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**13 PROFORMA CONSOLIDATED FINANCIAL INFORMATION OF KELINGTON AND THE  
REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**  
(Prepared for the inclusion in this Prospectus)

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We understand that this letter will be used solely for the purpose stated above, in connection with the aforementioned transactions. As such, this letter should not be used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully

A handwritten signature in black ink, appearing to be "H. V.", written over a horizontal line.

**Horwath**  
Firm No : AF 1018  
Chartered Accountants

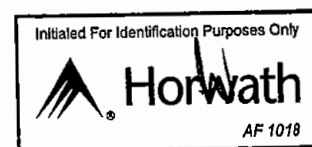
A handwritten signature in black ink, appearing to be "Lee Kok Wai", written over a horizontal line.

**Lee Kok Wai**  
Approval No : 2760/06/10(J)  
Partner

Horwath Offices in Malaysia:

Johor Bahru • Klang • Kota Kinabalu • Kuala Lumpur • Kuching • Labuan • Melaka • Muar • Penang

**13 PROFORMA CONSOLIDATED FINANCIAL INFORMATION OF KELINGTON AND THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**  
(Prepared for the inclusion in this Prospectus)



**KELINGTON GROUP BERHAD ("KELINGTON") AND ITS SUBSIDIARIES ("KELINGTON GROUP")**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION**

**1. PROFORMA GROUP AND BASIS OF PREPARATION**

**1.1 Proforma Group**

The proforma consolidated financial information of the KELINGTON Group, comprising the financial information of KELINGTON, Kelington Engineering (Shanghai) Co. Ltd. ("KE Shanghai"), Kelington Technologies Sdn. Bhd. (formerly known as KE Manufacturing Sdn. Bhd.) ("KTSB"), Kelington Engineering (S) Pte. Ltd. ("KE Singapore") and Kelington Trading (Shanghai) Co. Ltd. ("KTS") are presented for the purpose of illustration only.

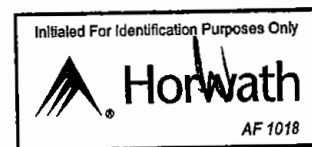
The relevant financial periods for the purpose of this report ("Relevant Financial Period") are as follows:-

| <b>Company</b>      | <b>Relevant Financial Periods</b>  |
|---------------------|--|
| <b>KELINGTON</b>    | Financial years ended ("FYE") 31 December 2006, 2007 and 2008, Financial Period ("FP") from 1 January 2009 to 30 April 2009 ("FP 2009"). |
| <b>KE Shanghai</b>  | FYE 31 December 2006, 2007 and 2008, FP 2009.  |
| <b>KTSB</b>         | FYE 31 December 2006, 2007 and 2008, FP 2009.  |
| <b>KE Singapore</b> | FP from 8 June 2006 (date of incorporation) to 31 December 2006, FYE 31 December 2007 and 2008, FP 2009.                                 |
| <b>KTS</b>          | FP from 18 March 2009 (date of incorporation) to 30 April 2009.  |

The proforma consolidated financial information of the KELINGTON Group is prepared on the assumption that the KELINGTON Group had been in existence throughout the financial years ended 31 December 2006, 2007 and 2008, FP from 1 January 2009 to 30 April 2009. The proforma consolidated financial information comprise the following:-

- Section 2 - Proforma Consolidated Income Statements for the Relevant Financial Period;
- Section 3 - Proforma Consolidated Balance Sheets/Statement Of Assets And Liabilities as at 30 April 2009; and
- Section 4 - Proforma Consolidated Cash Flow Statement for the FP from 1 January 2009 to 30 April 2009.

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**Kelington Group Berhad ("KELINGTON") and its subsidiaries ("KELINGTON GROUP")**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**1.2 Basis of Preparation**

The proforma consolidated financial information is prepared using the audited financial statements of KELINGTON, KE Shanghai, KTSB and KE Singapore for the Relevant Financial Period except for:

- (a) FP 2008 which relates to the unaudited management financial statements for the financial period from 1 January 2008 to 30 April 2008 for comparison purposes; and
- (b) KTS which was incorporated on 18 March 2009 and only commenced business operations in August 2009.

The proforma consolidated financial information has been prepared in accordance with Financial Reporting Standards ("FRS") in Malaysia consistent with those previously adopted in the preparation of the audited financial statements of the KELINGTON Group for the FP from 1 January 2009 to 30 April 2009 and after incorporating adjustments that are appropriate for the preparation of the proforma consolidated financial information.

VSR Technologies Sdn. Bhd. ("VSR"), a former 51% subsidiary of KELINGTON was disposed of by KELINGTON in FYE 2006 via a dividend-in-specie exercise on a pro-rata basis to KELINGTON's shareholders and was excluded from the proforma consolidated financial information for the FYE 2006.

The KELINGTON Group has not adopted the following FRSs and Issues Committee ("IC") Interpretations that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group:

- (i) FRS issued and effective for financial periods beginning on or after 1 July 2009:

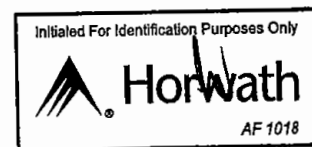
**FRS 8 Operating Segments**

FRS 8 replaces FRS 114<sub>2004</sub> Segment Reporting and requires a "management approach", under which segment information is presented on the same basis as that used for internal reporting purposes. The adoption of this standard only impacts the form and content of disclosures presented in the financial statements of the KELINGTON Group. This FRS is expected to have no material impact on the financial statements of the KELINGTON Group upon its initial application.

- (ii) FRSs issued and effective for financial periods beginning on or after 1 January 2010:

|         |  |
|---------|--|
| FRS 4   | Insurance contracts                                |
| FRS 7   | Financial Instruments: Disclosures                 |
| FRS 123 | Borrowing Costs                                    |
| FRS 139 | Financial Instruments: Recognition and Measurement |

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**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**1.2 Basis of Preparation (Cont'd)**

The Group considers financial guarantee contracts entered to be insurance arrangements and accounts for them under FRS 4. In this respect, the Group treats the guarantee contract as a contingent liability until such a time as it becomes probable that the Group will be required to make a payment under the guarantee. The adoption of FRS 4 is expected to have no material impact on the financial statements of the Group.

The possible impact of FRS 7 and FRS 139 on the financial statements upon their initial applications is not disclosed by virtue of the exemptions given in these standards.

The possible impact of FRS 123 on the financial statements upon its initial application is not disclosed as the existing accounting policies of the KELINGTON Group are consistent with the requirements under this new standard.

- (iii) Amendments issued and effective for financial periods beginning on or after 1 January 2010:

|                                 |   |
|---------------------------------|---|
| Amendments to FRS 1 and FRS 127 | Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate |
| Amendment to FRS 2              | Vesting Conditions and Cancellations  |

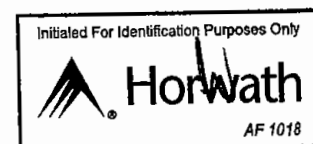
The above amendments are not relevant to the KELINGTON Group's operations.

- (iv) IC Interpretations issued and effective for financial periods beginning on or after 1 January 2010:

|                      |   |
|----------------------|---|
| IC Interpretation 9  | Reassessment of Embedded Derivatives  |
| IC Interpretation 10 | Interim Financial Reporting and Impairment  |
| IC Interpretation 11 | FRS 2: Group and Treasury Share Transactions  |
| IC Interpretation 13 | Customer Loyalty Programmes   |
| IC Interpretation 14 | FRS 119: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction |

The above IC Interpretations are not relevant to the KELINGTON Group's operations except for IC Interpretation 10 which will become relevant to the Group for the financial year ending 31 December 2010 and the subsequent financial years. IC Interpretation 10 prohibits the impairment losses recognised in an interim period on goodwill, investments in equity instruments and financial assets carried at cost to be reversed at a subsequent balance sheet date. This interpretation is expected to have no material impact on the financial statements of the Group upon its initial application.

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**Kelington Group Berhad ("KELINGTON") and its subsidiaries ("KELINGTON GROUP")**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**1.2 Basis of Preparation (Cont'd)**

The translation of the financial statements of the Company's Taiwan Branch and the financial statements of its foreign subsidiaries from New Taiwan Dollar, Chinese Renminbi and Singapore Dollar to RM are based on the following exchange rates:-

|  | FYE2006 | FYE 2007 | FYE 2008 | FP 2008 | FP 2009 |
|--|---------|----------|----------|---------|---------|
| <b>Income statements</b>                         |         |          |          |         |         |
| Based on average rates for the period            |         |          |          |         |         |
| New Taiwan Dollar                                | 0.1125  | 0.1043   | 0.1059   | 0.1032  | 0.1070  |
| Chinese Renminbi                                 | 0.4593  | 0.4518   | 0.4820   | 0.4519  | 0.5310  |
| Singapore Dollar                                 | 2.2932  | 2.3193   | 2.3652   | 2.3029  | 2.3991  |
| <b>Balance sheets</b>                            |         |          |          |         |         |
| Based on closing rates at the balance sheet date |         |          |          |         |         |
| New Taiwan Dollar                                | 0.1083  | 0.1028   | 0.1056   | -       | 0.1074  |
| Chinese Renminbi                                 | 0.4523  | 0.4563   | 0.5076   | -       | 0.5126  |
| Singapore Dollar                                 | 2.2932  | 2.3193   | 2.4070   | -       | 2.4117  |

The proforma consolidated balance sheets, together with the accompanying notes thereto, which have been prepared solely for illustrative purposes, to show the effects of the following schemes had the schemes been implemented and completed on 30 April 2009:-

**(1) Restructuring Scheme**

KELINGTON had undertaken an internal restructuring scheme comprising the following:-

(a) increase in authorised share capital from RM5,000,000 to RM25,000,000 by the creation of 20,000,000 new ordinary shares of RM1.00 each ("Increased Authorised Share Capital"). The Increased Authorised Share Capital was completed on 11 September 2009;

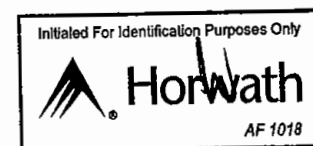
(b) a bonus issue of 1,500,000 new ordinary shares of RM1.00 each in KELINGTON, by way of the capitalisation of:

- (i) RM599,000 from the share premium account; and
- (ii) RM901,000 from the retained profits account

in the ratio of three (3) bonus shares for every ten (10) existing ordinary shares held ("Bonus Issue"). The Bonus Issue was completed on 11 September 2009;

(c) a subdivision of the par value of the ordinary shares of KELINGTON from RM1.00 per ordinary share to RM0.10 per ordinary share ("Share Subdivision"). The Share Subdivision was completed on 11 September 2009; and

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**Kelington Group Berhad ("KELINGTON") and its subsidiaries ("KELINGTON GROUP")**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**1.2 Basis of Preparation (Cont'd)**

**(1) Restructuring Scheme (Cont'd)**

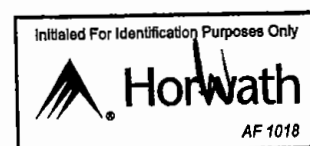
- (d) the disposal of 750,000 ordinary shares of RM0.10 each representing 1.15% of the enlarged KELINGTON's issued and paid-up share capital after the Bonus Issue and Share Subdivision by the shareholders of KELINGTON, i.e. Palace Star Sdn. Bhd., Allied Moral Investments Limited and Sky Walker Group Limited to certain key employees ("Employee Share Transfer"). The Employee Share Transfer was completed on 11 September 2009.

**(2) Listing Scheme**

KELINGTON seeks the listing of and quotation for its entire enlarged issued and paid-up share capital on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). The listing scheme comprise the following:-

- (a) proposed public issue of 9,710,000 new ordinary shares of RM0.10 each at an issue price of RM0.53 per ordinary share ("Proposed Public Issue") which will be allocated and allotted in the following manner:-
  - (i) 960,000 new ordinary shares of RM0.10 each available for application by the Malaysian public;
  - (ii) 2,809,000 new ordinary shares of RM0.10 each available for application by eligible employees and business associates of KELINGTON Group; and
  - (iii) 5,941,000 new ordinary shares of RM0.10 each by way of private placement to selected investors.
- (b) offer for sale of 9,000,000 ordinary shares of RM0.10 each at an offer price of RM0.53 per ordinary share available for application by private placement to identified investors.
- (c) admission to the official list of the ACE Market of Bursa Securities and listing of and quotation for KELINGTON's entire enlarged issued and paid-up share capital of RM7,471,000 comprising 74,710,000 ordinary shares of RM0.10 each on the ACE Market of Bursa Securities.

**13 PROFORMA CONSOLIDATED FINANCIAL INFORMATION OF KELINGTON AND THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**  
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**KELINGTON GROUP BERHAD ("KELINGTON") AND ITS SUBSIDIARIES ("KELINGTON GROUP")**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

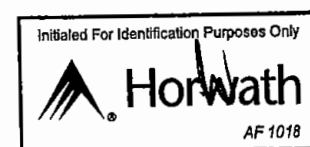
**2. PROFORMA CONSOLIDATED INCOME STATEMENTS OF KELINGTON GROUP**

|   | <b>Audited<br/>FYE 2006<br/>RM'000</b> | <b>Audited<br/>FYE 2007<br/>RM'000</b> | <b>Audited<br/>FYE 2008<br/>RM'000</b> | <b>Unaudited<br/>FP 2008 **<br/>RM'000</b> | <b>Audited<br/>FP 2009<br/>RM'000</b> |
|---|--|--|--|--|---------------------------------------|
| Revenue   | 30,256                                 | 57,242                                 | 60,058                                 | 24,934                                     | 12,724                                |
| Cost of sales   | (23,556)                               | (47,714)                               | (47,686)                               | (20,322)                                   | (9,483)                               |
| Gross profit ("GP")   | 6,700                                  | 9,528                                  | 12,372                                 | 4,612                                      | 3,241                                 |
| Other income  | 134                                    | 239                                    | 474                                    | 103  | 337                                   |
|   | 6,834                                  | 9,767                                  | 12,846                                 | 4,715                                      | 3,578                                 |
| Selling and distribution expenses   | (280)                                  | (206)                                  | (224)                                  | (103)                                      | (96)                                  |
| Administrative expenses   | (2,490)                                | (3,655)                                | (5,113)                                | (1,385)                                    | (1,026)                               |
| Other expenses  | (631)                                  | (306)                                  | (370)                                  | (131)                                      | (151)                                 |
| Profit from operations  | 3,433                                  | 5,600                                  | 7,139                                  | 3,096                                      | 2,305                                 |
| Finance costs   | (82)                                   | (126)                                  | (79)                                   | (24)                                       | (30)                                  |
| Profit before taxation ("PBT")  | 3,351                                  | 5,474                                  | 7,060                                  | 3,072                                      | 2,275                                 |
| Income tax expense  | (570)                                  | (1,386)                                | (454)                                  | (466)                                      | (340)                                 |
| Profit after taxation ("PAT")   | 2,781                                  | 4,088                                  | 6,606                                  | 2,606                                      | 1,935                                 |
| Attributable to:-   |  |  |  |  |                                       |
| Equity holders of the Company   | 2,521                                  | 4,088                                  | 6,606                                  | 2,606                                      | 1,935                                 |
| Minority interests  | 418                                    | -                                      | -                                      | -  | -                                     |
|   | 2,939                                  | 4,088                                  | 6,606                                  | 2,606                                      | 1,935                                 |
| Earnings before interest, depreciation and taxation ('000)                  | 3,775                                  | 5,992                                  | 7,533                                  | 3,234                                      | 2,425                                 |
| GP margin (%)   | 22.1                                   | 16.6                                   | 20.6                                   | 18.5                                       | 25.5                                  |
| PBT margin (%)  | 11.1                                   | 9.6                                    | 11.8                                   | 12.3                                       | 17.9                                  |
| PAT margin (%)  | 9.2                                    | 7.1                                    | 11.0                                   | 10.5                                       | 15.2                                  |
| Effective tax rate (%)  | 17.0                                   | 25.3                                   | 6.4                                    | 15.2                                       | 14.9                                  |
| Interest coverage (times)   | 45.1                                   | 45.5                                   | 90.4                                   | 129.0                                      | 76.8                                  |
| Weighted average number of ordinary shares in issue of RM1.00 each * ('000) | 6,297                                  | 6,500                                  | 6,500                                  | 6,500                                      | 6,500                                 |
| Gross earnings per share ("EPS") (sen)                                      | 53.2                                   | 84.2                                   | 108.6                                  | 47.3                                       | 35.0                                  |
| Net EPS (sen)   | 44.2                                   | 62.9                                   | 101.6                                  | 40.1                                       | 29.8                                  |

**Notes:-**

- \* - Assumed weighted average number of ordinary shares in issue after Bonus Issue but before the Share Subdivision and Proposed Public Issue.
- \*\* - For comparison purposes.

13 **PROFORMA CONSOLIDATED FINANCIAL INFORMATION OF KELINGTON AND THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**  
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**KELINGTON GROUP BERHAD ("KELINGTON") AND ITS SUBSIDIARIES ("KELINGTON GROUP")**

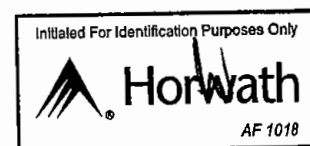
**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**3. PROFORMA CONSOLIDATED BALANCE SHEETS/STATEMENT OF ASSETS AND LIABILITIES OF KELINGTON GROUP AS AT 30 APRIL 2009**

|   | Note | Audited as at<br>30 April 2009<br>RM'000 | Proforma I<br>Increase In<br>Authorised<br>Share Capital<br>and Bonus<br>Issue<br>RM'000 | Proforma II<br>after<br>Proforma I<br>and Share<br>Subdivision<br>and Disposal<br>of Share<br>RM'000 | Proforma III<br>after<br>Proforma II<br>and Proposed<br>Public Issue<br>and Proposed<br>Utilisation of<br>Proceeds<br>RM'000 |
|---|------|--|--|--|--|
| <b>ASSETS</b>                                   |      |  |  |  |  |
| <b>NON-CURRENT ASSETS</b>                       |      |  |  |  |  |
| Property, plant and equipment                   | 3.4  | 5,081                                    | 5,081  | 5,081  | 5,581  |
| Goodwill on consolidation                       | 3.5  | 199                                      | 199  | 199  | 199  |
| Development costs                               | 3.6  | 108                                      | 108  | 108  | 108  |
|   |      | <b>5,388</b>                             | <b>5,388</b>   | <b>5,388</b>   | <b>5,888</b>   |
| <b>CURRENT ASSETS</b>                           |      |  |  |  |  |
| Amount owing by contract customers              | 3.7  | 9,037                                    | 9,037  | 9,037  | 9,037  |
| Trade receivables                               | 3.8  | 9,289                                    | 9,289  | 9,289  | 9,289  |
| Other receivables, deposits and prepayments     | 3.9  | 1,565                                    | 1,565  | 1,565  | 735  |
| Fixed deposits with licensed banks              | 3.10 | 12,320                                   | 12,320   | 12,320   | 12,320   |
| Cash and bank balances                          | 3.11 | 9,669                                    | 9,669  | 9,669  | 13,140   |
|   |      | <b>41,880</b>                            | <b>41,880</b>  | <b>41,880</b>  | <b>44,521</b>  |
| <b>TOTAL ASSETS</b>                             |      | <b>47,268</b>                            | <b>47,268</b>  | <b>47,268</b>  | <b>50,409</b>  |
| <b>EQUITY AND LIABILITIES</b>                   |      |  |  |  |  |
| Share capital                                   | 3.12 | 5,000                                    | 6,500  | 6,500  | 7,471  |
| Share premium account                           | 3.13 | 599                                      | -  | -  | 3,769  |
| Capital reserve                                 | 3.14 | 2,401                                    | 2,401  | 2,401  | 2,401  |
| Exchange fluctuation reserve                    | 3.15 | 704                                      | 704  | 704  | 704  |
| Retained profits                                |      | 15,033                                   | 14,132   | 14,132   | 12,533   |
| <b>TOTAL EQUITY</b>                             |      | <b>23,737</b>                            | <b>23,737</b>  | <b>23,737</b>  | <b>26,878</b>  |
| <b>NON-CURRENT LIABILITIES</b>                  |      |  |  |  |  |
| Deferred tax liabilities                        | 3.16 | 611                                      | 611  | 611  | 611  |
| Term loan                                       | 3.17 | 826                                      | 826  | 826  | 826  |
|   |      | <b>1,437</b>                             | <b>1,437</b>   | <b>1,437</b>   | <b>1,437</b>   |
| <b>CURRENT LIABILITIES</b>                      |      |  |  |  |  |
| Amount owing to contract customers              | 3.7  | 9,260                                    | 9,260  | 9,260  | 9,260  |
| Trade payables                                  | 3.18 | 8,985                                    | 8,985  | 8,985  | 8,985  |
| Other payables and accruals                     | 3.19 | 3,060                                    | 3,060  | 3,060  | 3,060  |
| Provision for taxation                          |      | 727                                      | 727  | 727  | 727  |
| Term loan                                       | 3.17 | 62                                       | 62   | 62   | 62   |
|   |      | <b>22,094</b>                            | <b>22,094</b>  | <b>22,094</b>  | <b>22,094</b>  |
| <b>TOTAL LIABILITIES</b>                        |      | <b>23,531</b>                            | <b>23,531</b>  | <b>23,531</b>  | <b>23,531</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>             |      | <b>47,268</b>                            | <b>47,268</b>  | <b>47,268</b>  | <b>50,409</b>  |
| Number of ordinary shares of RM1.00 each ('000) |      | 5,000                                    | 6,500  | -  | -  |
| Number of ordinary shares of RM0.10 each ('000) |      | -  | -  | 65,000   | 74,710   |
| Net tangible assets per ordinary share (RM)     |      | 4.69                                     | 3.60   | 0.36   | 0.36   |



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**KELINGTON GROUP BERHAD ("KELINGTON") AND ITS SUBSIDIARIES ("KELINGTON GROUP")**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**3. PROFORMA CONSOLIDATED BALANCE SHEETS OF KELINGTON GROUP (CONT'D)**

**3.1 Proforma I**

Proforma I incorporates the effect of the Proposed Increase In Authorised Share Capital and Bonus Issue.

**3.2 Proforma II**

Proforma II incorporates the effects of Proforma I and the Share Subdivision and the Employee Share Transfer.

**3.3 Proforma III**

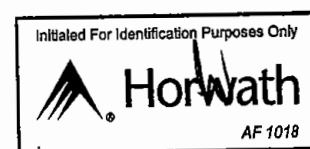
Proforma III incorporates the effects of Proforma II and the Proposed Public Issue and the Proposed Utilisation of Proceeds. The proceeds will be utilised as follows:-

|                                   | <b>RM'000</b> |
|-----------------------------------|---------------|
| Research and development expenses | 250           |
| Capital expenditure on equipment  | 500           |
| Working capital                   | 2,641         |
| Estimated listing expenses *      | 1,755         |
|                                   | <b>5,146</b>  |

**Note:**

\* - *The estimated listing expenses for issue of new shares of RM406,000 is to be written off against the share premium account under Section 60 of the Companies Act, 1965. The remaining of estimated listing expenses of RM1,349,000 will be expensed off to the income statement and this represents an one-off expenditure pursuant to the Initial Public Offerings.*

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**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**3. PROFORMA CONSOLIDATED BALANCE SHEETS OF KELINGTON GROUP (CONT'D)**

**3.4 PROPERTY, PLANT AND EQUIPMENT**

The details of property, plant and equipment are illustrated below:-

|  | <b>Cost<br/>RM'000</b> | <b>Accumulated<br/>depreciation<br/>RM'000</b> | <b>Net<br/>book value<br/>RM'000</b> |
|--|------------------------|--|--------------------------------------|
| Freehold land                            | 1,300                  | -  | 1,300                                |
| Building                                 | 1,400                  | (177)  | 1,223                                |
| Motor vehicles                           | 296                    | (142)  | 154                                  |
| Office and computer equipment            | 684                    | (391)  | 293                                  |
| Tools and equipment                      | 3,408                  | (1,491)  | 1,917                                |
| Furniture, fittings and renovation       | 521                    | (327)  | 194                                  |
| As at 30 April 2009/As per Proforma I/II | 7,609                  | (2,528)  | 5,081                                |
| Proposed Utilisation of Proceeds         | 500                    | -  | 500                                  |
| As per Proforma III                      | 8,109                  | (2,528)  | 5,581                                |

The freehold land and building of the Group have been pledged to a licensed bank as security for banking facilities granted to the Group.

**3.5 GOODWILL ON CONSOLIDATION**

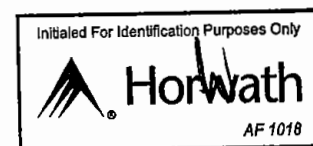
Goodwill on consolidation represents goodwill arising from the acquisition of certain subsidiaries, i.e. KE Shanghai, KTSB, and KE Singapore.

**3.6 DEVELOPMENT COSTS**

Development costs comprise direct expenses and related overheads incurred for the development of new and existing products and services used in the ultra high purity hazardous gas and chemical systems.

There was no amortisation of development costs as the new products have yet to be completed and/or put into commercial sale.

**13 PROFORMA CONSOLIDATED FINANCIAL INFORMATION OF KELINGTON AND THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**  
(Prepared for the inclusion in this Prospectus)



**KELINGTON GROUP BERHAD ("KELINGTON") AND ITS SUBSIDIARIES ("KELINGTON GROUP")**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**3. PROFORMA CONSOLIDATED BALANCE SHEETS OF KELINGTON GROUP (CONT'D)**

**3.7 AMOUNTS OWING BY/(TO) CONTRACT CUSTOMERS**

|                                    | <b>RM'000</b> |
|------------------------------------|---------------|
| Cost incurred on contract to date  | 64,252        |
| Attributable profits               | 17,671        |
|                                    | <hr/>         |
| Progress billings                  | 81,923        |
|                                    | (82,146)      |
|                                    | <hr/>         |
|                                    | (223)         |
|                                    | <hr/>         |
| Amount owing by contract customers | 9,037         |
|                                    | <hr/>         |
| Amount owing to contract customers | (9,260)       |
|                                    | <hr/>         |

**3.8 TRADE RECEIVABLES**

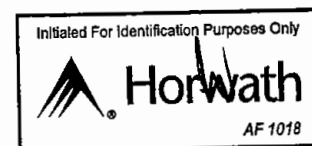
|                              | <b>RM'000</b> |
|------------------------------|---------------|
| Trade receivables            | 9,316         |
| Allowance for doubtful debts | (27)          |
|                              | <hr/>         |
|                              | 9,289         |
|                              | <hr/>         |

The Group's normal trade credit terms range from 30 to 60 days. Other credit terms are assessed and approved on a case-by-case basis.

The foreign currency exposure profile of the trade receivables is as follows:-

|                      | <b>RM'000</b> |
|----------------------|---------------|
| New Taiwan Dollar    | 2,628         |
| Chinese Renminbi     | 1,759         |
| Singapore Dollar     | 662           |
| United States Dollar | 181           |
|                      | <hr/>         |
|                      | 5,230         |
|                      | <hr/>         |

**13 PROFORMA CONSOLIDATED FINANCIAL INFORMATION OF KELINGTON AND THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**  
(Prepared for the inclusion in this Prospectus)



**KELINGTON GROUP BERHAD ("KELINGTON") AND ITS SUBSIDIARIES ("KELINGTON GROUP")**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**3. PROFORMA CONSOLIDATED BALANCE SHEETS OF KELINGTON GROUP (CONT'D)**

**3.9 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS**

The details of the other receivables, deposits and prepayments are as follows:-

|  | RM'000 |
|--|--------|
| Other receivables                        | 167    |
| Deposits                                 | 176    |
| Prepayments                              | 1,222  |
|  | <hr/>  |
| As at 30 April 2009/As per Proforma I/II | 1,565  |
| Listing expenses                         | (830)  |
|  | <hr/>  |
|  | 735    |
|  | <hr/>  |

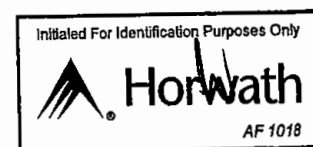
The foreign currency exposure profile of the other receivables, deposits and prepayments is as follows:-

|                   | RM'000 |
|-------------------|--------|
| New Taiwan Dollar | 41     |
| Chinese Renminbi  | 559    |
| Singapore Dollar  | 67     |
|                   | <hr/>  |
|                   | 667    |
|                   | <hr/>  |

**3.10 FIXED DEPOSITS WITH LICENSED BANKS**

The weighted average effective interest rate of the fixed deposits at the balance sheet date was 2.18% and the fixed deposits have maturity periods ranging from 7 to 365 days. The fixed deposit amounting to RM1,416,000 has been pledged to a licensed bank for banking facilities granted to the KELINGTON Group.

**13 PROFORMA CONSOLIDATED FINANCIAL INFORMATION OF KELINGTON AND THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**  
(Prepared for the inclusion in this Prospectus)



**KELINGTON GROUP BERHAD ("KELINGTON") AND ITS SUBSIDIARIES ("KELINGTON GROUP")**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**3. PROFORMA CONSOLIDATED BALANCE SHEETS OF KELINGTON GROUP (CONT'D)**

**3.11 CASH AND BANK BALANCES**

|  | <b>RM'000</b> |
|--|---------------|
| As at 30 April 2009/As per Proforma I/II | 9,669         |
| Add: Proceeds from Proposed Public Issue | 5,146         |
|  | <u>14,815</u> |
| Proposed Utilisation of Proceeds:        |               |
| - estimated listing expenses paid        | (925)         |
| - research and development expenses paid | (250)         |
| - purchase of equipment                  | (500)         |
|  | <u>13,140</u> |

The foreign currency exposure profile of the cash and bank balances at 30 April 2009 is as follows:-

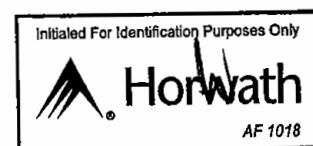
|                      | <b>RM'000</b> |
|----------------------|---------------|
| Chinese Renminbi     | 1,616         |
| New Taiwan Dollar    | 2,359         |
| Singapore Dollar     | 842           |
| United States Dollar | 3,078         |
|                      | <u>7,895</u>  |

**3.12 SHARE CAPITAL**

As at the date of this report, the authorised share capital of KELINGTON is RM25,000,000 comprising 250,000,000 ordinary shares of RM0.10 each.

The issued and paid-up share capital of KELINGTON as of the date of this report is RM6,500,000 comprising 65,000,000 ordinary shares of RM0.10 each.

13 **PROFORMA CONSOLIDATED FINANCIAL INFORMATION OF KELINGTON AND THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**  
(Prepared for the inclusion in this Prospectus)



**KELINGTON GROUP BERHAD ("KELINGTON") AND ITS SUBSIDIARIES ("KELINGTON GROUP")**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**3. PROFORMA CONSOLIDATED BALANCE SHEETS OF KELINGTON GROUP (CONT'D)**

**3.12 SHARE CAPITAL (CONT'D)**

The movements in the issued and paid-up share capital of KELINGTON are as follows:-

|                       | Number of<br>Ordinary<br>Shares<br>( '000) | Amount of<br>Share<br>Capital<br>RM'000 |
|-----------------------|--|---|
| As at 30 April 2009   | 5,000                                      | 5,000                                   |
| Bonus Issue           | 1,500                                      | 1,500                                   |
| As per Proforma I     | 6,500                                      | 6,500                                   |
| Share Subdivision     | 58,500                                     | -                                       |
| As per Proforma II    | 65,000                                     | 6,500                                   |
| Proposed Public Issue | 9,710                                      | 971                                     |
| As per Proforma III   | 74,710                                     | 7,471                                   |

**3.13 SHARE PREMIUM**

The movements in the share premium account are as follows:-

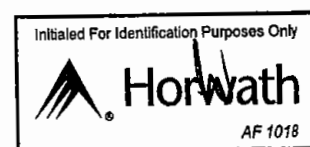
|                              | RM'000 |
|------------------------------|--------|
| As at 30 April 2009          | 599    |
| Bonus Issue                  | (599)  |
| As per Proforma I/II         | -      |
| Proposed Public Issue        | 4,175  |
| Estimated listing expenses * | (406)  |
| As per Proforma III          | 3,769  |

**Note:**

\* - *The estimated listing expenses for issue of new shares of RM406,000 is to be written off against the share premium account under Section 60 of the Companies Act, 1965. The remaining of estimated listing expenses of RM1,349,000 will be expensed off to the income statement and this represents an one-off expenditure pursuant to the Initial Public Offerings*

The share premium is not distributable by way of cash dividends and may be utilised only in the manner set out in Section 60(3) of the Companies Act, 1965.

**13 PROFORMA CONSOLIDATED FINANCIAL INFORMATION OF KELINGTON AND THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**  
(Prepared for the inclusion in this Prospectus)



**KELINGTON GROUP BERHAD ("KELINGTON") AND ITS SUBSIDIARIES ("KELINGTON GROUP")**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**3. PROFORMA CONSOLIDATED BALANCE SHEETS OF KELINGTON GROUP (CONT'D)**

**3.14 CAPITAL RESERVE**

The capital reserve is not distributable by way of cash dividends.

**3.15 EXCHANGE FLUCTUATION RESERVE**

The exchange fluctuation reserve arose from the translation of the financial statements of the foreign subsidiaries and a foreign branch and is not distributable by way of dividends.

**3.16 DEFERRED TAX LIABILITIES**

The components of the deferred tax liabilities are as follows:-

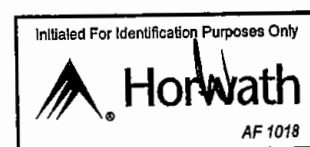
|                                     | RM'000 |
|-------------------------------------|--------|
| Accelerated capital allowances      | 188    |
| Amount owing by contract customers  | 420    |
| Unrealised gain on foreign exchange | 3      |
|                                     | 611    |

**3.17 TERM LOAN**

The term loan is repayable as follows:-

|  | RM'000 |
|--|--------|
| Current:                               |        |
| - repayable within one year            | 62     |
| Non-current portion:                   |        |
| - repayable between one and two years  | 65     |
| - repayable between two and five years | 224    |
| - repayable after five years           | 537    |
|  | 826    |
|  | 888    |

**13 PROFORMA CONSOLIDATED FINANCIAL INFORMATION OF KELINGTON AND THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**  
(Prepared for the inclusion in this Prospectus)



**KELINGTON GROUP BERHAD ("KELINGTON") AND ITS SUBSIDIARIES ("KELINGTON GROUP")**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**3. PROFORMA CONSOLIDATED BALANCE SHEETS OF KELINGTON GROUP (CONT'D)**

**3.17 TERM LOAN (CONT'D)**

Details of the repayment terms are as follows:-

| Term loan | Number of Monthly Instalments | Monthly Instalment Amount RM | Commencement Date of Repayment | Amount Outstanding RM'000 |
|-----------|-------------------------------|------------------------------|--------------------------------|---------------------------|
| 1         | 12                            | 8,277                        | September 2008                 |                           |
|           | 12                            | 9,403                        | September 2009                 |                           |
|           | 122                           | 10,081                       | September 2010                 | 888                       |
|           |                               |                              |                                | 888                       |

The term loan bore a weighted average interest rate of 4.0% per annum at the balance sheet date and are secured by:-

- (i) legal charges over the freehold land and building of KELINGTON;
- (ii) a lien over certain fixed deposits of KELINGTON; and
- (iii) a joint and several guarantee of certain directors of KELINGTON.

**3.18 TRADE PAYABLES**

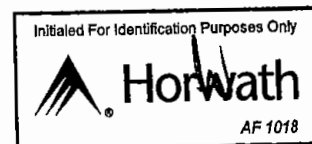
The Group's normal trade credit terms range from 30 to 60 days.

The foreign currency exposure profile of the trade payables is as follows:-

|                      | RM'000 |
|----------------------|--------|
| Chinese Renminbi     | 877    |
| New Taiwan Dollar    | 2,040  |
| Singapore Dollar     | 1,045  |
| United States Dollar | 2,474  |
|                      | 6,436  |



**13 PROFORMA CONSOLIDATED FINANCIAL INFORMATION OF KELINGTON AND THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**  
(Prepared for the inclusion in this Prospectus)



**KELINGTON GROUP BERHAD ("KELINGTON") AND ITS SUBSIDIARIES ("KELINGTON GROUP")**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**3. PROFORMA CONSOLIDATED BALANCE SHEETS OF KELINGTON GROUP (CONT'D)**

**3.19 OTHER PAYABLES AND ACCRUALS**

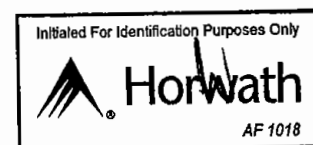
The details of the other payables and accruals are as follows:-

|                | <b>RM'000</b> |
|----------------|---------------|
| Other payables | 1,768         |
| Accruals       | 1,292         |
|                | 3,060         |

The foreign currency exposure profile of the other payables and accruals is as follows:-

|                   | <b>RM'000</b> |
|-------------------|---------------|
| Chinese Renminbi  | 2,174         |
| New Taiwan Dollar | 139           |
| Singapore Dollar  | 1             |
|                   | 2,314         |

13 **PROFORMA CONSOLIDATED FINANCIAL INFORMATION OF KELINGTON AND THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**  
(Prepared for the inclusion in this Prospectus)



**KELINGTON GROUP BERHAD ("KELINGTON") AND ITS SUBSIDIARIES ("KELINGTON GROUP")**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**4. PROFORMA CONSOLIDATED CASH FLOW STATEMENTS OF KELINGTON GROUP**

|   | Note | Unaudited<br>FP 2008 **<br>RM'000 | Audited<br>FP 2009<br>RM'000 |
|---|------|-----------------------------------|------------------------------|
| <b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>                    |      |                                   |                              |
| Profit before taxation  |      | 3,072                             | 2,275                        |
| <b><u>Adjustments for:-</u></b>                                       |      |                                   |                              |
| Allowance for doubtful debts  |      | -                                 | #                            |
| Depreciation for property, plant and equipment                        |      | 166                               | 222                          |
| Interest expense  |      | 24                                | 30                           |
| Loss on foreign exchange - unrealised                                 |      | 75                                | 15                           |
| Interest income   |      | (28)                              | (102)                        |
| Writeback of allowance for doubtful debts                             |      | (35)                              | (22)                         |
| Operating profit before working capital changes                       |      | 3,274                             | 2,418                        |
| Decrease/(Increase) in amount owing by contract customers             |      | 1,250                             | (1,149)                      |
| Decrease in trade and other receivables                               |      | 7,266                             | 533                          |
| Decrease in trade and other payables                                  |      | (2,492)                           | (796)                        |
| (Decrease)/Increase in amount owing to contract customers             |      | (6,928)                           | 285                          |
| <b>CASH FROM OPERATIONS</b>   |      | <b>2,370</b>                      | <b>1,291</b>                 |
| Income tax paid   |      | (294)                             | (55)                         |
| Interest paid   |      | (24)                              | (30)                         |
| Interest received   |      | 28                                | 102                          |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>                             |      | <b>2,080</b>                      | <b>1,308</b>                 |
| <b><u>CASH FLOWS FOR INVESTING ACTIVITIES</u></b>                     |      |                                   |                              |
| Development costs paid  |      | -                                 | (14)                         |
| Purchase of plant and equipment                                       |      | (262)                             | (49)                         |
| <b>NET CASH FOR INVESTING ACTIVITIES</b>                              |      | <b>(262)</b>                      | <b>(63)</b>                  |
| <b><u>CASH FLOWS FOR FINANCING ACTIVITIES</u></b>                     |      |                                   |                              |
| Repayment of term loan  |      | (24)                              | (22)                         |
| Repayment of lease and hire purchase obligations                      |      | (62)                              | -                            |
| Repayment of bills payable  |      | (1,885)                           | -                            |
| <b>NET CASH FOR FINANCING ACTIVITIES</b>                              |      | <b>(1,971)</b>                    | <b>(22)</b>                  |
| <b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>           |      | <b>(153)</b>                      | <b>1,223</b>                 |
| <b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>                        |      | <b>(4)</b>                        | <b>68</b>                    |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b> |      | <b>11,765</b>                     | <b>20,698</b>                |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>       | 4.1  | <b>11,608</b>                     | <b>21,989</b>                |

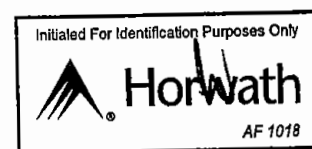
**Note:**

# - Less than RM1,000.

\*\* - For comparison purposes.

The Proforma Consolidated Cash Flow Statements of KELINGTON Group have been prepared before taking into account the proceeds from the Proposed Public Issue and Proposed Utilisation of Proceeds.

**13 PROFORMA CONSOLIDATED FINANCIAL INFORMATION OF KELINGTON AND THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**  
(Prepared for the inclusion in this Prospectus)



**KELINGTON GROUP BERHAD ("KELINGTON") AND ITS SUBSIDIARIES ("KELINGTON GROUP")**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

**4. PROFORMA CONSOLIDATED CASH FLOW STATEMENTS OF KELINGTON GROUP (CONT'D)**

**4.1 CASH AND CASH EQUIVALENTS**

|                                    | FP 2008 **<br>RM'000 | FP 2009<br>RM'000 |
|------------------------------------|----------------------|-------------------|
| Fixed deposits with licensed banks | 2,765                | 12,320            |
| Cash and bank balances             | 8,843                | 9,669             |
|                                    | 11,608               | 21,989            |

*Note:*

\*\* - For comparison purposes.

**APPROVAL BY THE BOARD OF DIRECTORS OF KELINGTON**

Approved and adopted by the Board of Directors of KELINGTON in accordance with a resolution dated **11 SEP 2009**

On behalf of the Board,

**Gan Hung Keng**

**Ong Weng Leong**

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## 14 SUMMARY OF SALIENT FOREIGN LAWS AND REGULATIONS

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This section sets out our summaries of certain aspects of the laws and regulations in the foreign jurisdictions which we operate in, comprising the PRC, Taiwan and Singapore, which are relevant to our Group's operations and business.

**If you intend to have a detailed review of the relevant laws and regulations in the respective foreign jurisdictions, or a detailed explanation on the comparability and/or discrepancy of the relevant laws and regulations between the PRC, Taiwan and Singapore with Malaysia, you are recommended to seek independent legal advice from relevant experts.**

### 14.1 SALIENT LAWS AND REGULATIONS IN THE PRC

#### 14.1.1 Summary of Foreign Investment Laws and Policies of the PRC in relation to the Companies

The establishment/incorporation of a wholly foreign-owned enterprise ("WFOE") in the PRC is subject to the Law of Wholly Foreign-Owned Enterprises of the PRC (amended by the 18th Session of the Standing Committee of the 9th National People's Congress on October 31, 2000) and its Implementation Regulations promulgated on 12 December 1990 (amended on 12 April 2001) and the Company Law of the PRC (modified at the 18th Session of the 10th National People's Congress of the PRC on October 27, 2005).

The applicable laws and policies governing enterprise invested by foreign-invested enterprise ("FIE-invested enterprise") are the Company Law and Interim Provisions Concerning Domestic Investments by Foreign Invested Enterprises promulgated on July 25, 2000 by former Ministry of Foreign Trade & Economic Cooperation (now replaced by Ministry of Commerce ("MOFCOM")) and State Administration for Industry and Commerce ("SAIC").

In order to establish a WFOE in the PRC, the investor must submit an application to the MOFCOM or a local authority authorized by MOFCOM. Once the application is approved, MOFCOM issues an Approval Certificates for Establishment of Foreign Invested Enterprise ("Approval Certificate"). With the Approval Certificate, the investor needs to obtain a Business License from competent local Administration of Industry and Commerce ("AIC"). The issuance of Business License symbolizes the establishment of WFOE and from the date of issuance, the WFOE may commence its business operations within the parameters contained in the business scope as provided in the Business License.

WFOE and FIE-invested-enterprise are both limited liability companies. Foreign investor(s) of WFOE must contribute a sum of capital investment into the WFOE as registered capital. The liability of the foreign investor(s) of WFOE or shareholder(s) of FIE-invested-enterprise is limited to the amount of registered capital fully contributed by shareholder(s).

#### 14.1.2 Taxation

We set forth the following major taxes applicable to our Companies.

##### Corporate Income Tax

Generally, from the date when a WFOE is established until 31<sup>st</sup> December 2007, the WFOE could enjoy tax policies particularly applicable to foreign invested enterprises ("FIEs") under the regime provided by previous legislation known as the Income Tax Law for Enterprises with Foreign Investment and Foreign Enterprises.

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**14 SUMMARY OF SALIENT FOREIGN LAWS AND REGULATIONS (Cont'd)**

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However, with effect from 1<sup>st</sup> January 2008 onwards, the Enterprise Income Tax Law of the PRC (“**New EIT Law**”) effectively replaced and abolished the Income Tax Law for Enterprises with Foreign Investment and Foreign Enterprises. Under the New EIT Law and its Implementing Regulations, which came into effect on 1<sup>st</sup> January, 2008, all companies registered in the PRC will apply a unified income tax rate of 25%. For an FIE (including WFOE) incorporated before the promulgation of the New EIT Law (16<sup>th</sup> March 2007), a 5-year transit period is given, during which the income tax rate shall be gradually shifted from its current preferential rate to 25%.

On 26<sup>th</sup> December 2007, the State Council promulgated the Circular concerning Implementation of Preferential Policy of Enterprise Income Tax in Transit Period (the “**Circular**”). According to the Circular, a FIE that was already enjoying preferential income tax rate of 15% pursuant to previous tax laws shall be subject to the enterprise income tax (“**EIT**”) rate of 18% in 2008, 20% in 2009, 22% in 2010, 24% in 2011 and 25% in 2012. If a FIE was enjoying preferential income tax rate of 24% under previous tax laws, from start of 2008 this enterprise shall apply EIT rate of 25%. For any enterprise that has enjoyed tax holiday of two (2)-year exemption and three (3)-year, 50% reduction of EIT under previous tax laws shall continue to enjoy such treatment until the tax holiday is expired. If a FIE has not earned profit and has not enjoyed the tax holiday that should be awarded under previous tax laws, such holiday will start from 2008 regardless the profitability of the enterprise.

Under the New EIT Law, enterprises established under the laws of non-PRC jurisdictions, but whose de facto management body is located in the PRC, may be treated as resident enterprises for PRC tax purposes and subject to PRC EIT Law.

Moreover, although the New EIT Law provides 20% income tax upon dividends derived from sources within the PRC and payable to non-PRC shareholders, the Implementing Regulations provide a reduced rate at 10% of EIT applicable to dividends payable to non-residence enterprises unless there is a tax treaty between China and the relevant jurisdiction where such non-PRC shareholders reside and such treaty provides for a reduction or exemption of the relevant tax.

**Value Added Tax (“VAT”)**

VAT is governed by the Provisional Regulation of the PRC Concerning Value Added Tax adopted by State Council on 13 December 1993 and modified on 10 November 2008 and its Implementing Rules (collectively, “**VAT Laws**”). According to VAT Laws, all units and individuals engaged in the sales of goods, provision of processing, repairs and replacement services, and the importation of goods within the territory of the PRC are taxpayers of VAT, a turnover tax and shall pay VAT in accordance with relevant laws and regulations. Generally the VAT rate is 17% and for the sales or import of certain goods, the rate is 13% (e.g. natural gas, heat) or 6% (e.g. crude oil). Exports of goods, except those goods specially prescribed by the State Council, are exempted from VAT. VAT is refundable upon export and rates of refund vary from goods to goods and are adjusted from time to time by state tax authorities. The tax payable shall be the balance of output tax for the period after deducting the input tax for the period.

If the output tax for the period is insufficient to offset against the input tax for the period, the excess input tax can be carried forward for set-off in the following periods.

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**Business Tax**

Business tax is governed by the Provisional Regulations of the PRC Concerning Business Tax adopted by the State Council on 13 December 1993 and revised on 5 November 2008 and its Implementing Rules (collectively, "BT Laws"). Under BT Laws, business tax is levied on businesses that provide services, assign intangible assets or sell immovable property. The tax rate normally falls in the range between 3% - 5%, but in certain industries such as entertainment businesses the tax rate is higher, it can go up to 20%. It is worth to note that there are some local taxes adhered to the business, which amount is equivalent to 10% of the business tax. Therefore, in practice the total business tax is levied at a rate of 5.5%.

**14.1.3 Foreign Exchange Control**

Pursuant to the Foreign Currency Administration Rules promulgated in 1996 and amended in 1997 as well as various regulations issued by the State Administration of Foreign Exchange ("SAFE"), and other relevant PRC government authorities, RMB can be convertible only to the extent of current account items, such as trade related receipts and payments, interest and dividends.

Capital account items, such as direct equity investments, loans and repatriation of investment, require prior approval from SAFE or its local counterpart for conversion of RMB into a foreign currency and remittance of the foreign currency outside the PRC.

Payments for transactions that take place within the PRC must be made in RMB. FIEs may retain foreign exchange in accounts with designated foreign exchange banks subject to a cap imposed by SAFE or its local counterpart. Unless otherwise approved, domestic enterprises must convert all of their foreign currency receipts into RMB.

**14.1.4 Repatriation of Profits**

The principal regulations governing dividend distributions by WFOE are:

- (a) The Law of Wholly Foreign-Owned Enterprises of the PRC, as amended in 2000;
- (b) Implementation Rules for the Law of Wholly Foreign-Owned Enterprises of the PRC;

Under these regulations, WFOE may pay dividends out of their accumulated profits, if any, as determined in accordance with PRC accounting standards and regulations. Additionally, FIE are required to set aside at least 10% of after-tax profits based on the PRC accounting standards each year, if any, to fund their general reserve fund, until the accumulative amount of such reserves reaches 50% of their registered capital. These reserves are not distributable as cash dividends.

WFOEs are also required to allocate a portion of their after-tax profits, as determined by the board of directors, to its staff, welfare, and bonus funds which may not be distributed to equity owners.

Pursuant to the new EIT Law, dividends payable by an enterprise with foreign investment to its foreign investors may be subject to a 20% withholding tax, if such foreign investor's jurisdiction of incorporation does not have a tax treaty with the PRC that provides for a different withholding arrangement. The Implementing Regulations reduced the withholding tax rate from 20% to 10%, which is currently applied to repatriation of profit by WFOEs. The PRC laws have no restrictions on the frequency of a WFOE's profit distributions. It is completely subject to the WFOE's resolutions made by the board of directors.

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**14 SUMMARY OF SALIENT FOREIGN LAWS AND REGULATIONS (Cont'd)**


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However, before distribution of profits, the said WFOE must fulfill the following requirements:-

- (a) the registered capital has been fully paid in;
- (b) the paid-in registered capital has been verified by an independent certified public accounting firm;
- (c) the board of directors has passed a resolution on profit distribution;
- (d) taxes have been completely paid by the WFOE;
- (e) an audit report indicating that all previous loss has been offset;
- (f) the WFOE has obtained certificate indicating payment or exemption of taxes.

Once the above listed requirements are met, the WFOE may at any time go to SAFE or its local counterpart to apply for repatriation of foreign currency. After such approval is granted, the WFOE can go directly to its bank to exchange its distributable RMB profit into any of freely convertible foreign currency and remit it out of the PRC.

#### **14.1.5 Repatriation of Capital**

Once shareholders of a WFOE have contributed registered capital into the WFOE, the registered capital cannot be withdrawn or taken back by any of the shareholders save and except in the following circumstances:-

- (a) decrease of registered capital;
- (b) repatriation of remaining assets after liquidation; or
- (c) transfer of equity interest.

Under any of the above circumstances, the WFOE and/or its shareholders need to file an application to the local MOFCOM authority that originally approved the establishment of the WFOE. Once the approval is granted, the WFOE shall complete necessary steps, including but not limited to public announcement such as notifying creditors (in the case of capital decrease and liquidation), conducting special audit, tax clearance, etc. Upon completion of the due process, the decreased capital or remaining assets in liquidation can be repatriated to the shareholders. Since the decreased capital or remaining assets are calculated in RMB, the WFOE shall apply permission from SAFE for exchanging foreign exchange and remitting the foreign exchange by the designated bank.

In the situation where transfer of equity interest is concerned, Equity Transfer Agreement/Contract needs to be approved by the local MOFCOM authority. The transfer price can be paid in accordance with the approved Equity Transfer Agreement/Contract. The transfer price will be imposed a 20% of capital gains tax, subject to preferential treatment granted by reciprocal tax agreement between the PRC and the shareholder's home country. After the capital gains tax is paid and SAFE's approval is issued, the transfer price can be paid out of the PRC to the shareholders that sold the equity interest.

#### **14.1.6 Compliance with local licensing requirements and investment approvals**

The PRC laws require that if an enterprise intends to conduct any business activities which need particular licenses, the enterprise must obtain such license(s) from the relevant authorities first and then apply for the intended activities to be added into its registered business scope.

#### **14.1.7 Ownership of title to the securities/assets in the PRC**

The transfer of a WFOE's and a FIE-invested enterprise's equity shares by its shareholder(s) is subject to the relevant provisions in their articles of association. The Implementation Rules for the Law of Wholly Foreign-Owned Enterprise requires that all transfers of registered capital of the WFOE be subject to the authorization of the approval authority. After it is approved, the enterprise shall file a registration with the relevant AIC.

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**14 SUMMARY OF SALIENT FOREIGN LAWS AND REGULATIONS (Cont'd)**

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**14.1.8 Enforceability of Agreements, Representations and Undertakings**

Agreements, representations and undertakings given by WFOE and FIE-invested enterprise are generally enforceable in the PRC in accordance with their terms unless:

- (i) Under any of the following circumstances, all agreements, representations, or undertakings would be considered null and void in a court in the PRC if:
  - (a) an agreement is concluded through the use of fraud or coercion by one party to damage the interests of the State;
  - (b) malicious collusion is conducted to damage the interests of the State, a collective or a third party;
  - (c) an illegitimate purpose is concealed under the guise of legitimate acts;
  - (d) damaging the public interests;
  - (e) violating the compulsory provisions of the laws and regulations.
- (ii) The validity, performance and enforcement is limited by statutory limitation, lapse of time, waiver and laws relating to bankruptcy, liquidation, or similar laws affecting creditor's rights generally;
- (iii) It has been provided that such agreements, representations and undertakings being governed by and constructed in accordance with the laws of a jurisdiction other than the jurisdiction of the PRC and/or the parties thereto agreeing to be subject to the jurisdiction of a foreign court.

If all parties to an agreement to which the WFOE and/or FIE-invested enterprise is one of the parties have reached an arbitration agreement to submit any dispute arising or in relation to the agreement to an arbitration forum which is not located in the PRC, the arbitration award made by such attribution forum is generally enforceable in the PRC, subject to a court hearing procedure for recognition and enforcement of the arbitration award, insofar as the country where the award is made is a party to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

If a judgment made by a foreign court against the WFOE and/or the FIE-invested enterprise, the recognition and enforcement of such foreign judgments are subject to the PRC Civil Procedures Law. Courts in the PRC may recognize and enforce foreign judgments in accordance with the requirements of the PRC Civil Procedures Law in accordance with a treaty (if any) between the PRC and the country where the judgment is made or on reciprocity principle established between jurisdictions. In addition, according to the PRC Civil Procedure Laws, courts in the PRC will not enforce a foreign judgment against the WFOE and/or the FIE-invested enterprise or their directors and officers if the judgment is considered by a court as violating basic principles of PRC law or national sovereignty, security or public interest.

**14.2 SALIENT LAWS AND REGULATIONS IN TAIWAN**

**14.2.1 Foreign Investment Laws and Policies of Taiwan**

Under the laws of Taiwan, a foreign company that wishes to carry on business operations in Taiwan may establish a subsidiary or branch office. In order to establish a subsidiary, the foreign company must file a Foreign Investment Application ("FIA") and be approved by the ROC Investment Commission.

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**14 SUMMARY OF SALIENT FOREIGN LAWS AND REGULATIONS (Cont'd)**

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Instead of establishing a subsidiary, the foreign company may also establish a branch office in Taiwan. By establishing a branch office in Taiwan, such Taiwan branch office of the foreign company has the same rights and obligations and is subject to the same jurisdiction of authority as a domestic or a FIA company. However, a FIA company is restricted or prohibited by the Negative List for Investment by Overseas Chinese or Foreign Nationals (the “**Negative List**”) from engaging in certain business activities. Generally speaking, the Negative List prohibits or restricts a FIA company from participating in certain sectors which have special implications on Taiwan’s national security, public harmony, social behavior, public health or activities which are otherwise prohibited due to international agreements with other countries. In addition to being subjected to the Negative List, the scope of business of a foreign company’s branch office in Taiwan may not exceed that of its head office.

**14.2.2 Compliance with Licensing and Government Registration Requirements**

In order to establish a branch office in Taiwan, a foreign company must first obtain a Certificate of Recognition from and complete registration of the branch office with the Ministry of Economic Affairs (“**MOEA**”). In addition, a tax registration must be made with the tax authority located in the City/County where the branch office is located.

**14.2.3 Enforceability of Agreements, Representations and Undertakings under the laws of Taiwan**

Under Taiwan law, a validly registered Taiwan branch office of a foreign company is considered an extension of its head office. Also, a Taiwan branch office possesses the legal capacity to enter into agreements, make representations and commit to undertakings in its own name (as opposed to the name of its head office) in Taiwan. Any agreements, representation and undertakings entered, made or committed to, respectively, by a Taiwan branch office are generally enforceable, except that

- (i) it violates public policy or good morals;
- (ii) it violates the prohibitive or compulsory provisions of laws and regulations; and
- (iii) the validity, performance and enforcement is limited by statutory limitation, lapse of time, waiver and laws relating to bankruptcy, liquidation or similar laws affecting creditor’s rights in general.

Any arbitral award rendered by a foreign arbitral tribunal will be recognized and enforced in Taiwan without further review of the merits of the case; provided that the Taiwan court in which enforcement is sought is satisfied that:-

- (i) it is not contrary to public policy or good morals of Taiwan;
- (ii) the dispute may be arbitrated under Taiwan law;
- (iii) arbitral awards rendered in Taiwan are recognized and enforceable on a reciprocal basis in the country where the foreign arbitral award is rendered and in the country whose laws govern the arbitral award;
- (iv) the arbitration agreement is valid according to the law chosen to govern such agreement or, in the absence of choice of law, the law of the country where the arbitral award was rendered;
- (v) proper notice is given as to the appointment of arbitrator(s) or of any other matter required in the arbitral proceeding, or any other situation which gives rise to lack of due process;

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**14 SUMMARY OF SALIENT FOREIGN LAWS AND REGULATIONS (Cont'd)**

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- (vi) the arbitral award is relevant to the subject matter of the dispute covered by the arbitral agreement and does not exceed the scope of the arbitration agreement, unless the irrelevant or exceeded portion can be severed from and does not affect the remainder of the arbitral award;
- (vii) the composition of the arbitral tribunal or the arbitration procedure does not contravene the arbitration agreement or, in the absence of an arbitration agreement, the laws of the place of arbitration; and
- (viii) the arbitral award is binding upon the parties and has not been suspended or revoked by a competent court.

With respect to (iii), unless it is proven in a court of Taiwan that a foreign country does not recognize or enforce foreign arbitral awards rendered in Taiwan, the Taiwan courts will not refuse to recognize and enforce foreign arbitral awards rendered in such foreign country on the grounds that there is lack of reciprocity in respect of arbitral awards rendered in Taiwan and such foreign country.

A judgment by a foreign court against a Taiwanese party will normally be recognized and enforced in Taiwan unless:-

- (i) the foreign court lacks jurisdiction over the dispute pursuant to Taiwan law;
- (ii) the judgment is a default judgment entered against a Taiwanese party who did not receive service of process pursuant to Taiwan law governing judicial assistance on the service of process in a foreign suit;
- (iii) the judgment issued by the foreign court is contrary to the public policy or good morals of Taiwan; or
- (iv) no reciprocity exists between Taiwan and the country where the judgment of the foreign court is rendered.

With respect to (iv), before a legal contention that foreign courts do not recognize or enforce the judgments of Taiwan courts is proven, Taiwan courts will not refuse to recognize and enforce the judgments of foreign courts on the ground that there is a lack of reciprocity in respect of the judgments rendered by the foreign courts.

**14.2.4 Taxation**

- (i) Profit Seeking Enterprise Income Tax

Under Taiwan law, a profit seeking enterprise is any enterprise which has a business title or a place of business with profit-seeking intentions and which is organized as one of several permitted organizational structures in Taiwan, including a branch office of a foreign company. Profit-seeking enterprise income tax is assessable on the net income of any profit-seeking enterprise operating in Taiwan, unless such income falls within any of the exemptions provided by law. A foreign company's branch office in Taiwan is generally subject to a 25% income tax on its profit.

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**14 SUMMARY OF SALIENT FOREIGN LAWS AND REGULATIONS (Cont'd)**

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(ii) **VAT**

VAT is governed by the Value Added and Non-Value Added Business Tax Law ("Taiwan VAT Law"). The Taiwan VAT Law requires all persons which sells goods or services and receives or holds imported goods within Taiwan to make VAT payments to Taiwan tax authorities. VAT assessed on imported goods is collected by the Customs Authority at the time of importation, while VAT on local purchases of goods and services are collected by the seller of the goods or services. Each VAT return the person must file with the tax authorities will specify any VAT paid on purchases (also known as input VAT) and VAT collected from sales (also known as output VAT). VAT will be payable to the extent that output VAT exceeds input VAT. If input VAT exceeds output VAT, a credit equal to the difference can be carried forward to offset future payable VAT.

**14.2.5 Foreign Exchange Control**

Under the Reporting Rules for Foreign Exchange Revenue, Disbursements and Transactions (the "Foreign Exchange Rules"), the purchase of foreign currency and remittance of such foreign currency out of Taiwan for non-trade-related purposes are limited to USD50,000,000 per year and USD1,000,000 per foreign exchange transaction for corporate entities (the "Annual Allowance") upon report to, but without obtaining special approval from, the Central Bank of China in Taiwan (the "Central Bank"). Foreign exchange purchases for non-trade-related purposes exceeding the Annual Allowance require special approval from the Central Bank. For the purpose of the Foreign Exchange Rules, Kelington Taiwan is considered as a corporate entity.

**14.2.6 Repatriation of Profits**

Under Taiwan law, the after-tax-profits repatriated by a Taiwan incorporated subsidiary to its parent company are subject to a 20% withholding tax. However, if the parent company is located in a country that has entered into a tax treaty with Taiwan, such repatriated profits may enjoy a reduced withholding tax rate. Malaysia is a country that is a party to a tax treaty with Taiwan, thus any repatriated profits made by a Taiwan subsidiary to its Malaysian parent company is only subject to a 12.5% withholding tax.

The after-tax-profits generated by a Taiwan branch office of a foreign company may be freely repatriated, subject to the Annual Allowance, to its head office free from any Taiwan withholding tax.

**14.2.7 Repatriation of Capital**

A Taiwan branch office of a foreign company may repatriate its working capital in one of two circumstances. Where the branch office is liquidated, the residual funds (including its working capital) after all debts and taxes have been settled may be repatriated to its head office. Such repatriated funds are also free from any withholding tax. The branch office may also freely repatriate its capital if it is approved by the MOEA to undergo a capital reduction.

**14.2.8 Ownership of Title to Securities/Assets in Taiwan**

Since Taiwan branch office of a foreign company recognized by the MOEA possesses the same rights as a domestic company under Taiwan law, such branch office is permitted to own securities/assets in Taiwan.

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14 SUMMARY OF SALIENT FOREIGN LAWS AND REGULATIONS (Cont'd)

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14.3 SALIENT LAWS AND REGULATIONS IN SINGAPORE

14.3.1 Enforceability of Agreements, Representations and Undertakings under the laws of Singapore

**Contracts**

Any agreement, representation or undertaking (each a “Contract”) entered into by a company are generally enforceable except that not all obligations will necessarily be enforceable, or enforced, in all circumstances or in accordance with their terms or that any particular remedy will be available. In addition, but without limitation:-

- (a) a contractual provision providing for the payment of additional amounts upon a default may not be enforceable if construed by a Singapore court as a penalty;
- (b) where under a Contract, any person is vested with a discretion or is entitled to determine any matter in its opinion, the laws of Singapore may require that such discretion be exercised reasonably or that such opinion be based on reasonable grounds;
- (c) where any obligation is to be performed in a jurisdiction outside Singapore or are subject to the laws of a jurisdiction outside Singapore, such obligation may not be enforceable in Singapore in the event and to the extent that such performance would be unenforceable, unlawful or contrary to public policy under the laws of that jurisdiction;
- (d) in some circumstances, a Singapore court would not give effect to a provision in a Contract providing for the severance of any provision which is illegal, invalid or unenforceable, if to do so would not accord with public policy or would involve the court in making a new contract for the parties;
- (e) the enforceability of a Contract may be limited by time bars or lapse of time, court schemes, applicable bankruptcy, reorganisation, receivership, liquidation or other similar laws affecting creditor's rights generally and by equitable principles (regardless of whether the issue of enforceability is considered in a proceeding in equity or at law), or may be or become subject to a defence of set-off or counterclaim. In particular, transactions entered into in the period before the bankruptcy starts may be set aside in certain circumstances;
- (f) as regards jurisdiction, a court in Singapore may in its discretion stay proceedings in certain circumstances, for example, if the public policy of Singapore so requires, if concurrent proceedings are brought elsewhere, if the matter concerned is *res judicata*, if litigation is pending in another forum on the same matter or if another forum is more convenient;
- (g) the leave of the court in Singapore is required before service of process can be made outside the jurisdiction in respect of proceedings commenced in Singapore;
- (h) any provision in a Contract which involves an indemnity for the costs of litigation is subject to the discretion of the Singapore court to decide whether and to what extent a party to the litigation should be awarded the costs incurred by it in connection with the litigation;
- (j) a Contract may be varied, amended or discharged by a further agreement or affected by a collateral agreement which may be effected by an oral agreement or implied by a course of dealing;

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**14 SUMMARY OF SALIENT FOREIGN LAWS AND REGULATIONS (Cont'd)**

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- (k) although the Singapore courts will award damages in currencies other than SGD, it should not necessarily be assumed that the courts would in every case award damages for any breach of the documents in any other currency other than SGD and they may not enforce the benefit of any currency conversion and indemnity provisions;
- (l) enforcement may be restricted by the principles relating to the frustration of contracts by events occurring after their execution;
- (m) failure to exercise a right promptly may operate as waiver of that right notwithstanding a provision to the contrary;
- (o) interest on overdue amounts may not be recoverable if it amounts to a penalty under Singapore law;

**Enforcement of foreign judgments (other than judgments obtained in a Commonwealth jurisdiction)**

A judgment obtained in another jurisdiction (other than judgments of a superior court in a Commonwealth jurisdiction or Hong Kong SAR) cannot be registered and enforced in Singapore. However, a foreign judgment creditor may sue as a plaintiff in the Singapore courts for enforcement of its rights against a foreign judgment debtor under a Contract. Access to the Singapore courts by foreign judgment creditors to enforce the foreign judgment will not be subject to any conditions which are not applicable to residents of Singapore or a company incorporated in Singapore except:

- (i) that the Singapore courts have power to stay the proceedings as set out above;
- (ii) a Singapore court may, at its discretion, order a plaintiff not ordinarily resident in Singapore to provide security for costs of the proceedings.

A final and conclusive foreign judgment properly obtained for a fixed sum of money against a defendant in respect of any legal suit or proceedings arising out of or relating to a Contract, which has not been stayed or satisfied may be sued upon as a debt due from defendant. A Singapore Court will render a fresh judgment without re-examination of the or a review of the merits of the cause of action in respect of which the original judgment was given if:

- (i) the relevant court had jurisdiction over the defendant in that it was, at the time of commencement of proceedings, resident in the jurisdiction of the foreign country where judgment was obtained or had submitted to the jurisdiction of the relevant court;
- (ii) the judgment was not obtained by fraud;
- (iii) the enforcement of the judgment would not be contrary to public policy in Singapore;
- (iv) that judgment had not been obtained in contravention of the principles of natural justice; and
- (v) the judgment of the relevant court did not include the payment of taxes, a fine or a penalty.

### **Enforcement of Commonwealth judgments**

In the event of a breach or non-performance of any of obligation or undertaking given by a company in a Contract and legal proceedings are commenced and a judgment is obtained in a Commonwealth jurisdiction against a Company in respect of the same, a judgment creditor of a judgment obtained in the Commonwealth jurisdiction may apply to the High Court of Singapore at any time within 12 months (or such longer period as the High Court may allow) after the judgment, to have the judgment registered in the High Court. The High Court may register the judgment if it in all the circumstances of the case thinks it just and convenient to do so. Upon registration, the judgment shall, with effect from the date of registration, be of the same force and effect as if it had been a judgment obtained in Singapore.

No judgment shall, however, be registered in Singapore if:

- (i) the original court acted without jurisdiction;
- (ii) if the judgment debtor was not properly served with the process of the original court and did not enter any appearance;
- (iii) the judgment was obtained by fraud;
- (iv) an appeal is pending or the judgment debtor satisfies the High Court that it is entitled and intends to appeal against the judgment; or
- (v) the judgment was in respect of a cause of action which for public policy or similar reasons, the High Court could not entertain.

A Singapore court will not necessarily grant any remedy, the availability of which is subject to equitable considerations or which is otherwise in the discretion of the court. In particular, orders for specific performance and injunctions are, in general, discretionary remedies under Singapore law and specific performance is not available where damages are considered by the court to be an adequate alternative remedy.

### **Arbitration agreements**

The Arbitration Act, Cap. 10 of the Statutes of the Republic of Singapore, applies to any arbitration where the place of arbitration is in Singapore (“**Domestic Arbitration**”). The Arbitration Act however does not apply to international commercial arbitrations (“**International Arbitration**”), which are governed by the provisions of the International Arbitration Act, Chapter 143A of the Statutes of the Republic of Singapore.

#### **Domestic arbitration**

The Singapore Court may, upon application by a party to an arbitration agreement, grant a stay of proceedings when a party to an arbitration agreement commences any proceedings in court against any other party to the arbitration agreement in respect of any matter, which is the subject of the arbitration agreement.

An award made by the arbitral tribunal pursuant to an arbitration agreement is final and binding on the parties. The arbitral award pursuant to an arbitration agreement, may with the leave of the Court, be enforced in the same manner as a judgment or order of the Court to the same effect.

#### **International arbitration**

An arbitration is international if:

- (a) at least one of the parties to an arbitration agreement, at the time of the conclusion of the agreement, has its place of business in any state outside Singapore;

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14 SUMMARY OF SALIENT FOREIGN LAWS AND REGULATIONS (Cont'd)

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- (b) if the place of arbitration if determined in, or pursuant to the arbitration agreement is outside Singapore;
- (c) where the place of performance of a substantial part of the obligations or the place with which the subject matter of the dispute is most closely connected to, is outside Singapore; or
- (d) the parties have expressly agreed that the subject matter of the arbitration agreement relates to more than one country.

Upon application by any party to an arbitration agreement, a Singapore Court shall stay proceedings commenced in a Singapore Court, so far as the proceedings relate to the matter, unless it is satisfied that the arbitration agreement is null and void, inoperative or incapable of being performed.

An award made by an arbitral tribunal pursuant to an arbitration agreement is final and binding on the parties.

An award on an arbitration agreement, may by leave of the High Court or a Judge of the High Court of Singapore, be enforced in the same manner as a judgment or order of the Singapore Court to the same effect.

#### 14.3.2 Taxation

A Singapore corporate taxpayer is subject to Singapore income tax on income accrued or derived from Singapore, and on foreign income received in Singapore. The corporate tax rate for Year of Assessment 2009 is 18% and the corporate tax rate for Year Assessment 2010 would be 17%.

Foreign dividends, branch profits and foreign service income ("**Specified Foreign Income**") received in Singapore by a Singapore resident company are exempt from Singapore tax if: (a) such income is subject to tax of a similar character to income tax under the law of the jurisdiction from which such income is received; (b) at the time the dividend is received in Singapore, the highest rate of tax of a similar character to income tax in the jurisdiction from which the income is received is at least 15 per cent.; and (c) the Comptroller of Income Tax is satisfied that the tax exemption would be beneficial to the recipient of the foreign income.

With effect from 30 July 2004, the above exemption has been extended to include Specified Foreign Income which is exempted from tax of a similar character to income tax as a result of tax incentive granted by a foreign jurisdiction for carrying out substantive activities in that foreign jurisdiction. Generally, substantive business activities refer to business activities that are carried out through staff with certain expertise and actual expenditure in incurred to carry out the activities. There is currently in place a temporary liberalization of income tax exemption for foreign-sourced income received in Singapore from 22 January 2009 to 21 January 2010.

A non-resident corporate taxpayer, with certain exceptions, is subject to income tax only on income that is accrued in or derived from Singapore, and on foreign income received in Singapore, subject to certain exceptions.

A company is regarded as a tax resident in Singapore if the control and management of its business is exercised in Singapore. Normally, control and management of the company is vested in its board of directors and the company is resident in the country where directors meet.

Since 1 January 2003, Singapore has adopted a one-tier corporate tax system. Tax paid by a company on its chargeable income is a final tax and all dividends paid by a company are exempt from tax in the hands of the shareholders.

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14 SUMMARY OF SALIENT FOREIGN LAWS AND REGULATIONS (Cont'd)

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**14.3.3 Exchange Control and Repatriation of Capital and Profits**

Singapore has no significant exchange controls. Funds may be repatriated freely from Singapore.

Under the Singapore Companies Act, dividends may be paid out of profits available for distribution. There are no restrictions on payment of dividends to a foreign shareholder.

Capital may not be returned to shareholders unless a capital reduction exercise is carried out in accordance with the provisions of the Singapore Companies Act and the company's Articles of Association. There are no restrictions on payment of capital from a capital reduction exercise to foreign shareholders.

A company may, if so authorized by its Articles and subject to the limits imposed by the Singapore Companies Act, buy back its own shares. Similarly, there are no restrictions on payment of the purchase price in respect of such purchase to foreign shareholders.

**14.3.4 Licensing Requirements and Investment Approvals**

Save for the licensing requirements for the carrying on of building construction activities, should the Company choose to carry out such work (please refer to Section 14.3.6 below), there are no licensing requirements for the business being carried on by the Company.

Save for very few restricted industries, no foreign investment approval is required for investments made or to be made in Singapore.

**14.3.5 Ownership of Shares in a Company**

There is no limitation applicable to the right of the shareholder, being a foreign shareholder, to own shares in a Company nor any restriction on the shareholder, exercising the right to vote the ordinary shares held by them in a Company.

**14.3.6 Regulatory requirement, which may materially affect a company's operations and utilisation of assets**

**Regulatory Requirements**

If a company intends to carry on business as a "builder" and carry out "building works" as defined in the Building Control Act, Cap. 29, then a builder's licence is required. A "builder" is defined as any person who undertakes, whether exclusively or in conjunction with any other business, to carry out any building works for his own account or for or on behalf of another person...".

The phrase "building works" means:

- "(a) the erection, extension or demolition of a building;*
  - (b) the alteration, addition or repair of a building;*
  - (c) the provision, extension or alteration of any air-conditioning service or ventilating system in or in connection with a building,*
- and includes site formation works connected with or carried out for the purpose of paragraph (a), (b) or (c)."*

There are 3 categories of licences that may be granted for a company to carry on business as a builder:

- (a) Class 1 general builder's licence;
- (b) Class 2 general builder's licence (restricted to contracts or engagements for an estimated final price each of not more than SGD3 million or such other amount as the Minister may by order in the Gazette specify in lieu thereof); and
- (c) Specialist builder's licence.



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## 15 OTHER GENERAL INFORMATION

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### 15.1 SHARE CAPITAL

- (a) Save as disclosed in Section 2.4.1 of this Prospectus, no securities will be allotted or issued on the basis of this Prospectus later than twelve (12) months after the date of the issue of this Prospectus.
- (b) We have no founder, management or deferred shares. As at the date of this Prospectus, there is only one (1) class of shares in our Company, namely ordinary shares of RM0.10 each, all of which rank *pari passu* with one another.
- (c) Save for the Issue Shares reserved for the eligible employees and business associates of our Group as at the date of this Prospectus:-
  - (i) no person or Director or employee of our Group has been or is entitled to be given an option to purchase or subscribe for any Shares, stocks or debentures of our Company or our subsidiaries; and
  - (ii) there is currently no other scheme for or involving the Directors or employees of our Company or our subsidiaries.
- (d) Save as disclosed in Sections 2.3 and 4.3 of this Prospectus, no shares, debentures, outstanding options, convertible debt securities or uncalled capital of ours' and/or our subsidiaries have been or are proposed to be issued as partly or fully paid-up for cash or otherwise than for cash, within the two (2) years preceding the date of this Prospectus.

### 15.2 ARTICLES OF ASSOCIATION

The following provisions are reproduced from our Articles of Association. Terms defined in our Articles of Association shall have the same meanings when used here unless they are otherwise defined here or the context otherwise requires.

#### **Transfer of securities**

The provisions in the Articles of Association of our Company in respect of transfer of shares in the Company are as follows:

#### **Article 21**

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 section 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.

#### **Article 22**

No share shall in any circumstances be transferred or transmitted to any infant, bankrupt or person of unsound mind or a person who is insolvent or to a partnership or an unincorporated body.

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**15 OTHER GENERAL INFORMATION (Cont'd)**

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**Article 23**

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 ten (10) Market 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. As 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 24**

Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may by reason of any fraud or other cause not known to the Company or its Directors or other officers be legally in-operative or insufficient to pass the property and/or title in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside and in every such case, the person registered as transferee, his executors, administrators and assignees alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto 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.

**Remuneration of Directors**

The provisions in the Articles of Association of our Company dealing with the remuneration of the Directors are as follows:

**Article 76**

- (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 Director 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 herein provided in this Article.

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**15 OTHER GENERAL INFORMATION (Cont'd)**

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- (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 increase has been given in the notice convening the meeting.

**Article 108**

A Managing Director shall, subject to the terms of any agreement entered into in any particular case, receive remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine but he shall not be entitled to be remunerated by way of a commission on or percentage of turnover of the Company.

**Voting powers of shareholders and borrowing powers of directors**

The provisions in the Articles of Association of our Company dealing with the voting powers of shareholders and borrowing powers of the Directors including voting powers in relation to the proposals, arrangements or contracts in which they are interested are as follows:

**Article 58**

Subject to any rights or restrictions for the time being attached to any class or classes of shares at meetings of Members or classes of Members, each Member shall be entitled to be present and to vote. The Member may vote in person or by proxy or by attorney or authorised representative. On resolution to be decided on a show of hands, every Member, whether a holder of ordinary shares or preference shares, who is personally present and entitled to vote, or a proxy or an attorney or an authorised representative, shall have one (1) vote. On resolution to be decided on a poll, every Member present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for every one (1) share he holds. A proxy shall be entitled to vote on a show of hands on any question at any general meeting.

**Article 59**

A member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, whether on a show of hands or on a poll, by his committee or by such other person as properly as the management of his estate, and any such committee or other person may vote by proxy or attorney.

**Article 60**

No Member shall be entitled to vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy or attorney or authorised representative, in respect of any share held by him unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

**Article 61**

No objection shall be raised as to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

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**15 OTHER GENERAL INFORMATION (Cont'd)**

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**Article 62**

Where the capital of the Company consists of shares of different monetary denominations, voting rights shall be prescribed in such a manner that a unit of capital in each class, when reduced to a common denominator shall carry the same voting power when such right is exercisable.

**Article 63**

- (a) A Member may appoint up to two (2) proxies to attend the same meeting. Where a Member appoints two (2) proxies, the appointment shall not be valid unless the Member specifies the proportion of his shareholding to be represented by each proxy.
- (b) Where a Member of the Company is an authorised nominee as defined under Central Depositories Act, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

**Article 64**

The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised. Save for the authorised nominee defined under Article 63(b) above, a proxy may but need not be a Member of the Company. If the proxy is not a Member of the Company, he need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

**Article 65**

Where it is desired to afford Members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the form or a form as near thereto as circumstances admit.

**Article 66**

The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company, or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.

**Article 67**

A vote given in accordance with the terms of an instrument of appointment of proxy or attorney shall be valid notwithstanding the subsequent death or, unsoundness of mind or bankruptcy, or in the case of a body corporate, insolvency or liquidation of the principal or revocation of the instrument or of the authority under which the instrument was executed is given, if no intimation in writing of such death, unsoundness of mind or bankruptcy, or in case of a body corporate, insolvency or liquidation, revocation or transfer as aforesaid has been received by the Company at the registered office before the commencement of the meeting or adjourned meeting at which the instrument is used.

A Member shall not be precluded from attending and voting in person at any general meeting after lodging the form of proxy but however such attendance shall automatically revoke the proxy's authority.

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**15 OTHER GENERAL INFORMATION (Cont'd)**

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**Article 88**

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.

**Article 89**

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.

**Article 90**

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 unless it is permitted by the Listing Requirements.

**Article 91**

- (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.
- (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.
- (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.

**Article 92**

Debentures, debenture stock or other securities may be assigned free from any equities between the Company and the person to whom the same may be issued.

**Article 93**

Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise (with the sanction of the Company in general meetings) and with any special privileges as to redemption, surrender, drawing, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

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**15 OTHER GENERAL INFORMATION (Cont'd)**

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**Article 94**

The Director shall cause a proper register called a "Register of Charges", to be kept in accordance with the provision of the Act, of all mortgages and charges especially affecting the property of the Company and a sum of RM1.00 (Ringgit Malaysia One Only) shall be payable for each inspection of the Register of Charges.

**Article 98**

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. A Director shall not vote and participate in any discussion in regard to any contract or arrangement in which he is interested (and if he shall do so his vote shall not be counted), but he shall be counted only to make the quorum at the meeting.

**Changes in capital and variation of class rights**

The provisions in the Articles of Association of our Company as to changes in capital or variation of class rights which are no less stringent than those required by law are as follows:

**Article 40**

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.

**Article 41**

- (a) Subject to any direction to the contrary that may be given by the Company in a general meeting, all new shares or other convertible securities, shall before issue, be offered to such persons as at the date of offer are entitled to receive notices from the Company of the general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer if not accepted will be deemed to be declined, and after the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may, likewise also dispose of any new shares or securities which (by reason of the ratio which the new shares or securities bear to the shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors be conveniently offered under this Article.
- (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 during the preceding twelve (12) months 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 42**

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.

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**15 OTHER GENERAL INFORMATION (Cont'd)**

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**Article 43**

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

**Article 44**

- (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.

**Article 45**

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 one-third (1/3) 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.

**Article 46**

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.

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**15 OTHER GENERAL INFORMATION (Cont'd)**

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**15.3 LIMITATION ON THE RIGHT TO OWN SECURITIES**

There are no limitations on the right to own securities, including limitations on the right of non-resident or foreign shareholders to hold or exercise voting rights on the securities imposed by law or by the constituent documents of our Company.

**15.4 GOVERNMENTAL LAW, DECREE, REGULATION OR OTHER REQUIREMENT**

The relevant government laws, decrees, regulations and/or other requirements in the PRC, Taiwan and Singapore which may affect the repatriation of capital and remittance of profit by or to our Company are set out in detail in Section 14 of this Prospectus.

The abovementioned are not expected to adversely impact our Group on our availability of cash and cash equivalents for use by each entity within the Group, and the remittance of dividends, interest or other payments to the shareholders of our Company.

**15.5 DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

- (a) The names, addresses and occupations of our Directors are set out in the Corporate Directory of this Prospectus.
- (b) A Director is not required to hold any qualification shares in our Company.
- (c) Other than the Issue Shares reserved for eligible employees and business associates of our Group, the salaries and employment related benefits as disclosed in Sections 8.2.4 and 8.8 of this Prospectus, no amount or benefit has been paid or given within the two (2) years immediately preceding the date of this Prospectus, nor is it intended to be so paid or given, to any of our promoters, Directors or substantial shareholders.
- (d) Save for the risk factors which are described in Section 3 of this Prospectus, our Board is not aware of any material information including trading factors or risks which are unlikely to be known or anticipated by the general public and which could materially affect the profits of our Group.
- (e) Save as disclosed in Section 10.1 of this Prospectus, none of our Directors and/or substantial shareholders and/or person(s) connected with them are interested in any contract or arrangement subsisting at the Latest Practicable Date, which is significant in relation to the business of our Company taken as a whole.
- (f) Save as disclosed in Sections 3.3(b), 8.1.1 and 8.2.2 of this Prospectus, there are no other persons who are able, directly or indirectly, jointly or severally, to exercise control over our Company and its subsidiaries.

**15.6 GENERAL**

- (a) The nature of our Group's business and the names of all corporations, which are deemed to be related to us by virtue of Section 6 of the Act are set out in Section 4 of this Prospectus.
- (b) The manner in which copies of this Prospectus together with the Application Forms and envelopes may be obtained is set out in Section 16 of this Prospectus.
- (c) The time of the opening of the Application of the IPO is set out in Sections 2.2 and 16.1 of this Prospectus.



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**15 OTHER GENERAL INFORMATION (Cont'd)**

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- (d) The amount payable in full on application is RM0.53 per IPO Share.
- (e) As at the Latest Practicable Date, our Group does not have any outstanding convertible debt securities.
- (f) Save as disclosed in Sections 3, 4 and 6 of this Prospectus, the financial conditions and operations of our Company are not affected by any of the following:-
  - (i) known trends, demands, commitments, events, uncertainties that have had or that our Group reasonably expects to have a material favourable or unfavourable impact on the financial performance, position and operations of our Group;
  - (ii) unusual, infrequent events or transactions or any significant economic changes that materially affected the financial performance, position and operations of our Group;
  - (iii) known events, circumstances, trends, uncertainties and commitments that are reasonably likely to make the historical financial statements not indicative of future financial information and position; and
  - (iv) pending and threatened litigation and arbitration proceedings having an impact on the financial position of the Group.
- (g) Our Promoters will collectively exercise control over our Company and will hold approximately 61.07% of our enlarged issued and paid-up share capital upon listing.
- (h) The name and address of our Auditors and Reporting Accountants are set out in the Corporate Directory of this Prospectus.

**15.7 EXPENSES AND COMMISSIONS**

- (a) We will bear the expenses of the Public Issue relating to the underwriting fees, placement fees and other expenses and fees incidental to the listing of and quotation for our entire issued and paid-up share capital on the ACE Market estimated to be up to approximately RM1,755,000.
- (b) Brokerage, underwriting commission, placement fee and placement management fee for the IPO are set out in Section 2.8 of this Prospectus.
- (c) Save as disclosed above, no commissions, discounts, brokerage or other special terms have, within the two (2) preceding years prior to the date of this Prospectus, been paid or granted or is payable to any Director, promoter or expert or proposed Director for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions for any shares in or debentures of our Company in connection with the issue or sale of any capital of our Company.

**15.8 PUBLIC TAKE-OVERS**

During the last financial year and the current financial year, there were no:-

- (a) public take-over offers by third parties in respect of our Shares; and
- (b) public take-over offers by us in respect of other companies' securities.

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**15 OTHER GENERAL INFORMATION (Cont'd)**

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**15.9 MATERIAL LITIGATION**

As at the Latest Practicable Date, neither we nor our subsidiaries is engaged in any material litigation or arbitration proceedings, either as plaintiff or defendant, and our Board has no knowledge of any proceeding pending or threatened against our Group or of any facts likely to give rise to any proceeding which may materially affect the financial position and business of our Group.

**15.10 MATERIAL CONTRACTS**

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

- (a) Sponsorship Agreement dated 12 October 2009 between us and KIBB for the sponsorship of our Company pursuant to our Listing for RM150,000 commencing from the date of our admission to the Official List of Bursa Securities up to the end of the FYE 31 December 2010;
- (b) Underwriting Agreement dated 2 October 2009 between us and the Underwriter, for the underwriting of 3,769,000 Issue Shares made available for application by our eligible employees and business associates and for application under the public offer for an underwriting commission of two percent (2.0%) of the Issue Price;
- (c) Placement Agreement dated 24 September 2009 between us, Palace Star, Allied Moral and KIBB for the placement of 5,941,000 Issue Shares and 9,000,000 Offer Shares for a placement fee of one and a half percent (1.5%) of the Issue Price and/or the Offer Price;
- (d) Placement Management Agreement dated 24 September 2009 between us, Palace Star, Allied Moral and KIBB for the management of the private placement exercise in respect of the Issue Shares and the Offer Shares, for a placement management fee of half a percent (0.5%) of the Issue Price and/or Offer Price for 5,941,000 Issue Shares and 9,000,000 Offer Shares; and
- (e) The Second Supplemental Shareholders' Agreement in respect of the Share Transfer dated 11 September 2009 between our Company and existing shareholders in respect of a transfer of an aggregate of 750,000 Shares held by them to the key employees at a nominal consideration of RM1.00 per employee, details of which are set out in Section 4.2(c) of this Prospectus.

**15.11 LETTERS OF CONSENT**

- (a) The written consents of the Solicitors for the Listing, Share Registrar, Adviser, Underwriter and Placement Agent, Principal Bankers, Issuing House, Company Secretary and Bloomberg 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.
- (b) The written consent of the Independent Market Research Consultant to the inclusion in this Prospectus of its name, extractions of the Independent Market Research Report and its Executive Summary for the Independent Market Research Report and the letter thereon in the manner and form and context in which they appear in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- (c) The written consent of the Auditors and Reporting Accountants to the inclusion of their name, Accountants' Report and the Proforma Financial Information of Kelington and the letter thereon in the manner and form and context in which they appear in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.

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**15 OTHER GENERAL INFORMATION (Cont'd)**

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**15.12 ADVISERS CONFLICT OF INTERESTS**

**(a) Declaration by the Advisers, Underwriter and Placement Agent**

KIBB confirms that there is no conflict of interest in its capacity as the Adviser, Underwriter and Placement Agent of our Company in relation to the IPO.

**(b) Declaration by the Solicitors for the Listing**

Jeff Leong, Poon & Wong confirms that there is no conflict of interest in its capacity as the Solicitors for the Listing in relation to the IPO.

**(c) Declaration by the Auditors and Reporting Accountants**

Horwath confirms that there is no conflict of interest in its capacity as the reporting accountants for our Company in relation to the IPO.

**(d) Declaration by the Independent Market Research Consultant**

Frost & Sullivan confirms that there is no conflict of interest in its capacity as the independent market research consultant for our Company in relation to the IPO.

**15.13 RESPONSIBILITY STATEMENTS**

(a) This Prospectus has been seen and approved by our Directors and Promoters and they collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no false, inaccurate or misleading statements or other facts the omission of which would make any statement herein false, inaccurate or misleading.

(a) KIBB, being the Adviser, Underwriter and Placement Agent acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the IPO.

**15.14 DOCUMENTS AVAILABLE FOR INSPECTION**

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

- (a) Memorandum and Articles of Association of our Company;
- (b) The Directors' Report and Accountants' Report, referred to in Sections 11 and 12 respectively of this Prospectus;
- (c) The material contracts referred to in Section 15.10 of this Prospectus;
- (d) The Reporting Accountants' Letter relating to the Proforma Financial Information of Kelington as included in Section 13 of this Prospectus;
- (e) The letters of consent referred to in Section 15.11 of this Prospectus;
- (f) The audited consolidated financial statements of our Company for the past three (3) FYE 31 December 2006 to 31 December 2008 and the four (4) months FPE 30 April 2009;

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**15 OTHER GENERAL INFORMATION (Cont'd)**

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- (g) The audited financial statements of KE Shanghai for the past three (3) FYE 31 December 2006 to 31 December 2008 and the four (4) months FPE 30 April 2009;
- (h) The audited financial statements of KTSB for the past three (3) FYE 31 December 2006 to 31 December 2008 and the four (4) months FPE 30 April 2009;
- (i) The audited financial statements of KE Singapore for the financial period from 8 June 2006 (date of incorporation) to 31 December 2006, the past two (2) FYE 31 December 2007 to 31 December 2008 and the four (4) months FPE 30 April 2009;
- (j) Independent Market Research Report by Frost & Sullivan dated 2 October 2009;
- (k) The Executive Summary of the Independent Market Research Report as included in Section 5 of this Prospectus; and
- (l) The business licence of KE Shanghai as set out in Section 3.1(e) of this Prospectus.

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## 16. PROCEDURE FOR APPLICATION AND ACCEPTANCE

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### 16.1 OPENING AND CLOSING OF APPLICATION

Opening of the application : 10.00 a.m. on 30 October 2009

Closing of the application : 5.00 p.m. on 13 November 2009

or at such date or dates as our Board and KIBB at their absolute discretion may jointly decide. **Late applications will not be accepted.**

Should the date of closing of the application for the IPO be extended, the dates for the dispatch of Notices of Allotment of the Issue Shares to successful applicants and listing of our entire enlarged issued and paid-up share capital on the ACE Market will be extended accordingly. In the event the date of the closing of the application for the IPO is extended, the public will be notified of such extension by way of advertisements placed in widely circulated English and Bahasa Malaysia newspapers within Malaysia.

### 16.2 ELIGIBILITY

You can only apply for our Shares if you fulfil **all** the following:-

- (a) You must have a CDS account. If you do not have a CDS account, you may open one (1) by contacting any of the ADAs listed in Section 16.11 of this Prospectus;
- (b) You must be **one (1)** of the following:-
  - (i) A Malaysian citizen who is at least eighteen (18) years old as at the closing date of the application with a Malaysian address; or
  - (ii) A corporation / institution incorporated in Malaysia where, there is a majority of Malaysian citizens on your board of directors / trustee and if you have a share capital, more than half of your issued share capital, excluding preferred share capital is held by Malaysian citizens; or
  - (iii) A superannuation, co-operative, foundation, provident or pension fund established or operating in Malaysia.

**We will not accept applications from trustees, persons under eighteen (18) years of age, sole proprietorships, partnerships or other incorporated bodies or associations, other than corporations/institution referred to in (b)(ii) or (iii) above or the trustees thereof; and**

- (c) You are not a director or employee of Malaysian Issuing House Sdn Bhd (“MIH”), our Issuing House or their immediate family members.

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**


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**16.3 METHODS OF APPLICATION**

Applications for the Issue Shares may be made using either of the following ways:-

| <b>Class of applicants</b>  | <b>Application method</b>   |
|---|---|
| Malaysian public (for individuals)  | <b>White</b> Application Form or Electronic Share Application <sup>(a)</sup> or Internet Share Application <sup>(b)</sup> |
| Malaysian public (for non-individuals, e.g. corporations, institutions, etc.)                         | <b>White</b> Application Form only  |
| Selected investors via private placement  | Separate letters / forms delivered to the respective investors  |
| Eligible employees and business associates / persons who have contributed to the success of our Group | <b>Pink</b> Application Form only   |

Notes:-

(a) *A surcharge of RM2.50 per Electronic Share Application will be charged by the Participating Financial Institution.*

(b) *The following processing fee per Internet Share Application will be charged by the respective Internet Participating Financial Institution:-*

- (i) *Affin Bank Berhad ([www.affinOnline.com](http://www.affinOnline.com)) - No fee will be charged for application by their account holders;*
- (ii) *CIMB Investment Bank Berhad ([www.eipocimb.com](http://www.eipocimb.com)) – RM2.00 per Internet Share Application via CIMB Bank Berhad or RM5.00 per Internet Share Application via Malayan Banking Berhad;*
- (iii) *CIMB Bank Berhad ([www.cimbclicks.com.my](http://www.cimbclicks.com.my)) – RM2.00 per Internet Share Application for applicants with CDS account held with CIMB Investment Bank Berhad and RM2.50 for applicants with CDS accounts with other ADAs;*
- (iv) *Malayan Banking Berhad ([www.maybank2u.com.my](http://www.maybank2u.com.my)) – RM1.00 per Internet Share Application; and*
- (v) *RHB Bank Berhad ([www.rhbbank.com.my](http://www.rhbbank.com.my)) – RM2.50 per Internet Share Application.*

**16.4 PROCEDURES FOR APPLICATION****16.4.1 Procedures for application by way of an Application Form**

Our eligible employees and business associates/persons who have contributed to the success of our Group will be distributed **Pink** Application Forms, letters detailing their allocation and additional letters of instruction. Their application must follow the notes and instructions in the said documents and where relevant, this Prospectus.

Malaysian public should follow the following procedures in making their applications:-

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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**Step 1: Obtain application documents**

Obtain the **White** Application Forms together with the Official “A” and “B” envelopes and a copy of this Prospectus. These documents can be obtained subject to availability from the following parties:-

- (a) KIBB;
- (b) participating organisations of Bursa Securities;
- (c) members of the Association of Banks in Malaysia;
- (d) members of the Malaysian Investment Banking Association; and
- (e) MIH.

**Step 2: Read the Prospectus**

In accordance with Section 232(2) of the CMSA, the Application Forms are accompanied by this Prospectus. You are advised to read and understand this Prospectus before making your application.

**Step 3: Complete the Application Form**

Complete the relevant Application Form legibly and **STRICTLY** in accordance with the notes and instructions printed on it and in this Prospectus.

**(a) Personal particulars**

You must ensure that your personal particulars submitted in your application are identical with the records maintained by Bursa Depository. Please inform Bursa Depository promptly of any changes to your personal particulars.

If you are an individual and you are not a member of the armed forces or police, your name and national registration identity card (“**NRIC**”) number must be the same as that stated in:-

- (i) your NRIC; or
- (ii) your “Resit Pengenalan Sementara (JPN KP 09)” issued pursuant to Peraturan 5(5), Peraturan-peraturan Pendaftaran Negara 1990; or
- (iii) any valid temporary identity document as issued by the National Registration Department from time to time.

If you are a member of the armed forces or police, your name and your armed forces or police personnel number, as the case may be, must be the same as that stated in your authority card.

If you are a corporation / institution, the name and certificate of incorporation number must be the same as that stated in the corporation’s / institution’s certificate of incorporation.

**(b) CDS account number**

You must state your CDS account number in the space provided in the Application Form. Invalid, nominee or third party CDS accounts will not be accepted.

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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**(c) Details of payment**

You must state the details of your payment in the appropriate boxes provided in the White Application Form.

**(d) Number of Shares applied**

Your application must be for 100 Shares or multiples thereof.

**Step 4: Prepare appropriate form of payment (applicable to Malaysian public)**

Prepare the correct form of payment in RM for the FULL amount payable for the Issue Shares based on the Issue Price of RM0.53 per Issue Share.

Your completed Application Form must be accompanied by remittance in RM for the full amount payable by any of the following:-

- (a) **BANKER'S DRAFT OR CASHIER'S ORDER** purchased within Malaysia only and drawn on a bank in Kuala Lumpur; or
- (b) **MONEY ORDER OR POSTAL ORDER** (for applicants from Sabah and Sarawak only); or
- (c) **GUARANTEED GIRO ORDER ("GGO")** from Bank Simpanan Nasional Malaysia Berhad; or
- (d) **ATM STATEMENT** obtained only from any of the following financial institutions:-
  - Affin Bank Berhad; or
  - Alliance Bank Malaysia Berhad; or
  - AmBank (M) Berhad; or
  - CIMB Bank Berhad; or
  - EON Bank Berhad; or
  - Hong Leong Bank Berhad; or
  - Malayan Banking Berhad; or
  - Public Bank Berhad; or
  - RHB Bank Berhad,

and must be made out in favour of "**MIH SHARE ISSUE ACCOUNT NUMBER: 474**" and crossed "**A/C PAYEE ONLY**" (excluding ATM statements) and endorsed on the reverse side with your name and address.

We will not accept applications with excess or insufficient remittances or inappropriate forms of payment.



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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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**Step 5: Finalise application**

Insert the White Application Form with the appropriate payment and a legible photocopy of identification document (NRIC/"Resit Pengenaln Sementara (JPN KP 09)" / valid temporary identity document issued by the National Registration Department / authority card / certificate of incorporation) into Official "A" envelope and seal it. Write your name and address on the outside of the Official "A" and "B" envelopes. The name and address written must be identical to your name and address as per your NRIC/"Resit Pengenaln Sementara (JPN KP 09)" / valid temporary identity document issued by the National Registration Department / authority card / certificate of incorporation. Affix a stamp on Official "A" envelope and insert Official "A" envelope into Official "B" envelope.

**Step 6: Submit application**

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents can be submitted using one of the following methods:-

- (a) despatched by **ORDINARY POST** in the official envelopes provided, to the following address:-

**Malaysian Issuing House Sdn Bhd (258345-X)**  
27<sup>th</sup> Floor, Menara Multi-Purpose  
Capital Square  
No. 8, Jalan Munshi Abdullah  
50100 Kuala Lumpur

P.O. Box 13269  
50804 Kuala Lumpur

- (b) **DELIVERED BY HAND AND DEPOSITED** in the drop-in boxes provided at the back portion of Menara Multi-Purpose, Capital Square, No. 8, Jalan Munshi Abdullah, 50100 Kuala Lumpur so as to arrive not later than 5.00 p.m. on 10 November 2009.

**The Application Forms set out the full instruction for the application of the Issue Shares and the procedures to be followed. The Application Forms together with the notes and instructions shall constitute an integral part of this Prospectus. All applicants are advised to read the Application Forms and the notes and instructions therein carefully. Applications which do not conform strictly to the terms of this Prospectus or the Application Form or notes and instructions or which are illegible may not be accepted at the absolute discretion of our Directors.**

**16.4.2 Procedures for application by way of an Electronic Share Application**

Application for our Issue Shares by way of Electronic Share Application are only applicable to Malaysian individuals in respect of the Issue Shares made available for application by the Malaysian public.

- (a) **Steps for Electronic Share Application through a Participating Financial Institution's ATM**
- (i) You must have an account with a Participating Financial Institution (as detailed in Section 16.4.2 (b) below) and an ATM card issued by that Participating Financial Institution to access the account;
- (ii) You must have a CDS account; and

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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- (iii) You may apply for the Issue Shares via the ATM of the Participating Financial Institution by choosing the Electronic Share Application option. Mandatory statements required in the application are set out in Section 16.4.2 (c) of the terms and conditions for Electronic Share Applications. You will have to enter at least the following information through the ATM where the instructions on the ATM screen at which you enter your Electronic Share Application requires you to do so:-
- Personal Identification Number (PIN);
  - MIH Share Issue Account Number 474;
  - CDS account number;
  - Number of Shares applied for and/or the RM amount to be debited from the account; and
  - Confirmation of several mandatory statements.

**(b) Participating Financial Institutions**

Electronic Share Applications may be made through an ATM of the following Participating Financial Institutions at their branches:-

- Affin Bank Berhad; or
- AmBank (M) Berhad; or
- Bank Muamalat Malaysia Berhad; or
- CIMB Bank Berhad; or
- EON Bank Berhad; or
- HSBC Bank Malaysia Berhad; or
- Malayan Banking Berhad; or
- OCBC Bank (Malaysia) Berhad; or
- RHB Bank Berhad; or
- Standard Chartered Bank Malaysia Berhad (at selected branches only).

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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**(c) Terms and conditions of Electronic Share Applications**

The procedures for Electronic Share Applications at ATMs of the Participating Financial Institutions are set forth on the ATM screens of the relevant Participating Financial Institutions ("Steps"). For illustration purposes, the procedures for Electronic Share Applications at ATMs are set forth in "**Steps for Electronic Share Application through a Participating Financial Institution's ATM**" in Section 16.4.2 (a) above. You must complete all the steps and follow the instructions set out on the ATM screen to complete an Electronic Share Application. You are advised to read and understand the terms of this Prospectus, the Steps and the terms and conditions for Electronic Share Applications set out below before making an Electronic Share Application. Any reference to "applicant/you" in the terms and conditions for Electronic Share Applications and the Steps shall mean the applicant who applies for the Issue Shares through an ATM of any of the Participating Financial Institutions.

In the case of Electronic Share Applications, you must have a CDS account to be eligible to utilise the facility.

You must have an existing bank account with, and be an ATM cardholder of, one (1) of the Participating Financial Institutions before you can make an Electronic Share Application at an ATM of that Participating Financial Institution. An ATM card issued by one (1) of the Participating Financial Institutions cannot be used to apply for the Issue Shares at an ATM belonging to other Participating Financial Institutions. Upon the completion of your Electronic Share Application transaction, you will receive a computer-generated transaction slip ("**Transaction Record**"), confirming the details of your Electronic Share Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Share Application or any data relating to such an Electronic Share Application by our Company or MIH. Do not submit your Transaction Record with any Application Form. The Transaction Record is for your own retention.

Upon the closing of the offer for the application for the Issue Shares on 10 November 2009 at 5.00 p.m. ("**Closing Date and Time**"), the Participating Financial Institution shall submit a magnetic tape containing its respective customers' applications for the Issue Shares to MIH as soon as practicable but not later than 12.00 p.m. of the second (2<sup>nd</sup>) business day after the Closing Date and Time.

You are allowed to make an Electronic Share Application for the Issue Shares via an ATM that accepts the ATM cards of the Participating Financial Institution with which you have an account and its branches, subject to you making only one (1) application.

**You must ensure that you use your own CDS account number when making an Electronic Share Application. If you operate a joint account with any Participating Financial Institution, you must ensure that you enter your own CDS account number when using an ATM card issued to you in your own name. Your application will be rejected if you fail to comply with the foregoing conditions.**

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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The Electronic Share Application shall be made on, and subject to, the above terms and conditions as well as the following terms and conditions:-

- (a) The Electronic Share Application shall be made in connection with and subject to the terms of this Prospectus and our Memorandum and Articles of Association.
- (b) You are required to confirm the following statements (by depressing pre-designated keys (or buttons) on the ATM keyboard) and undertake that the following information given is true and correct:-
  - You are at least eighteen (18) years of age as at the closing date of the share application;
  - You are a Malaysian citizen residing in Malaysia;
  - You have read the relevant Prospectus and understood and agreed with the terms and conditions of this application;
  - This is the only application that you are submitting; and
  - You hereby give consent to the Participating Financial Institution and Bursa Depository to disclose information pertaining to yourself and your account with the Participating Financial Institution and Bursa Depository to MIH and other relevant authorities.

The application will not be successfully completed and cannot be recorded as a completed transaction at the ATM unless you complete all the Steps required by the Participating Financial Institution. By doing so, you will be treated as signifying your confirmation of each of the above statements as well as giving consent in accordance with the relevant laws of Malaysia including Section 97 of the Banking and Financial Institutions Act, 1989 and Section 45 of the Securities Industry (Central Depositories) Act, 1991 to the disclosure by the relevant Participating Financial Institution or Bursa Depository, as the case may be, of any of your particulars to MIH or any relevant regulatory bodies.

- (c) **You confirm that you are not applying for the Issue Shares as a nominee of any other persons and that any Electronic Share Application that you make is made by you as the beneficial owner. You shall only make one (1) Electronic Share Application and shall not make any other application for the Issue Shares, whether at the ATMs of any Participating Financial Institutions, on the prescribed Application Forms or via Internet Share Application.**
- (d) You must have sufficient funds in your bank account with the relevant Participating Financial Institution at the time you make your Electronic Share Application, failing which your Electronic Share Application will not be completed. Any Electronic Share Application, which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Share Application is being made, will be rejected.
- (e) You irrevocably agree and undertake to subscribe for or purchase and to accept the number of Issue Shares applied for as stated on the Transaction Record or any lesser number of Issue Shares that may be allotted or allocated to you in respect of your Electronic Share Application. In the event that we decide to allot any lesser number of the Issue Shares or not to allot or allocate any Issue Shares to you, you agree to accept any such decision as

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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final. If your Electronic Share Application is successful, your confirmation (by your action of pressing the designated key (or button) on the ATM) of the number of Issue Shares applied for shall signify, and shall be treated as, your acceptance of the number of Issue Shares that may be allotted to you and to be bound by our Memorandum and Articles of Association.

- (f) We reserve the right to reject or accept any Electronic Share Application in whole or in part only without giving any reason therefor. Due consideration will be given to the desirability of allotting or allocating the Issue Shares to a reasonable number of applicants with a view to establishing an adequate market for our Shares.
- (g) If your Electronic Share Application is not successful or successful in part only, the relevant Participating Financial Institution will be informed of the non-successful or partially successful applications within two (2) Market Days after the balloting date. If your Electronic Share Application is not successful, the relevant Participating Financial Institution will credit the full amount of the application monies without interest in RM into your account with that Participating Financial Institution within two (2) Market Days after the receipt of confirmation from MIH. You may check your accounts on the fifth (5<sup>th</sup>) Market Day from the balloting date.

If your Electronic Share Application is accepted in part only, the relevant Participating Financial Institution will credit the balance of the application monies without interest in RM into your account with the Participating Financial Institution within two (2) Market Days after the receipt of confirmation from MIH. A number of applications will, however, be held in reserve to replace any successful balloted applications, which are subsequently rejected. For such applications, which are subsequently rejected, the application monies without interest will be refunded to the applicants by MIH by way of cheques issued by MIH. The cheques will be issued to the applicants not later than ten (10) Market Days from the day of the final ballot of the application list.

If you encounter any problems in your applications, you may refer to the Participating Financial Institutions.

- (h) You request and authorise us:-
  - (i) to credit the Issue Shares allotted or allocated to you into your CDS account; and
  - (ii) to issue share certificate(s) representing such Issue Shares allotted or allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.
- (i) You, acknowledge that your Electronic Share Application is subject to the risks of electrical, electronic, technical, transmission, communications and computer-related faults and breakdowns, fires and other events which are beyond our control, and the control of MIH, the Participating Financial Institutions or Bursa Depository, irrevocably agrees that if:-
  - (i) we or MIH do/does not receive your Electronic Share Application; or
  - (ii) data relating to your Electronic Share Application is wholly or partially lost, corrupted or not otherwise accessible, or not transmitted or communicated to us or MIH,

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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you shall be deemed not to have made an Electronic Share Application and you shall not claim whatsoever against us, MIH or the Participating Financial Institutions or Bursa Depository for the Issue Shares applied for or for any compensation, loss or damage arising from it.

- (j) All of your particulars in the records of the relevant Participating Financial Institution at the time you make your Electronic Share Application shall be deemed to be true and correct; and we, MIH and the relevant Participating Financial Institution shall be entitled to rely on the accuracy thereof.
- (k) You shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institution are correct and identical. Otherwise, your Electronic Share Application is liable to be rejected. You must inform Bursa Depository promptly of any change in address, failing which the notification letter of successful allocation will be sent to your registered address last maintained with Bursa Depository.
- (l) By making and completing an Electronic Share Application, you agree that:-
  - (i) in consideration of our Company making available the Electronic Share Application facility to you, through the Participating Financial Institutions at their respective ATMs, your Electronic Share Application is irrevocable;
  - (ii) we, MIH, the Participating Financial Institutions and Bursa Depository shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Share Application to us due to a breakdown or failure of transmission or communication facilities or to any cause beyond our/ their control;
  - (iii) notwithstanding the receipt of any payment by us or on our behalf, the acceptance of your offer to subscribe for and purchase the Issue Shares for which your Electronic Share Application has been successfully completed shall be constituted by the issue of notices of successful allocation by us or our behalf for prescribed securities, in respect of the said Issue Shares;
  - (iv) you irrevocably authorises Bursa Depository to complete and sign on your behalf as transferee or renounee any instrument of transfer and/or other documents required for the issue or transfer of the Issue Shares allotted or allocated to you; and
  - (v) You agree that in the event of any legal disputes arising from the use of Electronic Share Application, our mutual rights, obligations and liabilities shall be determined under the laws of Malaysia be bound by the decisions of the Courts of Malaysia.
- (m) If you are successful in your Electronic Share Application, our Directors reserves the rights to require you to appear in person at the registered office of MIH within fourteen (14) days of the date of the notice issued to you to ascertain your application is genuine and valid. Our Directors shall not be responsible for any loss or non-receipt of the said notice nor shall they be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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- (n) MIH, on the authority of our Directors, reserves the right to reject applications which do not conform to these instructions.

**16.4.3 Procedures for application by way of an Internet Share Application**

Applications for our Shares by way of Internet Share Application are only applicable to Malaysian individuals in respect of the Issue Shares made available for application by the Malaysian public.

Please read carefully and follow the terms of this Prospectus, the procedures, terms and conditions for Internet Share Application and the procedures set out on the Internet financial services website of the Internet Participating Financial Institution before making an Internet Share Application.

**Step 1: Set up of account**

Before making an application by way of Internet Share Application, you **must have all** of the following:-

- (a) an existing account with access to Internet financial services facilities with the following Internet Participating Financial Institutions:-
- Affin Bank Berhad at [www.affinOnline.com](http://www.affinOnline.com); or
  - CIMB Investment Bank Berhad at [www.eipocimb.com](http://www.eipocimb.com); or
  - CIMB Bank Berhad at [www.cimbclicks.com.my](http://www.cimbclicks.com.my); or
  - Malayan Banking Berhad at [www.maybank2u.com.my](http://www.maybank2u.com.my) (via hyperlink to Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com)); or
  - RHB Bank Berhad at [www.rhbbank.com.my](http://www.rhbbank.com.my) (via hyperlink to Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com))
- (b) an individual CDS account registered in your name (and not in a nominee's name).

**Step 2: Read the Prospectus**

You are advised to read and understand this Prospectus before making your application.

**Step 3: Apply through Internet**

The exact steps for Internet Share Application for the Issue Shares are as set out on the Internet financial services websites of the Internet Participating Financial Institutions.

**For illustration purposes only, we have set out below possible steps of an application of the Issue Shares using Internet Share Application.**

**PLEASE NOTE THAT THE ACTUAL STEPS FOR INTERNET SHARE APPLICATIONS CONTAINED IN THE INTERNET FINANCIAL SERVICES WEBSITES OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS MAY DIFFER FROM THE STEPS OUTLINED BELOW.**

- (a) Connect to the Internet financial services website of the Internet Participating Financial Institution with which you have an account. You are advised not to apply for the Issue Shares through any website other than the Internet financial services website of the Internet Participating Financial Institution.

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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- (b) Login to the Internet financial services facility by entering your user identification and PIN/ password.
- (c) Navigate to the section of the website on the applications in respect of initial public offerings.
- (d) Select the counter in respect of the Issue Shares to launch the Electronic Prospectus and the terms and conditions of the Internet Share Application.
- (e) Select the designated hyperlink on the screen to accept the abovementioned terms and conditions, having read and understood such terms and conditions.
- (f) At the next screen, complete the online application form.
- (g) Check that the information contained in the online application form such as the share counter, NRIC number, CDS account number, number of Issue Shares applied for and the account number to debit are correct, and select the designated hyperlink on the screen to confirm and submit the online application form.
- (h) After selecting the designated hyperlink on the screen, you will have to confirm and undertake that the following mandatory statements are true and correct:-
  - (i) You are at least eighteen (18) years of age as at the Closing Date of the application for the Issue Shares;
  - (ii) You are a Malaysian citizen residing in Malaysia;
  - (iii) You have, prior to making the Internet Share Application, received and/or have had access to a printed/electronic copy of this Prospectus, the contents of which you have read and understood;
  - (iv) You agree to all the terms and conditions of the Internet Share Application as set out in this Prospectus and has carefully considered the risk factors set out in this Prospectus, in addition to all other information contained in this Prospectus, before making the Internet Share Application;
  - (v) The Internet Share Application is the only application that you are submitting for the Issue Shares;
  - (vi) You authorise the Internet Participating Financial Institution to deduct the full amount payable for the Issue Shares from your account with the Internet Participating Financial Institution;
  - (vii) You give express consent in accordance with the relevant laws of Malaysia (including but not limited to Section 99 of the Banking and Financial Institutions Act, 1989 and Section 45 of the Securities Industry (Central Depositories) Act, 1991) to the disclosure by the Internet Participating Financial Institution and/or Bursa Depository, as the case may be, of information pertaining to you, the Internet Share Application made by you or your account with the Internet Participating Financial Institution, to MIH and the SC and any other relevant authority;
  - (viii) You are not applying for the Issue Shares as a nominee of any other person and the application is made in your own name as the beneficial owner and subject to the risks referred to in this Prospectus; and



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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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- (ix) You authorise the Internet Participating Financial Institution to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, us, Bursa Securities or other relevant parties in connection with the IPO, all information relating to you if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institution, necessary for the provision of the Internet Share Applications services or if such disclosure is requested or required in connection with the IPO. Further, the Internet Participating Financial Institution will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institution in connection with the use of the Internet Share Applications services.
- (i) Upon submission of the online application form, you will be linked to the website of the Internet Participating Financial Institution to effect the online payment of your money for the IPO.
- (j) You must pay for the Issue Shares through the website of the Internet Participating Financial Institution, failing which the Internet Share Application is **not completed**, despite the display of the Confirmation Screen. "**Confirmation Screen**" refers to the screen which appears or is displayed on the Internet financial services website, which confirms that the Internet Share Application has been completed and states the details of your Internet Share Application, including the number of Issue Shares applied for, which can be printed out by you for your records.
- (k) As soon as the transaction is completed, a message from the Internet Participating Financial Institution pertaining to the payment status will appear on the screen on the website through which the online payment for the application of the Issue Shares is being made.
- (l) Subsequent to the above, the Internet Participating Financial Institution shall confirm that the Internet Share Application has been completed, via the Confirmation Screen on its website.
- (m) You are advised to print out the Confirmation Screen for the reference and retention.

**Terms and Conditions for Internet Share Applications**

**The terms and conditions outlined below supplement the additional terms and conditions for Internet Share Application contained in the Internet financial services website of the Internet Participating Financial Institutions. Please refer to the Internet financial services website of the Internet Participating Financial Institutions for the exact terms and conditions and instructions.**

- (a) Your application will not be successfully completed and cannot be recorded as a completed application unless you have completed all relevant application steps and procedures for the Internet Share Application which would result in the Internet financial services website displaying the Confirmation Screen. You are required to complete your Internet Share Application by the close of the IPO mentioned in Section 16.1 of this Prospectus.

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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- (b) You irrevocably agree and undertake to subscribe for or purchase and to accept the number of Issue Shares applied for as stated on the Confirmation Screen or any lesser number of Issue Shares that may be allotted or allocated to you in respect of your Internet Share Application. Your confirmation by clicking the designated hyperlink on the relevant screen of the website shall be treated as your acceptance of the number of Issue Shares allotted or allocated to you.
- (c) You request and authorise us:-
- (i) to credit the Issue Shares allotted or allocated to you into your CDS account; and
  - (ii) to issue share certificate(s) representing such Issue Shares allotted or allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.
- (d) You, acknowledge that your Internet Share Application is subject to the risks of electrical, electronic, technical, transmission, communications and computer-related faults and breakdowns, faults with computer software, problem occurring during data transmission, computer security threats such as viruses, hackers and crackers, fires and other events which are beyond our control, and the control of the Internet Participating Financial Institution, irrevocably agrees that if:-
- (i) we, MIH or the Internet Participating Financial Institution do/does not receive your Internet Share Application and/or payment; or
  - (ii) data relating to your Internet Share Application or the tape or any other devices containing such data is wholly or partially lost, corrupted or not otherwise accessible, or not transmitted or communicated to us or MIH,
- you shall be deemed not to have made an Internet Share Application and you shall not claim whatsoever against us, MIH or the Internet Participating Financial Institutions for the Issue Shares applied for or for any compensation, loss or damage arising from it.
- (e) You irrevocably authorise Bursa Depository to complete and sign on your behalf as transferee or renounce any instrument of transfer and/or other documents required for the issue or transfer of the Issue Shares allocated to you.
- (f) You agree that in the event of any legal disputes arising from the use of Internet Share Application, our mutual rights, obligations and liabilities shall be determined under the laws of Malaysia and be bound by the decisions of the Courts of Malaysia.
- (g) You shall hold the Internet Participating Financial Institution harmless from any damages, claims or losses whatsoever, as a consequence of or arising from any rejection of your Internet Share Application by us, MIH and/or the Internet Participating Financial Institutions for reasons of multiple application, suspected multiple application, inaccurate and/or incomplete details provided by you, or any other cause beyond the control of the Internet Participating Financial Institutions.
- (h) You are not entitled to exercise any remedy of rescission for misrepresentation at any time after we have accepted your Internet Share Application.

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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- (i) In making the Internet Share Application, you have relied solely on the information contained in this Prospectus. We, our Underwriter, our Adviser and any other person involved in the IPO shall not be liable for any information not contained in this Prospectus which may have been relied by you in making the Internet Share Application.

**16.5 OTHER TERMS AND CONDITIONS**

- (a) You are required to pay the Issue Price of RM0.53 for each Issue Share you have applied for;
- (b) You can submit only one (1) application for the Public Issue Shares offered to the Malaysian public. For example, if you submit an application using a White Application Form, you cannot submit an Electronic Share Application or Internet Share Application.

MIH acting under the authority of our Directors, has the discretion to reject applications that appears to be multiple applications.

**We wish to caution you that if you submit more than one (1) application in your own name or by using the name of others, with or without their consent, you will be committing an offence under Section 179 of the CMSA and may be punished with a minimum fine of RM1,000,000 and a jail term of up to ten (10) years under Section 182 of the CMSA.**

- (c) Your application must be for at least 100 Shares or multiples thereof.
- (d) Your application must be made in connection with and subject to this Prospectus and our Memorandum and Articles of Association. You agree to be bound by our Memorandum and Articles of Association.
- (e) Your submission of an application does not necessarily mean that your application will be successful. Any submission of application is irrevocable.
- (f) Our Company or MIH will not issue any acknowledgement of the receipt of your application or application monies.
- (g) You must ensure that your personal particulars submitted in your application and/or your personal particular as recorded by the Internet Participating Financial Institution are correct and identical with the records maintained by Bursa Depository. Otherwise, your application is liable to be rejected. Bursa Depository will have to be promptly notified of any change in your address, failing which the notification letter of successful allocation will be sent to your registered or correspondence address last maintained with Bursa Depository.
- (h) Your remittances having been presented for payment shall not signify that your application has been accepted.

Our acceptance of your application to subscribe for the Issue Shares shall be constituted by the issue of notices of allotment for the Issue Shares to you.

- (i) Submission of your CDS account number in your application includes your authority or consent in accordance with the Malaysian laws of Bursa Depository and the Participating Financial Institutions, as the case may be, to disclose information pertaining to your CDS account and other relevant information to us or MIH and any relevant regulatory bodies, as the case may be.

**You agree to accept our decision as final should we decide not to allot any Issue Shares to you.**

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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- (j) Additional terms and conditions for Electronic Share Applications are set out in Section 16.4.2 (c) above.
- (k) Additional terms and conditions for Internet Share Applications are set out in Section 16.4.3 above.

**16.6 AUTHORITY OF OUR DIRECTORS AND MIH**

If you are successful in your application, our Directors reserve the rights to require you to appear in person at the registered office of MIH within fourteen (14) days of the date of notice issued to you to ascertain your application is genuine and valid. Our Directors shall not be responsible for any loss or non-receipt of the said notice nor shall they be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

Applicants will be selected in a manner to be determined by our Directors. Due consideration will be given to the desirability of allotting or allocating our Issue Shares to a reasonable number of applicants with a view to establishing an adequate market for our Shares.

MIH, on the authority of our Directors, reserve the rights to:-

- (a) reject applications which do not conform to the instructions in this Prospectus or are illegible, incomplete and inaccurate;
- (b) reject or accept any application, in whole or in part, on a non-discriminatory basis without giving any reason; and
- (c) bank in all application monies from unsuccessful / partially successful Bumiputera applicants which would subsequently be refunded without interest by registered post.

**16.7 OVER / UNDER-SUBSCRIPTION**

In the event of an over-subscription for the Issue Shares, MIH will conduct a ballot in a fair and equitable manner as approved by our Directors to determine the acceptance of applications. In determining the manner of balloting, our Directors will consider the desirability of distributing the Issue Shares, to a reasonable number of applicants for the purpose of broadening our shareholding base and establishing an adequate market in the trading of our Shares.

Pursuant to the Listing Requirements, we are required to have at least 25% of our enlarged issued and paid-up capital to be held by a minimum number of 200 public shareholders holding not less than 100 Shares each upon Listing and completion of this IPO. We expect to achieve this at the point of Listing. However, in the event that this requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all applications will be returned without interest.

In the event of an under-subscription, all the Issue Shares not applied for will be subscribed by our Underwriter pursuant to the Underwriting Agreement.

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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**16.8 UNSUCCESSFUL / PARTIALLY SUCCESSFUL APPLICANTS**

If you are unsuccessful / partially successful in your application, we will return your application monies without interest in the following manner:-

**16.8.1 For applications by way of White Application From**

- (a) the application monies or the balance of it, as the case may be, will be returned to you via the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by registered post to your last address maintained with Bursa Depository (for partially successful applications) within ten (10) Market Days from the date of the final ballot.
- (b) If your application was rejected because you did not provide a CDS account number, your application monies will be sent to the address stated in the NRIC or "Resit Pengenalan Sementara (JPN KP 09)" or any valid temporary identity document issued by the National Registration Department from time to time, at your own risk.
- (c) MIH reserves the right to bank in all application monies from unsuccessful applicants. These monies will be refunded by registered post to your last address maintained with Bursa Depository or as per item (b) above, as the case may be, within ten (10) Market Days from the date of the final ballot.

**16.8.2 For applications by way of Electronic Share Application and Internet Share Application**

- (a) MIH shall inform the Participating Financial Institutions of the non-successful or partially successful application within two (2) Market Days after the balloting date. The application monies or the balance of it will be credited into your account with the Participating Financial Institution without interest within two (2) Market Days after the receipt of confirmation from MIH.
- (b) You may check your account on the fifth (5<sup>th</sup>) Market Day from the balloting date.
- (c) A number of applications will be reserved to replace any balloted applications which are rejected. The application monies relating to these applications which are subsequently rejected will be refunded without interest by MIH by way of cheques by registered post or ordinary post. The cheques will be issued not later than ten (10) Market Days from the date of the final ballot. For applications that are held in reserve and are subsequently unsuccessful (or only partly successful), the Participating Financial Institution will arrange for a refund of the application money (or any part thereof) without interest within ten (10) Market Days from the date of the final ballot.

**16.9 SUCCESSFUL APPLICANTS**

If you are successful in your application:-

- (a) Our Issue Shares allocated to you will be credited into your CDS account. We will not be issuing any shares certificate to you.
- (b) A notice of allotment will be despatched to you at the address last maintained with Bursa Depository where you have an existing CDS account at your own risk prior to our Listing. This is your only acknowledgement of acceptance of the application.

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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**16.10 ENQUIRIES**

You may contact MIH if you have any queries on the White Application Form at 03 - 2693 2075 (10 lines). If you have any enquiry with regards to your Electronic Share Application, you may refer to the relevant Participating Financial Institution. If you have any enquiry with regards to your Internet Share Application, you may refer to the relevant Internet Participating Financial Institution.

If you are applying for the Public Issue Share as a Malaysian public, you may check the status of your application by logging into MIH's website at [www.mih.com.my](http://www.mih.com.my), or by calling MIH's Enquiry Services at 03 - 2693 2075 (10 lines) or your ADA at the telephone number as stated in Section 16.11 of this Prospectus between five (5) to ten (10) Market Days (during office hours only) after the balloting date.

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)****16.11 List of ADAs**

The list of ADAs and their respective addresses, telephone numbers and broker codes are as follows:-

| <b>Name</b>  | <b>Address and telephone number</b>   | <b>Broker code</b> |
|--|---|--------------------|
| <b>KUALA LUMPUR</b>  |   |                    |
| A.A. ANTHONY SECURITIES SDN BHD  | N3, Plaza Damas<br>60, Jalan Sri Hartamas 1<br>Sri Hartamas<br>50480 Kuala Lumpur<br>Tel No : 03-6201 1155            | 078-004            |
| AFFIN INVESTMENT BANK BERHAD   | Ground Mezzanine & 3rd Floor<br>Chulan Tower<br>No. 3, Jalan Conlay<br>50450 Kuala Lumpur<br>Tel No : 03-2143 8668    | 028-001            |
| ALLIANCE INVESTMENT BANK BERHAD  | No. 8, Jalan Binjai<br>Off Jalan Ampang<br>50450 Kuala Lumpur<br>Tel No : 03-2166 7922                                | 076-001            |
| AMINVESTMENT BANK BERHAD   | 15th Floor, Bangunan AmBank Group<br>55, Jalan Raja Chulan<br>50200 Kuala Lumpur<br>Tel No : 03-2078 2788             | 086-001            |
| BIMB SECURITIES SDN BHD  | 1st & 2nd Floor<br>Podium Block, AMDB Building<br>No. 1, Jalan Lumut<br>50400 Kuala Lumpur<br>Tel No : 03-4043 3533   | 024-001            |
| CIMB INVESTMENT BANK BERHAD  | 9th Floor, Commerce Square<br>Jalan Semantan, Damansara Heights<br>50490 Kuala Lumpur<br>Tel No : 03-2084 9999        | 065-001            |
| ECM LIBRA INVESTMENT BANK BERHAD   | 3rd Floor, Wisma Genting<br>Jalan Sultan Ismail<br>50250 Kuala Lumpur<br>Tel No : 03-2178 1888                        | 052-001            |
| ECM LIBRA INVESTMENT BANK BERHAD   | Level 1, Avenue Building<br>Jalan Damansara Endah<br>Damansara Heights<br>50490 Kuala Lumpur<br>Tel No : 03-2089 1800 | 052-009            |
| HONG LEONG INVESTMENT BANK BERHAD (formerly known as HLG Securities Sdn Bhd) | Level 8, Menara HLA<br>No. 3, Jalan Kia Peng<br>50450 Kuala Lumpur<br>Tel No : 03-2168 1168                           | 066-001            |

**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>                                 | <b>Address and telephone number</b>   | <b>Broker code</b> |
|---|---|--------------------|
| HWANGDBS INVESTMENT BANK BERHAD             | 2nd Floor, Bangunan AHP<br>No. 2, Jalan Tun Mohd Fuad 3<br>Taman Tun Dr. Ismail<br>60000 Kuala Lumpur<br>Tel No : 03-7710 6688  | 068-009            |
| HWANGDBS INVESTMENT BANK BERHAD             | Nos. 34-5, 36-5, 38-5, 40-5, 42-5 & 44-5<br>5th Floor, Cheras Commercial Centre<br>Jalan 5/101C<br>Off Jalan Kaskas, 5th Mile Cheras<br>56100 Kuala Lumpur<br>Tel No : 03-9130 3399 | 068-012            |
| HWANGDBS INVESTMENT BANK BERHAD             | 7th, 22nd, 23rd & 23A Floor<br>Menara Keck Seng<br>203 Jalan Bukit Bintang<br>55100 Kuala Lumpur<br>Tel No : 03-2711 6888   | 068-014            |
| INTER-PACIFIC SECURITIES SDN BHD            | West Wing, Level 13<br>Berjaya Times Square<br>No. 1, Jalan Imbi<br>55100 Kuala Lumpur<br>Tel No : 03-2117 1888   | 054-001            |
| INTER-PACIFIC SECURITIES SDN BHD            | Ground Floor, 7-0-8 Jalan 3/109F<br>Danau Business Centre, Danau Desa<br>58100 Kuala Lumpur<br>Tel No : 03-7984 7796  | 054-003            |
| INTER-PACIFIC SECURITIES SDN BHD            | Stesyen Minyak SHELL<br>Jalan 1/116B, Off Jalan Kuchai Lama<br>Kuchai Entrepreneur Park<br>58200 Kuala Lumpur<br>Tel No : 03-7981 8811  | 054-005            |
| JUPITER SECURITIES SDN BHD                  | 7th-9th Floor, Menara Olympia<br>8, Jalan Raja Chulan<br>50200 Kuala Lumpur<br>Tel No : 03-2034 1888  | 055-001            |
| KAF-SEAGROATT & CAMPBELL SECURITIES SDN BHD | 11th-14th Floor, Chulan Tower<br>No. 3, Jalan Conlay<br>50450 Kuala Lumpur<br>Tel No : 03-2168 8800   | 053-001            |
| KENANGA INVESTMENT BANK BERHAD              | 8th Floor, Kenanga International<br>Jalan Sultan Ismail<br>50250 Kuala Lumpur<br>Tel No : 03-2164 9080  | 073-001            |



**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>   | <b>Address and telephone number</b>   | <b>Broker code</b> |
|---|---|--------------------|
| KENANGA INVESTMENT BANK<br>BERHAD   | No. 57-10, Level 10<br>The Boulevard, Mid Valley City<br>Lingkaran Syed Putra<br>59000 Kuala Lumpur<br>Tel No : 03-2287 1799            | 073-015            |
| M & A SECURITIES SDN BHD  | Level 1-2, No. 45 & 47<br>The Boulevard, Mid Valley City<br>Lingkaran Syed Putra<br>59200 Kuala Lumpur<br>Tel No : 03-2282 1820         | 057-002            |
| MAYBANK INVESTMENT BANK<br>BERHAD (formerly known as<br>Aseambankers Malaysia Berhad) | 5-13 Floor, MaybankLife Tower<br>Dataran Maybank<br>No. 1, Jalan Maarof<br>59000 Kuala Lumpur<br>Tel No : 03-2297 8888                  | 098-001            |
| MERCURY SECURITIES SDN<br>BHD   | Lot 6-05, Level 6<br>Tower Block, Menara Milenium<br>8, Jalan Damanlela, Bukit Damansara<br>50490 Kuala Lumpur<br>Tel No : 03-2094 2828 | 093-002            |
| MIDF AMANAH INVESTMENT<br>BANK BERHAD   | 11th & 12th Floor, Menara MIDF<br>82 Jalan Raja Chulan<br>50200 Kuala Lumpur<br>Tel No : 03-2178 8888                                   | 026-001            |
| MIMB INVESTMENT BANK<br>BERHAD  | Level 18, Menara EON Bank<br>288, Jalan Raja Laut<br>50350 Kuala Lumpur<br>Tel No : 03-2691 0200  | 061-001            |
| OSK INVESTMENT BANK<br>BERHAD   | 20 <sup>th</sup> Floor, Plaza OSK<br>Jalan Ampang<br>50450 Kuala Lumpur<br>Tel No : 03-2333 8333  | 056-001            |
| OSK INVESTMENT BANK<br>BERHAD   | No. 62 & 64, Vista Magna<br>Jalan Prima, Metro Prima<br>52100 Kuala Lumpur<br>Tel No : 03-6257 5869                                     | 056-028            |
| OSK INVESTMENT BANK<br>BERHAD   | Ground Floor,<br>No. M3-A-7 & M3-A-8<br>Jalan Pandan Indah 4/3A<br>Pandan Indah<br>55100 Kuala Lumpur<br>Tel No : 03-4280 4798          | 056-054            |

**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>                      | <b>Address and telephone number</b>   | <b>Broker code</b> |
|----------------------------------|---|--------------------|
| OSK INVESTMENT BANK<br>BERHAD    | Ground, 1st, 2nd & 3rd Floor<br>No. 55, Zone J4<br>Jalan Radin Anum<br>Bandar Baru Seri Petaling<br>57000 Kuala Lumpur<br>Tel No : 03-9058 7222                 | 056-058            |
| PM SECURITIES SDN BHD            | Ground, Mezzanine, 1st & 10th Floor<br>Menara PMI<br>No. 2, Jalan Changkat Ceylon<br>50200 Kuala Lumpur<br>Tel No : 03-2146 3000                                | 064-001            |
| PUBLIC INVESTMENT BANK<br>BERHAD | 27th Floor, Public Bank Building<br>No. 6, Jalan Sultan Sulaiman<br>50000 Kuala Lumpur<br>Tel No : 03-2031 3011   | 051-001            |
| RHB INVESTMENT BANK<br>BERHAD    | Level 9, Tower One<br>RHB Centre, Jalan Tun Razak<br>50400 Kuala Lumpur<br>Tel No : 03-9287 3888  | 087-001            |
| TA SECURITIES HOLDINGS<br>BERHAD | Floor 13-16, 23, 28-30, 34 & 35<br>Menara TA One<br>No. 22, Jalan P. Ramlee<br>50250 Kuala Lumpur<br>Tel No : 03-2072 1277                                      | 058-003            |
| <b>SELANGOR DARUL EHSAN</b>      |   |                    |
| AFFIN INVESTMENT BANK<br>BERHAD  | 2nd, 3rd & 4th Floor<br>Wisma Amsteel Securities<br>No. 1, Lintang Pekan Baru<br>Off Jalan Meru<br>41050 Klang<br>Selangor Darul Ehsan<br>Tel No : 03-3343 9999 | 028-002            |
| AFFIN INVESTMENT BANK<br>BERHAD  | Lot 229, 2nd Floor, The Curve<br>No. 6, Jalan PJU 7/3<br>Mutiara Damansara<br>47800 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No : 03-7729 8016              | 028-003            |
| AFFIN INVESTMENT BANK<br>BERHAD  | No. 1, Jalan 52/16<br>46200 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No : 03-7955 3281  | 028-004            |

**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>   | <b>Address and telephone number</b>  | <b>Broker code</b> |
|---|--|--------------------|
| AMINVESTMENT BANK<br>BERHAD   | 4th Floor, Plaza Damansara Utama<br>No. 2, Jalan SS21/60<br>47400 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No : 03-7710 6613                                 | 086-003            |
| HONG LEONG INVESTMENT<br>BANK BERHAD<br>(formerly known as HLG Securities<br>Sdn Bhd) | 1st, 2nd & 3rd Floor<br>Plaza Damansara Utama<br>No. 2, Jalan SS21/60<br>Damansara Utama<br>47400 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No : 03-7729 7345 | 066-002            |
| HWANGDBS INVESTMENT<br>BANK BERHAD  | 16th, 18th-20th Floor, Plaza Masalam<br>No. 2, Jalan Tengku Ampuan Zabedah<br>E9/E Section 9<br>40100 Shah Alam<br>Selangor Darul Ehsan<br>Tel No : 03-5513 3288 | 068-002            |
| HWANGDBS INVESTMENT<br>BANK BERHAD  | East Wing & Centre Link<br>Floor 3A, Wisma Consplant 2<br>No. 7, Jalan SS 16/1<br>47500 Subang Jaya<br>Selangor Darul Ehsan<br>Tel No : 03-5635 6688             | 068-010            |
| INTER-PACIFIC SECURITIES<br>SDN BHD   | No. 77 & 79, Jalan 2/3A<br>Pusat Bandar Utara<br>KM12, Jalan Ipoh<br>Selayang<br>68100 Batu Caves<br>Selangor Darul Ehsan<br>Tel No : 03-6137 1888               | 054-006            |
| JF APEX SECURITIES BERHAD   | 6th Floor, Menara Apex<br>Off Jalan Semenyih, Bukit Mewah<br>43000 Kajang<br>Selangor Darul Ehsan<br>Tel No : 03-8736 1118                                       | 079-001            |
| JF APEX SECURITIES BERHAD   | 15th & 16th Floor<br>Menara Choy Fook On<br>No. 1B, Jalan Yong Shook Lin<br>46050 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No : 03-7620 1118                 | 079-002            |
| KENANGA INVESTMENT BANK<br>BERHAD   | 13th Floor, Menara Yayasan Selangor<br>No. 18A, Jalan Persiaran Barat<br>Off Jalan Timur<br>46000 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No : 03-7956 2169 | 073-005            |

**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>                       | <b>Address and telephone number</b>  | <b>Broker code</b> |
|-----------------------------------|--|--------------------|
| KENANGA INVESTMENT BANK<br>BERHAD | 1st Floor, Wisma UEP<br>Pusat Perniagaan USJ 10<br>Jalan USJ 10/1A<br>47620 Subang Jaya<br>Selangor Darul Ehsan<br>Tel No : 03-8024 1682                               | 073-006            |
| KENANGA INVESTMENT BANK<br>BERHAD | Suite 7.02, Level 7, Menara ING<br>Intan Millenium Square<br>No. 68, Jalan Batai Laut 4<br>Taman Intan<br>41300 Klang<br>Selangor Darul Ehsan<br>Tel No : 03-3005 7550 | 073-007            |
| KENANGA INVESTMENT BANK<br>BERHAD | Lot 240, 2nd Floor, The Curve<br>No. 6, Jalan PJU 7/3<br>Mutiara Damansara<br>47800 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No : 03-7725 9095                     | 073-016            |
| OSK INVESTMENT BANK<br>BERHAD     | 24, 24M, 24A, 26M, 28M, 28A & 30<br>Jalan SS2/63<br>47300 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No : 03-7873 6366   | 056-011            |
| OSK INVESTMENT BANK<br>BERHAD     | No. 37, Jalan Semenyih<br>43000 Kajang<br>Selangor Darul Ehsan<br>Tel No : 03-8736 3378  | 056-045            |
| OSK INVESTMENT BANK<br>BERHAD     | Ground & 1st Floor<br>No. 15, Jalan Bandar Rawang 4<br>48000 Rawang<br>Selangor Darul Ehsan<br>Tel No : 03-6092 8916   | 056-047            |
| OSK INVESTMENT BANK<br>BERHAD     | Ground & Mezzanine Floor<br>No. 87 & 89, Jalan Susur<br>Pusat Perniagaan NBC<br>Batu 1½, Jalan Meru<br>41050 Klang<br>Selangor Darul Ehsan<br>Tel No : 03-3343 9180    | 056-048            |
| PM SECURITIES SDN BHD             | No. 157 & 159, Jalan Kenari 23/A<br>Bandar Puchong Jaya<br>47100 Puchong<br>Selangor Darul Ehsan<br>Tel No : 03-8070 0773  | 064-003            |

**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>                         | <b>Address and telephone number</b>  | <b>Broker code</b> |
|-------------------------------------|--|--------------------|
| PM SECURITIES SDN BHD               | No. 18 & 20, Jalan Tiara 2<br>Bandar Baru Klang<br>41150 Klang<br>Selangor Darul Ehsan<br>Tel No : 03-3341 5300                                | 064-007            |
| SJ SECURITIES SDN BHD               | Level 3, Holiday Villa<br>No. 9, Jalan SS 12/1, Subang Jaya<br>47500 Petaling Jaya<br>Selangor Darul Ehsan<br>Tel No : 03-5634 0202            | 096-001            |
| TA SECURITIES HOLDINGS<br>BERHAD    | No. 2-1, 2-2, 2-3 & 4-2<br>Jalan USJ 9/5T, Subang Business Centre<br>47620 UEP Subang Jaya<br>Selangor Darul Ehsan<br>Tel No : 03-8025 1880    | 058-005            |
| <b>MELAKA</b>                       |  |                    |
| CIMB INVESTMENT BANK<br>BERHAD      | Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor<br>No. 191, Taman Melaka Raya<br>Off Jalan Parameswara<br>75000 Melaka<br>Tel No : 06-289 8800 | 065-006            |
| ECM LIBRA INVESTMENT<br>BANK BERHAD | 71A & 73A, Jalan Merdeka<br>Taman Melaka Raya<br>75000 Melaka<br>Tel No : 06-288 1720  | 052-008            |
| MALACCA SECURITIES SDN<br>BHD       | No. 1, 3 & 5, Jalan PPM9<br>Plaza Pandan Malim (Business Park)<br>Balai Panjang, P. O. Box 248<br>75250 Melaka<br>Tel No : 06-337 1533         | 012-001            |
| MERCURY SECURITIES SDN<br>BHD       | No. 81-B & 83-B, Jalan Merdeka<br>Taman Melaka Raya<br>75000 Melaka<br>Tel No : 06-292 1898  | 093-003            |
| OSK INVESTMENT BANK<br>BERHAD       | 579, 580 & 581<br>Taman Melaka Raya<br>75000 Melaka<br>Tel No : 06-282 5211  | 056-003            |
| PM SECURITIES SDN BHD               | No. 11 & 13, Jalan PM2<br>Plaza Mahkota<br>75000 Melaka<br>Tel No : 06-286 6008  | 064-006            |

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**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**


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| <b>Name</b>                         | <b>Address and telephone number</b>   | <b>Broker code</b> |
|-------------------------------------|---|--------------------|
| RHB INVESTMENT BANK<br>BERHAD       | Lot 7-13 & 15, 1st Floor<br>Tabung Haji Building<br>Jalan Bandar Kaba<br>75000 Melaka<br>Tel No : 06-283 3622                                 | 087-002            |
| <b>PERAK DARUL RIDZUAN</b>          |   |                    |
| A.A. ANTHONY SECURITIES<br>SDN BHD  | 29G, Jalan Intan 2<br>Bandar Baru<br>36000 Teluk Intan<br>Perak Darul Ridzuan<br>Tel No : 05-623 2328   | 078-009            |
| ALLIANCE INVESTMENT BANK<br>BERHAD  | No. 43 & 44, Ground Floor<br>Taman Sentosa, Jalan Lumut<br>32000 Sitiawan<br>Perak Darul Ridzuan<br>Tel No : 05-691 0910                      | 076-008            |
| ECM LIBRA INVESTMENT<br>BANK BERHAD | No. 63 Persiaran Greenhill<br>30450 Ipoh<br>Perak Darul Ridzuan<br>Tel No : 05-242 2828   | 052-002            |
| ECM LIBRA INVESTMENT<br>BANK BERHAD | No. 7B-1, Jalan Laman Intan<br>Bandar Baru Teluk Intan<br>36000 Teluk Intan<br>Perak Darul Ridzuan<br>Tel No : 05-622 2828                    | 052-006            |
| HWANGDBS INVESTMENT<br>BANK BERHAD  | Ground, Level 1,2 &3<br>21, Jalan Stesen<br>34000 Taiping<br>Perak Darul Ridzuan<br>Tel No : 05-806 6688                                      | 068-003            |
| HWANGDBS INVESTMENT<br>BANK BERHAD  | Ground & 1st Floor<br>No. 22, Persiaran Greentown 1<br>Greentown Business Centre<br>30450 Ipoh<br>Perak Darul Ridzuan<br>Tel No : 05-255 9988 | 068-015            |
| M & A SECURITIES SDN BHD            | M & A Building<br>52A, Jalan Sultan Idris Shah<br>30000 Ipoh<br>Perak Darul Ridzuan<br>Tel No : 05-241 9800                                   | 057-001            |

**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>   | <b>Address and telephone number</b>  | <b>Broker code</b> |
|---|--|--------------------|
| MAYBANK INVESTMENT BANK<br>BERHAD (formerly known as<br>Aseambankers Malaysia Berhad) | B-G-04 (Ground Floor), Level 1 & 2<br>No. 42 Persiaran Greentown 1<br>Pusat Perdagangan Greentown<br>30450 Ipoh<br>Perak Darul Ridzuan<br>Tel No : 05-245 3400 | 098-002            |
| OSK INVESTMENT BANK<br>BERHAD   | 21-25, Jalan Seenivasagam<br>Greentown<br>30450 Ipoh<br>Perak Darul Ridzuan<br>Tel No : 05-241 5100  | 056-002            |
| OSK INVESTMENT BANK<br>BERHAD   | Ground & 1st Floor,<br>No. 17, Jalan Intan 2, Bandar Baru<br><br>36000 Teluk Intan<br>Perak Darul Ridzuan<br>Tel No : 05-623 6498                              | 056-014            |
| OSK INVESTMENT BANK<br>BERHAD   | Ground & 1st Floor<br>No. 23 & 25<br>Jalan Lumut<br>32000 Sitiawan<br>Perak Darul Ridzuan<br>Tel No : 05-692 1228  | 056-016            |
| OSK INVESTMENT BANK<br>BERHAD   | Ground Floor<br>No. 40, 42 & 44<br>Jalan Berek<br>34000 Taiping<br>Perak Darul Ridzuan<br>Tel No : 05-808 8229   | 056-034            |
| OSK INVESTMENT BANK<br>BERHAD   | 72, Ground Floor<br>Jalan Idris<br>31900 Kampar<br>Perak Darul Ridzuan<br>Tel No : 05-465 1261   | 056-044            |
| OSK INVESTMENT BANK<br>BERHAD   | Ground Floor<br>No. 2, Jalan Wawasan 4<br>Taman Wawasan<br>34200 Parit Buntar<br>Perak Darul Ridzuan<br>Tel No : 05-717 0888                                   | 056-052            |
| HONG LEONG INVESTMENT<br>BANK BERHAD<br>(formerly known as HLG Securities<br>Sdn Bhd) | 51-53, Persiaran Greenhill<br>30450 Ipoh<br>Perak Darul Ridzuan<br>Tel No : 05-253 0888  | 066-003            |

**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>                         | <b>Address and telephone number</b>  | <b>Broker code</b> |
|-------------------------------------|--|--------------------|
| TA SECURITIES HOLDINGS<br>BERHAD    | Ground, 1st & 2nd Floor<br>Plaza Teh Teng Seng<br>No. 227, Jalan Raja Permaisuri Bainun<br>30250 Ipoh<br>Perak Darul Ridzuan<br>Tel No : 05-253 1313 | 058-001            |
| <b>PULAU PINANG</b>                 |  |                    |
| A.A. ANTHONY SECURITIES<br>SDN BHD  | 1 <sup>st</sup> , 2 <sup>nd</sup> & 3 <sup>rd</sup> Floor, Bangunan Heng Guan<br>171 Jalan Burmah<br>10050 Pulau Pinang<br>Tel No : 04-229 9318      | 078-002            |
| A.A. ANTHONY SECURITIES<br>SDN BHD  | Ground & 1 <sup>st</sup> Floor<br>No. 2, Jalan Perniagaan 2<br>Pusat Perniagaan Alma<br>14000 Bukit Mertajam<br>Pulau Pinang<br>Tel No : 04-554 1388 | 078-003            |
| ALLIANCE INVESTMENT BANK<br>BERHAD  | Suite 2.1, & 2.4, Level 2<br>Wisma Great Eastern<br>No. 25, Lebu Light<br>10200 Penang<br>Tel No : 04-261 1688                                       | 076-015            |
| AMINVESTMENT BANK<br>BERHAD         | Mezzanine Floor & Level 3<br>No. 37, Jalan Sultan Ahmad Shah<br>10050 Pulau Pinang<br>Tel No : 04-226 1818   | 086-004            |
| CIMB INVESTMENT BANK<br>BERHAD      | Ground Floor<br>Suite 1.01, Menara Boustead Penang<br>39, Jalan Sultan Ahmad Shah<br>10050 Pulau Pinang<br>Tel No : 04-238 5900                      | 065-003            |
| ECM LIBRA INVESTMENT<br>BANK BERHAD | No. 111, Jalan Macalister<br>10400 Pulau Pinang<br>Tel No : 04-228 1868  | 052-003            |
| ECM LIBRA INVESTMENT<br>BANK BERHAD | 7th Floor, Menara Boustead Penang<br>39, Jalan Sultan Ahmad Shah<br>10050 Pulau Pinang<br>Tel No : 04-228 3355                                       | 052-010            |
| HWANGDBS INVESTMENT<br>BANK BERHAD  | Level 2, 3, 4, 7 & 8, Wisma Sri Pinang<br>60, Green Hall<br>10200 Pulau Pinang<br>Tel No : 04-263 6996   | 068-001            |
|                                     |  | 068-006            |



## 16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

| Name                             | Address and telephone number  | Broker code |
|----------------------------------|---|-------------|
| HWANGDBS INVESTMENT BANK BERHAD  | No. 2 & 4, Jalan Perda Barat<br>Bandar Perda<br>14000 Bukit Mertajam<br>Pulau Pinang<br>Tel No : 04-537 2882                                  |             |
| INTER-PACIFIC SECURITIES SDN BHD | Ground, Mezzanine & 8th Floor<br>Bangunan Mayban Trust<br>No. 3, Penang Street<br>10200 Pulau Pinang<br>Tel No : 04-269 0888                  | 054-002     |
| KENANGA INVESTMENT BANK BERHAD   | Lot 1.02, Level 1, Menara KWSP<br>38, Jalan Sultan Ahmad Shah<br>10050 Pulau Pinang<br>Tel No : 04-210 6666                                   | 073-013     |
| MERCURY SECURITIES SDN BHD       | Ground, 1st, 2nd & 3rd Floor<br>Wisma UMNO, Lorong Bagan Luar Dua<br>12000 Butterworth<br>Pulau Pinang<br>Tel No : 04-332 2123                | 093-001     |
| MERCURY SECURITIES SDN BHD       | 2nd Floor, Standard Chartered Bank<br>Chambers<br>2 Lebuhr Pantai<br>10300 Pulau Pinang<br>Tel No : 04-263 9118                               | 093-004     |
| OSK INVESTMENT BANK BERHAD       | 64, Bishop Street<br>20F & 20G, Penang Street<br>10200 Pulau Pinang<br>Tel No : 04-263 4222   | 056-004     |
| OSK INVESTMENT BANK BERHAD       | Ground & Upper Floor<br>No. 2677, Jalan Chain Ferry<br>Taman Inderawasih<br>13600 Prai<br>Pulau Pinang<br>Tel No : 04-390 0022                | 056-005     |
| OSK INVESTMENT BANK BERHAD       | Ground, 1st & 2nd Floor<br>No. 11A, Jalan Keranji<br>Off Jalan Padang Lallang<br>14000 Bukit Mertajam<br>Pulau Pinang<br>Tel No : 04-540 2888 | 056-015     |
| OSK INVESTMENT BANK BERHAD       | 834, Jalan Besar, Sungai Bakap<br>14200 Sungai Jawi<br>Seberang Perai Selatan, Pulau Pinang<br>Tel No : 04-583 1888                           | 056-032     |

**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>                        | <b>Address and telephone number</b>  | <b>Broker code</b> |
|------------------------------------|--|--------------------|
| OSK INVESTMENT BANK<br>BERHAD      | No. 15-G-5, 15-G-6, 15-1-5 & 15-1-6<br>Medan Kampung Relau (Bayan Point)<br>11950 Pulau Pinang<br>Tel No : 04-640 4888   | 056-042            |
| PM SECURITIES SDN BHD              | Level 25, Menara BHL<br>51, Jalan Sultan Ahmad Shah<br>10050 Pulau Pinang<br>Tel No : 04-227 3000  | 064-004            |
| <b>PERLIS INDRA KAYANGAN</b>       |  |                    |
| ALLIANCE INVESTMENT BANK<br>BERHAD | 2nd Floor, Podium Block<br>KWSP Building<br>01000 Kangar<br>Perlis Indra Kayangan<br>Tel No : 04-976 5200  | 076-003            |
| OSK INVESTMENT BANK<br>BERHAD      | Ground & 1st Floor<br>No. 39, Taman Suriani<br>Persiaran Jubli Emas<br>01000 Kangar<br>Perlis Indra Kayangan<br>Tel No : 04-979 3888   | 056-061            |
| <b>KEDAH DARUL AMAN</b>            |  |                    |
| A.A. ANTHONY SECURITIES<br>SDN BHD | Lot 4, 5 & 5A<br>1 <sup>st</sup> Floor EMUM 55<br>No. 55, Jalan Gangsa<br>Kawasan Perusahaan Mergong 2<br>Seberang Jalan Putra<br>05150 Alor Setar<br>Kedah Darul Aman<br>Tel No : 04-732 2111 | 078-007            |
| ALLIANCE INVESTMENT BANK<br>BERHAD | 2nd Floor, Wisma PKNK<br>Jalan Sultan Badlishah<br>05000 Alor Setar<br>Kedah Darul Aman<br>Tel No : 04-731 7088  | 076-004            |
| HWANGDBS INVESTMENT<br>BANK BERHAD | No. 70 A, B, C, Jalan Mawar I<br>Taman Pekan Baru<br>08000 Sungai Petani<br>Kedah Darul Aman<br>Tel No : 04-425 6666   | 068-011            |
| OSK INVESTMENT BANK<br>BERHAD      | No. 112, Jalan Pengkalan<br>Taman Pekan Baru<br>08000 Sungai Petani<br>Kedah Darul Aman<br>Tel No : 04-420 4888  | 056-017            |

**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>                             | <b>Address and telephone number</b>  | <b>Broker code</b> |
|---|--|--------------------|
| OSK INVESTMENT BANK<br>BERHAD           | Ground Floor<br>35, Jalan Suria 1<br>Jalan Bayu<br>09000 Kulim<br>Kedah Darul Aman<br>Tel No : 04-496 4888   | 056-019            |
| OSK INVESTMENT BANK<br>BERHAD           | Ground & 1 <sup>st</sup> Floor<br>215-A & 215-B<br>Medan Putra Jalan Putra<br>05150 Alor Setar<br>Kedah Darul Aman<br>Tel No : 04-720 9888                   | 056-021            |
| <b>NEGERI SEMBILAN DARUL<br/>KHUSUS</b> |  |                    |
| ECM LIBRA INVESTMENT<br>BANK BERHAD     | 1 C-1 & 1 D-1, First Floor<br>Jalan Tunku Munawir<br>70000 Seremban<br>Negeri Sembilan<br>Tel No : 06-765 5998   | 052-013            |
| HWANGDBS INVESTMENT<br>BANK BERHAD      | Ground & 1st Floor<br>105, 107 & 109, Jalan Yam Tuan<br>70000 Seremban<br>Negeri Sembilan Darul Khusus<br>Tel No : 06-761 2288                               | 068-007            |
| HWANGDBS INVESTMENT<br>BANK BERHAD      | No. 6, Upper Level<br>Jalan Mahligai<br>72100 Bahau<br>Negeri Sembilan Darul Khusus<br>Tel No : 06-455 3188  | 068-013            |
| OSK INVESTMENT BANK<br>BERHAD           | Ground, 1st & 2nd Floor<br>No. 33 Jalan Dato' Bandar Tunggal<br>70000 Seremban<br>Negeri Sembilan Darul Khusus<br>Tel No : 06-764 1641                       | 056-024            |
| OSK INVESTMENT BANK<br>BERHAD           | 1st Floor, No. 3601, Jalan Besar<br>73000 Tampin<br>Negeri Sembilan Darul Khusus<br>Tel No : 06-442 1000   | 056-037            |
| OSK INVESTMENT BANK<br>BERHAD           | 1st & 2nd Floor<br>No. 168, Jalan Mewah<br>(Pusat Perniagaan UMNO Bahagian<br>Jempol)<br>72100 Bahau<br>Negeri Sembilan Darul Khusus<br>Tel No : 06-455 3014 | 056-040            |

**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>                         | <b>Address and telephone number</b>   | <b>Broker code</b> |
|-------------------------------------|---|--------------------|
| OSK INVESTMENT BANK<br>BERHAD       | Ground & Mezzanine Floor<br>No. 346 & 347<br>Batu ½, Jalan Pantai<br>71000 Port Dickson<br>Negeri Sembilan Darul Khusus<br>Tel No : 06-646 1234 | 056-046            |
| PM SECURITIES SDN BHD               | 1st, 2nd & 3rd Floor<br>19-21, Jalan Kong Sang<br>70000 Seremban<br>Negeri Sembilan Darul Khusus<br>Tel No : 06-762 3131                        | 064-002            |
| <b>JOHOR DARUL TAKZIM</b>           |   |                    |
| A.A. ANTHONY SECURITIES<br>SDN BHD  | Level 6 & 7, Menara MSC Cyberport<br>No. 5, Jalan Bukit Meldrum<br>80300 Johor Bahru<br>Johor Darul Takzim<br>Tel No : 07-333 2000              | 078-001            |
| A.A. ANTHONY SECURITIES<br>SDN BHD  | 42-8, Main Road<br>Kulai Besar<br>81000 Kulai<br>Johor Darul Takzim<br>Tel No : 07-663 6658   | 078-005            |
| A.A. ANTHONY SECURITIES<br>SDN BHD  | No. 70, 70-01, 70-02<br>Jalan Rosmerah 2/17<br>Taman Johor Jaya<br>81100 Johor Bahru<br>Johor Darul Takzim<br>Tel No : 07-351 3218              | 078-006            |
| ALLIANCE INVESTMENT BANK<br>BERHAD  | No. 73, Ground & 1 <sup>st</sup> Floor<br>Jalan Rambutan<br>86000 Kluang<br>Johor Darul Takzim<br>Tel No : 07-771 7922                          | 076-006            |
| AMINVESTMENT BANK<br>BERHAD         | 2nd & 3rd Floor, Penggaram Complex<br>1, Jalan Abdul Rahman<br>83000 Batu Pahat<br>Johor Darul Takzim<br>Tel No : 07-434 2282                   | 086-002            |
| AMINVESTMENT BANK<br>BERHAD         | 18 <sup>th</sup> Floor, Selesa Tower<br>Jalan Dato' Abdullah Tahir<br>80300 Johor Bahru<br>Johor Darul Takzim<br>Tel No : 07-334 3855           | 086-006            |
| ECM LIBRA INVESTMENT<br>BANK BERHAD | No. 57, 59 & 61, Jalan Ali<br>84000 Muar<br>Johor Darul Takzim<br>Tel No : 06-953 2222  | 052-004            |

**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>                      | <b>Address and telephone number</b>   | <b>Broker code</b> |
|----------------------------------|---|--------------------|
| ECM LIBRA INVESTMENT BANK BERHAD | Ground Floor<br>No. 234, Jalan Besar<br>Taman Semberong Baru<br>83700 Yong Peng<br>Johor Darul Takzim<br>Tel No : 07-467 8885                       | 052-005            |
| HWANGDBS INVESTMENT BANK BERHAD  | Level 7, Johor Bahru City Square<br>(Office Tower)<br>106-108 Jalan Wong Ah Fook<br>80000 Johor Bahru<br>Johor Darul Takzim<br>Tel No : 07-222 2692 | 068-004            |
| INTER-PACIFIC SECURITIES SDN BHD | 95, Jalan Tun Abdul Razak<br>80000 Johor Bahru<br>Johor Darul Takzim<br>Tel No : 07-223 1211  | 054-004            |
| KENANGA INVESTMENT BANK BERHAD   | Level 2, Menara Pelangi<br>Jalan Kuning, Taman Pelangi<br>80400 Johor Bahru<br>Johor Darul Takzim<br>Tel No : 07-333 3600                           | 073-004            |
| KENANGA INVESTMENT BANK BERHAD   | No. 31, Lorong Dato' Ahmad<br>Jalan Khalidi<br>84000 Muar<br>Johor Darul Takzim<br>Tel No : 06-954 2711   | 073-008            |
| KENANGA INVESTMENT BANK BERHAD   | Ground Mezzanine Floor<br>No. 34 Jalan Genuang<br>85000 Segamat<br>Johor Darul Takzim<br>Tel No : 07-933 3515                                       | 073-009            |
| KENANGA INVESTMENT BANK BERHAD   | No. 33 & 35<br>(Ground & 1st Floor A&B)<br>Jalan Syed Abdul Hamid Sagaff<br>86000 Kluang<br>Johor Darul Takzim<br>Tel No : 07-777 1161              | 073-010            |
| KENANGA INVESTMENT BANK BERHAD   | Ground Floor, No. 4, Jalan Dataran 1<br>Taman Bandar Tangkak<br>84900 Tangkak<br>Johor Darul Takzim<br>Tel No : 06-978 2292                         | 073-011            |
| MERCURY SECURITIES SDN BHD       | Suite 17.1, Level 17,<br>Jalan Kuning, Taman Pelangi<br>80400 Johor Bahru<br>Johor Darul Takzim<br>Tel No : 07-3316992                              | 093-005            |

**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>                    | <b>Address and telephone number</b>  | <b>Broker code</b> |
|--------------------------------|--|--------------------|
| MIMB INVESTMENT BANK<br>BERHAD | Suite 25.02, Level 25<br>Johor Bahru City Square<br>(Office Tower)<br>No. 106-108, Jalan Wong Ah Fook<br>80000 Johor Bahru<br>Johor Darul Takzim<br>Tel No : 07-222 7388 | 061-002            |
| OSK INVESTMENT BANK<br>BERHAD  | 6th Floor, Wisma Tiong-Hua<br>8, Jalan Keris, Taman Sri Tebrau<br>80050 Johor Bahru<br>Johor Darul Takzim<br>Tel No : 07-278 8821  | 056-006            |
| OSK INVESTMENT BANK<br>BERHAD  | 53, 53-A & 53-B<br>Jalan Sultanah<br>83000 Batu Pahat<br>Johor Darul Takzim<br>Tel No : 07-438 0288  | 056-009            |
| OSK INVESTMENT BANK<br>BERHAD  | No. 33-1, 1st & 2nd Floor<br>Jalan Ali<br>84000 Muar<br>Johor Darul Takzim<br>Tel No : 06-953 8262   | 056-025            |
| OSK INVESTMENT BANK<br>BERHAD  | Ground & 1st Floor<br>No. 119 & 121<br>Jalan Sutera Tanjung 8/2<br>Taman Sutera Utama<br>81300 Skudai<br>Johor Darul Takzim<br>Tel No : 07-557 7628                      | 056-029            |
| OSK INVESTMENT BANK<br>BERHAD  | Ground, 1st & 2nd Floor<br>No. 3, Jalan Susur Utama 2/1<br>Taman Utama<br>85000 Segamat<br>Johor Darul Takzim<br>Tel No : 07-932 1543                                    | 056-030            |
| OSK INVESTMENT BANK<br>BERHAD  | Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor<br>No.17, Jalan Manggis<br>86000 Kluang<br>Johor Darul Takzim<br>Tel No : 07-776 9655                                    | 056-031            |
| OSK INVESTMENT BANK<br>BERHAD  | Ground, 1st & 2nd Floor<br>No. 10, Jalan Anggerik 1<br>Taman Kulai Utama<br>81000 Kulai<br>Johor Darul Takzim<br>Tel No : 07-662 6288                                    | 056-035            |

**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>                         | <b>Address and telephone number</b>  | <b>Broker code</b> |
|-------------------------------------|--|--------------------|
| OSK INVESTMENT BANK<br>BERHAD       | Ground, 1st & 2nd Floor<br>No. 343, Jalan Muar<br>84900 Tangkak<br>Johor Darul Takzim<br>Tel No : 06-978 7180  | 056-038            |
| OSK INVESTMENT BANK<br>BERHAD       | 1st Floor, No. 2 & 4, Jalan Makmur<br>Taman Sri Aman<br>85300 Labis<br>Johor Darul Takzim<br>Tel No : 07-925 6881  | 056-039            |
| OSK INVESTMENT BANK<br>BERHAD       | Ground & 1st Floor<br>No. 1 & 1-01<br>Jalan Rosmerah 2/11<br>Taman Johor Jaya<br>81100 Johor Bahru<br>Johor Darul Takzim<br>Tel No : 07-352 2293           | 056-043            |
| PM SECURITIES SDN BHD               | Suite 5.1, Level 5, Menara Pelangi<br>Jalan Kuning, Taman Pelangi<br>80400 Johor Bahru<br>Johor Darul Takzim<br>Tel No : 07-278 1813                       | 064-005            |
| PM SECURITIES SDN BHD               | Ground & 1st Floor<br>No. 43 & 43A, Jalan Penjaja 3<br>Taman Kim's Park, Business Centre<br>83000 Batu Pahat<br>Johor Darul Takzim<br>Tel No : 07-433 3608 | 064-008            |
| <b>PAHANG DARUL MAKMUR</b>          |  |                    |
| ALLIANCE INVESTMENT BANK<br>BERHAD  | A-397, A-399 & A-401<br>Taman Sri Kuantan III, Jalan Beserah<br>25300 Kuantan<br>Pahang Darul Makmur<br>Tel No : 09-566 0800                               | 076-002            |
| ECM LIBRA INVESTMENT<br>BANK BERHAD | B62, Ground Floor<br>Lorong Tun Ismail 8, Sri Dagangan II<br>25000 Kuantan<br>Pahang Darul Makmur<br>Tel No : 09-513 3289                                  | 052-007            |
| OSK INVESTMENT BANK<br>BERHAD       | B2 & B34<br>Lorong Tun Ismail 8<br>Seri Dagangan II<br>25000 Kuantan<br>Pahang Darul Makmur<br>Tel No : 09-517 3811  | 056-007            |

**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>                        | <b>Address and telephone number</b>   | <b>Broker code</b> |
|------------------------------------|---|--------------------|
| OSK INVESTMENT BANK<br>BERHAD      | Ground Floor<br>98 Jalan Pasdec<br>28700 Bentong<br>Pahang Darul Makmur<br>Tel No : 09-223 4943   | 056-022            |
| OSK INVESTMENT BANK<br>BERHAD      | Ground Floor<br>No. 76-A, Persiaran Camelia 4<br>Tanah Rata<br>39000 Cameron Highlands<br>Pahang Darul Makmur<br>Tel No : 05-491 4913                                   | 056-041            |
| <b>KELANTAN DARUL NAIM</b>         |   |                    |
| OSK INVESTMENT BANK<br>BERHAD      | Ground & 1 <sup>st</sup> Floor<br>No. 3953-H, Jalan Kebun Sultan<br>15350 Kota Bharu<br>Kelantan Darul Naim<br>Tel No : 09-743 0077                                     | 056-020            |
| TA SECURITIES HOLDINGS<br>BERHAD   | 298, Jalan Tok Hakim<br>15000 Kota Bharu<br>Kelantan Darul Naim<br>Tel No : 09-743 2288   | 058-004            |
| <b>TERENGGANU DARUL IMAN</b>       |   |                    |
| ALLIANCE INVESTMENT BANK<br>BERHAD | No. 1D, Ground & Mezzanine<br>No. 1E, Ground, Mezzanine<br>1st & 2nd Floor, Jalan Air Jerneh<br>20300 Kuala Terengganu<br>Terengganu Darul Iman<br>Tel No : 09-631 7922 | 076-009            |
| FA SECURITIES SDN BHD              | No. 51 & 51A<br>Ground, Mezzanine & 1st Floor<br>Jalan Tok Lam<br>20100 Kuala Terengganu<br>Terengganu Darul Iman<br>Tel No : 09-623 8128                               | 021-001            |
| OSK INVESTMENT BANK<br>BERHAD      | Ground & 1st Floor<br>9651, Cukai Utama<br>Jalan Kubang Kurus<br>24000 Kemaman<br>Terengganu Darul Iman<br>Tel No : 09-858 3109   | 056-027            |
| OSK INVESTMENT BANK<br>BERHAD      | 31A, Ground Floor<br>31A & 31B, 1st Floor<br>Jalan Sultan Ismail<br>20200 Kuala Terengganu<br>Terengganu Darul Iman<br>Tel No : 09-626 1816                             | 056-055            |



**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>                        | <b>Address and telephone number</b>   | <b>Broker code</b> |
|------------------------------------|---|--------------------|
| <b>SARAWAK</b>                     |   |                    |
| AMINVESTMENT BANK<br>BERHAD        | No. 164, 166 & 168<br>1st, 2nd & 3rd Floor<br>Jalan Abell<br>93100 Kuching<br>Sarawak<br>Tel No : 082-244 791   | 086-005            |
| CIMB INVESTMENT BANK<br>BERHAD     | Level 1, Wisma STA<br>26 Jalan Datuk Abang Abdul Rahim<br>93450 Kuching<br>Sarawak<br>Tel No : 082-358 606  | 065-004            |
| HWANGDBS INVESTMENT<br>BANK BERHAD | Lot 328, Jalan Abell<br>93100 Kuching<br>Sarawak<br>Tel No : 082-236 999  | 068-005            |
| HWANGDBS INVESTMENT<br>BANK BERHAD | No. 282, 1st Floor<br>Park City Commercial Centre<br>Phase 4, Jalan Tun Ahmad Zaidi<br>97000 Bintulu<br>Sarawak<br>Tel No : 086-330 008   | 068-016            |
| KENANGA INVESTMENT BANK<br>BERHAD  | Lot 2465, Jalan Boulevard Utama<br>Boulevard Commercial Centre<br>98000 Miri<br>Sarawak<br>Tel No : 085-435 577   | 073-002            |
| KENANGA INVESTMENT BANK<br>BERHAD  | Level 5, Wisma Mahmud<br>Jalan Sungai Sarawak<br>93100 Kuching<br>Sarawak<br>Tel No : 082-338 000   | 073-003            |
| KENANGA INVESTMENT BANK<br>BERHAD  | No. 11-12 (Ground & 1st Floor)<br>Lorong Kampung Datu 3<br>96000 Sibu<br>Sarawak<br>Tel No : 084-313 855  | 073-012            |
| OSK INVESTMENT BANK<br>BERHAD      | Ground, 1 <sup>st</sup> & 26 <sup>th</sup> Floor<br>Wisma Chinese Chambers<br>Lot 357, Section 47, K.T.L.D.<br>Jalan Bukit Mata Kuching<br>93100 Kuching<br>Sarawak<br>Tel No : 082-422 252 | 056-008            |

## 16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

| Name                                | Address and telephone number   | Broker code |
|-------------------------------------|--|-------------|
| OSK INVESTMENT BANK<br>BERHAD       | Lot 1268, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor,<br>Lot 1269, 2 <sup>nd</sup> Floor<br>Centre Point Commercial Centre<br>Jalan Melayu<br>98000 Miri<br>Sarawak<br>Tel No : 085-422 788 | 056-012     |
| OSK INVESTMENT BANK<br>BERHAD       | 101 & 102, Pusat Pedada<br>Jalan Pedada<br>96000 Sibu<br>Sarawak<br>Tel No : 084-329 100   | 056-013     |
| OSK INVESTMENT BANK<br>BERHAD       | Ground & 1st Floor<br>No. 10, Jalan Bersatu<br>96100 Sarikei<br>Sarawak<br>Tel No : 084-654 100  | 056-050     |
| OSK INVESTMENT BANK<br>BERHAD       | Ground Floor<br>No. 177, Taman Sri Dagang<br>97000 Bintulu<br>Sarawak<br>Tel No : 086-311 770  | 056-053     |
| TA SECURITIES HOLDINGS<br>BERHAD    | 12G, H & I<br>Jalan Kampong Datu<br>96000 Sibu<br>Sarawak<br>Tel No : 084-319 998  | 058-002     |
| TA SECURITIES HOLDINGS<br>BERHAD    | 2nd Floor, (Bahagian Hadapan)<br>Bangunan Binamas, Lot 138<br>Section 54, Jalan Pandung<br>93100 Kuching<br>Sarawak<br>Tel No : 082-236 333  | 058-006     |
| <b>SABAH</b>                        |  |             |
| CIMB INVESTMENT BANK<br>BERHAD      | 1 <sup>st</sup> & 2 <sup>nd</sup> Floor<br>Central Building<br>No. 28, Jalan Sagunting<br>88000 Kota Kinabalu<br>Sabah<br>Tel No : 088-313 836   | 065-005     |
| ECM LIBRA INVESTMENT<br>BANK BERHAD | Aras 8, Wisma Great Eastern<br>68, Jalan Gaya<br>88000 Kota Kinabalu<br>Sabah<br>Tel No : 088-236 188  | 052-012     |

**16. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

| <b>Name</b>                        | <b>Address and telephone number</b>   | <b>Broker code</b> |
|------------------------------------|---|--------------------|
| HWANGDBS INVESTMENT<br>BANK BERHAD | Suite 1-9-E1, 9th Floor<br>CPS Tower, Centre Point Sabah<br>No. 1, Jalan Centre Point<br>88000 Kota Kinabalu<br>Sabah<br>Tel No : 088-311 688 | 068-008            |
| INNOSABAH SECURITIES<br>BERHAD     | 11, Equity House, Block K<br>Sadong Jaya, Karamunsing<br>88100 Kota Kinabalu<br>Sabah<br>Tel No : 088-234090                                  | 020-001            |
| OSK INVESTMENT BANK<br>BERHAD      | 5th Floor, Wisma BSN Sabah<br>Jalan Kemajuan, Karamunsing<br>88000 Kota Kinabalu<br>Sabah<br>Tel No : 088-269788                              | 056-010            |
| OSK INVESTMENT BANK<br>BERHAD      | Ground Floor, Block 2<br>Lot 4 & Lot 5, Bandar Indah<br>Mile 4, North Road<br>91000 Sandakan<br>Sabah<br>Tel No : 089-229286                  | 056-057            |

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