For the purpose of determining whether the quorum for the transaction of the business of the Directors exists:-

- (a) in the case of a resolution agreed by Directors in telephonic communications, all such Directors shall be counted in the quorum; and
- (b) in the case of a meeting of Directors, in addition to the Directors present at the meeting, any Director in telephonic communication with such meeting shall be counted in the quorum.

Article 111(b)

Chairman

The chairman of a board meeting shall not have a casting vote where:-

- (i) two (2) directors form a quorum and only such a quorum is present at the meeting; or
- (ii) only two (2) directors are competent to vote of the question at issue.

4. The provisions of the Company's Articles of Association dealing with changes in capital and variations of class rights which are as stringent as those provided in the Companies Act, 1965 are as follows:-

Article 3

Shares to be under control of Directors

- (a) Subject always to the provisions of the Act and to these Articles, and to the provisions of any resolution of the Company the shares of the Company whether forming part of the original share capital or any increases thereof shall be under the control of the Directors who may offer, issue or allot with or without conferring any right of renunciation or otherwise deal with or dispose of the same or grant option or right to subscribe such shares or right to convert such securities into shares to such persons and on such terms and conditions with such preference, deferred or other special rights or such restrictions whether in regard to dividend, voting or return of share capital and either at a premium or otherwise and at such time or times as the Directors may think fit.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

- (b) Paragraph (a) of this Article shall be subject to the following restrictions, that is to say: -
- (i) no Director shall participate in a share scheme for employees of the Company unless the shareholders in general meetings have approved of the specific allotment to be made to such Director (including Non-Executive Directors).
 - (ii) no issue of preference shares shall be made which would result in the total nominal value of issued preference shares exceeding the total nominal value of the issued ordinary shares at any time.
 - (iii) no shares shall be issued at a discount except in compliance with the provisions of section 59 of the Act.
 - (iv) no issue of shares to the public for subscription shall be payable on application for each shares be less than five per cent (5%) of the nominal amount of the share.
 - (v) in the case of shares of any class, other than ordinary shares, no special rights shall be attached until the same have been expressed in these Articles.

Article 4

*Issue of
preference
shares*

- (a) Subject to Article 3(b)(ii), the Company shall have power to issue preference shares carrying a right to redemption out of profits or liable to be redeemed at the option of the Company or to issue preference capital ranking equally with or in priority to preference shares already issued and the Directors may, subject to the provisions of the Act, redeem such shares on such terms and in such manner and either at par or at a premium as they may think fit.
- (b) The holders of preference shares must be entitled to a return of capital in preference to holders of ordinary shares when the Company is wound up.
- (c) Preference shareholders shall have the same rights as ordinary shareholders as regards the receiving of notices, reports and audited accounts and attending general meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of or in connection with reducing the capital or winding up or the disposal of the whole of the Company's property, business and undertaking or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the Dividend or any part thereof on the preference shares is more than six (6) months in arrears. In particular, preference shareholders shall have the right to vote at any meeting convened during the course of winding up of the Company.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)**Article 5**

The repayment of any preference capital other than redeemable preference capital, or any other alteration of preference shareholders' rights, may only be made pursuant to a special resolution of the preference shareholders concerned, PROVIDED ALWAYS that where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing, if obtained from the holders of three-fourths (3/4) of the preference capital concerned within two (2) months of the meeting, shall be valid and effectual as a special resolution carried at the meeting.

*Repayment
of
Preference
Shares by
Special
Resolution*

Article 6

Subject to the provisions of the Act and the requirements of any rules, regulations and guidelines issued by the Bursa Securities and/or any other relevant authority for the time being in force, the Company shall have the power, to the fullest extent permitted, to purchase its own shares or give financial assistance to any person for the purpose of acquiring shares in the Company. The purchase of any ordinary share in the Company by the Company shall be dealt with in accordance with the provisions of the Act, the requirements of any rules, regulations and guidelines thereunder issued by the Bursa Securities and/or any other relevant authority in respect thereof.

*Share Buy-
back*

Article 8

Where any shares are issued for the purpose of raising money to defray the expense of the construction of any works or buildings, or the provision or acquisition of any plant or equipment which cannot be made profitable for a long period, the Company may pay interest on so much of such share capital as is for the time being paid up and charge the interest so paid on the capital as part of the cost of the plant or equipment or the construction of the works or building or the provision or acquisition of any plant or equipment subject to the conditions and restrictions mentioned in section 69 of the Act.

*Share issue
for purposes
of raising
money for
the
construction
of works*

Article 43(a)

The Company may by ordinary resolution passed at a general meeting convert any paid shares into stock and reconvert any stock into paid up shares of any denomination.

*Conversion
of shares
into stock
and re-
conversion*

Article 44

The Company may from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.

*Power to
increase
capital*

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)**Article 45***Shares to be offered to members before issue*

- (a) Subject to any direction to the contrary that may be given by the Company in a general meeting any original shares for the time being unissued and any new shares from time to time to be created, shall before they are issued, be offered to the Members in proportion as nearly as may be to the number of shares then held by them. Such offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer if not accepted or renounced will be deemed to be declined, and after the expiration of such time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may, subject to these Articles, dispose of the same in such manner as they think most beneficial to the Company. The Directors may, in like manner dispose of any such new or original shares as aforesaid which, by reason of the proportion borne by them to the number of persons entitled to such offer as aforesaid or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Directors be conveniently offered in manner herein before provided.
- (b) Notwithstanding the foregoing and subject to the Act, the Company may apply to the Bursa Securities for waiver of convening an extraordinary general meeting to obtain shareholders approval for further issue of shares (other than bonus or rights issue) where the aggregate issues of which in any one (1) financial year do not exceed ten per cent (10%) of the issued capital and where in accordance with the provisions of section 132D of the Act, there is still in effect a resolution approving the issue of shares by the Company.

Article 46*Rights and liabilities of new shares*

Except so far as otherwise provided by the conditions of issue, any capital raised by the creation of new shares shall be considered as part of the original share capital of the Company and shall be subject to the same provisions with reference to the payment of the calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

Article 47*Company may alter its capital in certain ways*

The Company may by ordinary resolution:-

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; or
- (b) sub-divide its existing shares, or any of them into shares of smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to the provisions of the Act, and so that as between the resulting shares, one (1) or more of such shares may by the resolution by which such sub-division is effected be given any preference or advantage as regards Dividend, capital, voting or otherwise over the others or any other of such shares or subject to such restrictions, limitations or liabilities over the other shares; or

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

- (c) cancel any shares not taken or agreed to be taken by any person or which shall have been forfeited;
- (d) subject to these Articles and the Act, convert any class of shares into any other class of shares.

Article 48

*Reduction of
capital*

- (a) The Company may by special resolution reduce its share capital and any capital redemption reserve fund in any manner authorised and subject to any conditions prescribed by the Act and the Listing Requirements.
- (b) The Company may reduce its issued share capital by the cancellation of shares purchased by the Company and the amount by which the Company's issued capital is diminished shall be transferred to the capital redemption reserve in accordance with section 67A of the Act and the Listing Requirements.

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13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)**Article 49**

Subject to the provisions of section 65 of the Act, all or any of the rights, privileges or conditions for the time being attached or belonging to any class of shares for the time being forming part of the share capital of the Company may from time to time be modified, affected, varied, extended or surrendered in any manner with the consent in writing of the holders of not less than three-fourths (3/4) of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the Members of that class. All the provisions of these Articles as to General Meetings of the Company shall mutatis mutandis apply to any such separate meeting, the necessary quorum for such separate meeting, shall be two (2) of the Members of the class holding or representing by proxy the share capital paid or credited as paid on the issued shares of the class, and every holder of shares of the class in question shall be entitled on a poll to one (1) vote for every such share held by him. To every such special resolution the provisions of section 152 of the Act shall with such adaptations as are necessary apply. Provided however that, in the event of the necessary majority not having been obtained in the manner aforesaid, consent in writing may be secured from Members holding at least three-fourths (3/4) of the issued shares of the class and such consent, if obtained within two (2) months from the date of the separate general meeting, shall have the force and validity of a special resolution duly carried by a vote in person or by proxy.

*Rights of
shareholders
may be
altered*

Article 50

The rights conferred upon the holders of the shares of any class with preference or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or in all respects *pari passu* therewith but in no respect in priority thereto.

*Creation or
issue of
further
shares*

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13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)**Article 147***Power to
capitalise*

The Company in general meetings may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the Members who would have been entitled thereto if distributed by way of Dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid up to and amongst such Members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution. A share premium account and a capital redemption reserve may, for the purposes of this regulation, be applied only in the paying up of unissued shares to be issued to Members of the Company, as fully paid bonus shares. The Company may apply its share premium account to provide the consideration for the purchase of the Company's own shares.

Article 148*Effect of
resolution to
capitalise*

Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issue of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in factions, and also to authorise any person to enter on behalf of all the Members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under authority shall be effective and binding on all such Members.

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13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)**13.3 Directors and Substantial Shareholders**

1. The names, addresses and occupations of the directors are set out in Section 1 "Corporate Directory" of this Prospectus.
2. No Promoter, director or key management and technical personnel is or has been involved in any of the following events, whether in or outside Malaysia:-
 - (a) A petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which he was or is a partner or any corporation of which he was or is a director or key personnel;
 - (b) Such person was disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
 - (c) Such person was charged and/or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
 - (d) Any judgment was entered against such person involving a breach of any law or regulatory requirement that relates to the securities or futures industry; or
 - (e) Such person was the subject of any order, judgment or ruling of any court, government or regulatory authority or body, permanently or temporarily enjoining him from engaging in any type of business practice or activity.
3. For the financial year ended 31 July 2006, a total sum of RM982,610 was paid to the directors of Greenyard as remuneration for their service in all capacities to the Company and its subsidiaries. For the financial year ending 31 July 2007, a total sum of RM1,019,450 is proposed to be paid to the directors of Greenyard as remuneration for their services in all capacities to the Group. The directors fall within the following remuneration bands:-

| Remuneration Band (RM) | Financial Year Ended 31 July 2006 | Financial Year Ending 31 July 2007 |
|------------------------|---|---|
| 0 – 50,000 | - | Ishak bin Said Tan Sri Datuk Arshad bin Ayub Dr. Zainol bin Md. Eusof Dr. Shaikh Awadz bin Shaikh Abdullah |
| 50,001 – 100,000 | Dr. Sivakumaran a/ Seenivasagam Tajuddin bin Ismail | Dr. Sivakumaran a/ Seenivasagam Tajuddin bin Ismail |
| 100,001 – 150,000 | - | - |
| 150,001 – 200,000 | - | - |
| 200,001 – 250,000 | - | - |
| 250,001 – 300,000 | Tham Foo Keong Tham Foo Choon Loke Chee Kien | Tham Foo Keong Tham Foo Choon Loke Chee Kien |

During the period from December 2002 to February 2004, there was a profit sharing arrangement between RCP and Dr. Sivakumaran a/l Seenivasagam in respect of technical consultancy services rendered by RCP to FELCRA. Pursuant to this arrangement, the net income from the provision of the said services was shared 40:60 between RCP and Dr. Sivakumaran. The total amount paid to Dr. Sivakumaran pursuant to this arrangement was RM20,533. The provision of the said services to FELCRA was completed in February 2004, and there has not been and will not be any profit sharing arrangements between the Group and its directors or employees since then.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

4. Based on the Register of Directors' Shareholdings of Greenfield as at 15 August 2006, being the latest practicable date prior to the printing of this Prospectus, the direct and indirect interests of the directors in the issued and paid-up capital of the Company are as follows:-

| Name of Director | Nationality | Before Issue | | After Issue | | After Full Exercise of ESOS ^c | | | | | | | |
|---|-------------|----------------------|------|-------------------------|-------|--|------|-------------------------|-------|------------------------|------|-------------------------|-------|
| | | Direct No. of Shares | % | Direct No. of Shares | % | Direct No. of Shares | % | | | | | | |
| Tham Foo Keong | Malaysian | 5,851,580 | 4.77 | ^a 83,390,920 | 67.94 | ^b 5,851,580 | 3.55 | ^a 83,390,920 | 50.54 | ^d 6,851,580 | 3.81 | ^a 83,390,920 | 46.33 |
| Tham Foo Choon | Malaysian | 5,851,580 | 4.77 | ^a 83,390,920 | 67.94 | ^b 5,851,580 | 3.55 | ^a 83,390,920 | 50.54 | ^d 6,851,580 | 3.81 | ^a 83,390,920 | 46.33 |
| Loke Chee Kien | Malaysian | - | - | - | - | ^b 20,000 | 0.01 | - | - | ^d 1,020,000 | 0.57 | - | - |
| Dr. Sivakumaran a/ Seenivasagam | Malaysian | 745,710 | 0.61 | - | - | ^b 765,710 | 0.46 | - | - | ^d 1,765,710 | 0.98 | - | - |
| Tajuddin bin Ismail | Malaysian | - | - | - | - | ^b 20,000 | 0.01 | - | - | ^d 1,020,000 | 0.57 | - | - |
| Ishak bin Said | Malaysian | - | - | - | - | ^b 20,000 | 0.01 | - | - | ^d 270,000 | 0.15 | - | - |
| Tan Sri Datuk Arshad bin Ayub | Malaysian | - | - | - | - | ^b 20,000 | 0.01 | - | - | ^d 270,000 | 0.15 | - | - |
| Dr. Zainol bin Md. Eusof | Malaysian | - | - | - | - | ^b 20,000 | 0.01 | - | - | ^d 270,000 | 0.15 | - | - |
| Dr. Shaikh Awadz bin Shaikh Abdullah | Malaysian | - | - | - | - | ^b 20,000 | 0.01 | - | - | ^d 270,000 | 0.15 | - | - |

Notes:-

- a Deemed substantial interests via their substantial shareholdings in GHSB.
- b Based on their respective allocations in respect of the new Shares made available for application by the eligible directors and employees of the Greenfield Group, and other persons who have contributed to the success of the Greenfield Group.
- c 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 just prior to the Company's listing on the MESDAQ Market.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

d Based on their respective indicative ESOS allocations as follows:-

| | Indicative No. of ESOS Options | | Indicative No. of ESOS Options |
|----------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|
| Tham Foo Keong | 1,000,000 | Ishak bin Said | 250,000 |
| Tham Foo Choon | 1,000,000 | Tan Sri Datuk Arshad bin Ayub | 250,000 |
| Loke Chee Kien | 1,000,000 | Dr. Zainol bin Md. Eusof | 250,000 |
| Dr. Sivakumaran a/l Seenivasagam | 1,000,000 | Dr. Shaikh Awadz bin Shaikh Abdullah | 250,000 |
| Tajuddin bin Ismail | 1,000,000 | | |

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13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

5. Based on the Register of Substantial Shareholders of Greenfield as at 15 August 2006, being the latest practicable date prior to the printing of this Prospectus, the direct and indirect interests of the substantial shareholders in the issued and paid-up capital of the Company are as follows:-

| Name | Nationality / Place of Incorporation | Before Issue | | After Issue | | After Full Exercise of ESOS ^h | |
|---------------------------------|--|----------------------------|------------------------------|----------------------------|------------------------------|--|------------------------------|
| | | Direct No. of Shares | Indirect No. of Shares | Direct No. of Shares | Indirect No. of Shares | Direct No. of Shares | Indirect No. of Shares |
| GHSB ^a | Malaysia | 83,390,920 | - | 83,390,920 | - | 83,390,920 | - |
| Tham Foo Keong ^{a b c} | Malaysian | 5,851,580 | 67.94 | 5,851,580 | 50.54 | 6,851,580 | 83,390,920 |
| Tham Foo Choon ^{a b c} | Malaysian | 5,851,580 | 67.94 | 5,851,580 | 50.54 | 6,851,580 | 83,390,920 |
| Tham Chong Sing ^c | Malaysian | 4,734,510 | 3.86 | 4,734,510 | 2.87 | 5,084,510 | 83,390,920 |
| Tham Fau Sin ^c | Malaysian | 4,734,510 | 3.86 | 4,734,510 | 2.87 | 5,084,510 | 83,390,920 |
| Twong Yoke Peng ^d | Malaysian | 9,531,280 | 7.77 | 9,531,280 | 5.78 | 9,681,280 | - |
| Yap Kim Lian ^e | Malaysian | 7,340,610 | 5.98 | 7,340,610 | 4.45 | 7,340,610 | - |

Notes:-

- a Promoters of Greenfield
b Directors of Greenfield
c Brothers
d Spouse of Tham Foo Keong
e Spouse of Loke Chee Kien
f Deemed substantial interests via their substantial shareholdings in GHSB.
g Based on their respective allocations in respect of the new Shares made available for application by the eligible directors and employees of the Greenfield Group, and other persons who have contributed to the success of the Greenfield Group.
h 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 just prior to the Company's listing on the MESDAQ Market.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

i Based on their respective indicative ESOS allocations as follows:-

| | <i>Indicative No. of ESOS Options</i> |
|------------------------|---------------------------------------|
| <i>Tham Foo Keong</i> | <i>1,000,000</i> |
| <i>Tham Foo Choon</i> | <i>1,000,000</i> |
| <i>Tham Chong Sing</i> | <i>350,000</i> |
| <i>Tham Fau Sin</i> | <i>350,000</i> |
| <i>Twong Yoke Peng</i> | <i>150,000</i> |

6. Save as disclosed in Section 3.3 "Particulars of the Issue", Section 9.5.1 "Public Issue" and Section 9.5.2 "ESOS" of this Prospectus, there are no other schemes involving the employees of the Group in the capital of Greenyeld or any of its subsidiaries as at the date of this Prospectus.
7. None of the directors or substantial shareholders of the Company or its subsidiaries has any interest, direct or indirect, in any business carrying on a similar trade as the Company or its subsidiaries.
8. The directors of the Company are not aware of any other persons, apart from GHSB, Tham Foo Keong, Tham Foo Choon, Tham Chong Sing, Tham Fau Sin, Twong Yoke Peng and Yap Kim Lian, who are able, directly or indirectly, jointly or severally, to exercise control over the Company and its subsidiaries. Collectively, the above persons control 73.6% of the shareholdings in the Company after the Issue. The shareholdings of the above-mentioned persons in Greenyeld are disclosed in Section 2.2 "Ownership and Management", Section 7.1.1 "Substantial Shareholders and Promoters – Shareholdings in Greenyeld", and paragraph 5 of this section, of this Prospectus.
9. Save as disclosed in Section 9.4 "Restructuring", Section 9.5 "Listing Proposals", Section 9.8 "Related-Party Transactions and Conflict of Interest" and Section 13.6 "Material Contracts and Material Agreements" of this Prospectus, none of the directors or substantial shareholders of the Company has any interest, whether direct or indirect, in the promotion of, or in any material assets which have, within the last three (3) financial years and the subsequent financial period immediately preceding the date of this Prospectus, been acquired or proposed to be acquired or disposed of or proposed to be disposed of by or leased or proposed to be leased to, the Company or its subsidiaries, or in any contract or arrangement subsisting at the date of this Prospectus which is significant in relation to the business of the Company or the Group taken as a whole.

13.4 General

1. Save as disclosed in Section 3.7 "Utilisation of Proceeds", Section 9.4 "Restructuring" and Section 9.5 "Listing Proposals" of this Prospectus, no property has been acquired or is proposed to be acquired, and no preliminary expenses are to be repaid, by the Company or its subsidiaries in contemplation of the Issue.
2. The nature of the Company's business and the names of all corporations which are deemed to be related to the Company by virtue of Section 6 of the Companies Act, 1965 are disclosed in Section 9.6 "Information on the Company and its Subsidiary Companies" of this Prospectus.
3. The time of the opening of the Application List is set out in Section 14 "Procedure for Application and Acceptance" of this Prospectus.
4. The amount payable in full on application is RM0.21 per Share.
5. Save and except for the ESOS as disclosed in Section 9.5.2 "ESOS" of this Prospectus, which will be implemented as part of the listing scheme of the Company, no person has an option or is entitled to be given an option to subscribe for any Shares, stocks or debentures of the Company or its subsidiaries.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

6. Save as disclosed in Section 9.2 "Share Capital and Changes in Share Capital", Section 9.4.2 "Capitalisation of Amount Due to GHSB", Section 9.4.3 "Increase in Authorised Share Capital and Acquisitions of Subsidiaries", Section 9.6.1(b) "Information on Greenyfield – Share Capital" and Section 9.6.4(b) "Information on GISB – Share Capital", no capital of the Company or its subsidiaries has been issued or is proposed to be issued as partly or fully paid-up otherwise than for cash within the two (2) years preceding the date of this Prospectus.
7. Save as disclosed in Section 9.2 "Share Capital and Changes in Share Capital", Section 9.5 "Listing Proposals", and Section 9.6.1(b) "Information on Greenyfield – Share Capital" of this Prospectus, no capital of the Company or its subsidiaries has been issued or is proposed to be issued for cash within the two (2) years preceding the date of this Prospectus.
8. The name and address of the auditors are set out in Section 1 "Corporate Directory" of this Prospectus.
9. The manner in which copies of this Prospectus together with the official Application Forms and envelopes may be obtained is set out in Section 14 "Procedure for Application and Acceptance" of this Prospectus.
10. In the event of any conflict or inconsistency in meaning between the English and Bahasa Malaysia versions of this Prospectus, the English version shall prevail.

13.5 Expenses and Commission

1. Save as disclosed in Section 3.9 "Brokerage, Underwriting and Listing Expenses" of this Prospectus, there have been no commissions, discounts, brokerages or other special terms granted or paid by Greenyfield or its subsidiaries within the two (2) years preceding the date of this Prospectus in connection with the issue or sale of any Shares or debentures of the Company or its subsidiaries for subscribing or agreeing to subscribe or procuring or agreeing to procure subscription for any Shares or debentures of Greenyfield or its subsidiaries and no director or proposed director or Promoter or expert is entitled to receive any such payment.
2. Expenses incidental to the listing of and quotation for the entire issued and paid-up share capital of the Company on the MESDAQ Market amounting to approximately RM1.502 million will be borne by the Company.
3. Save as disclosed in Section 7.4(e) "Board of Directors – Directors' Remuneration" and Section 9.8 "Related-Party Transactions and Conflict of Interest" of this Prospectus, no amount or benefit has been paid or given within the two (2) years preceding the date hereof, nor is it intended to be so paid or given, to any Promoter, director or substantial shareholder of the Company.

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13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

13.6 Material Contracts and Material Agreements

13.6.1 Material Contracts

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company or its subsidiaries within the two (2) years preceding the date of this Prospectus:-

- (a) Underwriting Agreement dated 17 August 2006 between Greenyield, AmMerchant Bank Berhad (as "**Managing Underwriter and Underwriter**"), AmSecurities Sdn Bhd (as "**Underwriter**") and Alliance Investment Bank Berhad (as "**Underwriter**") whereby Greenyield has requested the Managing Underwriter and the Underwriters, and the Managing Underwriter has agreed to manage the underwriting of the Underwritten Shares (as defined in the Underwriting Agreement) and the Underwriters have agreed to severally underwrite the 3,000,000 new ordinary shares of RM0.10 each ("**Public Portion Shares**") and 4,000,000 new ordinary shares of RM0.10 each ("**Pink Form Shares**") (collectively known as the "**Underwritten Shares**").

AmMerchant, AmSecurities Sdn Bhd and Alliance Investment Bank Berhad agreed to underwrite 1,224,000, 136,000 and 2,640,000 Pink Form Shares and 918,000, 102,000 and 1,980,000 Public Portion Shares respectively.

In consideration, Greenyield shall pay to each of the Underwriters Underwriting Commission in the following manner-

- (i) *For AmMerchant Bank Berhad and AmSecurities Sdn Bhd:-*
At one point five per centum (1.5%) of the Issue Price of RM0.21 for each of the Public Portion Shares and one point five per centum (1.5%) of the Issue Price of RM0.21 for each of the Pink Form Shares;
- (ii) *For Alliance Investment Bank Berhad (formerly known as Alliance Merchant Bank Berhad):-*
At three per centum (3.0%) of the Issue Price of RM0.21 for each of the Public Portion Shares, and three per centum (3.0%) of the Issue Price of RM0.21 for each of the Pink Form Shares.

Further, Greenyield shall pay to the Managing Underwriter the Management Fee of zero point seven five per centum (0.75%) of the Issue Price of RM0.21 for each of the Public Portion Shares.

This Agreement shall be governed by and construed in accordance with the laws of Malaysia.

- (b) Sponsorship Agreement dated 15 August 2006 between Greenyield and AmMerchant Bank Berhad ("**Sponsor**") whereby Greenyield has appointed AmMerchant Bank Berhad to act as Sponsor from the date of listing of Greenyield until 31 July 2008. In consideration, Greenyield agrees to pay the Sponsor a non-refundable upfront fee of RM110,000.00 on or before the signing of the Agreement.

Subject to the approval of Bursa Securities if required, either party may terminate the engagement at any time by giving two (2) months' written notice to the other as well as to Bursa Securities. Any such termination shall be without prejudice to any rights accrued to the Sponsor and any obligations incurred by Greenyield to the Sponsor prior to such termination date.

The Sponsor shall not be liable for any implications or consequences arising from the termination.

This agreement shall be governed by, and construed and enforced in accordance with the laws of Malaysia.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

- (c) Debt Guarantee Agreement dated 23 August 2006 between Greenyield and GHSB, Tham Foo Keong and Tham Foo Choon respectively ("**Promoters**") whereby the Promoters hereby unconditionally and irrevocably undertake that it will obtain / has obtained the sum of RM2,055,000.00 being the irrevocable, unconditional and enforceable bank guarantee facility granted by AmBank (M) Berhad to the Promoters in favour of Greenyield to guarantee the collection of all the trade receivables of the Group that were in dispute, under legal course of action or exceeding six (6) months as at 31 July 2006, as well as those which would be more than 6 months as at 30 September 2006 if it remained unpaid, which is equivalent to the amount of the Guaranteed Debt on or before 20 September 2006 (i.e. the date of the issuance of the prospectus or such other date as may be mutually agreed) ("**Cut Off Date**"). Greenyield shall be able to call on the Bank Guarantee at any time prior to the issuance of its prospectus in the event Greenyield or GISB, Gimflow, RCP and GTSSB ("**Companies**") shall fail and/or refuse to collect the Guaranteed Debt on or before the Cut-Off Date. In the event if the Companies shall collect the Guaranteed Debt from the debtors before the issuance of the Greenyield prospectus, the parties agree that this Agreement shall ipso facto cease and determined on the date the Guaranteed Debt is fully recovered by the Group from the debtors and all obligations and liabilities of the parties shall cease to have effect and neither party shall have any further claims against the other in respect thereof. This Agreement shall be governed by the laws of Malaysia.
- (d) Bank Guarantee ("**Bank Guarantee**") dated 23 August 2006 whereby GHSB ("**Obligor**") is required pursuant to the listing exercise to guarantee Greenyield the collectibility of its receivables which are more than 120 days as at 31 July 2006 for a sum of RM2,053,733.04. At the request of the Obligor, AmBank (M) Berhad ("**Guarantor**") agreed to guarantee Greenyield the collectibility of the said receivables which are more than 120 days as at 31 July 2006, amounting to a sum not exceeding RM2,055,000.00 ("**Guaranteed Sum**") on the condition that Greenyield demands in writing to the Guarantor the amount due to Greenyield with written confirmation from KPMG that the aforesaid receivables have not been fully collected.
- The said demand shall be made under this Bank Guarantee in writing on or before 22 November 2006, delivered to and received by the Guarantor at Level 41, Menara AmBank, No. 8, Jalan Yap Kwan Seng, 50450 Kuala Lumpur and with a written confirmation by KPMG. Upon payment by the Guarantor of such demand, the Guarantor shall have no further liability to Greenyield and Greenyield shall not be entitled to make any further demand on the Guarantor in respect of the Guaranteed Sum or any part thereof.
- The benefit of this Bank Guarantee is personal and shall not be capable of assignment by Greenyield. This Bank Guarantee is governed by and shall be construed in all respects in accordance with the laws of Malaysia.
- (e) Placement Agreement dated 12 December 2005 between Greenyield and Alliance Merchant Bank Berhad ("**Alliance**") whereby Alliance is appointed as the placement agent to place 35,260,000 new shares of RM0.10 each to selected investors ("**Placement Shares**"). In consideration, Greenyield agrees to pay to Alliance a fee being a sum equivalent to 2.5% of the RM0.21 per new public issue share ("**Issue Price**") multiplied by the number of Placement Shares placed out by Alliance, which are successfully subscribed by identified placees and/or in the case where the placees are identified and secured by Greenyield, an administrative fee equivalent to 1.25% of the Issue Price multiplied by the number of Placement Shares placed out to such placees together with disbursement and out-of-pocket expenses incurred by Alliance. Greenyield shall be entitled to terminate the appointment of Alliance by notice in writing to Alliance if Alliance has failed to perform its obligations as set out in this Agreement and such failure is likely in the reasonable opinion of Greenyield to jeopardize the

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

success of the private placement and/or the issuance thereof and such failure is not rectified within 3 Market Days of receipt of notice by Alliance from Greenyeld. Alliance shall be entitled to withdraw its services and to terminate its appointment by notice in writing to Greenyeld if Greenyeld has withheld from or deliberately omitted to provide information to, or misrepresented to Alliance in such manner which in the reasonable opinion of Alliance will jeopardize the success of the private placement and/or the issuance, and such withholding or omission of information or misrepresentation is not rectified within 3 Market Days of receipt of notice by Greenyeld from Alliance. This Agreement shall be governed by and construed in accordance with the laws of Malaysia.

- (f) Supplemental Agreement dated 1 April 2005 between GISB and GHSB to clarify the terms of the Sale and Purchase Agreement dated 13 May 2004 ("**Agreement**"). It is stated in the Agreement that the Factory (as defined in the Agreement) was and is at all times constructed on the land belonging to and owned by GHSB ("**GHSB's Land**"). GISB had constructed the Factory on GHSB's Land and had incurred costs in the construction of the Factory. GISB and GHSB agree that there is no transfer of any interest, option or other right in or over GHSB's Land which remained at all times in the registered and beneficial ownership of GHSB and that only the physical factory building structure owned by GISB was sold to GHSB pursuant to the Agreement. This Supplemental Agreement shall be governed by and construed in accordance with the laws of Malaysia.
- (g) Sale and Purchase Agreement dated 13 May 2004 between Greenyeld and shareholders of RCP whereby Greenyeld agrees to acquire 50,000 ordinary shares of RM1.00 each representing the entire issued and paid-up share capital of RCP for a total purchase consideration of RM372,854 satisfied by the issuance of 372,854 new ordinary shares of RM1.00 each credited as fully paid-up in the capital of Greenyeld. This Agreement is conditional upon the approval of the Securities Commission and Bursa Securities and all such other relevant authorities for the listing of the entire enlarged issued and fully paid-up share capital of Greenyeld on the MESDAQ Market of Bursa Securities. This Agreement shall be governed by and construed in accordance with the laws of Malaysia.
- (h) Sale and Purchase Agreement dated 13 May 2004 between Greenyeld, the shareholders of GISB, Gimflow and GTSSB respectively whereby Greenyeld will acquire 1,100,000 ordinary shares of RM1.00 each representing the entire issued and paid share capital of GISB (as at the date of this Agreement, a sum of RM8,512 is owing by GISB to GHSB and GHSB has undertaken to capitalise the said sum of RM8,512 into 8,512 ordinary shares of RM1.00 each in GISB on or before the completion of this Agreement resulting in a total paid-up capital of GISB of 1,108,512 ordinary shares of RM1.00 each), 650,000 ordinary shares of RM1.00 each representing the entire issued and paid share capital of Gimflow and 200,000 ordinary shares of RM1.00 each representing the entire issued and paid share capital of GTSSB for a total purchase consideration of RM 11,901,144.00 satisfied by the issuance of 11,901,144 new ordinary shares of RM1.00 each credited as fully paid-up in the capital of the Greenyeld. This Agreement is conditional upon the approval of the Securities Commission and Bursa Securities and all such other relevant authorities for the listing of the entire enlarged issued and fully paid-up share capital of Greenyeld on the MESDAQ Market of Bursa Securities. This Agreement shall be governed by and construed in accordance with the laws of Malaysia.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

13.6.2 Material Agreements on which the Group is Highly Dependent

As at 15 August 2006, the following are the material agreements on which the Group is highly dependent:-

- (a) Research and Development Facility Agreement dated 24 April 2004 between P.T. Bumi Rambang Kramajaya (Indonesia) ("**BRK**") and GTSSB whereby BRK will allow GTSSB to conduct research and development ("**R&D**") at BRK's rubber plantations based on projects and over a period of time. BRK shall not, whether during or after termination of this agreement, divulge any information obtained from the R&D Projects at the Designated Area (as defined therein), without the prior written consent of GTSSB. GTSSB shall provide BRK the first rights of refusal to use the technologies derived successfully from the R&D projects, in Indonesia at terms and conditions to be negotiated and also to commercialize the technologies derived successfully from the R&D projects, in Indonesia on a joint venture basis. GTSSB shall have the right to apply for, register and maintain any patent(s) or licences under its name if information and/or results generated from the R&D projects are patentable or capable of being licenced or otherwise afforded any protection. BRK shall not have any claim to the ownership of the patent(s) or rights under licences or other forms of protection derived from the R&D projects. BRK shall not be liable for any losses suffered by GTSSB if the R&D projects conducted under this agreement are terminated and/ceases to carry on due to any reasons beyond the control of BRK such as acts of force majeure. GTSSB shall not be held liable for any damages or losses suffered by BRK or the rubber plantations of BRK arising from R&D activities conducted by GTSSB in the rubber plantations of BRK. This Agreement is governed by and construed in accordance with the laws of the Republic of Indonesia. Any party may submit the dispute to arbitration in Indonesia. Either party may terminate the Agreement by notice in writing if the other shall have committed any breach of terms and conditions of this Agreement provided that in the case of a rectifiable breach it shall have failed to rectify such breach within sixty (60) days after being called upon in writing to do so.
- (b) Deed of Assignment dated 3 October 2003 between Koperasi Pekebun Kecil Getah Nasional Berhad ("**NARSCO**"), Gimflow and Rubber Industry Smallholder Development Authority ("**RISDA**") whereby NARSCO has a contract with RISDA to supply RRIMFLOW system and agricultural related products ("**Products**") that are marketed by Gimflow to RISDA's state stores, as and when RISDA orders the Products from NARSCO. NARSCO shall assign all payments and rights as a creditor to RISDA arising from RISDA's orders to Gimflow ("**Assignment**"). RISDA has no objection to this Assignment, and will irrevocably undertake to make full settlement of the indebted value of this Assignment to Gimflow, based on the terms agreed upon between NARSCO and Gimflow. NARSCO has no objection to this Assignment and this Assignment shall take effect from 3 October 2003. This Deed shall be construed and the legal relations between the parties shall be construed in accordance with the laws of Malaysia.
- (c) Deed of Assignment dated 13 October 2003 between Koperasi Pekebun Kecil Getah Nasional Berhad ("**NARSCO**"), Gimflow and RISDA Smallholders Plantation Sdn Bhd ("**RISDA Plantation**") whereby NARSCO has a contract with RISDA Plantations to supply RRIMFLOW system and agricultural related products ("**Products**") that are marketed by Gimflow to RISDA Plantation's state stores, as and when RISDA Plantation orders the Products from NARSCO. NARSCO shall assign all payments and rights as a creditor to RISDA arising from RISDA Plantation's orders to Gimflow ("**Assignment**"). RISDA Plantation has no objection to this Assignment, and will irrevocably undertake to make full settlement of the indebted value of this Assignment to Gimflow, based on the terms agreed upon between NARSCO and Gimflow. NARSCO has no objection to this Assignment and this Assignment shall take effect from 13 October 2003.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

This Deed shall be construed and the legal relations between the parties shall be construed in accordance with the laws of Malaysia.

- (d) Technology Licensing Agreement dated 8 October 2003 between RRIM-Consult Corporation (“**RIMCORP**”) and Gimflow whereby RIMCORP grants Gimflow a non-exclusive right in Malaysia to use the full and complete information relating to RRIMFLOW (MRB Know-how) to manufacture and produce RRIMFLOW and to use, sell or otherwise distribute RRIMFLOW inside or outside Malaysia. Gimflow may appoint its subsidiaries, related companies and/ or third parties to manufacture, produce and market RRIMFLOW subject to giving RIMCORP fourteen (14) days written notice prior to its appointment. The right to produce RRIMFLOW is granted for a period of seven (7) years.

Gimflow shall not carry out any development work with third parties or disclose any MRB Know-how to any third parties save and except where the prior written consent of RIMCORP is obtained. Information, jointly generated during the course of activities pursuant to this Agreement shall remain the joint property of RIMCORP and Gimflow. Neither Party shall assign, transmit or licence their rights in the information jointly generated during the course of activities pursuant to this Agreement without the written consent of the other party. Either party may on their own effort conduct further research and development work relating to RRIMFLOW. In the event any information so generated results in a patentable invention, either party is at liberty to register and maintain such patent(s) under their respective names.

In consideration for the provision of MRB Know-how, rights, privileges and advantages appertaining in respect of RRIMFLOW granted by RIMCORP to Gimflow, Gimflow agrees to pay RIMCORP a royalty sum equal to:-

- (i) Seven (7) sen of the retail price of each set of the RRIMFLOW system which comprises a plastic applicator, a one-way valve, water reactive glue and gum (“**Set**”) for all original and replacement sales; and
- (ii) Four (4) sen of the retail price of each plastic applicator sold where the plastic applicator is not sold as part of a Set.

Gimflow shall treat all MRB Know-how communicated to them by RIMCORP in strict confidence and secrecy, whether before or after the termination of the Agreement. Gimflow shall not patent independently MRB Know-how in any other country in the world where MRB may not have patented the said MRB Know-how or is in the process of doing so. Gimflow shall not assign, sublicense or part with the benefit of this Agreement without prior written consent of RIMCORP. RIMCORP may assign this Agreement and its rights thereunder provided that such assignment shall be subject to Gimflow’s rights and obligations thereunder.

Either party may terminate the Agreement by notice in writing to the other if the other shall have committed any breach of the terms and conditions of the Agreement provided that in the case of a rectifiable breach it shall have failed to rectify such breach within sixty (60) days after being called upon in writing to do so. Upon expiry of the Agreement, RIMCORP reserves the right to renew this Agreement for a similar period on a mutually agreeable basis.

Gimflow, its subsidiaries or related companies or members of Gimflow shall not, at any time within five (5) years from the date of termination of the Agreement be engaged or interested in the trade or business or manufacturing of RRIMFLOW or the usage of the name RRIMFLOW except with the consent in writing of RIMCORP.

This Agreement shall be construed and the legal relations between the parties shall be construed in accordance with the laws of Malaysia.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

Vide a letter dated 8 October 2003, RIMCORP has given an undertaking that during the terms of the above Agreement, RIMCORP shall not grant a similar license to other parties as long as Gimflow is not in breach of any of the terms and conditions of the Agreement and ensures that it keeps to the spirit of the Agreement. RIMCORP had also vide a letter dated 9 December 2003 confirmed that the clause in the Technology Licensing Agreement in relation to development work with third parties pertains specifically to the RRIMFLOW system only.

- (e) Distributorship Agreement dated 15 September 2003 between Gimflow and Innozest Sdn. Bhd. ("**Innozest**") whereby Gimflow appoints Innozest as its sole distributor of the said accessories in the states of Sabah and Sarawak, Malaysia. The agreement shall commence on 15 September 2003 and shall continue for a period of 3 years unless sooner terminated. Innozest shall have the exclusive right to distribute in Sabah and Sarawak the said accessories. However, Gimflow reserves the right to itself to sell the said accessories directly to any government or any sub-division or agency or commission thereof or to any local government body or public authority functioning on behalf of the public or where the purchase is made outside the states of Sabah and Sarawak through a bona fide established office of any firm association or corporation to such firm association or corporation and on all such direct sales there will be no remuneration and/or commission paid or credited to Innozest unless otherwise specifically agreed between the Parties.

All prices granted to Innozest may be established and changed from time to time by Gimflow by 1 month's notice in writing to Innozest. Innozest agrees that as long as the agreement is in force, it shall not without Gimflow's written consent sell or caused to be sold any of the said accessories in any place outside Sabah and Sarawak. Further, Innozest shall also not either directly or indirectly stock sell or deal in products and/or accessories developed, manufactured, produced and/or supplied by competitors of Gimflow. Innozest shall not during the continuance of the agreement and for a period of 3 years after the termination of the agreement howsoever caused divulge any information in relation to Gimflow's trade secrets techniques business or method of carrying on business. The agreement shall be governed by and construed in accordance with the laws of Malaysia.

- (f) Distributorship Agreement dated 15 September 2003 between GTSSB and Innozest Sdn Bhd ("**Innozest**") whereby GTSSB appoints Innozest as its sole distributor of the said accessories in the states of Sabah and Sarawak, Malaysia. The agreement shall commence on 15 September 2003 and shall continue for a period of three (3) years unless sooner terminated. Innozest shall have the exclusive right to distribute in Sabah and Sarawak the said accessories. However, GTSSB reserves the right to itself to sell the said accessories directly to any government or any sub-division or agency or commission thereof or to any local government body or public authority functioning on behalf of the public or where the purchase is made outside the states of Sabah and Sarawak through a bona fide established office of any firm association or corporation to such firm association or corporation and on all such direct sales there will be no remuneration and/or commission paid or credited to Innozest unless otherwise specifically agreed between the Parties.

All prices granted to Innozest may be established and changed from time to time by GTSSB by one (1) month's notice in writing to Innozest. Innozest agrees that as long as the agreement is in force, it shall not without GTSSB's written consent sell or caused to be sold any of the said accessories in any place outside Sabah and Sarawak. Further, Innozest shall also not either directly or indirectly stock sell or deal in products and/or accessories developed, manufactured, produced and/or supplied by competitors of GTSSB. Innozest shall not during the continuance of the agreement and for a period of three (3) years after the termination of the agreement howsoever caused divulge any information in relation to GTSSB's trade secrets techniques business or method of carrying on

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

business. The agreement shall be governed by and construed in accordance with the laws in Malaysia.

- (g) Sole Distributorship Agreement dated 12 August 2002 between Southern Industrial Gas Sdn Bhd (“**SIG**”) and Gimflow whereby SIG agreed to appoint Gimflow with effect from 12 August 2002 as the exclusive sales representative for “Ethylene Gas (C₂H₄)” in Malaysia. The agreement shall commence on 12 August 2002 and shall continue for a period of 3 years and thereafter shall be extended for a further period of 2 years, unless determined by either party by giving to the other not less than 3 months notice in writing prior to expiry at any time on or after the 3rd anniversary. The agreement has been renewed for a further period of 2 years from 12 August 2005. In the event both SIG and Gimflow agree to discontinue the agreement, Gimflow shall give SIG a period of not less than 6 months to take up all the remaining minimum stock.
- (h) Dealership Agreement dated 15 November 2000 between PT. Buana Internusa (“**PTBI**”) and GTSSB whereby GTSSB appoints PTBI as the Dealer (as defined therein) for the sales of the Accessories as defined in the agreement, in the state of Medan, Indonesia. This Agreement shall be effective from 15 November 2000 to 14 November 2010 (5 + 5 years) unless terminated earlier. This appointment shall be subject to review by GTSSB and the first such review will be 1 year after the effective date of this agreement and thereafter at intervals of every 2 months. PTBI shall have the exclusive rights to the Accessories in the area of Sumatra, Indonesia. GTSSB reserves the right to itself to sell the Accessories directly to any government or any sub-division or agency or to any local government body or public authority functioning on behalf of the public or where the purchase is made outside the states of Medan, Indonesia through a bona fide established office of any firm association or corporation to such firm association or corporation.

PTBI agreed that so long as the agreement is in force it shall not without GTSSB's written consent sell or caused to be sold any of the Accessories in any place outside Medan, Indonesia and shall not either directly or indirectly stock sell or deal in products and/or accessories developed, manufactured, produced and/or supplied by competitors of GTSSB. PTBI shall not during the continuance of the agreement and for period of the termination of the agreement howsoever caused divulge any information in relation to GTSSB's trade secrets techniques business or method of carrying on business. The agreement shall be governed by and construed in accordance with the laws of Indonesia.

13.7 Litigation and Contingent Liabilities

Neither the Company nor its subsidiaries are engaged, either as plaintiff or defendant, in any material litigation or arbitration, including those pending or threatened, which has a material effect on the financial position or business of the Company or any of its subsidiary companies, and the directors are not aware of any facts likely to give rise to any proceedings which might materially affect the financial position or business of the Company or any of its subsidiary companies.

As at 15 August 2006, being the latest practicable date prior to the printing of this Prospectus, the Group does not have any contingent liabilities.

13.8 Public Take-Overs

During the last financial year and the current financial year, there have been:-

- (a) No public take-over offers by third parties in respect of the Company's and its subsidiaries' shares; and
- (b) No public take-over offers by the Group in respect of other companies' shares.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)**13.9 Consents**

- (a) The written consents of the Adviser, Sponsor and Managing Underwriter, Sole Placement Agent, Underwriters, Solicitors, Principal Bankers, Issuing House, Registrars and Company Secretaries to the inclusion in this Prospectus of their names in the form and context in which their names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- (b) The written consent of the Auditors and Reporting Accountants to the inclusion in this Prospectus of their name, Accountants' Report, and letters relating to the Pro-forma Consolidated Financial Information and Consolidated Profit Forecasts in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.
- (c) The written consent of Khong & Jaafar Sdn. Bhd. to the inclusion in this Prospectus of its name, valuation certificate and the references to its Valuation Reports dated 15 June 2004 in respect of the Group's land and buildings held under H.S. (M) 5725, Lot PT 4055, Mukim Tanjung Dua Belas, Tempat Olak Lempit, Daerah Kuala Langat, Selangor Darul Ehsan, and Geran 80929 and 80930, Lot 37811 and 37810, Seksyen 10, Bandar Kajang, Daerah Ulu Langat, Selangor Darul Ehsan, in the form and context in which its name, valuation certificate and the references to the Valuation Reports appear in this Prospectus, has been given before the issue of this Prospectus and has not subsequently been withdrawn.

13.10 Insurance Policies

The Group has purchased the following types of insurance policies:-

- (a) Fire;
- (b) All risks (office equipment);
- (c) Group personal accident;
- (d) Public liability;
- (e) Burglary;
- (f) Motor; and
- (g) Product liability.

13.11 Documents for Inspection

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

- (a) Memorandum and Articles of Association of the Company;
- (b) The material contracts and material agreements as set out in Section 13.6 "Material Contracts and Material Agreements" of this Prospectus;
- (c) Bye-Laws of the ESOS;
- (d) Directors' Report and Accountants' Report as set out in Section 11 "Directors' Report (Prepared for Inclusion in this Prospectus)" and Section 5.16 "Accountants' Report" respectively of this Prospectus;

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

- (e) Reporting Accountants' letter relating to the Pro-forma Consolidated Financial Information as set out in Section 5.5 "Reporting Accountants' Letter on the Pro-forma Consolidated Financial Information" of this Prospectus;
- (f) Reporting Accountants' letter relating to the Consolidated Profit Forecasts as set out in Section 5.12 "Reporting Accountants' Letter on the Consolidated Profit Forecasts" of this Prospectus;
- (g)
 - (i) The audited accounts of Gimflow, GTSSB, GISB and RCP for the financial years ended 31 July 2003 to 2005 and the eight (8) months ended 31 March 2006; and
 - (ii) The audited accounts of Greenyield for the financial period ended 31 July 2003, the financial years ended 31 July 2004 and 2005, and the eight (8) months ended 31 March 2006;
- (h) The valuation certificate as set out in Section 12 "Valuation Certificate" of this Prospectus, and the Valuation Reports dated 15 June 2004 prepared by Khong & Jaafar Sdn. Bhd. on the market values in respect of the Group's land and buildings held under H.S. (M) 5725, Lot PT 4055, Mukim Tanjung Dua Belas, Tempat Olak Lempit, Daerah Kuala Langat, Selangor Darul Ehsan, and Geran 80929 and 80930, Lot 37811 and 37810, Seksyen 10, Bandar Kajang, Daerah Ulu Langat, Selangor Darul Ehsan;
- (i) Consent letters as mentioned in Section 3.1 "Introduction and Details of the Issue" of this Prospectus; and
- (j) The contracts of service dated 1 November 2003 between Encik Tajuddin bin Ismail and Gimflow, dated 1 December 2005 between Dr. Mohamed Yusoff Mohd. Noor and Gimflow, and dated 1 November 2003 between Armaru @ Tharmalingam a/l A. Chinniah and RCP, as set out in Section 7.9 "Service Agreements" of this Prospectus.

13.12 Responsibility Statements

- (a) This Prospectus has been seen and approved by the directors and Promoters of the Company 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 statement herein false or misleading. The directors hereby accept full responsibility for the profit forecasts included in this Prospectus and confirm that the profit forecasts have been prepared based on the assumptions made.
- (b) AmMerchant Bank, being the Adviser and Managing Underwriter, acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the Issue, and is satisfied that any profit forecasts (for which the directors of the Company are fully responsible), prepared for inclusion in this Prospectus have been stated by the directors after due and careful enquiry and have been duly reviewed by the Reporting Accountants.

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