

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.7 INCOME TAX EXPENSE

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Current tax expense:					
- for the financial year	1,608	1,597	2,090	3,062	3,935
- overprovision in the previous financial year	(6)	(1)	(82)	(513)	(555)
	<u>1,602</u>	<u>1,596</u>	<u>2,008</u>	<u>2,549</u>	<u>3,380</u>
Deferred tax expense (Section 6.2.21):					
- relating to origination and reversal of temporary differences	50	4	101	(451)	(343)
- (over)/under provision in the previous financial year	(31)	11	309	(471)	281
- effect of a change in tax rate on opening deferred tax	-	-	(35)	(33)	(26)
	<u>19</u>	<u>15</u>	<u>375</u>	<u>(955)</u>	<u>(88)</u>
	<u>1,621</u>	<u>1,611</u>	<u>2,383</u>	<u>1,594</u>	<u>3,292</u>

The corporate tax rate on the first RM500,000 of chargeable income is 20%. The tax rate applicable to the balance of the chargeable income is as follows:-

- a) 28% for FY 2005 and FY 2006;
- b) 27% for FY 2007;
- c) 26% for FY 2008; and
- d) 25% for FY 2009.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.7 INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of SYOSB is as follows:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
PBT	5,828	5,738	7,676	8,691	22,446
Statutory tax rate	28%	28%	27%	26%	25%
Tax at the statutory tax rate	1,632	1,607	2,073	2,260	5,612
Tax effects of:-					
Non-taxable gains	-	-	(2)	-	-
Non-deductible expenses	89	39	155	381	264
Double deduction	(3)	(3)	-	-	-
(Over)/underprovision in previous financial years:					
- current tax	(6)	(1)	(82)	(513)	(555)
- deferred tax	(31)	11	309	(471)	281
Differential in tax rates	(40)	(40)	(35)	(30)	(2,284)
Effect of changes in tax rates on opening balance of deferred tax	-	-	(35)	(33)	(26)
Utilisation of previously unrecognised deferred tax assets	(20)	(2)	-	-	-
	1,621	1,611	2,383	1,594	3,292

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.8 PROPERTY, PLANT AND EQUIPMENT

	Machineries RM'000	Motor vehicles RM'000	Air conditioners RM'000	Office equipment RM'000	Furniture and fittings RM'000	Signboard RM'000	Renovation RM'000	Electrical appliances RM'000	Fire extinguishers RM'000	Freehold apartment RM'000	Total RM'000
Net book value at 1.7.2004	2,398	805	91	199	569	3	720	25	2	118	4,930
Additions	-	100	-	52	45	-	159	4	-	-	360
Disposals	-	(26)	-	-	-	-	-	-	-	-	(26)
Depreciation charge	(240)	(164)	(9)	(22)	(29)	-	(94)	(5)	-	(3)	(556)
Net book value at 30.6.2005/1.7.2005	2,158	715	82	229	585	3	795	24	2	115	4,708
Additions	-	83	3	16	81	-	26	-	-	-	209
Depreciation charge	(216)	(153)	(8)	(22)	(33)	-	(96)	(6)	-	(3)	(527)
Net book value at 30.6.2006/1.7.2006	1,942	645	77	223	633	3	735	18	2	112	4,390
Additions	-	64	21	103	414	-	242	-	-	-	844
Written off	-	-	-	(57)	(115)	-	-	-	-	-	(172)
Depreciation charge	(194)	(142)	(10)	(26)	(47)	(1)	(98)	(3)	-	(3)	(524)
Net book value at 30.6.2007/1.7.2007	1,748	567	88	243	885	2	879	15	2	109	4,538
Additions	-	1,179	2	142	18	-	402	157	-	-	1,900
Disposals	-	(24)	-	-	-	-	-	-	-	(109)	(133)
Written off	(116)	-	(61)	(123)	-	(2)	(36)	(15)	-	-	(353)
Depreciation charge	(557)	(60)	(4)	(30)	(526)	-	(647)	(18)	-	-	(1,842)
Net book value at 30.6.2008/1.7.2008	1,075	1,662	25	232	377	-	598	139	2	-	4,110
Additions	-	206	-	554	14	-	163	1	-	-	938
Disposals	-	-	-	-	-	-	-	-	-	-	-
Written off	-	-	-	(28)	(1)	-	-	-	-	-	(29)
Depreciation charge	(293)	(186)	(4)	(84)	(48)	-	(213)	(32)	(1)	-	(861)
Net book value at 30.6.2009	782	1,682	21	674	342	-	548	108	1	-	4,158

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.8 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Machineryes RM'000	Motor vehicles RM'000	Air conditioners RM'000	Office equipment RM'000	Furniture and fittings RM'000	Signboard RM'000	Renovation RM'000	Electrical appliances RM'000	Fire extinguishers RM'000	Freehold apartment RM'000	Total RM'000
At 30.6.2005											
At cost	4,068	1,419	166	414	746	10	1,203	104	3	119	8,252
Accumulated depreciation	(1,910)	(704)	(84)	(185)	(161)	(7)	(408)	(80)	(1)	(4)	(3,544)
Net book value	2,158	715	82	229	585	3	795	24	2	115	4,708
At 30.6.2006											
At cost	4,068	1,502	169	430	827	10	1,229	104	3	119	8,461
Accumulated depreciation	(2,126)	(857)	(92)	(207)	(194)	(7)	(494)	(86)	(1)	(7)	(4,071)
Net book value	1,942	645	77	223	633	3	735	18	2	112	4,390
At 30.6.2007											
At cost	4,068	1,566	190	367	1,041	10	1,471	104	3	119	8,939
Accumulated depreciation	(2,320)	(999)	(102)	(124)	(156)	(8)	(592)	(89)	(1)	(10)	(4,401)
Net book value	1,748	567	88	243	885	2	879	15	2	109	4,538
At 30.6.2008											
At cost	3,368	2,625	35	298	1,059	8	1,605	156	3	-	9,157
Accumulated depreciation	(2,293)	(963)	(10)	(66)	(682)	(8)	(1,007)	(17)	(1)	-	(5,047)
Net book value	1,075	1,662	25	232	377	-	598	139	2	-	4,110

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14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.8 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Machinery RM'000	Motor vehicles RM'000	Air conditioners RM'000	Office equipment RM'000	Furniture and fittings RM'000	Signboard RM'000	Renovation RM'000	Electrical appliances RM'000	Fire extinguishers RM'000	Freehold apartment RM'000	Total RM'000
At 30.6.2009											
At cost	3,368	2,831	35	812	1,072	-	1,768	157	3	-	10,046
Accumulated depreciation	(2,586)	(1,149)	(14)	(138)	(730)	-	(1,220)	(49)	(2)	-	(5,888)
Net book value	782	1,682	21	674	342	-	548	108	1	-	4,158

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14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.8 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Included in the net book values of property, plant and equipment at the end of the relevant financial year were the following assets acquired under hire purchase terms:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Motor vehicles	-	-	-	936	861

6.2.9 INVESTMENT PROPERTIES

	Freehold land RM'000	Buildings RM'000	Capital work- in-progress RM'000	Total RM'000
Net book value at 1.7.2004	3,769	11,358	-	15,127
Depreciation charge	-	(170)	-	(170)
Net book value at 30.6.2005/1.7.2005	3,769	11,188	-	14,957
Additions	-	-	98	98
Depreciation charge	-	(336)	-	(336)
Net book value at 30.6.2006/1.7.2006	3,769	10,852	98	14,719
Additions	-	40	1,286	1,326
Depreciation charge	-	(327)	-	(327)
Net book value at 30.6.2007/1.7.2007	3,769	10,565	1,384	15,718
Transfer	-	1,384	(1,384)	-
Depreciation charge	-	(455)	-	(455)
Net book value at 30.6.2008/1.7.2008	3,769	11,494	-	15,263
Fair value adjustment on investment properties	2,893	6,144	-	9,037
Net book value at 30.6.2009	6,662	17,638	-	24,300

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.9 INVESTMENT PROPERTIES (CONT'D)

	Freehold land RM'000	Buildings RM'000	Capital work- in-progress RM'000	Total RM'000
At 30.6.2005				
At cost	3,769	11,358	-	15,127
Accumulated depreciation	-	(170)	-	(170)
Net book value	3,769	11,188	-	14,957
At 30.6.2006				
At cost	3,769	11,358	98	15,225
Accumulated depreciation	-	(506)	-	(506)
Net book value	3,769	10,852	98	14,719
At 30.6.2007				
At cost	3,769	11,398	1,384	16,551
Accumulated depreciation	-	(833)	-	(833)
Net book value	3,769	10,565	1,384	15,718
At 30.6.2008				
At cost	3,769	12,782	-	16,551
Accumulated depreciation	-	(1,288)	-	(1,288)
Net book value	3,769	11,494	-	15,263
At 30.6.2009				
At fair value	6,662	17,638	-	24,300

The investment properties have been pledged to banks as security for banking facilities granted to SYOSB.

During FY 2009, the investment properties were revalued based on a valuation carried out by an independent firm of professional valuers using the comparison method.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.9 INVESTMENT PROPERTIES (CONT'D)

The rental income arising from the investment properties that generate income is as follows:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Rental income	800	800	800	972	984

Direct operating expenses arising from the investment properties are as follows:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Quit rent and assessment	17	29	29	29	29

6.2.10 INVENTORIES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Finished goods:					
- At cost	3,952	3,748	6,880	12,666	12,929
- At net realisable value	-	-	-	-	810
	3,952	3,748	6,880	12,666	13,739

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.11 TRADE RECEIVABLES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Trade receivables	10,218	7,979	10,782	10,465	7,508
Allowance for doubtful debts	-	(1,475)	(1,579)	(1,582)	(63)
	<u>10,218</u>	<u>6,504</u>	<u>9,203</u>	<u>8,883</u>	<u>7,445</u>
Allowance for doubtful debts:-					
At 1 July 2004/2005/2006/ 2007/2008	-	-	1,475	1,579	1,582
Addition for the financial year	-	1,475	104	3	63
Writeoff during the year	-	-	-	-	(1,572)
Writeback during the year	-	-	-	-	(10)
At 30 June 2005/2006/2007/ 2008/2009	<u>-</u>	<u>1,475</u>	<u>1,579</u>	<u>1,582</u>	<u>63</u>

SYOSB's normal trade credit terms range from 30 to 90 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:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
United States Dollar	-	-	-	811	499
Singapore Dollar	-	-	-	227	39

6.2.12 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Other receivables, deposits and prepayments	1,529	1,658	870	1,456	1,214
Allowance for doubtful debts	-	-	(271)	(571)	(479)
	<u>1,529</u>	<u>1,658</u>	<u>599</u>	<u>885</u>	<u>735</u>
Allowance for doubtful debts:-					
At 1 July 2004/2005/2006/ 2007/2008	-	-	-	271	571
Addition for the financial year	-	-	271	439	-
Writeoff during the financial year	-	-	-	(139)	(92)
At 30 June 2005/2006/2007/ 2008/2009	<u>-</u>	<u>-</u>	<u>271</u>	<u>571</u>	<u>479</u>

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.13 AMOUNT OWING TO HOLDING COMPANY

The amount owing to the holding company was in relation to the outstanding debt due by SYOSB to Yoon Fah Realty Sdn. Bhd., being SYOSB's holding company prior to 18 December 2008. The amount owing was non-trade in nature, unsecured, interest-free and repayable on demand except for the amount owing in FY 2007 which bore interest at 3.50% per annum.

6.2.14 AMOUNT OWING BY RELATED PARTIES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Trade balances	5,234	7,037	6,427	6,652	7,178
Non-trade balances	7,802	6,657	7,563	568	1,046
	<u>13,036</u>	<u>13,694</u>	<u>13,990</u>	<u>7,220</u>	<u>8,224</u>

The foreign currency exposure profile of amount owing by related parties is as follows:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
United States Dollar	543	1,501	694	-	-
Singapore Dollar	153	140	16	-	-
	<u>696</u>	<u>1,641</u>	<u>710</u>	<u>-</u>	<u>-</u>

SYOSB's normal trade credit terms range from 30 to 90 days. Other credit terms are assessed and approved on a case-by-case basis.

The non-trade balances are unsecured, interest-free and are repayable on demand. The amounts are to be settled in cash.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.15 SHORT-TERM DEPOSITS WITH LICENSED BANKS

The following deposit has been pledged to a licensed bank for credit facilities granted to SYOSB:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Short-term deposit	22	25	25	26	27

The short-term deposits bore a weighted average interest rate and average maturity period as follows:-

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Weighted average interest rate	3.3%	3.3%	3.3%	3.3%	2.0%
Average maturity period	1 month	1 month	1 month	1 month	3 days to 1 month

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.16 SHARE CAPITAL

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
	'000	'000	'000	'000	'000	RM'000	RM'000	RM'000	RM'000	RM'000
ORDINARY SHARES OF RM1.00 EACH:										
AUTHORISED	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
ISSUED AND FULLY PAID-UP										
At 1 July 2004/2005/2006/ 2007/2008	600	600	600	600	2,000	600	600	600	600	2,000
Allotment during the financial year	-	-	-	1,400	-	-	-	-	1,400	-
At 30 June 2005/2006/2007/ 2008/2009	600	600	600	2,000	2,000	600	600	600	2,000	2,000

During FY 2008, SYOSB increased its issued and paid-up share capital from RM600,000 to RM2,000,000 by the allotment of 1,400,000 new ordinary shares of RM1.00 each at par for the purpose of working capital. The shares were issued for cash consideration. The new shares issued rank pari passu in all respects with the existing shares of SYOSB.

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14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.17 RETAINED PROFITS

Effective from 1 January 2008, SYOSB is allowed an irrevocable option to elect for the single tier tax system or continue with the use of the tax credit balance for the purpose of dividend distribution.

At 30 June 2009, SYOSB has not elected for the single tier tax system. When the tax credit balance is fully utilised, or by 31 December 2013 at the latest, SYOSB will automatically move to the single tier tax system. Under the single tier tax system, tax on SYOSB's profits is a final tax, and dividends distributed to the shareholders will be exempted from tax.

Subject to the agreement of the tax authorities, at 30 June 2009, SYOSB has sufficient tax credits under Section 108 of the Income Tax Act, 1967 to frank the payment of dividends of approximately RM21,847,000 (2008 - RM20,726,000) out of its retained profits. If the balance of the retained profits were to be distributed as dividends, SYOSB may distribute such dividend under the single tier tax system.

6.2.18 LONG-TERM BORROWINGS

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Hire purchase payables (Section 6.2.19)	-	-	-	665	497
Term loan (Section 6.2.20)	-	-	2,501	1,894	166
	-	-	2,501	2,559	663

6.2.19 HIRE PURCHASE PAYABLES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Minimum hire purchase payments:					
- not later than one year	-	-	-	161	176
- later than one year and not later than five years	-	-	-	718	527
	-	-	-	879	703
Less: Future finance charges	-	-	-	(79)	(53)
	-	-	-	800	650

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.19 HIRE PURCHASE PAYABLES (CONT'D)

The net hire purchase payables are repayable as follows:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Current:					
- not later than one year (Section 6.2.25)	-	-	-	135	153
Non-current:					
- later than one year and not later than five years (Section 6.2.18)	-	-	-	665	497
	<u>-</u>	<u>-</u>	<u>-</u>	<u>800</u>	<u>650</u>

The hire purchase payables in FY 2008 and FY 2009 bore an effective interest rate of 3.78% per annum.

6.2.20 TERM LOAN

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Current portion:					
- repayable within one year (Section 6.2.25)	-	-	-	1,660	1,729
Non-current portion:					
- repayable between one and two years (Section 6.2.18)	-	-	2,501	1,894	166
	<u>-</u>	<u>-</u>	<u>2,501</u>	<u>3,554</u>	<u>1,895</u>

Details of the repayment terms are as follows:-

	Number of Monthly Instalments	Monthly Instalment RM'000	Date of Commencement of Repayment
Term loan	36	148	August 2007

The term loan of SYOSB bore an effective interest rate at 4.10% per annum.

The term loan is secured by the fixed deposit belonging to a related party which was the holding company of SYOSB prior to FY2009.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.21 DEFERRED TAX LIABILITY

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
At 1 July 2004/2005/2006/ 2007/2008	946	965	980	1,355	400
Recognised in the income statements (Section 6.2.7)	19	15	375	(955)	(88)
At 30 June 2005/2006/2007/ 2008/2009	965	980	1,355	400	312

The deferred tax liability and asset are attributable to the following items:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Deferred tax liability:-					
Accelerated capital allowances over depreciation	965	980	1,355	670	883
Deferred tax asset:-					
Other deductible temporary difference	-	-	-	(270)	(571)
	965	980	1,355	400	312

6.2.22 TRADE PAYABLES

The normal credit terms granted to SYOSB range from 30 to 120 days.

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

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
United States Dollar	-	-	82	73	12

6.2.23 AMOUNT OWING TO RELATED PARTIES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Trade balances	5,431	5,130	2	2,670	4,117
Non-trade balances	-	-	328	-	-
	5,431	5,130	330	2,670	4,117

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.23 AMOUNT OWING TO RELATED PARTIES (CONT'D)

The foreign currency exposure profile of the amount owing to the related parties at the end of the relevant financial years is as follows:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Singapore Dollar	136	-	328	-	-

The normal trade credit terms granted to SYOSB range from 30 to 90 days.

The non-trade amount owing is unsecured, interest-free and is repayable on demand.

6.2.24 AMOUNT OWING TO A DIRECTOR

The amount owing was non-trade in nature, unsecured, interest-free and repayable on demand.

6.2.25 SHORT-TERM BORROWINGS

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Bankers' acceptances	111	3,475	4,569	11,004	5,173
Hire purchase payables (Section 6.2.19)	-	-	-	135	153
Term loan (Section 6.2.20)	-	-	-	1,660	1,729
	111	3,475	4,569	12,799	7,055

The bankers' acceptances are secured by way of:-

- (i) a legal charge over properties belonging to a related party, which was the holding company of SYOSB prior to FY 2009;
- (ii) a legal charge over properties belonging to SYOSB;
- (iii) a fixed deposit belonging to a related party, which was the holding company of SYOSB prior to FY 2009;
- (iv) a corporate guarantee issued by a related party, which was the holding company of SYOSB prior to FY 2009; and
- (v) a joint and several guarantee of all directors of SYOSB.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.25 SHORT-TERM BORROWINGS (CONT'D)

The effective interest rates of the bankers' acceptances at the end of the relevant financial years are as follows:-

	FY 2005 %	FY 2006 %	FY 2007 %	FY 2008 %	FY 2009 %
Effective interest rates	2.86	2.86	4.35 - 4.80	3.62 - 4.42	2.88 - 3.41

6.2.26 PURCHASE OF PLANT AND EQUIPMENT

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Cost of property, plant and equipment purchased	360	209	844	1,900	938
Cost of investment properties acquired	-	98	1,326	-	-
Amount financed through hire purchase	-	-	-	(800)	-
	360	307	2,170	1,100	938

6.2.27 CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statements, cash and cash equivalents comprise the following:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Short-term deposits with licensed banks	22	25	25	1,027	4,728
Cash and bank balances	477	1,023	1,071	2,092	2,289
	499	1,048	1,096	3,119	7,017

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.28 DIVIDENDS

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Final tax-exempt dividend of approximately RM4.10 per ordinary share in respect of the financial year ended 30 June 2006	-	-	2,458	-	-
Interim dividend of approximately RM5.92 per ordinary share less 26% tax in respect of the financial year ended 30 June 2007	-	-	-	2,628	-
Final dividend of approximately RM1.78 per ordinary share less 26% tax in respect of the financial year ended 30 June 2007	-	-	-	2,628	-
	-	-	2,458	5,256	-

6.2.29 RELATED PARTY DISCLOSURES

(a) Identities of the related parties are as follows:-

- (i) the directors and certain key management personnel; and
- (ii) entities controlled by certain key management personnel/directors/substantial shareholders.

(b) In addition to the information disclosed elsewhere in this report, SYOSB carried out the following transactions with its related parties during the financial year:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Loan interest paid to a related party	-	-	164	34	101
Purchases from related parties	11,686	14,404	11,431	16,016	29,037
Proceeds from disposal of property to a related party	-	-	-	150	-
Sales incentive payable to a related party	-	-	151	182	184
Sales to related parties	12,717	15,542	29,315	33,710	45,193
Rental income receivable from related parties	800	800	800	972	972
Rental payable to a related party	106	106	106	370	370
Key management personnel compensation:					
- short-term employee benefits	124	124	415	435	1,132

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.29 RELATED PARTY DISCLOSURES (CONT'D)

The disclosure of sales and purchases transactions between related parties for FY 2005 and FY 2006 had been revised for consistent presentation purpose.

6.2.30 FOREIGN EXCHANGE RATES

The principal closing foreign exchange rates used (expressed on the basis of one unit of foreign currency to RM equivalent) for the translation of the foreign currency balances as at the end of the relevant financial years are as follows:-

	FY 2005 RM	FY 2006 RM	FY 2007 RM	FY 2008 RM	FY 2009 RM
United States Dollar	3.80	3.68	3.45	3.27	3.45
Singapore Dollar	2.25	2.30	2.25	2.40	2.39

6.2.31 CONTINGENT LIABILITY

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Corporate guarantee issued in favour to a bank on facilities granted to a related party	-	-	-	-	3,000

6.2.32 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the amount at which the financial instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced sale or liquidation.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:-

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.32 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

(a) Contingent Liability

The nominal amount and net fair value of financial instruments not recognised in the balance sheets of SYOSB is as follows:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Nominal amount:- Contingent liability	-	-	-	-	3,000
Net fair value:- Contingent liability	-	-	-	-	#

NOTE:-

- The fair value of contingent liability of SYOSB is expected to be minimal as the related party is expected to fulfil its obligations to repay its borrowings.

(b) Long-Term Borrowings

The carrying amounts approximated the fair values of these instruments. The fair values of term loan and hire purchase payables are determined by discounting the relevant cash flows using the current interest rates for similar types of instruments at the balance sheet date.

(c) Cash and Bank Balances and Other Short-Term Receivables/Payables

The carrying amounts approximated their fair values due to the relatively short-term maturity of these instruments.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.33 RESTATEMENTS TO THE AUDITED FINANCIAL STATEMENTS

Certain comparative figures of SYOSB have been reclassified to ensure consistent presentation.

	AS RESTATED RM'000	AS PREVIOUSLY REPORTED RM'000
FY 2005		
BALANCE SHEETS (EXTRACT):-		
Property, plant and equipment	4,708	19,665
Investment properties	14,957	-
Trade receivables	10,218	15,452
Other receivables, deposits and prepayments	1,529	9,331
Amount owing by related parties	13,036	-
Trade payables	19,230	24,661
Amount owing to related parties	5,431	-
INCOME STATEMENTS (EXTRACT):-		
Administrative expenses	3,820	3,837
Finance costs	38	21
CASH FLOW STATEMENTS(EXTRACT):-		
Net cash for operating activities	(9,987)	(312)
Net cash from/(for) investing activities	6,518	(320)
Net cash from/(for) financing activities	1,968	(869)
FY 2006		
BALANCE SHEETS (EXTRACT):-		
Property, plant and equipment	4,390	19,109
Investment properties	14,719	-
Trade receivables	6,504	13,541
Other receivables, deposits and prepayments	1,658	8,315
Amount owing by related parties	13,694	-
Trade payables	8,632	13,762
Amount owing to related parties	5,130	-

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 SYOSB (CONT'D)

6.2.33 RESTATEMENTS TO THE AUDITED FINANCIAL STATEMENTS (CONT'D)

	AS RESTATED RM'000	AS PREVIOUSLY REPORTED RM'000
FY 2006 (CONT'D)		
INCOME STATEMENTS (EXTRACT):-		
Administrative expenses	4,163	5,647
Other expenses	2,338	864
Finance costs	97	87
	<hr/>	<hr/>
CASH FLOW STATEMENTS (EXTRACT):-		
Net cash for operating activities	(3,807)	(2,511)
Net cash from/(for) investing activities	840	(304)
Net cash from financing activities	3,516	3,364
	<hr/>	<hr/>
FY 2007		
BALANCE SHEETS (EXTRACT):-		
Property, plant and equipment	4,538	20,256
Investment properties	15,718	-
Trade receivables	9,203	15,302
Other receivables, deposits and prepayments	599	8,162
Amount owing by related parties	13,990	-
Trade payables	13,582	13,584
Amount owing to related parties	330	-
	<hr/>	<hr/>
INCOME STATEMENTS (EXTRACT):-		
Administrative expenses	4,754	5,147
Other expenses	1,535	1,160
Finance costs	313	295
	<hr/>	<hr/>
CASH FLOW STATEMENTS (EXTRACT):-		
Net cash from operating activities	2,617	1,074
Net cash for investing activities	(3,068)	(2,162)
Net cash from financing activities	499	1,136
	<hr/>	<hr/>

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB

6.3.1 INCOME STATEMENTS

	Section	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Revenue	6.3.5	24,651	38,310	29,964	40,883	54,180
Cost of sales		(21,379)	(34,763)	(26,249)	(35,567)	(47,507)
GP		3,272	3,547	3,715	5,316	6,673
Other income		32	835	55	573	577
		3,304	4,382	3,770	5,889	7,250
Selling and distribution expenses		(29)	(30)	(43)	(37)	(46)
Administrative expenses		(1,067)	(2,172)	(2,127)	(2,139)	(3,295)
Other expenses		(52)	(44)	(45)	(70)	(58)
Profit from operations		2,156	2,136	1,555	3,643	3,851
Finance costs		(122)	(235)	(258)	(636)	(638)
PBT		2,034	1,901	1,297	3,007	3,213
Depreciation		211	204	181	133	272
Interest expense		67	127	181	543	560
Interest income		(1)	(16)	(11)	(6)	(7)
Earnings before interest, depreciation and taxation		2,311	2,216	1,648	3,677	4,038
Depreciation		(211)	(204)	(181)	(133)	(272)
Interest expense		(67)	(127)	(181)	(543)	(560)
Interest income		1	16	11	6	7
PBT	6.3.6	2,034	1,901	1,297	3,007	3,213
Income tax expense	6.3.7	(629)	(501)	(308)	(768)	(796)
PAT		1,405	1,400	989	2,239	2,417
ATTRIBUTABLE TO:-						
Equity holders of SFSB		1,405	1,400	989	2,239	2,417
GP margin (%)		13.3	9.3	12.4	13.0	12.3
PBT margin (%)		8.3	5.0	4.3	7.4	5.9
PAT margin (%)		5.7	3.7	3.3	5.5	4.5
Effective tax rate (%)		30.9	26.4	23.7	25.5	24.8
Interest coverage (times)		31.4	16.0	8.2	6.5	6.7
Weighted average number of ordinary shares in issue of RM1.00 each ('000)		500.0	500.0	500.0	500.0	500.0
Gross earnings per share ("EPS") based on weighted average number of ordinary shares in issue* (RM)		4.1	3.8	2.6	6.0	6.4
Net EPS based on weighted average number of ordinary shares in issue* (RM)		2.8	2.8	2.0	4.5	4.8
Gross dividend rate (%)		-	-	300.0	-	-

* - The Gross EPS and Net EPS were computed by dividing the PBT and PAT respectively by the number of ordinary shares in issue during the period.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.2 BALANCE SHEETS

	Section	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
ASSETS						
NON-CURRENT ASSET						
Plant and equipment	6.3.8	705	687	615	1,309	1,784
CURRENT ASSETS						
Inventories	6.3.9	5,790	8,150	9,178	12,708	14,414
Trade receivables	6.3.10	1,598	688	665	6,909	2,558
Other receivables, deposits and prepayments		124	646	323	826	711
Amount owing by directors	6.3.11	500	-	-	-	-
Amount owing by related parties	6.3.12	5,992	7,211	7,107	2,672	4,118
Tax refundable		-	-	301	-	-
Fixed deposits with a licensed bank	6.3.13	-	-	-	-	1,301
Cash and bank balances		1,104	956	323	1,118	1,548
		<u>15,108</u>	<u>17,651</u>	<u>17,897</u>	<u>24,233</u>	<u>24,650</u>
TOTAL ASSETS		<u>15,813</u>	<u>18,338</u>	<u>18,512</u>	<u>25,542</u>	<u>26,434</u>
EQUITY AND LIABILITIES						
EQUITY						
Share capital	6.3.14	500	500	500	500	500
Retained profits	6.3.15	3,216	4,616	5,605	6,749	9,166
TOTAL EQUITY		<u>3,716</u>	<u>5,116</u>	<u>6,105</u>	<u>7,249</u>	<u>9,666</u>
NON-CURRENT LIABILITIES						
Term loan	6.3.16	-	-	-	3,456	2,471
Hire purchase payable	6.3.17	-	-	-	-	247
Deferred tax liability	6.3.18	52	60	77	112	-
		<u>52</u>	<u>60</u>	<u>77</u>	<u>3,568</u>	<u>2,718</u>
CURRENT LIABILITIES						
Trade payables	6.3.19	458	1,293	357	1,751	3,602
Other payables and accruals		754	743	923	1,025	2,076
Amount owing to related parties	6.3.20	6,979	5,714	6,994	180	-
Provision for taxation		28	46	-	120	167
Short-term borrowings	6.3.21	3,826	5,366	4,056	11,649	8,205
		<u>12,045</u>	<u>13,162</u>	<u>12,330</u>	<u>14,725</u>	<u>14,050</u>
TOTAL LIABILITIES		<u>12,097</u>	<u>13,222</u>	<u>12,407</u>	<u>18,293</u>	<u>16,768</u>
TOTAL EQUITY AND LIABILITIES		<u>15,813</u>	<u>18,338</u>	<u>18,512</u>	<u>25,542</u>	<u>26,434</u>
<i>Number of ordinary shares of RM1.00 each in issue ('000)</i>		500	500	500	500	500
<i>Net assets ("NA") (RM'000)</i>		3,716	5,116	6,105	7,249	9,666
<i>NA per ordinary share (RM)</i>		7.4	10.2	12.2	14.5	19.3
<i>Trade receivables turnover period (months)</i>		10.0	0.7	1.8	4.9	1.2
<i>Trade payables turnover period (months)</i>		0.3	0.5	0.2	0.7	1.1
<i>Gearing ratio (times)</i>		1.0	1.0	0.7	2.1	1.1

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.3 CASH FLOW STATEMENTS

Section	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES					
Profit before taxation	2,034	1,901	1,297	3,007	3,213
Adjustments for:-					
Allowance for doubtful debts	-	-	-	22	-
Depreciation of plant and equipment	211	204	181	133	272
Interest expense	67	127	181	543	560
Interest income	(1)	(16)	(11)	(6)	(7)
Plant and equipment written off	-	-	-	-	6
Allowance for slow-moving inventories	-	-	-	-	240
Operating profit before working capital changes	2,311	2,216	1,648	3,699	4,284
Increase in inventories	(2,900)	(2,360)	(1,028)	(3,530)	(1,946)
(Increase)/Decrease in trade and other receivables	(772)	388	346	(6,769)	4,466
Increase/(Decrease) in trade and other payables	40	824	(756)	1,496	2,902
Decrease/(Increase) in amount owing by related parties	6,701	(722)	101	3,936	(1,372)
(Decrease)/Increase in amount owing to related parties	(858)	-	25	(25)	-
CASH FROM/(FOR) OPERATIONS	4,522	346	336	(1,193)	8,334
Income tax paid	(747)	(475)	(638)	(312)	(861)
Interest paid	(67)	(127)	(181)	(543)	(560)
NET CASH FROM/(FOR) OPERATING ACTIVITIES	3,708	(256)	(483)	(2,048)	6,913
CASH FLOWS FOR INVESTING ACTIVITIES					
Purchase of plant and equipment	(315)	(193)	(109)	(827)	(453)
Proceeds from disposal of plant and equipment	-	7	-	-	-
Repayment from a director	-	500	-	-	-
(Advances to)/Repayment from related parties	(6)	(497)	3	499	(74)
Interest received	1	16	11	6	7
NET CASH FOR INVESTING ACTIVITIES	(320)	(167)	(95)	(322)	(520)
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES					
Drawdown of term loan	-	-	-	5,000	-
Repayment of term loan	-	-	-	(596)	(945)
Net increase/(decrease) in bankers' acceptances	3,826	1,540	(1,310)	6,645	(3,537)
(Repayment to)/Advances from related parties	(6,844)	(1,265)	1,255	(6,789)	(180)
Dividend paid	-	-	-	(1,095)	-
NET CASH (FOR)/FROM FINANCING ACTIVITIES	(3,018)	275	(55)	3,165	(4,662)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	370	(148)	(633)	795	1,731
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	734	1,104	956	323	1,118
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	1,104	956	323	1,118	2,849

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.4 STATEMENTS OF CHANGES IN EQUITY

	Share Capital RM'000	Retained Profits RM'000	Total RM'000
Balance at 1.7.2004	500	1,811	2,311
Profit attributable to equity holders	-	1,405	1,405
Balance at 30.6.2005/1.7.2005	500	3,216	3,716
Profit attributable to equity holders	-	1,400	1,400
Balance at 30.6.2006/1.7.2006	500	4,616	5,116
Profit attributable to equity holders	-	989	989
Balance at 30.6.2007/1.7.2007	500	5,605	6,105
Profit attributable to equity holders	-	2,239	2,239
Interim dividend of RM3.00 per ordinary share less 27% tax in respect of the previous financial year	-	(1,095)	(1,095)
Balance at 30.6.2008/1.7.2008	500	6,749	7,249
Profit attributable to equity holders	-	2,417	2,417
Balance at 30.6.2009	500	9,166	9,666

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.5 REVENUE

Revenue of SFSB represents the invoiced value of goods sold, and where applicable, net of sales tax, returns and trade discounts.

6.3.6 PROFIT BEFORE TAXATION

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Profit before taxation is arrived at after charging/(crediting):-					
Allowance for doubtful debts	-	-	-	22	-
Allowance for slow moving stock	-	-	-	-	240
Audit fee					
- current year	13	27	15	18	18
- (over)/underprovision in the previous financial year	-	-	(9)	1	-
Directors' fee	-	-	33	80	50
Directors' non-fee emoluments	-	-	84	138	247
Depreciation of plant and equipment	211	204	181	133	272
Interest expense:					
- term loan	-	-	-	143	163
- bankers' acceptances	54	127	181	400	397
- trust receipts	13	-	-	-	-
Letter of credit charges	27	51	25	-	-
Plant and equipment written off	-	-	-	-	6
Rental of machinery	1	-	-	-	-
Rental of premises	863	865	876	869	886
Staff costs	3,273	3,845	4,032	5,432	6,582
Interest income	(1)	(16)	(11)	(6)	(7)
Gain on foreign exchange - realised	-	(759)	(42)	(553)	(570)

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.7 INCOME TAX EXPENSE

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Current tax expense:					
- for the financial year	525	486	330	720	1,056
- (over)/underprovision in the previous financial year	96	7	(39)	13	(148)
	<u>621</u>	<u>493</u>	<u>291</u>	<u>733</u>	<u>908</u>
Deferred tax expense (Section 6.3.18):					
- relating to origination and reversal of temporary differences	8	6	(3)	49	(126)
- under/(over) provision in the previous financial year	-	2	22	(14)	14
- effect of a change in tax rate on opening deferred tax	-	-	(2)	-	-
	<u>8</u>	<u>8</u>	<u>17</u>	<u>35</u>	<u>(112)</u>
	<u>629</u>	<u>501</u>	<u>308</u>	<u>768</u>	<u>796</u>

The corporate tax rate on the first RM500,000 of chargeable income is 20%. The tax rate applicable to the balance of the chargeable income is:-

- a) 28% for FY 2005 and FY 2006;
- b) 27% for FY 2007;
- c) 26% for FY 2008; and
- d) 25% for FY 2009.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.7 INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of SFSB is as follows:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
PBT	2,034	1,901	1,297	3,007	3,213
Statutory tax rate	28%	28%	27%	26%	25%
Tax at the statutory tax rate	570	532	350	782	803
Tax effects of:-					
Non-taxable gains	-	-	-	-	-
Non-deductible expenses	12	9	17	25	13
Double deduction	(6)	(7)	(5)	(8)	(7)
Under/(over)provision in previous financial years:					
- current tax	96	7	(39)	13	(148)
- deferred tax	-	2	22	(14)	14
Deferred tax assets not recognised during the financial year	-	-	-	-	146
Differential in tax rates	(43)	(42)	(37)	(30)	(25)
	629	501	308	768	796

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.8 PLANT AND EQUIPMENT

	Plant and machinery RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Office equipment RM'000	Renovation RM'000	Electrical fittings RM'000	Equipment RM'000	Total RM'000
Net book value at 1.7.2004	215	21	63	98	12	9	183	601
Additions	232	-	-	45	34	1	3	315
Depreciation charge	(139)	(9)	(10)	(16)	(11)	(1)	(25)	(211)
Net book value at 30.6.2005/1.7.2005	308	12	53	127	35	9	161	705
Additions	159	-	3	8	-	-	23	193
Disposals	-	-	-	-	-	-	(7)	(7)
Depreciation charge	(130)	(9)	(10)	(19)	(8)	(2)	(26)	(204)
Net book value at 30.6.2006/1.7.2006	337	3	46	116	27	7	151	687
Additions	20	-	6	27	-	-	56	109
Depreciation charge	(108)	(3)	(11)	(20)	(7)	(2)	(30)	(181)
Net book value at 30.6.2007/1.7.2007	249	-	41	123	20	5	177	615
Additions	742	-	2	73	1	-	9	827
Depreciation charge	(53)	-	(11)	(23)	(7)	(5)	(34)	(133)
Net book value at 30.6.2008/1.7.2008	938	-	32	173	14	-	152	1,309
Additions	165	373	22	23	-	-	170	753
Written off	-	-	(2)	(4)	-	-	-	(6)
Depreciation charge	(179)	(6)	(12)	(29)	(7)	(7)	(39)	(272)
Net book value at 30.6.2009	924	367	40	163	7	-	283	1,784

Horwath Offices in Malaysia:

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



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.8 PLANT AND EQUIPMENT (CONT'D)

	Plant and machinery RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Office equipment RM'000	Renovation RM'000	Electrical fittings RM'000	Equipment RM'000	Total RM'000
At 30.6.2005								
At cost	811	43	102	184	80	15	253	1,488
Accumulated depreciation	(503)	(31)	(49)	(57)	(45)	(6)	(92)	(783)
Net book value	308	12	53	127	35	9	161	705
At 30.6.2006								
At cost	971	43	105	192	80	15	268	1,674
Accumulated depreciation	(634)	(40)	(59)	(76)	(53)	(8)	(117)	(987)
Net book value	337	3	46	116	27	7	151	687
At 30.6.2007								
At cost	991	43	111	219	80	15	324	1,783
Accumulated depreciation	(742)	(43)	(70)	(96)	(60)	(10)	(147)	(1,168)
Net book value	249	-	41	123	20	5	177	615
At 30.6.2008								
At cost	1,733	43	113	292	81	15	333	2,610
Accumulated depreciation	(795)	(43)	(81)	(119)	(67)	(15)	(181)	(1,301)
Net book value	938	-	32	173	14	-	152	1,309

Horwath Offices in Malaysia:

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

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.8 PLANT AND EQUIPMENT (CONT'D)

	Plant and machinery RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Office equipment RM'000	Renovation RM'000	Electrical fittings RM'000	Equipment RM'000	Total RM'000
At 30.6.2009								
At cost	1,898	416	128	302	81	15	503	3,343
Accumulated depreciation	(974)	(49)	(88)	(139)	(74)	(15)	(220)	(1,559)
Net book value	924	367	40	163	7	-	283	1,784

In FY 2009, a motor vehicle of SFSB with a net book value of RM367,000 was acquired under hire purchase terms.

Horwath Offices in Malaysia:

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14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.9 INVENTORIES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
At cost:-					
Raw materials	3,625	5,823	5,225	7,245	7,625
Finished goods	1,354	1,538	3,227	3,155	3,637
Work-in-progress	811	789	726	2,308	2,483
	<u>5,790</u>	<u>8,150</u>	<u>9,178</u>	<u>12,708</u>	<u>13,745</u>
At net realisable value:-					
Raw materials	-	-	-	-	664
Finished goods	-	-	-	-	5
	<u>5,790</u>	<u>8,150</u>	<u>9,178</u>	<u>12,708</u>	<u>14,414</u>

6.3.10 TRADE RECEIVABLES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Trade receivables	1,598	688	665	6,931	2,577
Allowance for doubtful debts	-	-	-	(22)	(19)
	<u>1,598</u>	<u>688</u>	<u>665</u>	<u>6,909</u>	<u>2,558</u>
Allowance for doubtful debts:-					
At 1 July 2004/2005/2006/ 2007/2008	-	-	-	-	22
Addition for the financial year	-	-	-	22	-
Writeoff during the financial year	-	-	-	-	(3)
At 30 June 2005/2006/2007/ 2008/2009	<u>-</u>	<u>-</u>	<u>-</u>	<u>22</u>	<u>19</u>

SFSB's normal trade credit terms range from 30 to 90 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:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
United States Dollar	1,016	659	606	2,304	1,004
Singapore Dollar	61	29	58	4,604	1,517

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.11 AMOUNT OWING BY DIRECTORS

The amount owing is non-trade in nature, unsecured, interest-free and is repayable on demand.

6.3.12 AMOUNT OWING BY RELATED PARTIES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Trade balances	5,986	6,708	6,607	2,671	4,043
Non-trade balances	6	503	500	1	75
	<u>5,992</u>	<u>7,211</u>	<u>7,107</u>	<u>2,672</u>	<u>4,118</u>

The foreign currency exposure profile of the amount owing by related parties is as follows:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
United States Dollar	314	689	2,893	-	-
Singapore Dollar	708	1,217	3,714	-	-

SFSB's normal trade credit term is 90 days. Other credit terms are assessed and approved on a case-by-case basis.

The non-trade balances are unsecured, interest-free and are repayable on demand.

6.3.13 FIXED DEPOSITS WITH A LICENSED BANK

The fixed deposit has been pledged to a licensed bank as security for banking facilities granted to SFSB,

The effective interest rate of the fixed deposit at the balance sheet date was 1% per annum. The fixed deposit has a maturity period of 1 month.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.14 SHARE CAPITAL

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
	'000	'000	'000	'000	'000	RM'000	RM'000	RM'000	RM'000	RM'000
ORDINARY SHARES OF RM1 EACH:										
Number of shares										
AUTHORISED	500	500	500	500	500	500	500	500	500	500
ISSUED AND FULLY PAID-UP	500	500	500	500	500	500	500	500	500	500

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.15 RETAINED PROFITS

Effective from 1 January 2008, SFSB is allowed an irrevocable option to elect for single tier tax system or continue with the use of the tax credit balance for the purpose of dividend distribution.

At 30 June 2009, SFSB has not elected for the single tier tax system. When the tax credit balance is fully utilised, or by 31 December 2013 at the latest, SFSB will automatically move to the single tier tax system. Under the single tier tax system, tax on SFSB's profits is a final tax, and dividends distributed to the shareholders will be exempted from tax.

Subject to the agreement of the tax authorities, at 30 June 2009, SFSB has sufficient tax credits under Section 108 of the Income Tax Act, 1967 to frank the payment of dividends of approximately RM5,016,000 (2008 - RM4,759,000) out of its retained profits. If the balance of the retained profits were to be distributed as dividends, SFSB may distribute such dividend under the single tier tax system.

6.3.16 TERM LOAN

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Current portion:					
- repayable within one year (Section 6.3.21)	-	-	-	948	988
Non-current portion:					
- repayable between one to two years	-	-	-	988	1,029
- repayable between two to five years	-	-	-	2,468	1,442
	-	-	-	3,456	2,471
Total	-	-	-	4,404	3,459

Details of the repayment terms are as follows:-

	Number of Monthly Instalments	Monthly Instalment RM'000	Date of Commencement of Repayment
Term loan	60	92	25.11.2007

The term loan of SFSB bore an effective interest rate at 4.10% per annum and is secured by a fixed deposit of a related party.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.17 HIRE PURCHASE PAYABLE

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Minimum hire purchase payments:					
- not later than one year	-	-	-	-	69
- later than one year and not later than five years	-	-	-	-	276
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>345</u>
Less: Future finance charges	-	-	-	-	(45)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>300</u>

The hire purchase payable is repayable as follows:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Current:					
- not later than one year (Section 6.2.21)	-	-	-	-	53
Non-current:					
- later than one year and not later than five years	-	-	-	-	247
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>300</u>

The hire purchase payable at the end of FY 2009 bore interest of 5.6% per annum.

6.3.18 DEFERRED TAX LIABILITY

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
At 1 July 2004/2005/2006/2007/2008	44	52	60	77	112
Recognised in the income statement (Section 6.3.7)	8	8	17	35	(112)
At 30 June 2005/2006/2007/2008/2009	<u>52</u>	<u>60</u>	<u>77</u>	<u>112</u>	<u>-</u>

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.18 Deferred Tax Liability (Cont'd)

The components of the deferred tax liability/asset are as follows:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Deferred tax liability:-					
Accelerated capital allowances over depreciation	52	60	77	118	149
Deferred tax asset:-					
Other deductible temporary differences	-	-	-	(6)	(149)
At 30 June 2005/2006/2007/2008/2009	<u>52</u>	<u>60</u>	<u>77</u>	<u>112</u>	<u>-</u>

The deferred tax asset, arising from other deductible temporary difference, that has not been recognised in the financial statements in FY 2009 amounted to RM146,000.

6.3.19 TRADE PAYABLES

The normal credit terms granted to SFSB range from 30 to 120 days.

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

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Euro	-	-	-	-	32
United States Dollar	-	856	-	1,118	3,327

6.3.20 AMOUNT OWING TO RELATED PARTIES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Trade balances	-	-	25	-	-
Non-trade balances	6,979	5,714	6,969	180	-
	<u>6,979</u>	<u>5,714</u>	<u>6,994</u>	<u>180</u>	<u>-</u>

The normal trade credit term granted to SFSB is 90 days

The non-trade balances are unsecured, interest-free and are repayable on demand.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.21 SHORT-TERM BORROWINGS

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Bankers' acceptances	3,826	5,366	4,056	10,701	7,164
Term loan (Section 6.3.16)	-	-	-	948	988
Hire purchase payables (Section 6.3.17)	-	-	-	-	53
	<u>3,826</u>	<u>5,366</u>	<u>4,056</u>	<u>11,649</u>	<u>8,205</u>

The effective interest rates of the bankers' acceptances at the end of the relevant financial years are as follows:-

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Effective interest rates	<u>2.86% to 3.40%</u>	<u>4.10% to 4.75%</u>	<u>3.95% to 5.25%</u>	<u>4.35% to 5.05%</u>	<u>4.35% to 5.05%</u>

The bankers' acceptances are secured by way of:-

- (i) a pledge of the fixed deposits of SFSB and a related party;
- (ii) a corporate guarantee executed by the related party;
- (iii) a joint and several guarantee of the directors of SFSB;
- (i) a joint and several guarantee of persons connected to the directors; and
- (iv) a negative pledge.

6.3.22 PURCHASE OF PLANT AND EQUIPMENT

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Cost of plant and equipment purchased	315	193	109	827	753
Amount financed through hire purchase	-	-	-	-	(300)
	<u>315</u>	<u>193</u>	<u>109</u>	<u>827</u>	<u>453</u>

6.3.23 CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statements, cash and cash equivalents comprise the following:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Fixed deposits with a licensed bank	-	-	-	-	1,301
Cash and bank balances	1,104	956	323	1,118	1,548
	<u>1,104</u>	<u>956</u>	<u>323</u>	<u>1,118</u>	<u>2,849</u>

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.24 RELATED PARTY DISCLOSURES

(a) Identities of the related parties are as follows:-

- (i) the director who is the key management personnel; and
- (ii) entities controlled by the key management personnel/directors/substantial shareholders.

(b) In addition to the information disclosed elsewhere in this report, SFSB carried out the following transactions with its related parties during the financial years under review:-

Note:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Sales to related parties	21,154	24,571	24,102	23,943	29,037
Purchases from a related party	-	-	-	28	-
Rental of premises payable to a related party	800	800	800	800	800
Key management personnel compensation - short-term employee benefits	-	-	117	218	297

The disclosure of sales transactions to related parties from FY 2005 to FY 2007 had been revised for consistent presentation purpose.

6.3.25 FOREIGN EXCHANGE RATES

The principal closing foreign exchange rates used (expressed on the basis of one unit of foreign currency to RM equivalent) for the translation of the foreign currency balances at the balance sheet date are as follows:-

	FY 2005 RM	FY 2006 RM	FY 2007 RM	FY 2008 RM	FY 2009 RM
Euro	-	-	-	-	4.96
United States Dollar	3.80	3.68	3.45	3.27	3.52
Singapore Dollar	2.25	2.30	2.25	2.40	2.43

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.26 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the amount at which the financial instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced sale or liquidation.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:-

(a) Long-Term Borrowings

The carrying amounts approximated the fair values of these instruments. The fair values of term loan and hire purchase payable are determined by discounting the relevant cash flows using the current interest rates for similar instruments at the balance sheet date.

(b) Cash and Bank Balances and Other Short-Term Receivables/Payables

The carrying amounts approximated their fair values due to the relatively short-term maturity of these instruments.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.27 RESTATEMENTS TO THE AUDITED FINANCIAL STATEMENTS

Certain comparative figures of SFSB have been reclassified to ensure consistent presentation.

	AS RESTATED RM'000	AS PREVIOUSLY REPORTED RM'000
FY 2005		
BALANCE SHEETS (EXTRACT):-		
Trade receivables	1,598	7,584
Other receivables, deposits and prepayments	124	130
Amount owing by related parties	5,992	-
Trade payables	458	974
Other payables and accruals	754	7,217
Amount owing to related parties	6,979	-
	<hr/>	<hr/>
INCOME STATEMENTS (EXTRACT):-		
Revenue	24,651	26,221
Cost of sales	21,379	22,949
Administrative expenses	1,067	1,093
Finance costs	122	96
	<hr/>	<hr/>
CASH FLOW STATEMENTS (EXTRACT):-		
Net cash from/for operating activities	3,708	(3,142)
Net cash for investing activities	(320)	(314)
Net cash (for)/from financing activities	(3,018)	3,826
	<hr/>	<hr/>
FY 2006		
BALANCE SHEETS (EXTRACT):-		
Trade receivables	688	7,399
Other receivables, deposits and prepayments	646	1,146
Amount owing by related parties	7,211	-
Other payables and accruals	743	6,457
Amount owing to related parties	5,714	-
	<hr/>	<hr/>

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 SFSB (CONT'D)

6.3.27 RESTATEMENTS TO THE AUDITED FINANCIAL STATEMENTS (CONT'D)

	AS RESTATED RM'000	AS PREVIOUSLY REPORTED RM'000
FY 2006 (CONT'D)		
INCOME STATEMENTS (EXTRACT):-		
Revenue	38,310	40,236
Cost of sales	34,763	36,689
Administrative expenses	2,172	2,229
Finance costs	235	178
	<u> </u>	<u> </u>
CASH FLOW STATEMENTS(EXTRACT):-		
Net cash for operating activities	(256)	(1,517)
Net cash for investing activities	(167)	(171)
Net cash from financing activities	275	1,540
	<u> </u>	<u> </u>
FY 2007		
BALANCE SHEETS (EXTRACT):-		
Trade receivables	665	7,272
Other receivables, deposits and prepayments	323	823
Amount owing by related parties	7,107	-
Trade payables	357	1,059
Other payables and accruals	923	7,215
Amount owing to related parties	6,994	-
	<u> </u>	<u> </u>
INCOME STATEMENTS (EXTRACT):-		
Revenue	29,964	31,318
Cost of sales	26,249	27,603
Administrative expenses	2,127	2,172
Other expenses	45	52
Finance costs	258	206
	<u> </u>	<u> </u>
CASH FLOW STATEMENTS(EXTRACT):-		
Net cash (for)/from operating activities	(483)	774
Net cash for investing activities	(95)	(97)
Net cash for financing activities	(55)	(1,310)
	<u> </u>	<u> </u>

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB

6.4.1 INCOME STATEMENTS

	Section	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Revenue	6.4.5	3,605	7,736	25,166	28,197	39,494
Cost of sales		(2,748)	(6,238)	(22,591)	(24,541)	(34,405)
GP		857	1,498	2,575	3,656	5,089
Other income		-	3	-	-	-
		857	1,501	2,575	3,656	5,089
Selling and distribution expenses		(116)	(100)	(111)	(112)	(150)
Administrative expenses		(585)	(760)	(999)	(1,513)	(2,098)
Other expenses		(18)	(39)	(67)	(101)	(116)
Profit from operations		138	602	1,398	1,930	2,725
Finance costs		-	(2)	(3)	(7)	(6)
PBT		138	600	1,395	1,923	2,719
Depreciation		18	37	55	87	100
Interest expense		-	2	3	5	4
Interest income		-	(2)	-	-	-
Earnings before interest, taxation, depreciation and amortisation		156	637	1,453	2,015	2,823
Depreciation		(18)	(37)	(55)	(87)	(100)
Interest expense		-	(2)	(3)	(5)	(4)
Interest income		-	2	-	-	-
PBT	6.4.6	138	600	1,395	1,923	2,719
Income tax expense	6.4.7	(18)	(116)	(367)	(502)	(643)
PAT		120	484	1,028	1,421	2,076
ATTRIBUTABLE TO:-						
Equity holders of ETHSB		120	484	1,028	1,421	2,076
GP margin (%)		23.8	19.4	10.2	13.0	12.9
PBT margin (%)		3.8	7.8	5.5	6.8	6.9
PAT margin (%)		3.3	6.3	4.1	5.0	5.3
Effective tax rate (%)		13.0	19.3	26.3	26.1	23.6
Interest coverage (times)		N/A	301.0	466.0	385.6	680.8
Weighted average number of ordinary shares in issue of RM1.00 each ('000)		50.0	50.0	50.0	167.6	200.0
Gross earnings per share ("EPS") based on number of shares in issue (RM)		2.8	12.0	27.9	11.5	13.6
Net EPS based on number of shares in issue* (RM)		2.4	9.7	20.6	8.5	10.4
Gross dividend rate (%)		-	-	137.0	-	-

Note:-

* - The Gross EPS and Net EPS were computed by dividing the PBT and PAT respectively by the weighted average number of ordinary shares in issue during the period.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.2 BALANCE SHEETS

	Section	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
ASSETS						
NON-CURRENT ASSET						
Equipment	6.4.8	101	173	224	340	361
CURRENT ASSETS						
Inventories	6.4.9	1,006	1,409	2,130	2,505	3,383
Trade receivables	6.4.10	963	2,165	4,618	4,982	6,578
Other receivables, deposits and prepayments		107	25	183	66	49
Amount owing by directors	6.4.11	50	-	-	-	-
Amount owing by related parties	6.4.12	213	331	6	-	-
Cash and bank balances		100	416	293	476	613
		<u>2,439</u>	<u>4,346</u>	<u>7,230</u>	<u>8,029</u>	<u>10,623</u>
TOTAL ASSETS		<u>2,540</u>	<u>4,519</u>	<u>7,454</u>	<u>8,369</u>	<u>10,984</u>
EQUITY AND LIABILITIES						
EQUITY						
Share capital	6.4.13	50	50	50	200	200
(Accumulated loss)/Retained profits	6.4.14	(41)	443	1,471	2,692	4,768
TOTAL EQUITY		<u>9</u>	<u>493</u>	<u>1,521</u>	<u>2,892</u>	<u>4,968</u>
NON-CURRENT LIABILITIES						
Hire purchase payables	6.4.15	-	28	53	34	31
Deferred tax liability	6.4.16	5	5	4	-	-
		<u>5</u>	<u>33</u>	<u>57</u>	<u>34</u>	<u>31</u>
CURRENT LIABILITIES						
Trade payables	6.4.17	162	160	2,610	331	-
Other payables and accruals		39	136	108	191	437
Amount owing to related parties	6.4.18	2,313	3,547	2,833	4,696	5,371
Provision for taxation		12	128	290	160	146
Hire purchase payables	6.4.15	-	22	35	65	31
		<u>2,526</u>	<u>3,993</u>	<u>5,876</u>	<u>5,443</u>	<u>5,985</u>
TOTAL LIABILITIES		<u>2,531</u>	<u>4,026</u>	<u>5,933</u>	<u>5,477</u>	<u>6,016</u>
TOTAL EQUITY AND LIABILITIES		<u>2,540</u>	<u>4,519</u>	<u>7,454</u>	<u>8,369</u>	<u>10,984</u>
<i>Number of ordinary shares of RM1.00 each in issue ('000)</i>						
		50	50	50	200	200
<i>Net assets ("NA") (RM'000)</i>						
		9	493	1,521	2,892	4,968
<i>NA per ordinary share (RM)</i>						
		0.2	9.9	30.4	14.5	24.8
<i>Trade receivables turnover period (months)</i>						
		3.3	3.4	2.2	2.1	2.0
<i>Trade payables turnover period (months)</i>						
		8.2	37.6	9.5	2.0	N/A
<i>Gearing ratio (times)</i>						
		N/A	0.1	0.1	#	#

Note:-

- Less than 0.1

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.3 CASH FLOW STATEMENTS

Section	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before taxation	138	600	1,395	1,923	2,719
Adjustments for:-					
Allowance for doubtful debts	-	-	5	14	6
Allowance/(Writeback) for slow-moving inventories	-	-	-	64	(3)
Depreciation of equipment	18	37	55	87	100
Interest expense	-	2	3	5	4
Equipment written off	-	2	6	1	9
Interest income	-	(2)	-	-	-
Gain on disposal of equipment	-	(1)	-	-	-
Operating profit before working capital changes	156	638	1,464	2,094	2,835
Increase in inventories	(892)	(403)	(721)	(439)	(875)
Increase in trade and other receivables	(553)	(1,120)	(2,616)	(261)	(1,585)
Increase/(Decrease) in trade and other payables	19	95	2,422	(2,196)	(85)
(Increase)/Decrease in amount owing by related parties	(14)	(68)	275	6	-
Increase/(Decrease) in amount owing to related parties	1,369	1,218	(488)	1,992	666
CASH FROM OPERATIONS	85	360	336	1,196	956
Interest paid	-	(2)	(3)	(5)	(4)
Tax paid	-	-	(206)	(636)	(657)
NET CASH FROM OPERATING ACTIVITIES	85	358	127	555	295
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Purchase of equipment	6.4.19 (66)	(49)	(47)	(152)	(130)
Proceeds from disposal of equipment	-	5	-	3	-
(Advances to)/Repayment from related parties	-	(50)	50	-	-
Repayment from directors	-	50	-	-	-
Interest received	-	2	-	-	-
NET CASH (FOR)/FROM INVESTING ACTIVITIES	(66)	(42)	3	(149)	(130)
CASH FLOWS FOR FINANCING ACTIVITIES					
Proceeds from issuance of shares	-	-	-	150	-
Repayment of hire purchase obligations	-	(16)	(27)	(44)	(37)
Advances from/(Repayment to) related parties	-	16	(226)	(129)	9
Dividend paid	-	-	-	(200)	-
NET CASH FOR FINANCING ACTIVITIES	-	-	(253)	(223)	(28)
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES	19	316	(123)	183	137
CASH AND BANK BALANCES AT BEGINNING OF THE FINANCIAL YEAR	81	100	416	293	476
CASH AND BANK BALANCES AT END OF THE FINANCIAL YEAR	100	416	293	476	613

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.4 STATEMENT OF CHANGES IN EQUITY

	Share Capital RM'000	Retained Profits RM'000	Total RM'000
Balance at 1.7.2004	50	(161)	(111)
Profit attributable to equity holders	-	120	120
Balance at 30.6.2005/1.7.2005	50	(41)	9
Profit attributable to equity holders	-	484	484
Balance at 30.6.2006/1.7.2006	50	443	493
Profit attributable to equity holders	-	1,028	1,028
Balance at 30.6.2007/1.7.2007	50	1,471	1,521
Issuance of shares	150	-	150
Profit attributable to equity holders	-	1,421	1,421
Final dividend of RM1.37 per ordinary share less 27% tax	-	(200)	(200)
Balance at 30.6.2008/1.7.2008	200	2,692	2,892
Profit attributable to equity holders	-	2,076	2,076
Balance at 30.6.2009	200	4,768	4,968

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.5 REVENUE

Revenue of ETHSB represents the invoiced value of goods sold, net of returns and discounts.

6.4.6 PROFIT BEFORE TAXATION

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Profit before taxation is arrived at after charging/(crediting):-					
Allowance for doubtful debts	-	-	5	14	6
Allowance/(Writeback) for slow-moving inventories	-	-	-	64	(3)
Audit fee	5	5	5	15	19
Directors' fee	-	-	-	36	212
Depreciation of equipment	18	37	55	87	100
Equipment written off	-	2	6	1	9
Hire purchase interest	-	2	3	5	4
Rental expenses	54	53	97	180	185
Staff costs	437	623	788	1,173	1,581
Gain on disposal of equipment	-	(1)	-	-	-
Interest income	-	(2)	-	-	-

6.4.7 INCOME TAX EXPENSE

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Current tax expense:					
- for the financial year	13	129	350	510	670
- (over)/under provision in the previous financial year	-	(13)	18	(4)	(27)
	<u>13</u>	<u>116</u>	<u>368</u>	<u>506</u>	<u>643</u>
Deferred tax expense (Section 6.4.16):					
- relating to origination and reversal of temporary differences	5	-	(2)	(4)	-
- under/(over)provision in the previous financial year	-	-	1	-	-
	<u>5</u>	<u>-</u>	<u>(1)</u>	<u>(4)</u>	<u>-</u>
	<u>18</u>	<u>116</u>	<u>367</u>	<u>502</u>	<u>643</u>

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.7 INCOME TAX EXPENSE (CONT'D)

The corporate tax rate on the first RM500,000 of chargeable income is 20%. The tax rate applicable to the balance of the chargeable income is:-

- a) 28% for FY 2005 and FY 2006;
- b) 27% for FY 2007;
- c) 26% for FY 2008; and
- d) 25% for FY 2009.

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of ETHSB is as follows:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
PBT	138	600	1,395	1,923	2,719
Statutory tax rate	28%	28%	27%	26%	25%
Tax at the statutory tax rate	39	168	377	500	680
Tax effects of:-					
Non-taxable gains	-	(1)	-	-	-
Non-deductible expenses	1	1	6	1	15
Utilisation of deferred tax assets not recognised in the previous financial year	(11)	-	-	-	-
Deferred tax assets not recognised during the financial year	-	-	-	35	-
(Over)/underprovision in the previous financial years:					
- current tax	-	(13)	18	(4)	(27)
- deferred tax	-	-	1	-	-
Differential in tax rates	(11)	(39)	(35)	(30)	(25)
	18	116	367	502	643



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.8 EQUIPMENT

	Motor vehicles RM'000	Furniture and fittings RM'000	Office equipment RM'000	Computers RM'000	Renovation equipment RM'000	Warehouse equipment RM'000	Electrical fittings RM'000	Total RM'000
Net book value at 1.7.2004	-	8	10	6	6	18	5	53
Additions	-	56	3	5	-	-	2	66
Depreciation charge	-	(7)	(1)	(4)	(1)	(4)	(1)	(18)
Net book value at 30.6.2005/1.7.2005	-	57	12	7	5	14	6	101
Additions	78	30	1	5	-	2	-	116
Written off/Disposal	-	(1)	(1)	-	-	(3)	(2)	(7)
Depreciation charge	(16)	(9)	(2)	(6)	(1)	(2)	(1)	(37)
Net book value at 30.6.2006/1.7.2006	62	77	10	6	4	11	3	173
Additions	73	26	-	1	-	12	-	112
Written off	-	-	(1)	-	(3)	-	(2)	(6)
Depreciation charge	(30)	(12)	(2)	(4)	(1)	(5)	(1)	(55)
Net book value at 30.6.2007/1.7.2007	105	91	7	3	-	18	-	224
Additions	62	59	6	66	-	14	-	207
Written off/Disposal	-	-	(4)	-	-	-	-	(4)
Depreciation charge	(43)	(18)	(1)	(18)	-	(7)	-	(87)
Net book value at 30.6.2008/1.7.2008	124	132	8	51	-	25	-	340
Additions	-	108	-	6	-	16	-	130
Written off	-	(9)	-	-	-	-	-	(9)
Depreciation charge	(42)	(29)	(1)	(19)	-	(9)	-	(100)
Net book value at 30.6.2009	82	202	7	38	-	32	-	361

Horwath Offices in Malaysia:

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14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.8 EQUIPMENT (CONT'D)

	Motor vehicles RM'000	Furniture and fittings RM'000	Office equipment RM'000	Computers RM'000	Renovation equipment RM'000	Warehouse equipment RM'000	Electrical fittings RM'000	Total RM'000
At 30.6.2005								
At cost	-	65	16	13	8	20	7	129
Accumulated depreciation	-	(8)	(4)	(6)	(3)	(6)	(1)	(28)
Net book value	-	57	12	7	5	14	6	101
At 30.6.2006								
At cost	78	94	16	18	8	19	5	238
Accumulated depreciation	(16)	(17)	(6)	(12)	(4)	(8)	(2)	(65)
Net book value	62	77	10	6	4	11	3	173
At 30.6.2007								
At cost	151	120	14	19	-	31	-	335
Accumulated depreciation	(46)	(29)	(7)	(16)	-	(13)	-	(111)
Net book value	105	91	7	3	-	18	-	224
At 30.6.2008								
At cost	213	179	10	85	-	45	-	532
Accumulated depreciation	(89)	(47)	(2)	(34)	-	(20)	-	(192)
Net book value	124	132	8	51	-	25	-	340

Horwath Offices in Malaysia:

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14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.8 EQUIPMENT (CONT'D)

	Motor vehicles RM'000	Furniture and fittings RM'000	Office equipment RM'000	Computers RM'000	Renovation equipment RM'000	Warehouse equipment RM'000	Electrical fittings RM'000	Total RM'000
At 30.6.2009								
At cost	213	274	10	91	-	61	-	649
Accumulated depreciation	(131)	(72)	(3)	(53)	-	(29)	-	(288)
Net book value	82	202	7	38	-	32	-	361

Included in the net book values of equipment at the end of the relevant financial years were the following assets acquired under hire purchase terms:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Motor vehicles	-	62	91	99	62

Horwath Offices in Malaysia:

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14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.9 INVENTORIES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Finished goods:-					
At cost	1,006	1,409	2,130	2,505	3,322
At net realisable value	-	-	-	-	61
	<u>1,006</u>	<u>1,409</u>	<u>2,130</u>	<u>2,505</u>	<u>3,383</u>

6.4.10 TRADE RECEIVABLES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Trade receivables	963	2,165	4,623	5,001	6,601
Allowance for doubtful debts	-	-	(5)	(19)	(23)
	<u>963</u>	<u>2,165</u>	<u>4,618</u>	<u>4,982</u>	<u>6,578</u>
Allowance for doubtful debts:-					
At 1 July 2004/2005/2006/ 2007/2008	-	-	-	(5)	(19)
Addition for the financial year	-	-	(5)	(14)	(6)
Writeoff during the financial year	-	-	-	-	2
At 30 June 2005/2006/2007/ 2008/2009	<u>-</u>	<u>-</u>	<u>(5)</u>	<u>(19)</u>	<u>(23)</u>

ETHSB's normal trade credit terms range from 30 to 90 days. Other credit terms are assessed and approved on a case-by-case basis.

6.4.11 AMOUNT OWING BY DIRECTORS

The amount owing was unsecured, interest-free and repayable on demand.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.12 AMOUNT OWING BY RELATED PARTIES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Trade balances	213	281	6	-	-
Non-trade balances	-	50	-	-	-
	<u>213</u>	<u>331</u>	<u>6</u>	<u>-</u>	<u>-</u>

ETHSB's normal trade credit term is 90 days.

The non-trade balances were unsecured, interest-free and repayable on demand.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.13 SHARE CAPITAL

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
	'000	'000	'000	'000	'000	RM'000	RM'000	RM'000	RM'000	RM'000
ORDINARY SHARES OF RM1 EACH:										
AUTHORISED										
At 1 July 2004/2005/2006/ 2007/2008	100	100	100	100	1,000	100	100	100	100	1,000
Increase during the financial year	-	-	-	900	-	-	-	-	900	-
At 30 June 2005/2006/2007/ 2008/2009	100	100	100	1,000	1,000	100	100	100	1,000	1,000
ISSUED AND FULLY PAID-UP										
At 1 July 2004/2005/2006/ 2007/2008	50	50	50	50	200	50	50	50	50	200
Allotment during the financial year	-	-	-	150	-	-	-	-	150	-
At 30 June 2005/2006/2007/ 2008/2009	50	50	50	200	200	50	50	50	200	200

During FY 2008,

- (a) ETHSB increased its authorised share capital from RM100,000 to RM1,000,000 by the creation of 900,000 new ordinary shares of RM1.00 each; and
- (b) ETHSB increased its issued and paid-up share capital from RM50,002 to RM200,000 by the allotment of 149,998 new ordinary shares of RM1.00 each at par for the purpose of working capital. The shares were issued for cash consideration. The new shares issued rank pari passu in all respects with the existing shares of ETHSB.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.14 RETAINED PROFITS

Effective from 1 January 2008, ETHSB is allowed an irrevocable option to elect for the single tier tax system or continue with the use of the tax credit balance for the purpose of dividend distribution.

At 30 June 2009, ETHSB has not elected for the single tier tax system. When the tax credit balance is fully utilised, or by 31 December 2013 at the latest, ETHSB will automatically move to the single tier tax system. Under the single tier tax system, tax on ETHSB's profits is a final tax, and dividends distributed to the shareholders will be exempted from tax.

Subject to the agreement of the tax authorities, at 30 June 2009, ETHSB has sufficient tax credits under Section 108 of the Income Tax Act, 1967 to frank the payment of dividends of approximately RM1,116,000 (2008 - RM1,059,000) out of its retained profits. If the balance of the retained profits were to be distributed as dividends, ETHSB may distribute such dividend under the single tier tax system.

6.4.15 HIRE PURCHASE PAYABLES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Minimum hire purchase payments:					
- not later than one year	-	25	39	41	35
- later than one year and not later than five years	-	31	60	70	34
	-	56	99	111	69
Less: Future finance charges	-	(6)	(11)	(12)	(7)
	-	50	88	99	62

The hire purchase payables are repayable as follows:-

Current:					
- not later than one year	-	22	35	65	31
Non-current:					
- later than one year and not later than five years	-	28	53	34	31
	-	50	88	99	62

The hire purchase payables bore a weighted average effective interest rate per annum as follows:-

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Weighted average effective interest rate	-	3.40%	3.40%	5.61%	5.46%

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.16 DEFERRED TAX LIABILITY

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
At 1 July 2004/2005/2006/2007/2008	-	5	5	4	-
Recognised in the income statement (Section 6.4.7)	5	-	(1)	(4)	-
At 30 June 2005/2006/2007/2008/2009	5	5	4	-	-

The deferred tax liability/asset of ETHSB consists of the tax effects of the following items:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Deferred tax liability:-					
Accelerated capital allowances over depreciation	5	5	4	8	15
Deferred tax asset:-					
Other deductible temporary differences	-	-	-	(8)	(15)
	5	5	4	-	-

6.4.17 TRADE PAYABLES

The normal credit terms granted to ETHSB range from 30 to 90 days.

6.4.18 AMOUNT OWING TO RELATED PARTIES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Trade balances	1,904	3,122	2,634	4,626	5,292
Non-trade balances	409	425	199	70	79
	2,313	3,547	2,833	4,696	5,371

The normal trade credit term granted to ETHSB is 90 days.

The non-trade balances are unsecured, interest-free and are repayable on demand.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.19 PURCHASE OF EQUIPMENT

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Cost of equipment purchased	66	116	112	207	130
Amount financed through hire purchase	-	(67)	(65)	(55)	-
Cash disbursed for purchase of equipment	66	49	47	152	130

6.4.20 RELATED PARTY DISCLOSURES

(a) Identities of the related parties are as follows:-

- (i) the directors and certain key management personnel; and
- (ii) entities controlled by certain key management personnel, directors and/or substantial shareholders.

(b) In addition to the information disclosed elsewhere in this report, ETHSB carried out the following transactions with its related parties during the financial years under review:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Sales to related parties	58	51	92	1	-
Purchases from a related party	3,184	6,134	19,530	22,270	34,274
Rental of premises payable to a related party	-	-	-	172	172
Key management personnel compensation - short-term employee benefits	-	-	195	283	590

The disclosure of sales and purchases transactions to related parties for FY 2005 and FY 2006 had been revised for consistent presentation purpose.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.21 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the amount at which the financial instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced sale or liquidation.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:-

(a) Hire Purchase Payables

The carrying amounts approximated the fair values of these instruments. The fair values of hire purchase payables are determined by discounting the relevant cash flows using the current interest rates for similar types of instruments at the balance sheet date.

(b) Cash and Bank Balances and Other Short-Term Receivables/Payables

The carrying amounts approximated their fair values due to the relatively short-term maturity of these instruments.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.22 RESTATEMENTS TO THE AUDITED FINANCIAL STATEMENTS

Certain comparative figures of ETHSB have been reclassified to ensure consistent presentation.

	AS RESTATED RM'000	AS PREVIOUSLY REPORTED RM'000
FY 2005		
BALANCE SHEETS (EXTRACT):-		
Trade receivables	963	1,176
Other receivables, deposits and prepayments	107	10
Amount owing by related parties	213	-
Trade payables	162	1,969
Other payables and accruals	39	448
Amount owing to related parties	2,313	-
	<hr/>	<hr/>
FY 2006		
BALANCE SHEETS (EXTRACT):-		
Trade receivables	2,165	2,446
Other receivables, deposits and prepayments	25	75
Amount owing by related parties	331	-
Trade payables	160	3,282
Other payables and accruals	136	561
Amount owing to related parties	3,547	-
	<hr/>	<hr/>
CASH FLOW STATEMENTS(EXTRACT):-		
Net cash from operating activities	358	377
Net cash for investing activities	(42)	(45)
Net cash for financing activities	-	(16)
	<hr/>	<hr/>

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.4 ETHSB (CONT'D)

6.4.22 RESTATEMENTS TO THE AUDITED FINANCIAL STATEMENTS (CONT'D)

	AS RESTATED RM'000	AS PREVIOUSLY REPORTED RM'000
FY 2007		
BALANCE SHEETS (EXTRACT):-		
Trade receivables	4,618	4,624
Amount owing by related parties	6	-
Trade payables	2,610	5,244
Other payables and accruals	108	307
Amount owing to related parties	2,833	-
	<hr/>	<hr/>
CASH FLOW STATEMENTS(EXTRACT):-		
Net cash from/(for) operating activities	127	(50)
Net cash for investing activities	3	(47)
Net cash for financing activities	(253)	(26)
	<hr/>	<hr/>

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.5 MSB

6.5.1 INCOME STATEMENTS

	Section	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Revenue	6.5.5	11,335	12,392	12,655	15,846	18,587
Cost of sales		(7,248)	(7,747)	(7,620)	(9,739)	(11,174)
GP		4,087	4,645	5,035	6,107	7,413
Other income		5	1	151	184	190
		4,092	4,646	5,186	6,291	7,603
Selling and distribution expenses		(477)	(475)	(508)	(613)	(1,304)
Administrative expenses		(2,913)	(3,456)	(3,976)	(4,809)	(5,133)
Other expenses		(439)	(461)	(538)	(533)	(669)
Profit from operations		263	254	164	336	497
Finance costs		(1)	(1)	(2)	(4)	(1)
PBT		262	253	162	332	496
Amortisation		93	93	93	-	-
Depreciation		286	360	445	493	507
Interest income		-	-	-	(1)	-
Earnings before interest, taxation depreciation and amortisation		641	706	700	824	1,003
Amortisation		(93)	(93)	(93)	-	-
Depreciation		(286)	(360)	(445)	(493)	(507)
Interest income		-	-	-	1	-
PBT	6.5.6	262	253	162	332	496
Income tax expense	6.5.7	(143)	(104)	(127)	(134)	(191)
PAT		119	149	35	198	305
ATTRIBUTABLE TO:- Equity holders of MSB		119	149	35	198	305
GP margin (%)		36.1	37.5	39.8	38.5	39.9
PBT margin (%)		2.3	2.0	1.3	2.1	2.7
PAT margin (%)		1.0	1.2	0.3	1.2	1.6
Effective tax rate (%)		54.6	41.1	78.4	40.4	38.5
Interest coverage (times)		N/A	N/A	N/A	N/A	N/A
Number of ordinary shares in issue of RM1.00 each ('000)		350.0	350.0	350.0	350.0	350.0
Gross earnings per share ("EPS") based on number of shares in issue * (RM)		0.7	0.7	0.5	0.9	1.4
Net EPS based on number of shares in issue* (RM)		0.3	0.4	0.1	0.6	0.9
Gross dividend rate (%)		N/A	N/A	N/A	N/A	N/A

Notes:-

N/A - Not applicable

* - The Gross EPS and Net EPS were computed by dividing the PBT and PAT respectively by the number of ordinary shares in issue during the period.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.5 MSB (CONT'D)

6.5.2 BALANCE SHEETS

	Section	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
ASSETS						
NON-CURRENT ASSETS						
Equipment	6.5.8	1,445	1,382	1,570	1,351	950
Goodwill	6.5.9	823	730	637	637	637
		<u>2,268</u>	<u>2,112</u>	<u>2,207</u>	<u>1,988</u>	<u>1,587</u>
CURRENT ASSETS						
Trade receivables	6.5.10	-	-	-	65	58
Other receivables, deposits and prepayments	6.5.11	508	653	665	1,007	804
Amount owing by directors	6.5.12	493	-	-	-	-
Amount owing by related parties	6.5.13	1,221	822	493	-	-
Tax refundable		-	-	13	-	43
Cash and bank balances		496	627	1,182	551	1,407
		<u>2,718</u>	<u>2,102</u>	<u>2,353</u>	<u>1,623</u>	<u>2,312</u>
TOTAL ASSETS		<u>4,986</u>	<u>4,214</u>	<u>4,560</u>	<u>3,611</u>	<u>3,899</u>
EQUITY AND LIABILITIES						
EQUITY						
Share capital	6.5.14	350	350	350	350	350
Retained profits	6.5.15	13	162	197	395	700
TOTAL EQUITY		<u>363</u>	<u>512</u>	<u>547</u>	<u>745</u>	<u>1,050</u>
NON-CURRENT LIABILITY						
Deferred tax liability	6.5.16	20	22	59	38	13
CURRENT LIABILITIES						
Trade payables	6.5.17	41	23	46	24	43
Other payables and accruals		240	550	439	535	716
Amount owing to related parties	6.5.18	4,308	3,077	3,469	2,215	2,077
Provision for taxation		14	30	-	54	-
		<u>4,603</u>	<u>3,680</u>	<u>3,954</u>	<u>2,828</u>	<u>2,836</u>
TOTAL LIABILITIES		<u>4,623</u>	<u>3,702</u>	<u>4,013</u>	<u>2,866</u>	<u>2,849</u>
TOTAL EQUITY AND LIABILITIES		<u>4,986</u>	<u>4,214</u>	<u>4,560</u>	<u>3,611</u>	<u>3,899</u>
<i>Number of ordinary shares of RM1.00 each in issue ('000)</i>		350	350	350	350	350
<i>Net assets ("NA") (RM'000)</i>		363	512	547	745	1,050
<i>NA per ordinary share (RM)</i>		1.0	1.5	1.6	2.1	3.0
<i>Trade receivables turnover period (months)</i>		N/A	N/A	N/A	#	#
<i>Trade payables turnover period (months)</i>		2.9	1.3	3.1	1.8	2.0
<i>Gearing ratio (times)</i>		N/A	N/A	N/A	N/A	N/A

Notes:-

- Less than 0.1

N/A - Not applicable

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.5 MSB (CONT'D)

6.5.3 CASH FLOW STATEMENTS

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES					
Profit before taxation	262	253	162	332	496
Adjustments for:-					
Amortisation of goodwill	93	93	93	-	-
Depreciation of equipment	286	360	445	493	507
Equipment written off	60	5	-	39	158
Interest income	-	-	-	(1)	-
Loss on disposal of equipment	-	-	-	-	3
Operating profit before working capital changes	701	711	700	863	1,164
(Increase)/Decrease in trade and other receivables	(128)	(145)	(12)	(407)	210
Increase/(Decrease) in trade and other payables	258	292	(88)	74	200
(Increase)/Decrease in amount owing by related parties	(371)	892	329	-	-
Increase/(Decrease) in amount owing to related parties	1,073	(972)	580	(1,308)	38
CASH FROM FROM/(FOR) OPERATIONS	1,533	778	1,509	(778)	1,612
Tax paid	(109)	(86)	(133)	(88)	(313)
Interest received	-	-	-	1	-
NET CASH FROM/(FOR) OPERATING ACTIVITIES	1,424	692	1,376	(865)	1,299
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Purchase of equipment	(1,274)	(302)	(633)	(313)	(272)
Proceeds from disposal of equipment	-	-	-	-	5
(Advances to)/Repayment from related parties	-	(493)	-	493	-
Repayment from directors	-	493	-	-	-
NET CASH (FOR)/FROM INVESTING ACTIVITIES	(1,274)	(302)	(633)	180	(267)
NET CASH (FOR)/FROM FINANCING ACTIVITY					
(Repayment to)/Advances from related parties	(140)	(259)	(188)	54	(176)
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES	10	131	555	(631)	856
CASH AND BANK BALANCES AT BEGINNING OF THE FINANCIAL YEAR	486	496	627	1,182	551
CASH AND BANK BALANCES AT END OF THE FINANCIAL YEAR	496	627	1,182	551	1,407

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.5 MSB (CONT'D)

6.5.4 STATEMENTS OF CHANGES IN EQUITY

	Share Capital RM'000	Retained Profits RM'000	Total RM'000
Balance at 1.7.2004	350	(106)	244
Profit attributable to equity holders	-	119	119
Balance at 30.6.2005/1.7.2005	350	13	363
Profit attributable to equity holders	-	149	149
Balance at 30.6.2006/1.7.2006	350	162	512
Profit attributable to equity holders	-	35	35
Balance at 30.6.2007/1.7.2007	350	197	547
Profit attributable to equity holders	-	198	198
Balance at 30.6.2008/1.7.2008	350	395	745
Profit attributable to equity holders	-	305	305
Balance at 30.6.2009	350	700	1,050

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.5 MSB (CONT'D)

6.5.5 REVENUE

Revenue of MSB represents the invoiced value of goods sold, net of returns and discounts.

6.5.6 PROFIT BEFORE TAXATION

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Profit before taxation is arrived at after charging/(crediting):-					
Amortisation of goodwill	93	93	93	-	-
Audit fee					
- for the financial year	8	7	8	12	15
- underprovision in the previous financial year	-	-	-	-	1
Directors' non-fee emoluments	149	-	-	-	-
Depreciation of equipment	286	360	445	493	507
Equipment written off	60	5	-	39	158
Loss on disposal of equipment	-	-	-	-	3
Rental of premises	874	1,237	1,577	1,837	2,057
Staff costs	1,105	1,280	1,436	1,640	1,820
Interest income	-	-	-	(1)	-

6.5.7 INCOME TAX EXPENSE

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Current tax expense:					
- for the financial year	99	128	98	155	233
- under/(over)provision in the previous financial year	24	(26)	(8)	-	(17)
	123	102	90	155	216
Deferred tax expense (Section 6.5.16):					
- relating to origination and reversal of temporary differences	11	(2)	10	-	(42)
- under/(over)provision in the previous financial year	9	4	27	(21)	17
	20	2	37	(21)	(25)
	143	104	127	134	191

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.5 MSB (CONT'D)

6.5.7 INCOME TAX EXPENSE (CONT'D)

The corporate tax rate on the first RM500,000 of chargeable income is 20%. The tax rate applicable to the balance of the chargeable income is:-

- a) 28% for FY 2005 and FY 2006;
- b) 27% for FY 2007;
- c) 26% for FY 2008; and
- d) 25% for FY 2009.

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of MSB is as follows:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
PBT	262	253	162	332	496
Statutory tax rate	28%	28%	27%	26%	25%
Tax at the statutory tax rate	73	71	44	86	124
Tax effects of:-					
Non-taxable gains	-	-	-	-	-
Non-deductible expenses	97	94	99	99	92
Utilisation of deferred tax assets not recognised in the previous financial year	(20)	-	-	-	-
Deferred tax assets not recognised during the financial year	-	1	-	-	-
Under/(Over)provision in previous financial years:					
- current tax	24	(26)	(8)	-	(17)
- deferred tax	9	4	27	(21)	17
Differential in tax rates	(40)	(40)	(35)	(30)	(25)
	143	104	127	134	191

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.5 MSB (CONT'D)

6.5.8 EQUIPMENT

	Motor vehicles RM'000	Furniture and fittings RM'000	Office equipment RM'000	Signboard RM'000	Renovation RM'000	Electrical fittings RM'000	Total RM'000
Net book value at 1.7.2004	-	26	40	9	397	45	517
Additions	17	38	47	28	1,039	105	1,274
Written off	-	-	-	-	(37)	(23)	(60)
Depreciation charge	(1)	(10)	(7)	(4)	(249)	(15)	(286)
Net book value at 30.6.2005/1.7.2005	16	54	80	33	1,150	112	1,445
Additions	-	19	55	1	168	59	302
Written off	-	-	-	-	-	(5)	(5)
Depreciation charge	(1)	(14)	(11)	(8)	(297)	(29)	(360)
Net book value at 30.6.2006/1.7.2006	15	59	124	26	1,021	137	1,382
Additions	26	248	38	26	215	80	633
Depreciation charge	(3)	(37)	(17)	(10)	(335)	(43)	(445)
Net book value at 30.6.2007/1.7.2007	38	270	145	42	901	174	1,570
Additions	-	117	114	-	53	29	313
Written off	-	(1)	-	(1)	(23)	(14)	(39)
Depreciation charge	(9)	(42)	(22)	(13)	(355)	(52)	(493)
Net book value at 30.6.2008	29	344	237	28	576	137	1,351
Additions	40	114	2	1	78	37	272
Disposals	(8)	-	-	-	-	-	(8)
Written off	-	(44)	(74)	(3)	(26)	(11)	(158)
Depreciation charge	(11)	(47)	(19)	(12)	(361)	(57)	(507)
Net book value at 30.6.2009	50	367	146	14	267	106	950

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.5 MSB (CONT'D)

6.5.8 EQUIPMENT (CONT'D)

	Motor vehicles RM'000	Furniture and fittings RM'000	Office equipment RM'000	Signboard RM'000	Renovation RM'000	Electrical fittings RM'000	Total RM'000
At 30.6.2005							
At cost	17	65	88	38	1,410	127	1,745
Accumulated depreciation	(1)	(11)	(8)	(5)	(260)	(15)	(300)
Net book value	16	54	80	33	1,150	112	1,445
At 30.6.2006							
At cost	17	84	143	39	1,578	181	2,042
Accumulated depreciation	(2)	(25)	(19)	(13)	(557)	(44)	(660)
Net book value	15	59	124	26	1,021	137	1,382
At 30.6.2007							
At cost	43	332	181	65	1,793	261	2,675
Accumulated depreciation	(5)	(62)	(36)	(23)	(892)	(87)	(1,105)
Net book value	38	270	145	42	901	174	1,570
At 30.6.2008							
At cost	43	448	295	63	1,794	267	2,910
Accumulated depreciation	(14)	(104)	(58)	(35)	(1,218)	(130)	(1,559)
Net book value	29	344	237	28	576	137	1,351
At 30.6.2009							
At cost	66	506	196	60	1,832	288	2,948
Accumulated depreciation	(16)	(139)	(50)	(46)	(1,565)	(182)	(1,998)
Net book value	50	367	146	14	267	106	950

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.5 MSB (CONT'D)

6.5.9 GOODWILL

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
At 1 July 2004/2005/2006/2007/2008	916	823	730	637	637
Amortisation during the financial year	(93)	(93)	(93)	-	-
At 30 June 2005/2006/2007/2008/2009	823	730	637	637	637

At the end of FY2008 and FY2009, MSB assessed the recoverable amount of the purchased goodwill, and determined that the goodwill is not impaired.

Prior to FY 2008, goodwill was stated cost less accumulated amortisation and impairment losses, if any. Upon adoption of FRS 3 - Business Combinations in FY 2008, goodwill was stated cost less impairment losses, if any.

The recoverable amount of a cash-generating unit is determined based on the value-in-use calculation using cash flow projections based on financial budgets approved by management. In FY2009, the management has projected cash flows for a period of one (1) year. The key assumptions used for value-in-use calculations are:-

- (a) Budgeted revenue Sales growth rate of 20% is used based on the expected demand of home furnishing products to be derived from both existing and future boutiques in the budgeted period.
- (b) Budgeted gross margin Budgeted gross profit margin of 45% is determined based on the historical track records and after considering domestic economic environment conditions.
- (c) Discount rate The discount rate used is pre-tax and reflects specific risks relating to the industry.

6.5.10 TRADE RECEIVABLES

MSB's normal credit terms granted is 45 days.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.5 MSB (CONT'D)

6.5.11 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Other receivables	28	26	12	8	4
Prepayments	14	67	15	237	33
Deposits	466	560	638	762	767
	<u>508</u>	<u>653</u>	<u>665</u>	<u>1,007</u>	<u>804</u>

6.5.12 AMOUNT OWING BY DIRECTORS

The amount owing was unsecured, interest-free and repayable on demand.

6.5.13 AMOUNT OWING BY RELATED PARTIES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Trade balances	1,221	329	-	-	-
Non-trade balances	-	493	493	-	-
	<u>1,221</u>	<u>822</u>	<u>493</u>	<u>-</u>	<u>-</u>

MSB's normal trade credit terms ranges from 30 to 90 days.

The non-trade balances were unsecured, interest-free and repayable on demand.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.5 MSB (CONT'D)

6.5.14 SHARE CAPITAL

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
	'000	'000	'000	'000	'000	RM'000	RM'000	RM'000	RM'000	RM'000
ORDINARY SHARES OF RM1 EACH:										
Number of shares										
AUTHORISED	500	500	500	500	500	500	500	500	500	500
ISSUED AND FULLY PAID-UP	350	350	350	350	350	350	350	350	350	350

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.5 MSB (CONT'D)

6.5.15 RETAINED PROFITS

Subject to the agreement of the tax authorities, at the balance sheet date, MSB has sufficient tax credits under Section 108 of the Income Tax Act, 1967 to frank the payment of dividends out of its entire retained profits without incurring any additional tax liabilities.

At 30 June 2009, MSB has not elected for the single tier tax system. When the tax credit balance is fully utilised, or by 31 December 2013 at the latest, MSB will automatically move to the single tier tax system. Under the single tier tax system, tax on MSB's profits is a final tax, and dividends distributed to the shareholders will be exempted from tax.

6.5.16 DEFERRED TAX LIABILITY

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
At 1 July 2004/2005/2006/ 2007/2008	-	20	22	59	38
Recognised in the income statements (Section 6.5.7)	20	2	37	(21)	(25)
At 30 June 2005/2006/2007/ 2008/2009	20	22	59	38	13

The deferred tax liability relates to accelerated capital allowances.

6.5.17 TRADE PAYABLES

The normal credit terms granted to MSB range from 30 to 90 days.

6.5.18 AMOUNT OWING TO RELATED PARTIES

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Trade balances	3,726	2,754	3,334	2,026	2,064
Non-trade balances	582	323	135	189	13
	4,308	3,077	3,469	2,215	2,077

MSB's normal trade credit terms range from 30 to 90 days.

The non-trade balances are unsecured, interest-free and are repayable on demand. The amounts are to be settled in cash.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.5 MSB (CONT'D)

6.5.19 RELATED PARTY DISCLOSURES

(a) Identities of related parties:-

(i) the directors and the key management personnel; and

(ii) entities controlled by certain key management personnel, directors or substantial shareholders.

(b) In addition to the information disclosed elsewhere in this report, MSB carried out the following transactions with its related parties during the financial years under review:-

	FY 2005 RM'000	FY 2006 RM'000	FY 2007 RM'000	FY 2008 RM'000	FY 2009 RM'000
Sales to a related party	371	79	-	-	-
Purchases from related parties	7,079	7,541	7,443	9,578	10,920
Incentive received from a related party	-	-	151	182	185
Rental payable to a related party	96	96	96	96	96
Key management personnel compensation - short-term employee benefits	149	-	-	47	-

The disclosure of related party transactions for FY 2005 and FY 2006 had been revised for consistent presentation purpose.

6.5.20 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is defined as the amount at which the financial instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced sale or liquidation.

The carrying amounts of the financial assets and liabilities approximated their fair values due to the relatively short-term maturity of these instruments.

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.5 MSB (CONT'D)

6.5.21 RESTATEMENTS TO THE AUDITED FINANCIAL STATEMENTS

Certain comparative figures of MSB have been reclassified to ensure consistent presentation.

	AS RESTATED RM'000	AS PREVIOUSLY REPORTED RM'000
FY 2005		
BALANCE SHEETS (EXTRACT):-		
Trade receivables	-	1,271
Amount owing by related parties	1,221	-
Cash and bank balances	496	446
Trade payables	41	3,767
Other payables and accruals	240	822
Amount owing to related parties	4,308	-
	<hr/>	<hr/>
CASH FLOW STATEMENTS(EXTRACT):-		
Net cash from operating activities	1,424	1,234
Net cash for financing activity	(140)	-
Net increase in cash and bank balances	10	(40)
	<hr/>	<hr/>
FY 2006		
BALANCE SHEETS (EXTRACT):-		
Trade receivables	-	391
Other receivables, deposits and prepayments	653	1,145
Amount owing by related parties	822	-
Cash and bank balances	627	565
Trade payables	23	2,776
Other payables and accruals	550	873
Amount owing to related parties	3,077	-
	<hr/>	<hr/>

14. ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.5 MSB (CONT'D)

6.5.21 RESTATEMENTS TO THE AUDITED FINANCIAL STATEMENTS (CONT'D)

	AS RESTATED RM'000	AS PREVIOUSLY REPORTED RM'000
2006		
CASH FLOW STATEMENTS(EXTRACT):-		
Net cash from operating activities	692	421
Net cash for financing activity	(259)	-
Net increase in cash and bank balances	131	119
	<hr/>	<hr/>
2007		
BALANCE SHEETS (EXTRACT):-		
Trade receivables	-	85
Other receivables, deposits and prepayments	665	1,158
Amount owing by related parties	493	-
Cash and bank balances	1,182	1,085
Trade payables	46	3,380
Other payables and accruals	439	562
Amount owing to related parties	3,469	-
	<hr/>	<hr/>
CASH FLOW STATEMENTS(EXTRACT):-		
Net cash from operating activities	1,376	1,153
Net cash for financing activity	(188)	-
Net increase in cash and bank balances	555	520
	<hr/>	<hr/>

14. ACCOUNTANTS' REPORT (Cont'd)



7. SUBSEQUENT EVENTS

There were no significant subsequent events between the date of the last financial statements used in the preparation of this report and the date of this report which may affect materially the contents of this report.

8. AUDITED FINANCIAL STATEMENTS

As of the date of this report, no audited financial statements have been prepared in respect of any period subsequent to 30 June 2009 for YOCB and its subsidiaries.

Yours faithfully

A handwritten signature in black ink, appearing to be "J. K. W.", positioned above the firm's name.

Horwath
Firm No : AF 1018
Chartered Accountants

A handwritten signature in black ink, appearing to be "Onn Kien Hoe", positioned above the name.

Onn Kien Hoe
Approval No : 1772/11/10 (J/PH)
Partner

14. ACCOUNTANTS' REPORT (Cont'd)

Company no:	121889	W
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Appendix I

Suite 13A.01, Level 13A,
Wisma Goldhill,
67 Jalan Raja Chulan,
50200 Kuala Lumpur,
Malaysia.

YT ASSOCIATES

Chartered Accountants

Tel: 603-20322899 / 20322897
Fax: 603-20322893

**REPORT OF THE AUDITORS TO THE MEMBERS OF
MONSIEUR (M) SDN. BHD.**

We have audited the financial statements set out on pages 6 to 20 of MONSIEUR (M) SDN. BHD.

The financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on the test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall financial statement presentation.

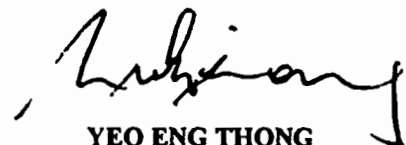
We believe that our audit provides a reasonable basis for our opinion.

In our opinion :-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of :-
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
 - (ii) the state of affairs of the Company as at 30 June 2005 and of the results and cash flows of the Company for the year ended on that date; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.



YT ASSOCIATES (AF-1112)
Chartered Accountants



YEO ENG THONG
[No. 1247/5/07(J)]

Kuala Lumpur
Date: 01 DEC 2005

14. ACCOUNTANTS' REPORT (Cont'd)

Company no: 121889 W

Appendix I

Suite 13A.01, Level 13A,
Wisma Goldhill,
67 Jalan Raja Chulan,
50200 Kuala Lumpur,
Malaysia.

YT ASSOCIATES

Chartered Accountants

Tel: 603-20322899 / 20322897
Fax: 603-20322893

**REPORT OF THE AUDITORS TO THE MEMBERS OF
MONSIEUR (M) SDN BHD**

We have audited the financial statements set out on pages 6 to 22 of MONSIEUR (M) SDN BHD.

The financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on the test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall financial statement presentation.

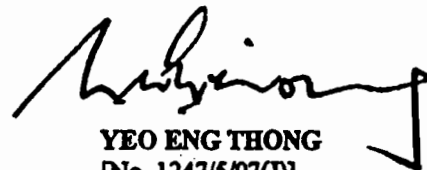
We believe that our audit provides a reasonable basis for our opinion.

In our opinion :-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of :-
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
 - (ii) the state of affairs of the Company as at 30 June 2006 and of the results and cash flows of the Company for the year ended on that date; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.



YT ASSOCIATES (AF-1112)
Chartered Accountants



YEO ENG THONG
[No. 1247/5/07(J)]

Kuala Lumpur
Date: 08 DEC 2006

14. ACCOUNTANTS' REPORT (Cont'd)

Appendix I

Company no:	121889	W
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Suite 13A.01, Level 13A,
Wisma Goldhill,
67 Jalan Raja Chulan,
50200 Kuala Lumpur,
Malaysia.

YT ASSOCIATES

Chartered Accountants

Tel: 603-20322899 / 20322897
Fax: 603-20322893

**REPORT OF THE AUDITORS TO THE MEMBERS OF
MONSIEUR (M) SDN BHD**

We have audited the financial statements set out on pages 6 to 22 of MONSIEUR (M) SDN BHD.

The financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on the test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall financial statement presentation.

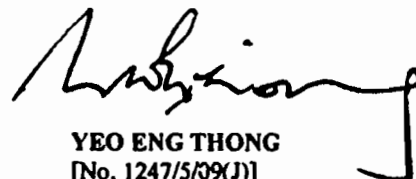
We believe that our audit provides a reasonable basis for our opinion.

In our opinion :-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of :-
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
 - (ii) the state of affairs of the Company as at 30 June 2007 and of the results and cash flows of the Company for the year ended on that date; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.



YT ASSOCIATES (AF-1112)
Chartered Accountants



YEO ENG THONG
[No. 1247/5/09(J)]

Kuala Lumpur
Date: 15 NOV 2007



Appendix II

Horwath AF No 1018
Kuala Lumpur Office
Chartered Accountants

Level 16 Tower C
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
Malaysia

+6 03 2166 0000 Main
+6 03 2166 1000 Fax

www.horwath.com.my
info@horwathkl.com

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MONSIEUR (M) SDN. BHD.

(Incorporated in Malaysia)
Company No: 121889 - W

Report on the Financial Statements

We have audited the financial statements of Monsieur (M) Sdn. Bhd., which comprise the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 8 to 31.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MONSIEUR (M) SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 121889 - W

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 30 June 2008 and of its financial performance and cash flows for the financial year then ended.

Other Matters

The financial statements of the Company for the preceding year were audited by another firm of auditors whose report dated 15 November 2007, expressed an unqualified opinion on those statements.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

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

Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur
28 OCT 2008

A handwritten signature in black ink, appearing to be "Onn Kien Hoe", written over a horizontal line.

Onn Kien Hoe
Approval No: 1772/11/08 (J/PH)
Partner



Appendix II
Horwath AF No 1018
Kuala Lumpur Office
Chartered Accountants

Level 16 Tower C
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
Malaysia

+6 03 2166 0000 Main
+6 03 2166 1000 Fax

info@horwathkl.com
www.horwath.com.my

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MONSIEUR (M) SDN. BHD.

(Incorporated In Malaysia)
Company No: 121889 - W

Report on the Financial Statements

We have audited the financial statements of Monsieur (M) Sdn. Bhd., which comprise the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 9 to 31.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MONSIEUR (M) SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 121889 - W

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 30 June 2009 and of its financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to be "J. P. W.", written over the Horwath name.

Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur

19 AUG 2009

A handwritten signature in black ink, appearing to be "Onn Kien Hoe", written over the name.

Onn Kien Hoe
Approval No: 1772/11/10 (J/PH)
Partner

14. ACCOUNTANTS' REPORT (Cont'd)

Appendix III

Company no:	171966	W
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Suite 13A.01, Level 13A,
Wisma Goldhill,
67 Jalan Raja Chulan,
50200 Kuala Lumpur.
Malaysia.

YT ASSOCIATES

Chartered Accountants

Tel: 603-20322899 / 20322897
Fax: 603-20322893

**REPORT OF THE AUDITORS TO THE MEMBERS OF
SYARIKAT YOONG ONN SDN. BHD.**

We have audited the financial statements set out on pages 6 to 23 of SYARIKAT YOONG ONN SDN. BHD.

The financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on the test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall financial statement presentation.

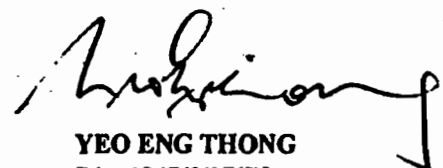
We believe that our audit provides a reasonable basis for our opinion.

In our opinion :-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of :-
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
 - (ii) the state of affairs of the Company as at 30 June 2005 and of the results and cash flows of the Company for the year ended on that date; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.



YT ASSOCIATES (AF-1112)
Chartered Accountants



YEO ENG THONG
[No. 1247/5/07(J)]

Kuala Lumpur

Date: 01 DEC 2005

14. ACCOUNTANTS' REPORT (Cont'd)

APPENDIX III

Company no:	171966	W
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Suite 13A.01, Level 13A,
Wisma Goldhill,
67 Jalan Raja Chulan,
50200 Kuala Lumpur.
Malaysia.

YT ASSOCIATES

Chartered Accountants

Tel: 603-20322899 / 20322897
Fax: 603-20322893

**REPORT OF THE AUDITORS TO THE MEMBERS OF
SYARIKAT YOONG ONN SDN. BHD.**

We have audited the financial statements set out on pages 6 to 24 of SYARIKAT YOONG ONN SDN. BHD..

The financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on the test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

In our opinion :-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of :-
- (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
 - (ii) the state of affairs of the Company as at 30 June 2006 and of the results and cash flows of the Company for the year ended on that date; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.



YT ASSOCIATES (AF-1112)
Chartered Accountants



YEO ENG THONG
[No. 1247/5/07(J)]

Kuala Lumpur

Date: 08 DEC 2006

Lodged by : PTP CORPORATE SERVICES SDN BHD (506471-V)
Address : Suite 13A.01(A) Level 13A Wisma Goldhill
67 Jalan Raja Chulan 50200 Kuala Lumpur
Tel no : 03-20322895

14. ACCOUNTANTS' REPORT (Cont'd)

Appendix III

Company no:	171966	W
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Suite 13A.01, Level 13A,
Wisma Goldhill,
67 Jalan Raja Chulan,
50200 Kuala Lumpur.
Malaysia.

YT ASSOCIATES

Chartered Accountants

Tel: 603-20322899 / 20322897
Fax: 603-20322893

**REPORT OF THE AUDITORS TO THE MEMBERS OF
SYARIKAT YOONG ONN SDN. BHD.**

We have audited the financial statements set out on pages 6 to 26 of SYARIKAT YOONG ONN SDN. BHD..

The financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on the test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

In our opinion :-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of :-
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
 - (ii) the state of affairs of the Company as at 30 June 2007 and of the results and cash flows of the Company for the year ended on that date; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.



YT ASSOCIATES (AF-1112)
Chartered Accountants



YEO ENG THONG
[No. 1247/5/09(J)]

Kuala Lumpur
Date: 15 NOV 2007



Horwath AF No 1018
Kuala Lumpur Office
Chartered Accountants

Level 16 Tower C
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
Malaysia

+6 03 2166 0000 Main
+6 03 2166 1000 Fax

www.horwath.com.my
info@horwathkl.com

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SYARIKAT YOONG ONN SDN. BHD.

(Incorporated in Malaysia)
Company No: 171966 - W

Report on the Financial Statements

We have audited the financial statements of Syarikat Yoong Onn Sdn. Bhd., which comprise the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 50.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia. This responsibility includes designing, implementing and maintaining Internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

14. ACCOUNTANTS' REPORT (Cont'd)



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SYARIKAT YOONG ONN SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 171966 - W

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 30 June 2008 and of its financial performance and cash flows for the financial year then ended.

Other Matters

The financial statements of the Company for the preceding year were audited by another firm of auditors whose report dated 15 November 2007, expressed an unqualified opinion on those statements.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

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

Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur
28 OCT 2008

A handwritten signature in black ink, appearing to be "Onn Kien Hoe", written over a horizontal line.

Onn Kien Hoe
Approval No: 1772/11/08 (J/PH)
Partner



Appendix IV

Horwath AF No 1018
Kuala Lumpur Office
Chartered Accountants

Level 16 Tower C
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
Malaysia

+6 03 2166 0000 Main
+6 03 2166 1000 Fax

info@horwathkl.com
www.horwath.com.my

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SYARIKAT YOONG ONN SDN. BHD.

(Incorporated in Malaysia)
Company No: 171966 - W

Report on the Financial Statements

We have audited the financial statements of Syarikat Yoong Onn Sdn. Bhd., which comprise the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 9 to 43.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SYARIKAT YOONG ONN SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 171966 - W

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 30 June 2009 and of its financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to be 'J. P. ...'.

Horwath
Firm No: AF 1018
Chartered Accountants

A handwritten signature in black ink, appearing to be 'Onn Kien Hoe'.

Onn Kien Hoe
Approval No: 1772/11/10 (J/PH)
Partner

Kuala Lumpur
19 AUG 2009

14. ACCOUNTANTS' REPORT (Cont'd)

Appendix V

Company no:	268537	K
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Suite 13A.01, Level 13A,
Wisma Goldhill,
67 Jalan Raja Chulan,
50200 Kuala Lumpur.
Malaysia.

YT ASSOCIATES

Chartered Accountants

Tel: 603-20322899 / 20322897
Fax: 603-20322893

**REPORT OF THE AUDITORS TO THE MEMBERS OF
ELEGANT TOTAL HOME SDN. BHD.**

We have audited the financial statements set out on pages 6 to 21 of ELEGANT TOTAL HOME SDN. BHD.

The financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on the test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall financial statement presentation.

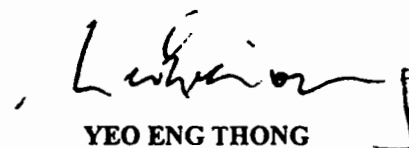
We believe that our audit provides a reasonable basis for our opinion.

In our opinion :-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of :-
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
 - (ii) the state of affairs of the Company as at 30 June 2005 and of the results and cash flows of the Company for the year ended on that date; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.



YT ASSOCIATES (AF-1112)
Chartered Accountants



YEO ENG THONG
[No. 1247/5/07(J)]

Kuala Lumpur
Date: 06 DEC 2006

14. ACCOUNTANTS' REPORT (Cont'd)

Appendix V

Company no:	268537	K
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Suite 13A.01, Level 13A,
Wisma Goldhill,
67 Jalan Raja Chulan,
50200 Kuala Lumpur,
Malaysia.

YT ASSOCIATES

Tel: 603-20322899 / 20322897
Fax: 603-20322893

Chartered Accountants

**REPORT OF THE AUDITORS TO THE MEMBERS OF
ELEGANT TOTAL HOME SDN. BHD.**

We have audited the financial statements set out on pages 6 to 24 of ELEGANT TOTAL HOME SDN. BHD..

The financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on the test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

In our opinion :-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of :-
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
 - (ii) the state of affairs of the Company as at 30 June 2006 and of the results and cash flows of the Company for the year ended on that date; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.



YT ASSOCIATES (AF-1112)
Chartered Accountants



YEO ENG THONG
[No. 1247/5/07(J)]

Kuala Lumpur

Date:

08 DEC 2006

14. ACCOUNTANTS' REPORT (Cont'd)

Appendix V

Company no: 268537 K

YT ASSOCIATES

Suite 13A.01, Level 13A,
Wisma Goldhill,
67 Jalan Raja Chulan,
50200 Kuala Lumpur.
Malaysia.

Chartered Accountants

Tel: 603-20322899 / 20322897
Fax: 603-20322893

**REPORT OF THE AUDITORS TO THE MEMBERS OF
ELEGANT TOTAL HOME SDN. BHD.**

We have audited the financial statements set out on pages 6 to 23 of ELEGANT TOTAL HOME SDN. BHD.

The financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on the test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall financial statement presentation.

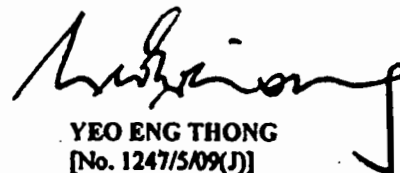
We believe that our audit provides a reasonable basis for our opinion.

In our opinion :-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of :-
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
 - (ii) the state of affairs of the Company as at 30 June 2007 and of the results and cash flows of the Company for the year ended on that date; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.



YT ASSOCIATES (AF-1112)
Chartered Accountants



YEO ENG THONG
[No. 1247/5/09(J)]

Kuala Lumpur
Date: 15 NOV 2007



Horwath AF No 1018
Kuala Lumpur Office
Chartered Accountants

Level 16 Tower C
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
Malaysia

+6 03 2166 0000 Main
+6 03 2166 1000 Fax

www.horwath.com.my
info@horwathkl.com

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELEGANT TOTAL HOME SDN. BHD.

(Incorporated in Malaysia)
Company No: 268537-K

Report on the Financial Statements

We have audited the financial statements of Elegant Total Home Sdn. Bhd., which comprise the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 9 to 35.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ELEGANT TOTAL HOME SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 268537-K

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 30 June 2008 and of its financial performance and cash flows for the financial year then ended.

Other Matters

The financial statements of the Company for the preceding year were audited by another firm of auditors whose report dated 15 November 2007, expressed an unqualified opinion on those statements.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965, in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to be "J. K. W.", written over the Horwath logo.

Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur
28 OCT 2008

A handwritten signature in black ink, appearing to be "Onn Kien Hoe", written in a stylized cursive script.

Onn Kien Hoe
Approval No: 1772/11/08 (J/PH)
Partner



Appendix VI

Horwath AF No 1018
Kuala Lumpur Office
Chartered Accountants

Level 16 Tower C
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
Malaysia

+6 03 2166 0000 Main
+6 03 2166 1000 Fax

info@horwathkl.com
www.horwath.com.my

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ELEGANT TOTAL HOME SDN. BHD.**

(Incorporated in Malaysia)
Company No: 268537-K

Report on the Financial Statements

We have audited the financial statements of Elegant Total Home Sdn. Bhd., which comprise the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 9 to 35.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ELEGANT TOTAL HOME SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 268537-K

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 30 June 2009 and of its financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to be 'Jaw'.

Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur

19 AUG 2009

A handwritten signature in black ink, appearing to be 'Onn Kien Hoe'.

Onn Kien Hoe
Approval No: 1772/11/10 (JPH)
Partner

14. ACCOUNTANTS' REPORT (Cont'd)

Company no:	401252	V
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Appendix VII

Suite 13A.01, Level 13A,
Wisma Goldhill,
67 Jalan Raja Chulan,
50200 Kuala Lumpur.
Malaysia.

YT ASSOCIATES

Chartered Accountants

Tel: 603-20322899 / 20322897
Fax: 603-20322893

**REPORT OF THE AUDITORS TO THE MEMBERS OF
SLEEP FOCUS SDN. BHD.**

We have audited the financial statements set out on pages 6 to 20 of SLEEP FOCUS SDN. BHD.

The financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on the test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

In our opinion :-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of :-
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
 - (ii) the state of affairs of the Company as at 30 June 2005 and of the results and cash flows of the Company for the year ended on that date; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.



YT ASSOCIATES (AF-1112)
Chartered Accountants



YEO ENG THONG
[No. 1247/5/07(J)]

Kuala Lumpur

Date: 01 DEC 2005

14. ACCOUNTANTS' REPORT (Cont'd)

Appendix VII

Company no:	401252	V
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Suite 13A.01, Level 13A,
Wisma Goldhill,
67 Jalan Raja Chulan,
50200 Kuala Lumpur,
Malaysia.

YT ASSOCIATES

Chartered Accountants

Tel: 603-20322899 / 20322897
Fax: 603-20322893

**REPORT OF THE AUDITORS TO THE MEMBERS OF
SLEEP FOCUS SDN. BHD.**

We have audited the financial statements set out on pages 6 to 23 of SLEEP FOCUS SDN. BHD..

The financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on the test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall financial statement presentation.

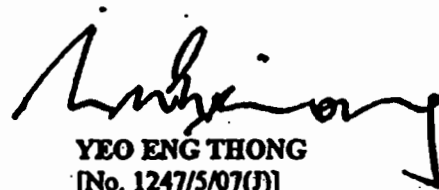
We believe that our audit provides a reasonable basis for our opinion.

In our opinion :-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of :-
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
 - (ii) the state of affairs of the Company as at 30 June 2006 and of the results and cash flows of the Company for the year ended on that date; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.



YT ASSOCIATES (AF-1112)
Chartered Accountants



YEO ENG THONG
[No. 1247/5/07(F)]

Kuala Lumpur

Date:

15 DEC 2006

14. ACCOUNTANTS' REPORT (Cont'd)

Appendix VII

Company no:	401252	V
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YT ASSOCIATES

Suite 13A.01, Level 13A,
Wisma Goldhill,
67 Jalan Raja Chulan,
50200 Kuala Lumpur,
Malaysia.

Chartered Accountants

Tel: 603-20322899 / 20322897
Fax: 603-20322893

**REPORT OF THE AUDITORS TO THE MEMBERS OF
SLEEP FOCUS SDN BHD**

We have audited the financial statements set out on pages 6 to 23 of SLEEP FOCUS SDN BHD.

The financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

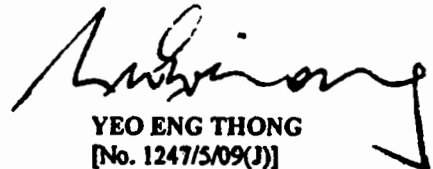
We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on the test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

In our opinion :-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of :-
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
 - (ii) the state of affairs of the Company as at 30 June 2007 and of the results and cash flows of the Company for the year ended on that date; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.


YT ASSOCIATES (AF-1112)
Chartered Accountants


YEO ENG THONG
[No. 1247/5/09(J)]

Kuala Lumpur
Date: 15 NOV 2007



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SLEEP FOCUS SDN. BHD.

(Incorporated in Malaysia)
Company No: 401252 - V

Report on the Financial Statements

We have audited the financial statements of Sleep Focus Sdn. Bhd., which comprise the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 9 to 34.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SLEEP FOCUS SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 401252 - V

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 30 June 2008 and of its financial performance and cash flows for the financial year then ended.

Other Matters

The financial statements of the Company for the preceding year were audited by another firm of auditors whose report dated 15 November 2007, expressed an unqualified opinion on those statements.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

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

Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur

28 OCT 2008

A handwritten signature in black ink, appearing to be "Onn Kien Hoe", written over a horizontal line.

Onn Kien Hoe
Approval No: 1772/11/08 (J/PH)
Partner



Appendix VIII

Horwath AF No 1018
Kuala Lumpur Office
Chartered Accountants

Level 16 Tower C
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
Malaysia

+6 03 2166 0000 Main
+6 03 2166 1000 Fax

info@horwathkl.com
www.horwath.com.my

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SLEEP FOCUS SDN. BHD.

(Incorporated in Malaysia)
Company No: 401252 - V

Report on the Financial Statements

We have audited the financial statements of Sleep Focus Sdn. Bhd., which comprise the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 9 to 37.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SLEEP FOCUS SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 401252 - V

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 30 June 2009 and of its financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to be "Jorw" or similar.

Horwath
Firm No: AF 1018
Chartered Accountants

A handwritten signature in black ink, appearing to be "Onn Klen Hoe".

Onn Klen Hoe
Approval No: 1772/11/10 (J/PH)
Partner

Kuala Lumpur
19 AUG 2009



Appendix IX

Horwath AF No 1018
Kuala Lumpur Office
Chartered Accountants

Level 16 Tower C
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
Malaysia

+6 03 2166 0000 Main
+6 03 2166 1000 Fax

www.horwath.com.my
info@horwathkl.com

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
YOONG ONN CORPORATION BERHAD**

(Incorporated in Malaysia)
Company No: 814138-K

Report on the Financial Statements

We have audited the financial statements of Yoong Onn Corporation Berhad, which comprise the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the financial period then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 9 to 20.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
YOONG ONN CORPORATION BERHAD (CONT'D)**

(Incorporated in Malaysia)
Company No: 814138-K

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 30 June 2008 and of its financial performance and cash flows for the financial period then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to be "Jaw".

Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur

28 OCT 2008

A handwritten signature in black ink, appearing to be "Onn Kien Hoe".

Onn Kien Hoe
Approval No: 1772/11/08 (J/PH)
Partner



Appendix IX

Horwath AF No 1018
Kuala Lumpur Office
Chartered Accountants

Level 16 Tower C
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
Malaysia

+6 03 2166 0000 Main
+6 03 2166 1000 Fax

info@horwathkl.com
www.horwath.com.my

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
YOONG ONN CORPORATION BERHAD**

(Incorporated in Malaysia)
Company No: 814138-K

Report on the Financial Statements

We have audited the financial statements of Yoong Onn Corporation Berhad, which comprise the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 9 to 23.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

14. ACCOUNTANTS' REPORT (Cont'd)



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
YOONG ONN CORPORATION BERHAD (CONT'D)**

(Incorporated in Malaysia)

Company No: 814138-K

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 30 June 2009 and of its financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to be "J. P. S.", located above the Horwath firm information.

Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur
19 AUG 2009

A handwritten signature in black ink, appearing to be "Onn Kien Hoe", located above the partner's name and approval number.

Onn Kien Hoe
Approval No: 1772/11/10 (J/PH)
Partner

15. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT

(Prepared for inclusion in this Prospectus)



VITAL FACTOR CONSULTING
Creating Winning Business Solutions

Vital Factor Consulting Sdn Bhd
(Company No.: 266797-T)

75C & 77C Jalan SS22/19
Damansara Jaya
47400 Petaling Jaya
Selangor Darul Ehsan, Malaysia

Tel: (603) 7728-0248

Fax: (603) 7728-7248

Email: info@vitalfactor.com

Website: www.vitalfactor.com

10 November 2009

The Board of Directors
Yoong Onn Corporation Berhad
Suite 13A.01 (A) Level 13A
Wisma Goldhill
67 Jalan Raja Chulan
50200 Kuala Lumpur
Malaysia

Dear Sirs/Madam

Independent Assessment of the Home Linen Industry

The following is a summary of the Independent Assessment of the Home Linen Industry in Malaysia prepared by Vital Factor Consulting Sdn Bhd for inclusion in the Prospectus of **Yoong Onn Corporation Berhad** (herein together with all its subsidiaries will be referred as “Yoong Onn Group” or the “Group”) in relation to its listing on Main Market of Bursa Malaysia Securities Berhad.

1. Background

- Yoong Onn Group is principally an integrated manufacturer and distributor of its own brands of home linen. Its business activities incorporate the following:
 - Design, manufacturing and distribution of home linen and bedding accessories;
 - Retailing of home linen and homeware;
 - Trading of home linen and homeware.

2. Overview of the Home Linen Industry

2.1 Introduction

- The Home Linen Industry plays an important role in the growth and development of the Malaysian economy and this is substantiated by the following:
 - In 2008, the export value of made-up articles, wholly or chiefly of textile materials, not elsewhere specified reached approximately RM263.4 million.
 - In 2008, the export value of bed linen, table linen, toilet linen and kitchen linen amounted to RM78.8 million.



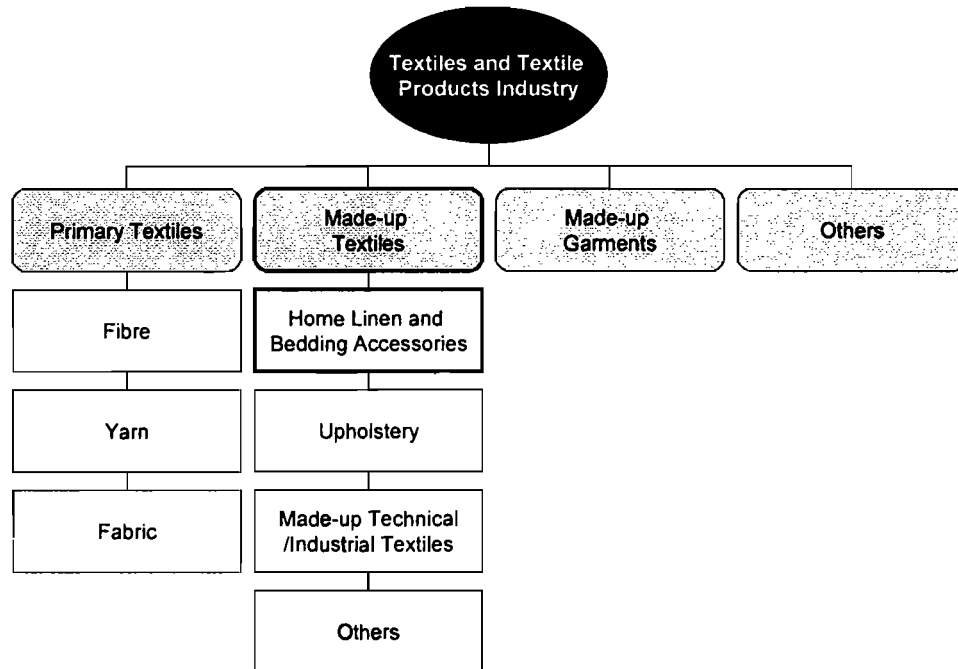
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- In 2008, the export value of mattress supports, articles of bedding and similar furnishing fitted with springs or stuffed or internally fitted with any material or of cellular rubber or plastics whether or not covered reached RM241.4 million.
- In addition to its contribution to the nation’s foreign exchange earnings, the Home Linen Industry also contributes towards employment generation, value-added creation and income generation. The growth of the Home Linen Industry has also contributed to the development of Original Brand Manufacturers (“OBM”) with the creation of own in-house designs. This is in line with the Malaysian Government’s emphasis on moving up the value chain by focusing on brand development and promotions, product planning and marketing.

3. Industry Structure

3.1 Structure of the Textile and Textile Products Industry

- The Textiles and Textile Products Industry covers a wide and diverse range of products and is broadly segmented into the following four categories:



Yoong Onn Group operates within this sector of the overall Industry

Figure 1 Product Structure of the Textiles and Textile Products Industry

- Made-up textiles comprise home linen, bedding accessories, upholstery and made-up technical or industrial textiles.



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- Home linens are generally textile-made cloths, sheets, cases and coverings for household use. Some of the common home linens are bed linen, bath linens, table and kitchen linen, curtain, floor covering and others.
 - . Bed linens refer to textile-made sheets, cases and coverings for bed and bedding products. It includes products such as bed sheet, bedspread, blanket, bed skirt, quilt cover, comforter or duvet cover, pillow and bolster cases.
 - . Bath linens refer to textile-made articles for bathroom use. Some of the common products are hand, face and body towels, bath mats and bathrobes.
 - . Table and kitchen linens are textile-made sheets, coverings and cloths for dining and kitchen uses. There are various types of table and kitchen linens including, among many others, tablecloth, napkin, dishcloth, place mat and apron.
 - . Curtains are used as decoration or for covering or shading.
 - . Floor covering refers to textile-made coverings for the floor which includes rug or floor mat.
 - . Others refer to other types of textile-made articles for household use that are not listed above such as cushion cover and couch slipcover used to encase cushion and couch seats.
- Bedding accessories refer primarily to other bedding products such as quilt, duvet or comforter, pillow, bolster, mattress and mattress protector.
- Upholstery refers to materials such as fabric, padding, webbings and springs used to make a soft covering for furniture.
- Made-up technical or industrial textiles refer to textile materials and products intended for end uses other than clothing, floor covering, and household furnishing, where the fabric or fibrous component is selected principally, but not exclusively, for its technical performance and functional properties as opposed to aesthetic or decorative characteristics. Some examples include insulation and roofing materials for construction works, car mat and lining, safety belt, airbag, fishing net, parachute, tarpaulin and many others.
- Others include household products made from textile materials such as kitchenware. Some examples of these include potholder and oven mitts.
- Yoong Onn Group is a manufacturer and retailer of a wide variety of home linen including bed sheets, bedspreads, bed skirts, quilt covers, pillow cases, bath linen, curtains and cushion covers. Some of the bedding accessories that are manufactured and retailed by the Group include pillows, bolsters, quilts, comforters, mattress protectors and pillow protectors.


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3.2 Market Segmentation

- The market for home linen can be segmented as follows:

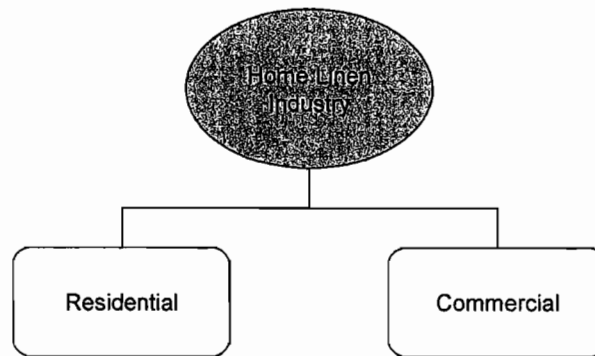


Figure 2 Market Segmentation of the Home Linen Industry

- The Home Linen Industry comprises two main sectors, the residential or consumer and the commercial market:
 - Residential: A large majority of home linen caters to the residential market. There are many brands in this market, targeting various segments including low, medium and high end of the market. The residential market caters specifically to the end-consumers.

Home linens that are sold in retail channels such as hypermarkets are generally aimed at the lower and medium segments of the market. Brands that cater to the medium and high residential markets normally distribute their products in departmental stores.

Home linen and homeware can also be found in individual and specialty stores. As with departmental stores, individual and specialty stores serve the overall residential and consumer markets.
 - Commercial: This is a sector whereby home linen is specifically manufactured and sold to the hospitality, healthcare and food services industries. The home linen supplied to these industries is normally customised to suit the clients' needs.
- Currently, Yoong Onn Group's home linen products are targeted at both the residential and commercial markets.



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4. Vertical Structure

4.1 Vertical Structure of Home Linen Industry

- The Home Linen Industry can be also vertically extended to include upstream, midstream and downstream activities as follows:

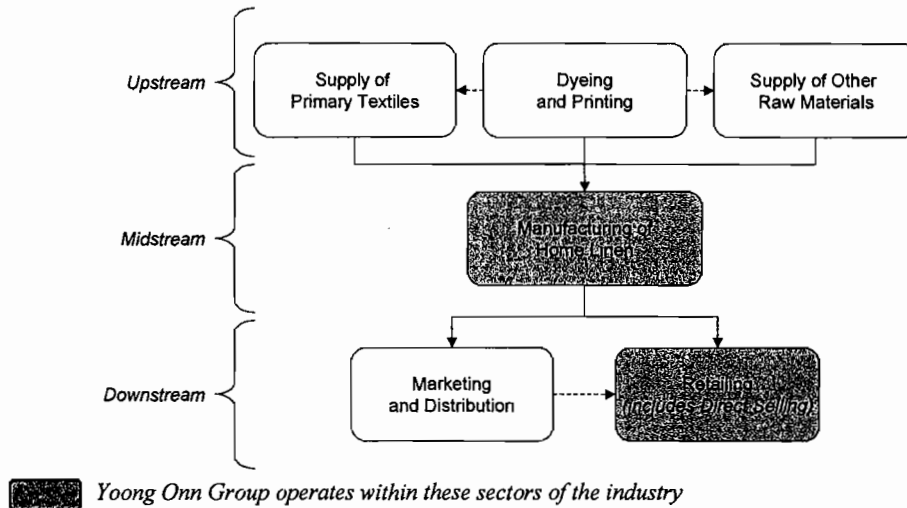


Figure 3 Vertical Structure of Home Linen Industry

- Upstream activities primarily involve manufacturing and processing of primary textiles and other raw materials such as threads, buttons and others. These raw materials are major inputs for the manufacturing of home linen. It also includes colour dyeing and printing of patterns on fabrics.
- The midstream activities involve contract manufacturing, licensed manufacturing and manufacturing of own brands of home linen.
- Downstream activities involve marketing, distribution and retailing of home linen. Marketing and distribution organisations include agents, importers, stockists, wholesalers as well as brand owners.
- Yoong Onn Group is principally involved in the design, manufacturing, distribution and retailing of home linen, bedding accessories and homeware. The Group currently manufactures and retails its own brands and third party's brands.

5. Substitute Products

- Generally, there are no direct substitutes for the majority of the home linen products made from textiles such as bed linen or bath linen. The only viable alternative is not to use these products at all or alternatives may come from the use of different types of materials, like cotton, silk, polyester, rayon or others.



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- However there are a few exceptions such as curtains that do have substitutes. Curtains can be substituted with blinds of various materials such as wood, plastics and aluminium. The choice between curtains and blinds may be due to individual preference, cost or decorative reasons.

6. Government Legislation, Policies and Incentives

6.1 Government Regulations

Manufacturing Licence

- Application of a manufacturing licence under the Industrial Coordination Act, 1975 is mandatory for companies with shareholders' funds of RM2.5 million or above or engaging 75 or more full-time paid employees. (*Source: Malaysian Industrial Development Authority*)
- Sleep Focus Sdn. Bhd., a subsidiary of Yoong Onn Group, obtained a manufacturing licence on 6 December 2000 from the Ministry of International Trade and Industry for the production of home furnishing and made-up garments.

6.2 Government Incentives

International Procurement Centre

- An International Procurement Centre (IPC) is a locally incorporated company whose purpose is to undertake procurement and sales of raw materials, components and finished products for their own group of companies locally and abroad. This would include procurement from, and sales made to, local sources and third world countries.
- Companies that meet the following criteria can apply for an IPC status:
 - Locally incorporated under the Companies Act 1965;
 - A minimum paid-up capital of RM0.5 million;
 - A minimum total business spending (operating expenditure) of RM1.5 million per year;
 - Utilisation of Malaysian ports and airports;
 - A minimum annual sales turnover of RM50 million by the third year of operation;
 - Domestic sales of not more than 20% of its annual sales value;
 - Not more than 30% of its annual sales turnover is derived from the sourcing of goods outside of Malaysia to overseas destinations via drop shipments.
- An approved IPC status company can be considered for the following incentives:
 - Full tax exemption of its statutory income for 10 years;
 - Dividends paid from the exempt income will be exempted from tax.



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- To qualify for the above incentives, an approved IPC status company must also fulfil the following additional criteria:
 - Annual sales turnover of at least RM100 million;
 - Sales to the domestic market including sales to free zones and Licensed Manufacturing Warehouses (LMW) are limited to 20% of its sales turnover. If sales to the domestic market exceed 20%, the additional sales will not be exempted from income tax.
- An approved IPC status company will also enjoy the following benefits:
 - Expatriate posts based on the requirements of the IPC;
 - Open one or more foreign currency accounts with licensed commercial banks to retain its export proceed without any limit;
 - Enter into foreign exchange forward contracts with licensed commercial banks to sell forward export proceeds based on its projected sales;
 - Bring in raw materials, components or finished products with customs duty exemption into Free Industrial Zones, free commercial zones, licensed manufacturing warehouse and bonded warehouses for re-packing, cargo consolidation and integration before distribution to its final consumers;
 - Expatriate working in IPC companies are taxed only on the portion of their chargeable income attributable to the numbers of days that they are in Malaysia.

(Source: Malaysian Industrial Development Authority)

- Sleep Focus Sdn. Bhd. of Yoong Onn Group was granted IPC status on 8 May 2003 by the Malaysian Industrial Development Authority, and currently the status is valid from 1 October 2009 until 30 September 2010. This is renewable on a yearly basis.

Licensed Manufacturing Warehouse

- To enable companies to enjoy Free Industrial Zone facilities in areas where it is neither practical nor desirable to establish Free Industrial Zones, companies can set up LMW. LMW are accorded facilities similar to factories operating in Free Industrial Zones.
- Companies normally approved for LMW are those:
 - whose entire production or not less than 80% are meant for export;
 - whose raw materials/components are mainly imported.
- Goods exported abroad from LMW are not liable for customs duties except for cigarettes, liquor and motor vehicles. If the goods are allowed to be sold in the domestic market, termed Principal Customs Areas, the following import duties apply (with the exception of cigarettes, liquor and motor vehicles):

15. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (Cont'd)

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- For consumer and intermediate goods, where such goods are also produced in the Principal Customs Areas, import duties equivalent to the AFTA Common Effective Preferential Tariff rates will be imposed;
- For consumer and intermediate goods, where such goods are also produced in the Principal Customs Areas but have a local content of more than 51%, an import duty of 5% ad valorem or equivalent excise duty rate (for products subject to excise duty), whichever is the higher will be imposed;
- For consumer and intermediate goods which are not produced in the Principal Customs Areas, an import duty of 3% ad valorem will be imposed;
- For intermediate goods such as raw materials or components, machinery and equipment for the manufacturing sector, manufacturers in the Principal Customs Areas can apply for full import duty exemption.

(Source: Royal Customs Malaysia)

- Sleep Focus Sdn. Bhd., a subsidiary of Yoong Onn Group has a LMW, which is valid from 1 October 2008 until 30 September 2010.

6.3 Trade Marks

- In Malaysia, Trade Marks are governed by Trade Marks Act 1976 and Trade Marks Regulation 1997 (Amendment 2001). (Source: Intellectual Property Corporation of Malaysia)
- Trademark registration provides trademark owners with the exclusive rights to use their marks in trading and the registration certificate issued by the Registrar Office serves as legal evidence. (Source: Intellectual Property Corporation of Malaysia)
- The Registrar of Trade Marks is the authority for the registration of trademarks in Malaysia. Registration of trademarks shall be valid for a period of ten years and may be renewed from time to time.
- Yoong Onn Group has the following trademarks:

Registered Trademarks

The Group has registered the following trademarks:

Malaysia





Trademark	Class	Trademark Number	Issuing Authority	Validity Period	Type of Products
Syarikat Yoong Onn Sdn. Bhd.					
DIANA	24	96002821	Registrar of Trademarks Malaysia	21 March 1996 until 21 March 2013	Bed Linen

15. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



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Singapore

Trademark	Class	Trademark Number	Issuing Authority	Validity Period	Type of Products
Syarikat Yoong Onn Sdn. Bhd.					
	24	T0627366F	Registrar of Trade Marks Singapore	13 December 2006 until 13 December 2016	Home Linen and Homeware ⁽¹⁾
	24	T02/06098F	Registrar of Trade Marks Singapore	16 May 2002 until 16 May 2012	Home Linen and Homeware ⁽²⁾
Sleep Focus Sdn. Bhd.					
	24	T0813979G	Registrar of Trade Marks Singapore	7 October 2008 until 6 October 2018	Home Line and Homeware ⁽³⁾
	24	T0813980J	Registrar of Trade Marks Singapore	7 October 2008 until 6 October 2018	Home Linen and Homeware ⁽³⁾

- (1) Description of goods under trademark for class is bed linen, bed covers, bed sheets, pillow cases, mattress covers, quilts, duvets, blankets, bedspreads, comforters, covers for quilts, duvets and comforters, towels, face cloths, bath linen (except clothing); textiles and textile goods for bed and bath, shower curtains, curtains of cloth and/or plastic, bed cloths, mattress protectors (other than incontinence), all included in Class 24.
- (2) Finishing covers for household use, textiles including bed linen, bed sheets, comforters, bedspreads, quilt and quilt covers, curtain of textile or plastic, mattress/pillow/bolster protectors (other than incontinence), bath linen (except clothing), towel of textiles and bed blankets.
- (3) Bed and bath linen products, namely bed covers, bed sheets, comforters, bedspreads, quilt covers, pillow covers, bolster covers, pillowcases, bolster cases, bed skirting, quilts, blankets, covers for mattresses, face towels, hand towels, bath towels, quilted blankets (bedding), curtains, cushion covers.

15. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (Cont'd)

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Trademarks Pending Approval

The Group has also submitted applications for the following trademarks in Indonesia, Malaysia and Vietnam, which are currently pending approval:

Indonesia

Trademark	Class	Application No.	Issuing Authority	Type of Products
Syarikat Yoong Onn Sdn. Bhd.				
	24	D.2009.031670	Directorate General of Intellectual Property Rights, Department of Law & Human Rights	Home Linen and Homeware
	24	D.2009.031671	Directorate General of Intellectual Property Rights, Department of Law & Human Rights	Home Linen and Homeware

Malaysia

Trademark	Class	Application No.	Issuing Authority	Type of Products
Sleep Focus Sdn. Bhd.				
	24	08013632	Registrar of Trademarks Malaysia	Home Linen and Homeware
Syarikat Yoong Onn Sdn. Bhd.				
	24	07019709	Registrar of Trademarks Malaysia	Home Linen and Homeware
	24	06020009	Registrar of Trademarks Malaysia	Home Linen and Homeware
	24	06020008	Registrar of Trademarks Malaysia	Home Linen and Homeware
	24	08013633	Registrar of Trademarks Malaysia	Home Linen and Homeware
	24	08013631	Registrar of Trademarks Malaysia	Home Linen and Homeware
Elegant Total Home Sdn. Bhd.				
	24	07019708	Registrar of Trademarks Malaysia	Home Linen and Homeware

15. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (Cont'd)

**VITAL FACTOR CONSULTING**

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Trademark	Class	Application No.	Issuing Authority	Type of Products
	24	08013635	Registrar of Trademarks Malaysia	Home Linen and Homeware
RedDanielle home	24	08013634	Registrar of Trademarks Malaysia	Home Linen and Homeware
NIKI CAINS LIVING CULTURE	24	08013630	Registrar of Trademarks Malaysia	Home Linen and Homeware
Monsieur (M) Sdn. Bhd.				
	24	06005448	Registrar of Trademarks Malaysia	Home Linen and Homeware

Vietnam

Trademark	Class	Filing No.	Issuing Authority	Type of Products
Syarikat Yoong Onn Sdn. Bhd.				
Novelle home	24	4-2009-17375	National Office of Intellectual Property	Home Linen and Homeware
Jean Perry PARIS	24	4-2009-17370	National Office of Intellectual Property	Home Linen and Homeware

(Source: Yoong Onn Group)

7. Supply

Local Production and Market

- Between 2002 and 2006, the gross output value of the manufacture of made-up textile articles, except apparel increased at an average annual rate of 15.8%. In 2006, the gross output value of the manufacture of made-up textile articles, except apparel increased by 55.5% to RM340.8 million.
- Between 2004 and 2008, the value of the overall wholesale trade in Malaysia increased at an average annual rate of 9.1%. In 2008, the value of the wholesale trade in Malaysia registered a growth of 20.2%. The value of the wholesale trade in Malaysia reached RM193.6 billion in 2008.
- Between 2003 and 2007, the sales value of the wholesale trade for textiles, clothing, house linens, towels and blankets decreased at an average annual rate of 2.9%. In 2007, the sales value of the wholesale trade for textiles, clothing, house linens, towels and blankets decreased by 5.1% to approximately RM2.0 billion.

(Source: Department of Statistics)



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Import

- Between 2004 and 2008, the import value of made-up articles, wholly or chiefly of textile materials, not elsewhere specified grew at an average annual rate of 16.4%. In 2008, the import value of this category of products increased by 7.3% to reach RM325.3 million.
- Between 2004 and 2008, the import value of bed linen, table linen, toilet linen and kitchen linen (a sub-sector of made-up articles, wholly or chiefly of textile materials, not elsewhere specified) grew at an average annual rate of 20.8%. In 2008, the import value of this category of products increased by 0.3% to reach RM113.7 million.
- Between 2004 and 2008, the import value of other bed linen, printed, of cotton (a sub-sector of bed linen, table linen, toilet linen and kitchen linen) grew at an average annual rate of 13.9%. However, in 2008, the import value of this category of products decreased by 18.0% to reach RM30.0 million.
- Between 2004 and 2008, the import value of other bed linen, not printed, of cotton (a sub-sector of bed linen, table linen, toilet linen and kitchen linen) grew at an average annual rate of 24.1%. However, in 2008, the import value of this category of products decreased by 5.1% to RM20.0 million.
- Between 2004 and 2008, the import value of toilet linen and kitchen linen of terry towelling or similar terry fabrics, of cotton (a sub-sector of bed linen, table linen, toilet linen and kitchen linen) grew at an average annual rate of 19.9%. In 2008, the import value of this category of products registered a growth of 16.1% to reach RM18.0 million.
- Between 2004 and 2008, the import value of curtains (including drapes) and interior blinds, curtain or bed valances (a sub-sector of made-up articles, wholly or chiefly of textile materials, not elsewhere specified) increased at an average annual rate of 14.5%. However, in 2008, the import value of this category of products decreased by 25.3% to RM28.3 million.
- Between 2004 and 2008, the import value of mattress supports, articles of bedding and similar furnishing fitted with springs or stuffed or internally fitted with any material or of cellular rubber or plastics, whether or not covered (including mattresses, pillows, eiderdowns, quilts and cushions) increased at an average annual rate of 18.9%. In 2008, the import value of this category of products registered a growth of 6.8% to reach RM76.6 million.
- Between 2004 and 2008, the import value of other articles of bedding and similar furnishing (a sub-sector of mattress supports, articles of bedding and similar furnishing fitted with springs or stuffed or internally fitted with any material or of cellular rubber or plastics, whether or not covered) increased at an average annual rate of 9.9%. In 2008, the import value of this category of products decreased by 8.8% to RM46.0 million.

(Source: Department of Statistics)



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8. Supply Dependencies

- The major raw materials required for the manufacturing of home linen and homeware are as follows:
 - Natural and man-made fibres;
 - Yarns and fabrics.

Local Production

- Between 2004 and 2008, the sales value of natural fibre spinning, weaving of textiles decreased at an average annual rate of 14.3%. In 2008, the sales value of natural fibre spinning, weaving of textiles declined by 21.8% to RM184.7 million.
- Between 2004 and 2008, the sales value of man-made fibre spinning, weaving of textiles decreased at an average annual rate of 1.3%. However, in 2008, the sales value of man-made fibre spinning, weaving of textiles increased by 12.7% to RM2.8 billion.
- Between 2004 and 2008, the sales value of dyeing, bleaching, printing and finishing of yarns and fabrics (excluding batik) decreased at an average annual rate of 0.8%. In 2008, the sales value of dyeing, bleaching, printing and finishing of yarns and fabrics (excluding batik) declined by 1.8% to RM804.4 million.
- Between 2004 and 2008, the production quantity of cotton cloth increased at an average annual rate of 3.4%. In 2008, the production quantity of cotton cloth increased by 27.7% to reach 200.7 million metres.

Import

- Between 2004 and 2008, the import value of cotton fabrics, woven (not including narrow or special fabrics) decreased at an average annual rate of 10.1%. In 2008, the import value of this type of materials declined by 38.3% to RM273.8 million.
- Between 2004 and 2008, the import value of fabrics, woven, of man-made textile materials (not including narrow or special fabrics) decreased at an average annual rate of 3.4%. In 2008, the import value of this type of materials declined by 14.7% to RM616.9 million.
- Between 2004 and 2008, the import value of woven textile fabrics increased at an average annual rate of 13.5%. In 2008, the import value of woven textile fabrics grew by 16.6% to reach RM146.3 million.
- Between 2004 and 2008, the import value of woven fabrics of synthetic staple fibres, containing less than 85% by weight of such fibres, mixed mainly or solely with cotton, of a weight not exceeding 170 gram per square metre, decreased at an average annual rate of 17.0%. In 2008, the import value of this category decreased by 48.9% to RM42.3 million.



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- Between 2004 and 2008, the import value of woven fabrics of cotton, containing 85% or more by weight of cotton, weighing not more than 200 gram per square metre, declined at an average annual rate of 10.2%. In 2008, the import value of this category decreased by 27.4% to RM89.7 million.
- Between 2004 and 2008, the import value of woven fabrics of cotton, containing 85% or more by weight of cotton, weighing more than 200 gram per square metre, decreased at an average annual rate of 9.5%. In 2008, the import value of this type of materials declined by 41.6% to RM151.1 million.

(Source: Department of Statistics)

9. Demand

- As Yoong Onn Group's business is principally in the design, manufacturing, distribution and retailing of home linen, bedding accessories and homeware, the following section on demand will mainly cover:
 - Local market demand;
 - Overseas in terms of export market demand.
- As the demand for home linen is largely dependent on the consumer market, the following is an analysis of the factors that will impact on the consumption of home linen including:
 - population growth;
 - growth in disposable income;
 - average monthly household expenditure;
 - performance of the retail sector;
 - performance of retail sale of textiles, linens, towels and blankets;
 - export of home linen and bedding accessories.

Local Market

- The increase in Malaysia's population will continue to spur the demand for consumer products such as home linen and bedding accessories. This is supported by the following statistics on population growth:
 - Between 2005 and 2009, the population of Malaysia is forecasted to grow at an average annual rate of 2.0%. In 2009, the population of Malaysia is expected to increase by 2.2% to reach 28.3 million. *(Source: Bank Negara Malaysia)*
 - The population of Malaysia is projected to grow at an average rate of 1.6% per annum between 2006 and 2010. It is forecasted that the population in Malaysia will reach approximately 29 million by 2010. *(Source: Ninth Malaysia Plan 2006-2010)*
- The increase in the affluence of Malaysian households will mean greater affordability, thus stimulating the demand and expenditure on consumer products such as home linen and bedding accessories. This is supported by the following statistics on monthly household income and expenditure in Malaysia:


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- Between 1999 and 2004, the mean monthly gross household income increased from RM2,472 to RM3,249, which represented an average annual growth rate of 5.6%.
- The mean monthly gross household income from urban areas increased from RM3,103 in 1999 to RM3,956 in 2004. This represented an average annual growth rate of 5.0%.
- Between 1998/99 and 2004/05, the average monthly expenditure per household increased at an average annual rate of 3.0%. The average monthly expenditure per household increased from RM1,631 in 1998/99 to RM1,953 in 2004/05.
- Overall, the average monthly household expenditure on furnishings, household equipment and routine household maintenance declined at an average annual rate of 0.6% between 1998/99 and 2004/2005. In 2004/05, the average monthly household expenditure on furnishings, household equipment and routine household maintenance was RM83.14.
- The average monthly household expenditure on furniture and furnishings (a sub-sector of furnishings, household equipment and routine household maintenance) grew at an average annual rate of 5.4% between 1998/99 and 2004/2005. In 2004/05, the average monthly household expenditure on furniture and furnishings was RM19.61.
- The average monthly household expenditure on household textiles (a sub-sector of furnishings, household equipment and routine household maintenance) declined at an average annual rate of 1.1% between 1998/99 and 2004/2005. In 2004/05, the average monthly household expenditure on household textiles was RM5.01.
- Between 2004 and 2008, the value of retail trade in Malaysia increased at an average annual rate of 18.8%. In 2008, the value of retail trade in Malaysia registered a growth rate of 21.4%. The value of retail trade reached RM116.1 billion in 2008.
- Between 2003 and 2007, the sales value of the retail of textiles, linens, towels and blankets decreased at an average annual rate of 3.7%. However, in 2007, the sales value of the retail of textiles, linens, towels and blankets increased by 19.9% to reach RM1.5 billion.

(Source: Bank Negara Malaysia, Ninth Malaysia Plan 2006-2010 and Department of Statistics)

Export

- Between 2004 and 2008, the export value of made-up articles, wholly or chiefly of textile materials, not elsewhere specified, registered an average annual growth rate of 14.1%. In 2008, the export value of this category of products increased marginally by less than 1.0% to reach RM263.4 million.

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- Between 2004 and 2008, the export value of bed linen, table linen, toilet linen and kitchen linen registered an average annual growth rate of 13.1%. However, in 2008, the export value of this category of products decreased by 29.1% to RM78.8 million.
- Between 2004 and 2008, the export value of other bed linen, printed, of cotton (a sub-sector of bed linen, table linen, toilet linen and kitchen linen) increased at an average annual rate of 21.9%. However, in 2008, the export value of this category of products decreased by 36.2% to RM23.3 million.
- Between 2004 and 2008, the export value of other bed linen, not printed, of cotton (a sub-sector of bed linen, table linen, toilet linen and kitchen linen) grew at an average annual rate of 18.9%. However, in 2008, the export value of this category of products declined by 46.3% to RM10.8 million.
- Between 2004 and 2008, the export value of toilet linen and kitchen linen of terry towelling or similar terry fabrics, of cotton (a sub-sector of bed linen, table linen, toilet linen and kitchen linen) grew at an average annual rate of 26.9%. However, in 2008, the export value of this category of products declined by 55.7% to RM3.3 million.
- Between 2004 and 2008, the export value of curtains (including drapes) and interior blinds, curtain or bed valances grew at an average annual rate of 29.5%. However, in 2008, the export value of this category of products declined by 39.4% to RM15.5 million.
- Between 2004 and 2008, the export value of mattress supports, articles of bedding and similar furnishing fitted with springs or stuffed or internally fitted with any material or of cellular rubber or plastics, whether or not covered (including pillows, eiderdowns, quilts and cushions) increased at an average annual rate of 13.2%. In 2008, the export value of this category of products grew by 13.4% to reach RM241.4 million.
- Between 2004 and 2008, the export value of other articles of bedding and similar furnishing (a sub-sector of mattress supports, articles of bedding and similar furnishing fitted with springs or stuffed or internally fitted with any material or of cellular rubber or plastics, whether or not covered) increased at an average annual rate of 0.9%. However, in 2008, the export value of this category of products decreased by 35.9% to RM28.8 million.

(Source: Department of Statistics)

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10. Nature of Competition and Competitive Intensity

- In general, operators in the manufacturing of home linen products in Malaysia face normal competitive conditions which is similar to a free enterprise environment where there are no undue government regulations or licensing requirements, there are many operators, operators may enter and leave the industry with relative ease, and no one operator is large enough to dictate product pricing. In such an environment, the industry is also subjected to normal supply and demand conditions moderated by the price mechanism. Operators compete on product and service differentiations, and other factors of competition.
- As with most free enterprise environment, competition is based on a number of factors, including
 - Product quality;
 - Distribution coverage;
 - Product design;
 - Branding.

Manufacturing and Supply of Home Linen

- Competition among manufacturers and suppliers of in the Home Linen Industry within Malaysia is based on the following observations:
 - As at July 2009, there were an estimated 20 manufacturers producing various types of made-up textile products such as bed linen, table linen and carpets. (Source: *Malaysian Industrial Development Authority*).
 - Capital requirements for setting-up a medium size manufacturing facility costs about RM6 million including machinery and equipment, and working capital.
 - Technical skills and knowledge required also forms a barrier to entry, therefore reducing the competitive intensity.
 - Branding could also help to reduce the competitive intensity in the consumer market. Manufacturers who develop their own brands and focus on promotions and advertisements to gain brand recognition will be in a better position to compete in this industry.
 - Competition also comes from imports of home linen. Between 2004 and 2008, the import value of made-up articles, wholly or chiefly of textile materials, not elsewhere specified grew at an average annual rate of 16.4%. In 2008, the import value of made-up articles, wholly or chiefly of textile materials, not elsewhere specified increased by 7.3% to reach RM325.3 million. (Source: *Department of Statistics*)



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Retailing of Home Linen

- Competition among retailers in the Home Linen Industry within Malaysia is based on the following observations:
 - Capital requirements for setting-up a simple retail operation selling home linen products costs about RM500,000.
 - Home linen products can easily be found in supermarkets, departmental stores, specialty stores, and through the internet and direct selling.
 - Competition is further fuelled by a number of other factors, including among others:
 - product pricing;
 - product design;
 - product quality;
 - retailer's reputation;
 - product branding;
 - location of retail outlets.
 - As with the manufacturing industry, retailers also face competition from imports of home linen.

11. Players in the Home Linen Industry

- As at July 2009, there were an estimated 20 manufacturers in Malaysia producing various types of made-up textile products such as bed linen, table linen and carpets. (Source: *Malaysian Industrial Development Authority*). Some of the players in the manufacture, marketing and distribution, and retail of Home Linen in Malaysia, among many others, including AHD Furnishing International Sdn Bhd, Aussino Malaysia Sdn Bhd, Benden Production Sdn Bhd, Century Furnishing Enterprise Sdn Bhd, Eastern Decorator Sdn Bhd, Eadeco Sdn Bhd, Fibreco Manufacturer (M) Sdn Bhd, First Linen Products Sdn Bhd, Friven (Malaysia) Sdn Bhd, Friven & Co Lifestyle Sdn Bhd, Heritage Moments Sdn Bhd, Laptex Sdn Bhd, Living Quarters Sdn Bhd, Macy Home Furnishings Sdn Bhd, Sutera Hebat Sdn Bhd, Q Industries & Enterprise (M) Sdn Bhd, Winitex Sdn Bhd and Yoong Onn Group.

(Note: The above is not an exhaustive list and listed in alphabetical order.)

12. Barriers to Entry

Capital and Set-up Costs

- The barriers to entry into the integrated manufacturing and retailing of home linen based on capital requirements (excluding land and building) are **moderate**.
- The capital and set-up cost can be broken down into the following:



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Retailing

The capital cost of setting-up a retail store in a shopping complex of approximately 2,500 square feet would require approximately RM500,000, which would include:

- Renovation	=	RM200,000
- Stocks	=	RM150,000
- Working capital such as rental	=	RM150,000

This small retail operation is estimated to generate approximately RM1.5 million per year.

Manufacturing

The capital cost of setting-up a medium sized manufacturing plant to produce home linen would be approximately RM6 million (excluding land and building). This would include the following:

- RM2 million of machinery and equipment including 2 units of cutter machines and 30 units of sewing and stitching machines;
- RM4 million of working capital including packing materials, three months working capital involving the purchase of fabrics and designs.

This size of establishment is expected to generate revenue of approximately RM20 million a year.

(Source: Yoong Onn Group)

- At this level of entry, which is small, the manufacturing plant is restricted in terms of capacity. Capital costs would start to escalate for those who want to generate a higher volume of output and achieve economies of scale. Larger operations are necessary to meet the demands of export countries.
- Smaller operators would also find it difficult to compete with larger manufacturers that have the benefits of economies of scale.

Cost of Building Brand Names

- An established brand name may form a barrier into the Home Linen Industry. This is mainly attributed to the fact that Home Linen is primarily a consumer item. As such, high brand equity is paramount in winning new customers as well as being able to price products at a premium.
- The cost of building a brand name requires constant investments in above and below the line advertisements, promotions and public relations. As such, the cost of building a brand name poses a significant barrier to entry for new entrants.

Distribution Channels

- As with any consumer items, extensive retail distribution channels are important in ensuring that a manufacturer's products reach the end-consumers. It is common for a manufacturer to obtain retail space at hypermarkets and departmental stores. However a manufacturer that has its own specialty retail outlets will have an advantage in being able to obtain higher brand visibility and recognition.

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- Distribution channels could form a major barrier to entry for new entrants who may have difficulties in obtaining retail space from hypermarkets and departmental stores.

Track Record

- Track record also forms one of the barriers to entry for new entrants. It is unlikely that a new entrant without any track record will be able to compete effectively in the market particularly for the commercial market.
- An operator with a good track record as a reliable supplier of high quality products would be in a significantly better position in winning sales compared to new entrants.
- As such, track record would pose some barriers to entry for new entrants, as they may face some difficulties in gaining immediate access into the market.

Product Quality

- Quality is a critical factor in ensuring the ability to continually secure sales in the Home Linen industry. The success of a manufacturer depends on its ability to meet the quality standards and expectations of consumers and commercial customers.
- As with most consumer items, proven durability of products are also important and in the case of home linen, there is an expectation that the end-product does not deteriorate rapidly after repeated washing and use.
- As such, manufacturers that are able to meet the quality expectations of consumers and commercial customers are in a stronger position to compete effectively.

Technical Skills and Knowledge

- Technical skills and knowledge are required in the manufacturing of home linen. These include the following:
 - Design of home linen;
 - Sewing, stitching and embroidery techniques;
 - Seam construction.
- The in-house design capability of a manufacturer is critical to ensure that the end-product is visually appealing, and is in line with consumers trends in terms of colour, texture, functionality and aesthetics. Larger and more established manufacturers are more likely to have in-house design development capabilities compared to smaller manufacturers.
- Technical knowledge is required in the sewing, stitching and embroidery techniques used on home linen. Different types of sewing and stitching techniques are used depending on the design, decorative and/or functional applications.
- Seam construction is also paramount to ensure the strength and durability of the home linen. This is where technical knowledge and skills are required to determine the choice of thread size, type of thread fibre, the number of stitches per inch to be used depending on the fabric type and weight.



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- There are also various types of fibres, yarns and fabrics that could be used in the manufacturing of home linen and bedding accessories, hence a broad knowledge of these materials are essential for selecting the right type of materials for its applications.
- The technical skills and knowledge required in the manufacturing of home linen may pose as a barrier to entry for new entrants.

13. Vulnerability and Reliance on Imports

- Generally, the Home Linen Industry is somewhat reliant on the imports of certain types of fabrics and fibres as raw materials for the manufacturing of home linen and bedding accessories. As at July 2009, there were two companies producing polyester staple fibres and nine companies manufacturing yarns in Malaysia (*Source: Malaysian Industrial Development Authority*).
- However Malaysia continues to be an importer of the following types of fabrics and fibres and this is supported by the following import statistics:
 - In 2008, Malaysia's import value of cotton fabrics, woven (not including narrow or special fabrics) amounted to RM273.8 million.
 - In 2008, Malaysia's import value of fabrics, woven, of man-made textile materials (not including narrow or special fabrics) amounted to RM616.9 million.
 - In 2008, Malaysia's import value of textile fabrics, woven amounted to RM146.3 million.
 - In 2008, Malaysia's import value of textile fibres (other than wool tops) and their waste*, (including cotton, synthetic fibres for spinning, raw or processed jute and other textile bast fibres not elsewhere specified but not spun) amounted to RM967.3 million.
**Not manufactured into yarn or fabric*
 - In 2008, Malaysia's import value of synthetic fibres for spinning (a sub-sector of textile fibres amounted to RM194.3 million.
(Source: Department of Statistics)
- Although there is a certain dependency on imported fabrics and fibres, these are widely produced and can be easily sourced from various countries overseas.



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14. Industry Outlook

- In light of the current global financial crisis that has impacted on the local economy, the outlook of the Home Linen Industry in Malaysia may be challenging in the short to medium term.
- Real GDP growth slowed to 0.1% during the fourth quarter of 2008, compared to the real GDP growth of 4.7% during the third quarter of 2008. Overall, the Malaysian economy recorded a real GDP growth of 4.6% for the year 2008, compared to 6.3% in 2007.
- The Malaysian economy contracted at a slower rate of 3.9% in the second quarter of 2009, due mainly to higher public spending and positive growth in private consumption. Nonetheless, growth continued to be affected by weak external demand and private investment activity. Reflecting continued sluggish global economy, real net exports of goods and services declined by 0.7%. On the supply side, all economic sectors registered improved performance. (Source: Bank Negara Malaysia). According to the Budget 2010 speech made by the Malaysian Prime Minister, YAB Dato' Sri Mohd. Najib Tun Abdul Razak, Malaysia's real GDP growth for 2009 has been revised to -3.0%.
- A slowdown in the Malaysian economy may lead to a reduction in consumer spending on household items such as home linen.
- The Malaysian Government's additional stimulus packages may be able to mitigate some of the negative impact of the global financial crisis on the local economy. The Government's effort in stimulating the economy may also support consumer spending by boosting consumer confidence.
- As there are no direct statistics available on the local production, import and export of home linen specifically, the following statistics will be used as a proxy for the performance of the Home Linen Industry in Malaysia.

Local Production and Retail Sales

- Between 2002 and 2006, the gross output value of the manufacture of made-up textile articles, except apparel increased at an average annual rate of 15.8%. In 2006, the gross output value of the manufacture of made-up textile articles, except apparel increased by 55.5% to RM340.8 million.
- Between 2003 and 2007, the sales value of the retail of textiles, linens, towels and blankets decreased at an average annual rate of 3.7%. However, in 2007, the sales value of the retail of textiles, linens, towels and blankets increased by 19.9% to reach RM1.5 billion.

(Source: Department of Statistics)



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Import

- Between 2004 and 2008, the import value of made-up articles, wholly or chiefly of textile materials, not elsewhere specified grew at an average annual rate of 16.4%. In 2008, the import value of these types of products increased by 7.3% to reach RM325.3 million.
- Between 2004 and 2008, the import value of bed linen, table linen, toilet linen and kitchen linen (a sub-sector of made-up articles, wholly or chiefly of textile materials, not elsewhere specified) grew at an average annual rate of 20.8%. In 2008, the import value of these types of products increased by 0.3% to reach RM113.7 million.
- Between 2004 and 2008, the import value of curtains (including drapes) and interior blinds, curtain or bed valances (a sub-sector of made-up articles, wholly or chiefly of textile materials, not elsewhere specified) increased at an average annual rate of 14.5%. However, in 2008, the import value of this category of products decreased by 25.3% to RM28.3 million.
- Between 2004 and 2008, the import value of mattress supports, articles of bedding and similar furnishing fitted with springs or stuffed or internally fitted with any material or of cellular rubber or plastics, whether or not covered (including mattresses, pillows, eiderdowns, quilts and cushions) increased at an average annual rate of 18.9%. In 2008, the import value of these products registered a growth of 6.8% to reach RM76.6 million.

(Source: Department of Statistics)

Export

- Between 2004 and 2008, the export value of made-up articles, wholly or chiefly of textile materials, not elsewhere specified registered an average annual growth rate of 14.1%. In 2008, the export value of these products increased marginally by less than 1.0% to reach RM263.4 million.
- Between 2004 and 2008, the export value of bed linen, table linen, toilet linen and kitchen linen (a sub-sector of made-up articles, wholly or chiefly of textile materials, not elsewhere specified) registered an average annual growth rate of 13.1%. However, in 2008, the export value of this type of products decreased by 29.1% to RM78.8 million.
- Between 2004 and 2008, the export value of curtains (including drapes) and interior blinds, curtain or bed valances grew at an average annual rate of 29.5%. However, in 2008, the export value of this type of products declined by 39.4% to RM15.5 million.
- Between 2004 and 2008, the export value of mattress supports, articles of bedding and similar furnishing fitted with springs or stuffed or internally fitted with any material or of cellular rubber or plastics, whether or not covered (including pillows, eiderdowns, quilts and cushions) increased at an average annual rate of 13.2%. In 2008, the export value of these products grew by 13.4% to reach RM241.4 million.

(Source: Department of Statistics)



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15. Drivers of Growth

- Some of the drivers of growth for the Home Linen Industry are as follows:
 - **Population growth and increasing consumer affluence** would stimulate demand for necessity items such as home linen which includes bed linen, bath linen and other linen for household use. This is supported by the fact that in 2009, the population of Malaysia is expected to increase by 2.2% to reach 28.3 million. (Source: Bank Negara Malaysia) In addition, the continuing growth in Malaysia's mean monthly gross household income would increase affordability and spending on household items.
 - **Export market demand** would continue to provide significant growth opportunities for local manufacturers. Manufacturers that produce their own brand of home linen are in a stronger position to capitalise on export market opportunities. In 2008, the export value of bed linen, table linen, toilet linen and kitchen linen (a sub-sector of made-up articles, wholly or chiefly of textile materials, not elsewhere specified) amounted to RM78.8 million.
 - **Growth in the residential housing sector** would provide the impetus for growth in the Home Linen Industry. The growth in new residential developments would also create demand for home linen products such as bed linen and bath linen.

16. Threats and Risk Analysis

16.1 Competition from Imports

- Imported home linen from low cost producing countries such as China presents increasing competition for local manufacturers of home linen.

Mitigating Factors

- Local manufacturers that have their own brands of home linen will have a distinct advantage by cultivating customer loyalty and brand recognition. Branding will also enable manufacturers to capitalise on opportunities for premium pricing and product extension.
- Competition may be more intense for the lower priced home linen products, however manufacturers with higher quality products that are targeting the medium to higher end of the market will be able to move away from this competition.

16.2 Foreign Exchange Risks

- Fluctuations in foreign exchange rates will have an impact on prices of imported raw materials as well as export earnings.



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- This may have an impact on the profitability of manufacturers in the Home Linen Industry. An unfavourable foreign exchange movement against the Ringgit would either reduce consumer demand as prices would need to be increased or manufacturer's profitability would suffer if they decide to absorb the price increases.

Mitigating Factors

- The exchange rate of the Ringgit now operates on a managed float following the removal of the exchange rate peg to the US Dollar on 21 July 2005. Bank Negara Malaysia will now monitor the value of the Ringgit relative to a trade-weighted index of Malaysia's major trading partners. Promoting stability of the exchange rate remains a primary policy objective (*Source: Bank Negara Malaysia*).
- Bank Negara Malaysia's primary policy objective of promoting the stability of the exchange rate will provide some mitigation against foreign currency risk.
- An operator that earns revenue denominated in a foreign currency may be able to mitigate against foreign exchange risk by using its foreign currency earnings to pay for purchases denominated in the same foreign currency. This could provide some natural hedging against foreign exchange fluctuations.

16.3 Global Financial Crisis

- Any prolonged and/or widespread downturn such as those of the recent global financial turmoil has affected the global and Malaysian economies. Home linen is consumer-based product and any downturn in the local and global economies will reduce disposable income and consumer confidence. This will in turn reduce consumer spending on such products.

Mitigating Factors

- As home linen is regarded as a necessity product for the household, it is likely that consumer spending on these types of products will still continue, albeit at a lower expenditure during an economic slowdown.
- Operators with strong product quality, financial stability, extensive and established distribution network and a diverse range of products would have better capability in surviving the impact of a slowdown in the economy.
- In addition, operators that export their products overseas will effectively diversify some of their dependency on the local economy.

16.4 Dependency of the Supply of Raw Materials

- The manufacture of home linen is ultimately dependent on the availability of major raw materials such as fibres, yarns and fabrics. Shortage in the supply of one of more major raw materials may lead to a disruption in the manufacturing operations.

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Mitigating Factors

- According to the Malaysian Industrial Development Authority, there are two companies producing polyester staple fibres and nine companies manufacturing yarns in Malaysia.
- In addition, fibres, yarns and fabrics are widely produced and can be sourced from numerous countries overseas. Therefore any possible interruptions in supply are minimised.

17. Areas of Growth and Opportunities**17.1 New Export Markets**

- There are significant opportunities for manufacturers of home linen to expand into export markets. This is supported by the fact that the export value of bed linen, table linen, toilet linen and kitchen linen registered an average annual growth rate of 13.1% between 2004 and 2008.

(Source: Department of Statistics)

- In 2008, Malaysia's major export markets for bed linen, table linen, toilet linen and kitchen linen include among others, Singapore, Japan, Taiwan, China, United Arab Emirates, Turkey, the United States, Hong Kong and Mexico.

(Source: Department of Statistics)

- The continuing growth in the export of home linen indicates a strong export market demand, which creates opportunities for local manufacturers of home linen.

17.2 Building Brand Equity

- Branding and development of brand equity is important in the Home Linen Industry for manufacturers who wish to command a premium for their products. Apart from product designs and quality, branding is important in enabling manufacturers to distinguish themselves from competitors and cultivate customer loyalty.
- There are opportunities for local operators to build strong brand equity by focusing on marketing, promotions and brand development.

17.3 Franchising

- Within the Home Linen Industry, there are opportunities for franchising of retail outlets. This system enables operators to expand the number of retail outlets without the need for capital investment or involvement in direct management and operations.
- As the range of home linen is mainly sourced and supplied by the main franchisors, product quality, image and marketing will be centrally controlled.

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- Franchising systems not only provide franchisors with royalties, but also increased brand recognition and development of a wide distribution network of resellers.
- Franchising systems are also exportable, thereby providing incremental profits beyond the local market. Local home linen manufacturers that have developed a successful brand of retail outlets would be able to optimise from this franchising system.

18. Critical Success Factors

- The critical success factors for manufacturers of home linen are as follows:
 - **Wide Distribution and Retail Network:** As home linen is a consumer-based product, an extensive distribution network is critical to ensure that the products reach the consumers. Manufacturers with a diversified distribution channel including departmental stores, hypermarkets, and own specialty retail outlets will have a stronger market presence which is critical for continuing sales and growth.
 - **Branding** is critical to the success of consumer-based products such as home linen. Manufacturers that have their own brands of home linen can maximise from brand equity without the need to pay third party royalties. More importantly, having control over brand names enable manufacturers to sell its products locally and globally without any constraints. This is also where continuing investments in marketing and promotions are important to facilitate brand awareness, recognition and brand loyalty.
 - **Diverse Range of Home Linen Products:** Manufacturers with a diverse range of products are in a better position to provide convenience to its customers as a one-stop supply centre for home linen including bed linen, bath and kitchen linen, curtains, floor coverings and bedding accessories. The diversity of products will also provide opportunities for cross-selling thereby earning higher sales as well as reducing the unit cost of marketing and distribution.
 - **In-house Design Centre** is a critical success factor that enables manufacturers to have the capability to design and develop completely original and proprietary designs. The design of home linen is an important differentiating factor and manufacturers that are able to react quickly to changing market and consumer trends will have an advantage over those that are solely dependent on external design houses.



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19. Market Position, Size and Share

19.1 Market Position

- Based on Yoong Onn Group's total revenue of RM130.1 million for the financial year ended 30 June 2009, Yoong Onn Group is one of the major companies involved in the manufacture and/or specialised retailing of home linen and homeware in Malaysia in 2009. (Source: Primary Market Research undertaken by Vital Factor Consulting Sdn Bhd)

19.2 Market Size

- In 2008, the market size of household textiles (including home linen) in Malaysia was estimated at **RM600 million** based on the average household expenditure. (Source: Department of Statistics and computed by Vital Factor Consulting Sdn Bhd)

19.3 Market Share

- In 2008, Yoong Onn Group's market share of the household textiles (including home linen) in Malaysia was approximately **22%** based on the Group's revenue of RM130.1 million for the financial year ended 30 June 2009. (Source: Primary Market Research undertaken by Vital Factor Consulting Sdn Bhd)

Vital Factor Consulting Sdn Bhd has prepared this report in an independent and objective manner and has taken all reasonable consideration and care to ensure the accuracy and completeness of the report. It is our opinion that the report represents a true and fair assessment of the industry within the limitations of, among others, secondary statistics and information, and primary market research. Our assessment is for the overall industry and may not necessarily reflect the individual performance of any company. We do not take any responsibilities for the decisions or actions of readers of this document. This report should not be taken as a recommendation to buy or not to buy the shares of any company.

Yours sincerely

Wong Wai Ling
Director

16. VALUATION CERTIFICATE

(Prepared for inclusion in this Prospectus)



HENRY BUTCHER MALAYSIA
International Asset Consultants

Our Ref. : V/NS/A6054/08/SWH
Date : 10 November 2009

The Board of Directors
Yoong Onn Corporation Berhad
Suite 13A.01 (A) Level 13A
Wisma Goldhill
67 Jalan Raja Chulan
50200 Kuala Lumpur

Dear Sir,

CERTIFICATE OF VALUATION OF A FACTORY COMPLEX ERECTED ON LOT NO. 10611-10613, MUKIM OF SETUL, DISTRICT OF SEREMBAN, STATE OF NEGERI SEMBILAN BEARING A POSTAL ADDRESS OF NO. PT 16690-16692, JALAN PERMATA 2, ARAB-MALAYSIAN INDUSTRIAL PARK, 71800 NILAI, NEGERI SEMBILAN DARUL KHUSUS ("PROPERTY")

This valuation certificate has been prepared for the purpose of inclusion in this Prospectus in conjunction with the listing of Yoong Onn Corporation Berhad ("YOOCB") on the Main Market of Bursa Malaysia Securities Berhad.

In accordance with the instruction from Syarikat Yoong Onn Sdn. Bhd. ("SYOSB"), a wholly-owned subsidiary company of YOOCB, we have inspected the Property and details of the valuation are contained in our valuation report bearing Reference No.: V/NS/A6054/08/SWH, dated 31 October 2008.

The basis of valuation adopted is the **Market Value** which is defined as "estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

We have adopted the "Cost Method" and "Comparison Method" in formulating our opinion of the Market Value of the Property. As a check, we have also adopted the "Investment Method".

The valuation had been carried out in accordance with the Asset Valuation Guidelines issued by the Securities Commission ("SC") and in compliance with the Manual of Malaysian Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia and with the necessary professional responsibilities and due diligence. The total Market Value assessed for the Property is RM24,300,000.

HENRY BUTCHER MALAYSIA (NS) Sdn Bhd (553971-D)
No. 55, First Floor, Jalan Dato' Bandar Tunggal, 70000 Seremban, Negeri Sembilan.
tel : 606 761 8681 (Hunting Line) • fax : 606 761 8687 • e-mail : hbns@tm.net.my
www.henrybutchermalaysia.com



16. VALUATION CERTIFICATE (Cont'd)



Brief details of the Property as extracted from the valuation report are as follows:

Date of Valuation	16 September 2008			
Asset Identification	Details of Title Built on three (3) parcels of freehold land under GRN 128807, GRN 128808, GRN 128809, Lot 10611, Lot 10612, Lot 10613, Mukim of Setul, District of Seremban, Negeri Sembilan Darul Khusus			
	Location / Address PT 16690-16692, Jalan Permata 2, Arab-Malaysian Industrial Park, 71800 Nilai, Negeri Sembilan Darul Khusus			
	Tenure Term in Perpetuity (Freehold)			
	Category of Land Use Industrial			
	Registered Owner SYOSB			
General Description of Asset	Description Three (3) adjoining industrial lands erected with a factory complex which comprises the following buildings:			
	No.	Main building and its construction	Approximate Gross floor area (square feet)	Date of issuance of certificate of fitness for occupation
	(i)	A single storey factory Constructed of reinforced concrete framework, reinforced concrete floor, plastered brickwalls with corrugated galvanised metal / transparent cladding above, supporting a metal roof structure covered with corrugated metal roofing sheets with ridge ventilator.	114,313	16 October 2000
	(ii)	An annexed double storey office Constructed of reinforced concrete framework with infill plastered brickwalls supporting metal deck / flat concrete roof. The façade is cover with "Alucobond" wall cladding or metal framed fixed glass panels.	23,599	16 October 2000
	(iii)	Fibre plant Constructed of reinforced concrete framework, reinforced concrete floor, plastered brickwalls with corrugated galvanised metal / transparent cladding above, supporting a metal roof structure covered with corrugated metal roofing sheets with ridge ventilator.	14,854	16 October 2000
	(iv)	Two warehouses (warehouse A and B) Single storey structure constructed of reinforced concrete framework, reinforced concrete floor, plastered brickwalls up to 3 metres with corrugated galvanised metal/transparent cladding above, supporting a metal roof structure covered with corrugated metal roofing sheets with ridge ventilator.	19,375 (each)	2 October 2002 and 6 March 2007, respectively
	Note: There are some smaller buildings which have not been listed and described here.			
	Approximate Land Area 405,121 square feet			
	Occupancy / Tenancy i) Whole Factory (save for warehouse B): Tenanted to Sleep Focus Sdn. Bhd. from 1 January 2006 to 31 December 2008. Tenancy was further extended for another year ending 31 December 2009. ii) Warehouse B: Tenanted to Elegant Total Home Sdn. Bhd. from 1 June 2007 to 30 June 2009. Tenancy was further extended for another year ending 31 May 2010.			
	Planning Details The Property is designated for industrial use.			
Market Value	Method of Valuation Cost, Comparison and Investment Methods			
	Market Value RM24,300,000			

16. VALUATION CERTIFICATE (Cont'd)



Our findings from Jabatan Penilaian dan Perkhidmatan Harta (“JPPH”) revealed that there are three (3) transactions of vacant industrial land within the subject scheme. We also noted that there is an asking price. Land value working is as follows:

Comparables	1	2	3	4
Lot no.	10618	10640	10671	8299
Type	Industrial land	Industrial land	Industrial land	Industrial land
Date of transaction	12 May 2008	16 May 2008	17 July 2008	September 2008
Land area (square feet)	49,212.55	49,212.55	96,713.64	130,680.00
Consideration	RM 728,346	RM728,346	RM1,400,000	-
Analysis (per square foot)	RM14.80	RM14.80	RM14.50	-
Remarks				Asking price at RM16 to RM17 per square foot negotiable. High ground.
Adjusted land value (per square foot)	RM16.28	RM16.28	RM16.65	RM18.56
Remarks on adjustment value	Adjustment on size and site improvement made.	Adjustment on size and site improvement made.	Adjustment on size and site improvement made.	Adjustment on size, terrain, site improvement and negotiation made.

The adjusted land values for the three (3) transacted comparables ranges from RM16.28 to RM16.65 per square foot (“psf”). We have not considered the last comparable as it involves more adjustments and hence reduced its accuracy. In this valuation exercise, we have adopted improved land value of about RM16.45 psf for the Property.

For building value, we have considered prevailing construction cost of about RM103 to RM134 psf (excluding preliminaries and contingencies) of similar industrial premises. In this valuation exercise, estimated cost for the main buildings is taken at about RM100 to RM110 psf. As the subject buildings are not new, depreciation has been allowed to reflect age and repair factors.

Market Value derived from Comparison Method is **RM24,300,000.00** (Ringgit Malaysia Twenty Four Million and Three Hundred Thousand Only)

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16. VALUATION CERTIFICATE (Cont'd)



As for Investment Method, our investigation reveals that the asking rental of comparable industrial properties within the immediate locality ranged from RM0.80 per square foot to RM1.00 per square foot on built up area whilst vacant industrial land's asking rental is approximately RM0.10 per square foot. For the purpose of this valuation exercise, we have allowed some discount from the asking price to arrive at the estimated rental.

Gross monthly rental are estimated as follows:

Item	Built up / land area square feet	Estimated rental per square foot	Amount RM
All buildings (excluding vehicles parking sheds and pump room)	202,925	RM0.80	162,340
Vacant land of about 4,000 square metres (43,056 square feet) to the south of warehouse B	43,056	RM0.09	3,875
Monthly Gross Rental			166,215
Annual Gross Rental (Full Rental Value ("FRV"))			1,994,580

Outgoings, such as property tax, repairs and maintenance, insurance and management fee are then deducted from the annual rental income. The net annual rental income is capitalised at an appropriate current market yield to arrive at its indicative capital value. The parameters considered for the investment method are as follows:

Item	Amount / rate adopted	Remark
Outgoings	RM160,492	Based on actual quit rent, assessment and insurance paid. Repairs and maintenance based on 5% of FRV whilst management fee on government approved scale fee with 30% discount.
Voids	10% of FRV	Long term void to reflect period without tenant and rent free or renovation period.
Years' Purchase in perpetuity	Yield at 7.5%	Yield adopted is based on analysis of similar properties within the locality, derived from dividing annual rental with market price.

Market value using Investment Method is RM22,600,000. However, there is a limitation of information on concluded rental as most of the factories in the scheme are individually built and owner occupied. As such, it has reduced reliability of the Investment Method as compared to Comparison Method. In this valuation exercise, we have adopted the "Cost Method" and "Comparison Method" in formulating our opinion of the Market Value of the Property.

The Property was inspected and referenced on 16 September 2008. It is our considered opinion that the Market Value of the unencumbered interest in the Property with the benefit of vacant possession is **RM24,300,000 (Ringgit Malaysia: Twenty Four Million and Three Hundred Thousand Only)**.

Yours faithfully,

HENRY BUTCHER MALAYSIA (NS) SDN BHD

SHEW WENG HONG
Registered Valuer (V-505)

17. DIRECTORS' REPORT



Date : 30 November 2009

Suite 13A.01 (A), Level 13A
Wisma Goldhill
67 Jalan Raja Chulan
50200 Kuala Lumpur

To : **The Shareholders of Yoong Onn Corporation Berhad ("YOCB")**

On behalf of the Board of Directors of YOCB, I report after due enquiry, that during the period from 30 June 2009 (being the date to which the last audited financial statements of YOCB and its subsidiaries ("Group") have been made up) to the date of this letter (being the date not earlier than fourteen (14) days before the date of issue of this Prospectus), that:

- (a) the business of our Group has, in the opinion of the Directors, been satisfactorily maintained;
- (b) in the opinion of the Directors, no circumstances have arisen since the last audited financial statements of our Group, which have adversely affected the trading or the value of the assets of our Group;
- (c) the current assets of our Group appear in the books at values, which are believed to be realisable in the ordinary course of business;
- (d) save as disclosed in this Prospectus, there are no contingent liabilities by reason of any guarantees or indemnities given by our Group;
- (e) there has been since the last audited financial statements of our Group, no default or any known event that could give rise to a default situation, in respect of payments of either interest and / or principal sums in relation to any borrowings in, which the Directors are aware of; and
- (f) save as disclosed in this Prospectus, there has been, since the last audited financial statements of our Group, no material changes in the published reserves or any unusual factors affecting the profits of our Group.

Yours faithfully
For and on behalf of the Board of Directors of
YOONG ONN CORPORATION BERHAD


CHEW HON FOONG
Managing Director and Group Chief Executive Officer

Head Office : Lot No. PT 16690 - 16692, Jalan Permata 2, Arab-Malaysian Industrial Park, 71800 Nilai, Negeri Sembilan, Malaysia.
Tel : (606) 799 6012 (12 lines) **Fax :** (606) 799 7015 / 799 6520

Wholesale : No. 27 - 35, Jalan 11/118B, Desa Tun Razak, Cheras, 56000 Kuala Lumpur, Malaysia.
Tel : (603) 9172 5012 / 9172 6536 / 9172 4190 / 9172 3851 **Fax :** (603) 9172 5015 / 9173 6715

18. ADDITIONAL INFORMATION

18.1 Share Capital

- (i) No Shares will be allotted or issued on the basis of this Prospectus later than twelve (12) months after the date of issue of this Prospectus.
- (ii) There is no founder, management or deferred shares in our Company. We have only one class of shares in our Company, namely ordinary shares of RM0.50 each, all of which rank *pari passu* with one another.
- (iii) Save as disclosed in Sections 5.3 and 5.6 of this Prospectus, no shares and / or debentures of our Company or our subsidiary companies have been issued or are proposed to be issued as fully or partly paid-up in cash or otherwise, within the two (2) preceding years from the date of this Prospectus.
- (iv) Other than the 6,500,000 Public Issue Shares reserved for our eligible Directors and employees, and other persons who have contributed to the success of our Group as disclosed in Section 3.5.1 of this Prospectus:
 - (a) no person including Directors or employees of our Group has been or is entitled to be given or has exercised any option to subscribe for any share or debenture of our Company or our subsidiary companies; and
 - (b) there is currently no other scheme involving our Directors and employees in the share capital of our Company or our subsidiary companies.
- (v) As at the date of this Prospectus, we do not have any convertible debt securities.

18.2 Articles of Association

The following provisions relating to the selective matters are reproduced from our Company's Articles of Association. Terms defined in our Articles of Association shall have the same meaning when used here unless they are otherwise defined here or the context otherwise requires.

The following clauses are extracted from our Company's Articles of Association:

(i) Transfer of Securities

The provision in YOCB's Articles of Association in respect of the arrangements for transfer of securities and restrictions on their free transferability are as follows:

Article 44

The transfer of any securities or class of listed securities of the Company shall be made by way of book entry by Bursa Depository in accordance with the rules of the depository and, notwithstanding Sections 103 and 104 of the Act, but subject to subsection 107C (2) of the Act and any exemption that may be made from compliance with subsection 107C (1) of the Act, the Company shall be precluded from registering and effecting any transfer of the listed securities.

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18. ADDITIONAL INFORMATION (Cont'd)

(ii) Remuneration of Directors

The provisions in YOCB's Articles of Association in respect of remuneration of Directors are as follows:

Article 111

Subject to these Articles, the fees of the Directors shall from time to time be determined by the Company in general meeting provided always:

- (a) Directors' fees payable to Directors not holding any executive office in the Company shall be a fixed sum and shall not be payable by a commission on or percentage of profits or turnover;
- (b) salaries payable to Directors holding any executive office pursuant to a contract of service need not be determined by the Company in general meeting but such salaries may not include a commission on or a percentage of turnover;
- (c) all remuneration payable to Directors shall be deemed to accrue from day to day;
- (d) fees payable to Directors shall not be increased except pursuant to a resolution passed by the Company in general meeting, where notice of the proposed increase has been given in the notice convening the meeting;
- (e) any fee paid to an alternate Director shall be agreed between him and his appointer and shall be deducted from his appointer's remuneration.

(iii) Voting and Borrowing Powers of Directors

The provisions in YOCB's Articles of Association in respect of the voting and borrowing powers of Directors including voting powers in relation to proposals, arrangements or contracts in which they are interested in, are as follows:

Article 126

Except as provided by Article 127, the Directors may exercise all the powers of the Company to borrow money of any sum or sums from any person, bank, firm or company and to mortgage or charge its undertaking, property and uncalled capital, and any part thereof and to issue debentures and other securities, whether as primary or collateral security for any debt, liability or obligation of the Company, its subsidiaries or any other party. The Directors may guarantee the whole or any part of the loans or debts raised or incurred by or on behalf of the Company or any interest payable thereon with power to the Directors to indemnify the guarantors from or against liability under their guarantees by means of a mortgage or hypothecation of or charge upon any property and asset of the Company or otherwise. The Directors may exercise all the powers of the Company to guarantee and give guarantees or indemnities for payment of money, the performance of contracts or obligations or for the benefit or interest of the Company or its subsidiaries.

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18. ADDITIONAL INFORMATION (Cont'd)

Article 127

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

Article 128

The Company shall keep a 'register of charges' in accordance with Section 115 of the Act. No fee shall be charged for any inspection of such register by a member or a creditor of the Company.

Article 145

Subject to these Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the secretary at the request of a Director shall, call a meeting of the Directors. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall (subject to Article 148) have a second or casting vote.

Article 148

When two (2) Directors form a quorum, the chairman of a meeting at which only such a quorum is present, or at which only two (2) Directors are competent to vote on the question at issue, shall not have a casting vote.

Article 152

Except as otherwise provided by these Articles, a Director shall not vote at a meeting of Directors or of a committee of Directors on any resolution concerning any contract, proposed contract, arrangement or other matter in which he has, directly or indirectly, a personal interest or duty which is material and which conflicts with the interests of the Company unless his interest or duty arises only because the case falls within one or more of the following paragraphs:

- (a) in a case where the contract or proposed contract relates to any loan to the company that he has guaranteed or joined in guaranteeing the repayment of the loan or any part of the loan; or
- (b) in a case where the contract or proposed contract has been or will be made with or for the benefit of or on behalf of a related corporation (where a corporation is the holding company of another corporation or a subsidiary of another corporation or a subsidiary of the holding company of another corporation, that first mentioned corporation and that other corporation shall for the purposes of the Act be deemed to be related to each other) - that he is a director of that corporation.

A Director shall be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

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18. ADDITIONAL INFORMATION (Cont'd)

(iv) Changes in Capital or Variation of Class Rights

The provisions in YOCB's Articles of Association in respect of the changes in capital and variation of class rights, which are no less stringent than those required by law, are as follows:

Article 11

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may (subject to Section 55 and 65 of the Act and whether or not the Company is being wound up) be varied or abrogated with:

- (a) the consent in writing of the holders of three-fourths of the issued shares of that class shall be valid and effectual as a special resolution carried at the meeting; or
- (b) the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.

To every such separate general meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, except that the necessary quorum shall be two (2) persons at least holding or representing by proxy one-third (1/3) of the issued shares of the class (but so that if at any adjourned meeting of such holders, a quorum is not present, the holders present, shall form a quorum), and any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution, Section 152 of the Act shall with such adaptations as are necessary apply.

Article 70

The Company may by ordinary resolution:

- (a) consolidate and divide all or any of its share capital into shares of larger amount;
- (b) (subject to Section 62(1) of the Act) subdivide its existing shares or any of them into shares of smaller amount; or
- (c) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Article 73

The Company may by special resolution reduce its share capital and any capital redemption reserve or share premium account in any manner authorised by law.

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18. ADDITIONAL INFORMATION (Cont'd)**Article 74**

Without prejudice to the rights attached to any existing shares or class of shares, the Company in general meeting may by ordinary resolution increase its capital by the creation of shares of such nominal amounts, and carrying such rights and restrictions, as the resolution specifies provided that where the capital of the Company consists of shares of different monetary denominations, voting rights (if specified in such resolution) 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.

18.3 Limitation on the Right to own Securities

There is no limitation on the right to own securities including limitation on the right of non-residents or foreign shareholders to hold or exercise their voting rights on our Shares.

18.4 Directors and Substantial Shareholders

- (i) The names, addresses and occupations of our Directors are set out in Section 1 of this Prospectus.
- (ii) A Director is not required to hold any qualification share in our Company unless otherwise so fixed by our Company at a general meeting.
- (iii) Save as disclosed in Section 8.4 of this Prospectus, no amount or benefits have been paid or intended to be paid or given to any of our Promoters, Directors or substantial shareholders within two (2) years preceding the date of this Prospectus.
- (iv) There are no existing or proposed service contracts between our Company or subsidiary companies, and our Directors or key management and key technical personnel.
- (v) Save as disclosed in this Prospectus, none of the Directors is 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 our Group's profits.
- (vi) Save as disclosed in Section 10 of this Prospectus, none of our Directors have any interest in any contract or arrangement subsisting at the date of this Prospectus in which our Directors or substantial shareholders are interested and which is significant in relation to the business of our Group as a whole.

18.5 Material Litigation / Arbitration

As at the LPD, save as disclosed below, our Company and our subsidiary companies are not engaged in any litigation or arbitration, either as plaintiff or defendant, which have a material effect on our Company or subsidiary companies' financial position and our Directors have no knowledge of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect our Company or subsidiary companies' financial position or business:

18. ADDITIONAL INFORMATION (Cont'd)

On 13 August 1998, SYOSB and YFR, filed a suit at the High Court of Malaya in Kuala Lumpur against Agenda Istimewa Sdn Bhd ("Agenda") for the refund of the deposit in the sum of RM520,150 together with the interest at the rate of 12% per annum, general damages and a declaration that the sale and purchase agreements entered into between SYOSB and Agenda and between YFR and Agenda for the purchase of four (4) industrial lots by SYOSB and one (1) industrial lot by YFR from Agenda were lawfully terminated and / or rescinded.

The trial of the suit was completed on 4 August 2009 and the Court delivered its decision on 27 October 2009. The Court dismissed the suit by SYOSB and YFR with costs and allowed Agenda's counter-claim for a declaration that the sale and purchase agreements were lawfully terminated and / or rescinded by Agenda and awarded in favour of Agenda special damages of RM520,150, general damages for breach of contract, and 8% interest per annum on the sum due and payable to Agenda and costs.

On 28 October 2009, SYOSB and YFR had given instructions to their solicitors to file an appeal and stay of proceedings against the High Court Judge's decision dated 27 October 2009.

18.6 Material Contracts

Save as disclosed below, we have not entered into any material contracts, which are not contracts entered into in the ordinary course of business during the two (2) years preceding the date of this Prospectus:

- (i) On 9 January 2009, YOCB entered into a SSA with the vendors of ETHSB, MSB, SFSB and SYOSB, namely Chew Hon Foong, Chew Hon Keong, Chew Hon Yoong, Chew Hon Yoon, Chew Fui Ngee, Chow Siew Sen, Dang Chee Wai and Loo Lai Yoke in relation to the Acquisitions for a total consideration of RM47,414,628; and
- (ii) On 4 November 2009, YOCB and the Offerors entered into a conditional underwriting agreement with the Underwriters to underwrite 11,300,000 Public Issue Shares available for application by the Malaysian Public, the eligible employees and other persons who have contributed to the success of our Group and 220,000 Offer Shares pursuant to Section 3.5.3(iv) of this Prospectus for an underwriting commission of 2.0% of the IPO Price multiplied by the number of Public Issue Shares and Offer Shares underwritten by each of the respective Underwriters. The Managing Underwriter's fees is also payable by us and the Offerors at a rate of 0.5% of the IPO Price multiplied by the total number of Public Issue Shares and Offer Shares underwritten.

18.7 General Information

During the last financial year and the current financial year up to the date of this Prospectus:

- (i) there were no public take-over offers by third parties in respect of our Shares; and
- (ii) there were no public take-over offers by us in respect of other company's shares.

18. ADDITIONAL INFORMATION (Cont'd)**18.8 Consents**

- (i) The written consents of the Adviser, Managing Underwriter, Underwriters and Sole Placement Agent, Company Secretaries, Principal Bankers, Solicitors of the IPO, Issuing House and Share Registrar to the inclusion in this Prospectus of their names and all references 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.
- (ii) The written consent of Messrs. Horwath, the Auditors and Reporting Accountants to the inclusion in this Prospectus of its name, Accountants' Report and letters relating to our proforma consolidated financial information and all references in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus, and has not subsequently been withdrawn.
- (iii) The written consent of Vital Factor Consulting Sdn Bhd, the Independent Business and Market Research Consultant to the inclusion in this Prospectus of its name, Executive Summary of the IMR Report and extracts of the said Executive Summary of the IMR Report and all references in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus, and has not subsequently been withdrawn.
- (iv) The written consent of Henry Butcher Malaysia (NS) Sdn Bhd, the Independent Valuer to the inclusion in this Prospectus of its name and valuation certificate in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus, and has not subsequently been withdrawn.

18.9 Responsibility Statements

- (i) Our Directors and the Promoters / Offerors have seen and approved this Prospectus, and they collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm, after having made all reasonable enquiries, that to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement in this Prospectus false or misleading.
- (ii) PIVB being the Adviser, Managing Underwriter, Underwriter and Sole Placement Agent, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the IPO.

18.10 Documents Available for Inspection

Copies of the following documents may be inspected at our Registered Office during normal business hours for a period of twelve (12) months from the date of this Prospectus:

- (i) our Memorandum and Articles of Association;
- (ii) the Accountants' Report and Directors' Report as set out in Sections 14 and 17 of this Prospectus respectively;
- (iii) the Reporting Accountants' Letters relating to our proforma consolidated financial information for the FYE 30 June 2009 as set out in Section 12.5 of this Prospectus;
- (iv) the IMR Report together with the executive summary of the IMR Report as set out in Section 15 of this Prospectus;

18. ADDITIONAL INFORMATION (Cont'd)

- (v) the valuation report together with the valuation certificate as set out in Section 16 of this Prospectus;
- (vi) the material contracts as set out in Section 18.6 of this Prospectus;
- (vii) the letters of consent referred to in Section 18.8 of this Prospectus;
- (viii) writ and relevant cause papers in relation to the material litigation referred to in Section 18.5 of this Prospectus;
- (ix) the audited financial statements of YOCSB for the financial period from 17 April 2008 (being the date of incorporation of YOCSB) to 30 June 2008 and the FYE 30 June 2009;
- (x) the audited financial statements of ETHSB for the past five (5) financial years up to the FYE 30 June 2009;
- (xi) the audited financial statements of MSB for the past five (5) financial years up to the FYE 30 June 2009;
- (xii) the audited financial statements of SFSB for the past five (5) financial years up to the FYE 30 June 2009; and
- (xiii) the audited financial statements of SYOSB for the past five (5) financial years up to the FYE 30 June 2009.

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19. PROCEDURES FOR APPLICATION AND ACCEPTANCE

19.1 Opening and Closing of Application

The Application will open at 10.00 a.m. on 3 December 2009 and will remain open until 5.00 p.m. on 10 December 2009 or for such further periods as our Directors together with the Underwriter in their absolute discretion may mutually decide. Late applications will not be accepted.

19.2 Methods of Application

Your application for the IPO Shares may be made using any of the following:

- (i) Application Forms; or
- (ii) Electronic Share Application; or
- (iii) Internet Share Application.

19.3 General Conditions for Applications

This Application shall be made in connection with and subject to the terms of this Prospectus and our Memorandum and Articles of Association.

(i) **Application by the Malaysian Public and Bumiputera public**

Applications for our 6,000,000 Public Issue Shares made available for application by the Malaysian Public and the remaining 220,000 Offer Shares that were reallocated to the Bumiputera public pursuant to Section 3.5.3(i) of this Prospectus must be made only on the **WHITE** Application Forms provided or by way of Electronic Share Application through a Participating Financial Institution's ATM or Internet Share Application through the Internet Participating Financial Institution. A corporation or institution cannot apply for shares by way of Electronic Share Application through a Participating Financial Institution's ATM or Internet Share Application through the Internet Participating Financial Institution.

(ii) **Application by the eligible Directors, employees and other persons who have contributed to the success of our Group**

Applications for our 6,500,000 Public Issue Shares reserved for the eligible Directors, employees and other persons who have contributed to the success of our Group must be made only on the **PINK** Application Forms provided and not on any other Application Forms or by way of Electronic Share Application through a Participating Financial Institution's ATM or Internet Share Application through the Internet Participating Financial Institution.

(iii) **Application by Private Placement to Selected Investors**

Applications for our 12,670,740 Public Issue Shares and 13,229,260 Offer Shares by private placement to selected investors must be made on the **BLUE** Application Forms provided, and **NOT** on any other Application Form or by way of Electronic Share Application through a Participating Financial Institution's ATM or Internet Share Application through the Internet Participating Financial Institution.

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19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

(iv) Application by way of Private Placement to Bumiputera investors approved by MITI

Applications for our 11,780,000 Offer Shares by way of private placement to Bumiputera investors approved by MITI must be made on the BLUE Application Forms provided, and NOT on any other Application Form or by way of Electronic Share Application through a Participating Financial Institution's ATM or Internet Share Application through the Internet Participating Financial Institution.

We will only consider one Application Form from you and applications must be for 100 ordinary shares or multiples thereof. **Multiple applications will not be accepted. We wish to caution you that if you submit multiple applications 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 Capital Markets and Services Act 2007 ("CMSA") and if convicted, may be punished with a minimum fine of RM1,000,000 and to a jail term of up to ten (10) years under Section 182 of the CMSA.**

The amount payable in full on application is RM0.88 per Share.

If you submit applications by way of Application Form, you **may not** submit applications by way of Electronic Share Application or Internet Share Application and vice versa.

Persons submitting applications by way of Application Form or by way of Electronic Share Application or Internet Share Application **must have a CDS Account.**

Corporation or institution cannot apply for the Shares by way of Electronic Share Application or Internet Share Application.

Your applications shall be made in relation with and subject to the terms of this Prospectus and our Memorandum and Articles of Association.

IF YOU ARE AN INDIVIDUAL APPLICANT OTHER THAN A MEMBER OF THE ARMED FORCES OR POLICE, YOUR NAME AND YOUR NATIONAL REGISTRATION IDENTITY CARD NUMBER MUST BE EXACTLY THE SAME AS STATED IN:

- (i) (a) YOUR NATIONAL REGISTRATION IDENTITY CARD;
 - (b) YOUR RESIT PENGENALAN SEMENTARA ("JPN KP 09") ISSUED PURSUANT TO PERATURAN 5(5), PERATURAN-PERATURAN PENDAFTARAN NEGARA 1990; OR
 - (c) ANY VALID TEMPORARY IDENTITY DOCUMENT AS ISSUED BY THE NATIONAL REGISTRATION DEPARTMENT FROM TIME TO TIME; AND
- (ii) THE RECORDS OF BURSA DEPOSITORY.

IF YOU ARE A MEMBER OF ARMED FORCES OR POLICE, YOUR NAME AND YOUR ARMED FORCES OR POLICE PERSONNEL NUMBER, AS THE CASE MAY BE MUST BE EXACTLY THE SAME AS THAT STATED IN YOUR AUTHORITY CARD.

IN THE CASE OF A CORPORATE / INSTITUTIONAL APPLICANT, YOUR NAME AND YOUR CERTIFICATE OF INCORPORATION NUMBER MUST BE EXACTLY THE SAME AS THAT STATED IN YOUR CERTIFICATE OF INCORPORATION.

We and / or MIH shall make no acknowledgement of the receipt of applications or application monies.

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

19.4 Applications Using Application Forms**(i) Types of Application Forms**

The following Application Forms issued with the notes and instructions printed therein are accompanied by this Prospectus.

- (a) **WHITE** Application Forms for application by Malaysian Public;
- (b) **PINK** Application Forms for application by the eligible Directors and employees and other persons who have contributed to the success of our Group; and
- (c) **BLUE** Application Forms for application by places identified under the private placement and Bumiputera investors approved by the MITI in respect of the IPO Shares.

WHITE Application Forms together with copies of this Prospectus may be obtained, subject to availability from PIVB, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and MIH.

(ii) Terms and Conditions of Applications Using Application Forms

Applications by way of Application Forms shall be made on, and subject to, the terms and conditions appearing below:

- (a) Applicant who is an individual must be a Malaysian Citizen residing in Malaysia with Malaysian address. Applicants must have a CDS account.
- (b) Applicant which is a corporation / institution incorporated in Malaysia, with a CDS account and are subject to the following:
 - (i) If the corporation / institution has a share capital, more than half of your issued share capital (excluding preference share capital) is held by Malaysian citizens; and
 - (ii) There is a majority of Malaysian citizens on the board of Directors / trustee.
- (c) Applicant which is a superannuation, provident and pension fund established or operating in Malaysia and with a CDS account.
- (d) Applications will not be accepted from trustees, any person under 18 years of age, sole proprietorships, partnership or other incorporated bodies or associations, other than corporations / institutions referred to in Section 19.4(ii)(b) and (c) above or the trustees thereof.
- (e) You can apply for the Shares using relevant Application Forms issued together with this Prospectus and you must complete the Application Form in accordance with the Notes and Instructions printed on the reverse side of the Application Form and this Prospectus. In accordance with Section 232(2) of the CMSA, the Application Form together with the Notes and Instructions printed thereon are accompanied by this Prospectus. We will not accept your applications if they **do not strictly** conform to the terms of this Prospectus or Application Form or Notes and Instructions printed thereon or which are illegible.

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

(f) EACH COMPLETED APPLICATION FORM MUST BE ACCOMPANIED BY REMITTANCES IN RINGGIT MALAYSIA FOR THE FULL AMOUNT PAYABLE EITHER BY:

- BANKER'S DRAFT OR CASHIER'S ORDER purchased within Malaysia only and drawn on a bank in Kuala Lumpur (differentiated by a special red band for Bumiputera Applicants); OR
- MONEY ORDER OR POSTAL ORDER (for Applicants from Sabah and Sarawak only); OR
- GUARANTEED GIRO ORDER ("GGO") from Bank Simpanan Nasional Malaysia Berhad (differentiated by a special red band for Bumiputera Applicants); OR
- ATM STATEMENT OBTAINED FROM ANY OF THE FOLLOWING FINANCIAL INSTITUTIONS:
 - Affin Bank Berhad;
 - Alliance Bank Malaysia Berhad;
 - AmBank (M) Berhad;
 - CIMB Bank Berhad;
 - EON Bank Berhad;
 - Hong Leong Bank Berhad;
 - Malayan Banking Berhad;
 - Public Bank Berhad; or
 - RHB Bank Berhad.

MADE OUT IN FAVOUR OF:

"MIH SHARE ISSUE ACCOUNT NO: 477"

AND CROSSED "A / C PAYEE ONLY" (EXCLUDING ATM STATEMENTS) AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME AND ADDRESS.

WE WILL NOT ACCEPT YOUR APPLICATION WHICH IS ACCOMPANIED BY MODE OF PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCE OR INAPPROPRIATE BANKER'S DRAFT / CASHIER'S ORDER / MONEY ORDERS OR POSTAL ORDER / ATM STATEMENT / GGO. DETAILS OF THE REMITTANCE MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE APPLICATION FORMS.

(g) YOU MUST STATE YOUR CDS ACCOUNT NUMBER IN THE SPACE PROVIDED IN THE APPLICATION FORM.

(h) YOUR NAME AND ADDRESS, MUST BE WRITTEN ON THE REVERSE SIDE OF THE BANKER'S DRAFT, CASHIER'S ORDER, ATM STATEMENT, MONEY ORDER, POSTAL ORDER OR GGO FROM BANK SIMPANAN NASIONAL BERHAD.

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

- (i) Our Directors and / or Offerors reserve the right to require you, if you are successful in your application, to appear in person at the registered office of MIH at anytime within fourteen (14) days of the date of notice issued to you prior to the listing of and quotation for the ordinary shares on the Main Market of Bursa Securities to ascertain the regularity or propriety of your application. 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.
- (j) MIH acting on the authority of our Directors reserves the right to reject applications which do not conform to these instructions or which are illegible or which are accompanied by remittances improperly drawn.
- (k) MIH acting on the authority of our Directors reserves the right not to accept your application or to accept your application in part only without assigning any reason therefor. Due consideration will be given to the desirability of allocating our Public Issue Shares to a reasonable number of Applicants with a view of establishing an adequate market for the shares.
- (l) Where an Application is not accepted or accepted in part only, the full amount or the balance of the Application monies, as the case may be, without interest, will be returned and despatched to the applicant within ten (10) Market Days from the date of the final ballot of the Application by ordinary post to the Applicant's address last maintained with Bursa Depository or where the Application is not accepted due to the Applicant not having provided a CDS Account, to the address as per the National Registration Identity Card or "Resit Pengenalan Sementara (JPN KP 09)" or any valid temporary identity document as issued by the National Registration Department from time to time or Authority Card in the Case of Armed Forces / Police personnel where applicable in the case of individual applicants.
- (m) You shall ensure that your personal particulars as stated in the Application Form are identical with the records maintained by Bursa Depository. 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 or correspondence address last maintained with Bursa Depository.
- (n) MIH acting on the authority of our Directors reserves the right to bank in all application monies from unsuccessful Bumiputera Applicants and partially successful Applicants, which would subsequently be refunded without interest by ordinary post or registered post at your own risk.
- (o) Each completed Application Form accompanied by the appropriate remittance and legible photocopy of the relevant documents must be despatched by **ORDINARY POST** in the official envelopes provided, to the following address:

Malaysian Issuing House Sdn Bhd (258345-X)
27th Floor, Menara Multi-Purpose
Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur
P.O. Box 13269
50804 Kuala Lumpur

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

OR 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 December 2009 or such further period or periods as our Directors together with the Managing Underwriter in their absolute discretion may mutually decide.

We will not accept late applications.

- (p) Directors and employees of MIH and their immediate families are strictly prohibited from applying for our Shares.
- (q) **YOU MAY DIRECT ALL ENQUIRIES IN RESPECT OF THE WHITE APPLICATION FORM TO MIH.**

19.5 Applications Using Electronic Share Application**(i) Steps for Electronic Share Application through a Participating Financial Institution's ATM**

- (a) You must have an account with a Participating Financial Institution and an ATM card issued by that Participating Financial Institution to access the account;
- (b) You **must** have a CDS account; and
- (c) You can apply for our 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 19.5 (ii) in respect of the terms and conditions for Electronic Share Applications. You 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 No. 477;**
 - CDS account number;
 - Number of the shares applied for and / or the RM amount to be debited from the account; and
 - Confirmation of several mandatory statements.

(d) Participating Financial Institutions

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

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

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**(ii) Terms and Conditions for Electronic Share Application**

The procedures for Electronic Share Application at ATMs of the Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions ("Steps"). For illustration purposes, the procedures for Electronic Share Applications at ATMs are set out in "Steps for Electronic Share Application through a Participating Financial Institution's ATM" in Section 19.5(i) of this Prospectus. The Steps set out the actions that the Applicant must take at the ATM to complete an Electronic Share Application.

Please read carefully 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 "you" in the terms and conditions for Electronic Share Applications and the Steps shall mean the Applicant who applies for shares through an ATM of any of the Participating Financial Institutions.

Only an Applicant who is an individual with a CDS account is eligible to utilise the facility.

You must have an existing bank account with, and be an ATM cardholder of, one of the Participating Financial Institutions before you can make an Electronic Share Application at an ATM of the Participating Financial Institutions. An ATM card issued by one (1) of the Participating Financial Institutions cannot be used to apply for 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. The Transaction Record is for your retention and should not be submitted with any Application Form.

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

You will be allowed to make an Electronic Share Application for our 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.

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

- (a) The Electronic Share Application shall be made in relation with and subject to the terms of this Prospectus and the Memorandum and Articles of Association of our Company.

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (b) You are required to confirm the following statements (by depressing predesignated keys (or buttons) on the ATM keyboard) and undertake that the following information given is true and correct:
- You have attained 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 Prospectus and understood and agreed with the terms and conditions of the application; and
 - You thereby 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 Institutions. By doing so, you shall 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 SICDA to the disclosure by the relevant Participating Financial Institutions 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 SHARES AS NOMINEE OF ANY OTHER PERSON AND THAT ANY ELECTRONIC SHARE APPLICATION THAT YOU MAKE IS MADE BY YOU AS BENEFICIAL OWNER. YOU SHALL ONLY MAKE ONE (1) ELECTRONIC SHARE APPLICATION AND SHALL NOT MAKE ANY OTHER APPLICATION FOR THE SHARES, WHETHER AT THE ATMs OF ANY PARTICIPATING FINANCIAL INSTITUTION OR ON THE PRESCRIBED APPLICATION FORMS.
- (d) You must have sufficient funds in your account with the relevant Participating Financial Institutions 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 agree and undertake to subscribe for or purchase and to accept the number of Shares applied for as stated on the Transaction Record or any lesser number of Shares that may be allotted or allocated to you in respect of your Electronic Share Application. In the event that our Company decides to allot or allocate any lesser number of such shares or not to allot or allocate any shares to you, you agree to accept any such decision as final. If your Electronic Share Application is successful, your confirmation (by your action of pressing the designated key on the ATM) of the number of Shares applied for shall signify, and shall be treated as, your acceptance of the number of Shares that may be allotted or allocated to you and to be bound by the Memorandum and Articles of our Company.

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

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

Where an Electronic Share Application is accepted in part only, the relevant Participating Financial Institutions will credit the balance of the application monies without interest 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 successfully balloted applications which are subsequently rejected. For such applications which are subsequently rejected, the application monies without interest will be refunded to applicants by MIH by way of cheques issued by MIH. The cheques will be issued to you not later than ten (10) Market Days from the final ballot of the applications.

Should you encounter any problems in your application, you may refer to the Participating Financial Institutions.

- (h) You request and authorise us:
- (i) to credit the Shares allotted or allocated to you into your CDS account; or
 - (ii) to issue share certificate(s) representing such Shares 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 and computer-related faults and breakdowns, fires and other events beyond our control, MIH or the Participating Financial Institutions, irrevocably agrees that if:
- (i) We or MIH do not receive your Electronic Share Application; and
 - (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,

you shall be deemed not to have made an Electronic Share Application and you shall have no claim whatsoever against us, MIH and the Participating Financial Institutions for the Shares applied for or for any compensation, loss or damage.

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (j) All your particulars in the records of the relevant Participating Financial Institutions at the time you make your Electronic Share Application shall be deemed to be true and correct and our Company, MIH and the Participating Financial Institutions 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 Institutions 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 allotment or 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 agreeing to allow and accept the making of any application for the Shares via the Electronic Share Application facility established by the Participating Financial Institutions at their respective ATMs, your Electronic Share Application is irrevocable;
 - (ii) our Company, the Participating Financial Institutions, Bursa Depository and MIH shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Share Application to our Company due to a breakdown or failure of transmission or communication facilities or to any cause beyond their control;
 - (iii) notwithstanding the receipt of any payment by or on behalf of the Company, the acceptance of the offer made by you to subscribe for the Shares for which your Electronic Share Application has been successfully completed shall be constituted by the issue of notices of successful allocation for prescribed securities, in respect of the said Shares;
 - (iv) you irrevocably authorise Bursa Depository to complete and sign on your behalf as transferee or renounee of any instrument of transfer and / or other documents required for the issue or transfer of the shares allocated to the Applicant; and
 - (v) we agree that, in relation to any legal action or proceedings arising out of or in connection with the contract between the parties and / or the Electronic Share Application Scheme and / or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that we irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (m) Our Directors and / or Offerors reserve the right to require you, if you are successful in your application, 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 the regularity or propriety of the application. 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.

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (n) Our Directors and / or Offerors reserve the right to reject applications, which do not conform to these instructions.
- (o) A surcharge of RM2.50 per Electronic Share Application, will be charged by the respective Participating Financial Institutions.

19.6 Applications Using Internet Share Application

(i) Steps for Internet Share Application

The exact steps for Internet Share Application for the 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 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 Institutions with which you have an account. You are advised not to apply for the Shares through any website other than the Internet financial services websites of the Internet Participating Financial Institution.
- (b) Log in to the Internet financial services facility by entering your user identification and PIN / password.
- (c) Navigate to the section of the website on applications in respect of initial public offerings.
- (d) Select the counter in respect of the Public 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 Public 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 18 years of age as at the closing date of the application for the Public Issue Shares.

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (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 terms and conditions of the Internet Share Application as set out in this Prospectus and have 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 for the Public Issue Shares.
- (v) The Internet Share Application is the only application that you are submitting for the Public Issue Shares.
- (vi) You authorise the Authorised Financial Institution to deduct the full amount payable for the Public Issue Shares from your account with the Authorised Financial Institution.
- (vii) You give your 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, the Authorised 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 Authorised Financial Institution, the SC and any other relevant authority.
- (viii) You are not applying for the Public Issue Shares as a nominee of other person and the application is made in your own name, as a beneficial owner and subject to the risks referred to in this Prospectus.
- (ix) You authorise the Internet Participating Financial Institutions 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 Institutions, necessary for the provision of the Internet Share Application services or if such disclosure is requested or required in connection with the IPO. Further, the Internet Participating Financial Institutions will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institutions in connection with the use of the Internet Share Application services.
- (i) Upon submission of the online application form, you will be linked to the website of the Authorised Financial Institution to effect the online payment of your application of the Public Issue Shares.

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (j) As soon as the transaction is completed, a message from the Authorised Financial Institution pertaining to the payment status will appear on the screen of the website through which the online payment of the application of the Public Issue Shares is being made.
- (k) Subsequent to the above, the Internet Participating Financial Institutions shall confirm that the Internet Share Application has been completed, via the Confirmation Screen on its website.
- (l) You are advised to print out the Confirmation Screen for reference and retention.

(ii) Terms and Conditions for Internet Share Application

Your application for the Public Issue shares may be made through the Internet financial services websites of the Internet Participating Financial Institutions.

Internet Share Applications may be made through the Internet financial services websites of the following Internet Participating Financial Institutions:

- Affin Bank Berhad at www.affinOnline.com; or
- CIMB Investment Bank Berhad at www.eipocimb.com; or
- CIMB Bank Berhad at www.cimbclicks.com.my; or
- Malayan Banking Berhad at www.maybank2u.com.my (via hyperlink to Bursa Securities' website at www.bursamalaysia.com).

PLEASE READ THE TERMS OF THIS PROSPECTUS, THE PROCEDURES, TERMS AND CONDITIONS FOR INTERNET SHARE APPLICATIONS AND THE PROCEDURES SET OUT IN THE INTERNET FINANCIAL SERVICES WEBSITES OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS BEFORE YOU MAKE AN INTERNET SHARE APPLICATION.

THE EXACT TERMS AND CONDITIONS AND ITS SEQUENCE FOR THE INTERNET SHARE APPLICATIONS IN RESPECT OF THE PUBLIC ISSUE SHARES ARE AS SET OUT ON THE INTERNET FINANCIAL SERVICES WEBSITES OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS.

PLEASE NOTE THAT THE ACTUAL TERMS AND CONDITIONS OUTLINED BELOW SUPPLEMENT THE ADDITIONAL TERMS AND CONDITIONS FOR INTERNET SHARE APPLICATION CONTAINED IN THE INTERNET FINANCIAL SERVICES WEBSITES OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS.

An Internet Share Application shall be made on and shall be subject to the terms and conditions set out below:

- (a) In order to make an Internet Share Application, you must:
 - (i) be an individual with a CDS account;

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (ii) have an existing account with access to Internet financial services facilities with an Internet Participating Financial Institution. You must have ready your user identification and PIN / password for the relevant Internet financial services facilities; and
- (iii) be a Malaysian citizen and have a Malaysian address.

You are advised to note that the user identification and PIN / password by one of the Internet Participating Financial Institutions cannot be used to apply for the Public Issue Shares at Internet financial service websites of other Internet Participating Financial Institutions.

- (b) An Internet Share Application shall be made on and shall be subject to the terms of this Prospectus and our Memorandum and Articles of Association.
- (c) You are required to confirm the following statements (by selecting the designated hyperlink on the relevant screens of the Internet financial services websites of the Internet Participating Financial Institutions) and to undertake that the following information given are true and correct:
 - (i) You have attained 18 years of age as at the date of the application for the Public Issue Shares.
 - (ii) You are 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 have 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 for the Public Issue Shares.
 - (v) The Internet Share Application is the only application that you are submitting for the Public Issue Shares.
 - (vi) You authorise the Internet Participating Financial Institution or the Authorised Financial Institution to deduct the full amount payable for the Public Issue Shares from your account with the Internet Participating Financial Institution or the Authorised Financial Institution.
 - (vii) You give your 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 SICDA to the disclosure by the Internet Participating Financial Institution, the Authorised 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 Authorised Financial Institution, the SC and any other relevant authority.

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (viii) You are not applying for the Public Issue Shares as a nominee of other person and the application is made in your own name, as a beneficial owner and subject to the risks referred to in this Prospectus.
 - (ix) You authorise the Internet Participating Financial Institutions 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 Public Issue, 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 Institutions, necessary for the provision of the Internet Share Application services or if such disclosure is requested or required in connection with the Public Issue. Further, the Internet Participating Financial Institutions will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institutions in connection with the use of the Internet Share Application services.
- (d) 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.

For the purposes of this section of the Prospectus, "Confirmation Screen" shall mean 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 Public Issue Shares applied for, which you can print out for your records.

Upon the display of the Confirmation Screen, you shall be deemed to have confirmed the truth of the statements set out in Section 19.6(ii)(c) above.

- (e) You must have sufficient funds in your account with the Internet Participating Financial Institution or the Authorised Financial Institution at the time of making the Internet Share Application, to cover and pay for the Public Issue Shares and the related processing fees, charges and expenses, if any, to be incurred, failing which the Internet Share Application will not be deemed complete, notwithstanding the display of the Confirmation Screen. Any Internet Share Application which does not strictly conform to the instructions set out in this Prospectus or any instructions displayed on the screens of the Internet financial services website through which the Internet Share Application is made, shall be rejected.
- (f) You irrevocably agree and undertake to subscribe for and to accept the number of Public Issue Shares applied for as stated on the Confirmation Screen or any lesser amount that may be allotted or allocated to you. In the event that we decide to allot any lesser amount of Public Issue Shares or not to allot any Public Issue Shares to you, you agree to accept our decision as final.

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

In the course of completing the Internet Share Application on the website of the Internet Participating Financial Institution, your confirmation of the number of Public Issue Shares applied for (by way of your action of clicking the designated hyperlink on the relevant screen of the website) shall be deemed to signify and shall be treated as:

- (i) your acceptance of the number of Public Issue Shares that may be allotted or allocated to you in the event that your Internet Share Application is successful or successful in part, as the case may be; and
 - (ii) your agreement to be bound by our Memorandum and Articles of Association.
- (g) You are aware that multiple or suspected multiple Internet Share Applications for our Public Issue Shares will be rejected. MIH, on the authority of our Directors, reserve the right to reject or accept any Internet Share Application in whole or in part without assigning any reason. Due consideration will be given to the desirability of allotting the Public Issue Shares to a reasonable number of applicants with a view to establishing an adequate market for our Public Issue Shares.
- (h) If your Internet Share Application is unsuccessful or partially successful, MIH shall inform the relevant Internet Participating Financial Institutions of the unsuccessful or partially successful Internet Share Application within two (2) Market Days after the balloting date. The Internet Participating Financial Institution will credit or arrange with the Authorised Financial Institution to credit the full amount of the application monies or the balance of it (as the case may be) in Ringgit Malaysia (without interest or any share of revenue or other benefit arising therefrom) into your account with the Internet Participating Financial Institution or the Authorised Financial Institution within two (2) Market Days after receipt of written confirmation from MIH.

A number of applications will be reserved to replace any successfully balloted applications that are subsequently rejected. The application monies relating to these applications which are subsequently rejected, will be refunded (without interest or any share of revenue or other benefit arising therefrom) by MIH by way of cheques by registered post or ordinary post. The cheques will be issued within ten (10) Market Days from the date of the final ballot.

For applications that are held in reserve and are subsequently unsuccessful (or only partially successful), the Internet Participating Financial Institutions will arrange for a refund of the application monies (or any part thereof but without interest or any share of revenue or other benefit arising therefrom) within ten (10) Market Days from the day of the final ballot.

Except where MIH is required to refund application monies, it is the sole responsibility of the Internet Participating Financial Institutions to ensure the timely refund of application monies from unsuccessful or partially successful Internet Share Applications. Therefore, you are strongly advised to consult with the Internet Participating Financial Institutions through which your application was made in respect of the mode or procedure of enquiring on the status of your Internet Share Application in order to determine the status or exact number of Public Issue Shares allotted, if any, before trading of our shares on Bursa Securities.

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (i) Internet Share Application will be closed at 5.00 p.m. on 10 December 2009 or such other date(s) as our Directors and the Underwriter may in their absolute discretion mutually decide. An Internet Share Application is deemed to be received only upon its completion, that is when the Confirmation Screen is displayed on the Internet financial services website. You are advised to print out and retain a copy of the Confirmation Screen for record purposes. Late Internet Share Applications will not be accepted.
- (j) You irrevocably agree and acknowledge that the Internet Share Application is subject to electrical, electronic, technical, transmission and communication and computer-related faults and breakdowns, fires and other events which are not in our control, or the control of MIH, the Internet Participating Financial Institutions and the Authorised Financial Institution. If we, MIH and / or the Internet Participating Financial Institutions and / or the Authorised Financial Institution do not receive your Internet Share Application and / or the payment, or if any data relating to the Internet Share Application or the tape or any other devices containing such data is wholly or partially lost, corrupted, destroyed or otherwise not accessible for any reason, you shall be deemed not to have made an Internet Share Application and you shall have no claim whatsoever against us, MIH or the Internet Participating Financial Institutions and the Authorised Financial Institution in relation to the Public Issue Shares applied for or for any compensation, loss or damage arising from it.
- (k) All of your particulars in the records of the relevant Internet Participating Financial Institutions at the time of the Internet Share Application shall be deemed to be true and correct, and we, MIH, the Internet Participating Financial Institutions and all other persons who, are entitled or allowed under the law to such information or where you expressly consent to the provision of such information shall be entitled to rely on the accuracy thereof.

You shall ensure that your personal particular as recorded by both Bursa Depository and the Internet Participating Financial Institutions are correct and identical, otherwise your Internet Share Application is liable to be rejected. The notification letter on successful allotment will be sent to your address last registered with Bursa Depository. It is your responsibility to notify the Internet Participating Financial Institutions and Bursa Depository of any changes in your personal particulars that may occur from time to time.
- (l) By making and completing an Internet Share Application, you are deemed to have agreed that:
 - (i) in consideration of us making available the Internet Share Application facility to you, through the Internet Participating Financial Institutions acting as your agents, your Internet Share Application is irrevocable;
 - (ii) you have irrevocably requested and authorised us to register the Public Issue Shares allotted to you for deposit into your CDS account;

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iii) neither us nor the Internet Participating Financial Institutions, shall be liable for any delay, failure or inaccuracy in the recording, storage or transmission or delivery of data relating to the Internet Share Application to MIH or Bursa Depository due to any breakdown or failure of transmission, delivery or communication facilities or due to any risk referred to in Section 19.6(ii)(j) herein or to any cause beyond our / their control;
 - (iv) you should hold the Internet Participating Financial Institutions harmless from any damages, claims or losses 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 applications suspected multiple applications, inaccurate and / or incomplete details provided by you, or any other cause beyond the control of the Internet Participating Financial Institutions;
 - (v) the acceptance of your offer to subscribe for and the purchase of the Public Issue Shares for which your Internet Share Application has been successfully completed shall be constituted by the issue of a notice by us or on our behalf for prescribed securities in respect of the Public Issue Shares, notwithstanding the receipt of any payment by us or on our behalf;
 - (vi) you are not entitled to exercise any remedy of rescission for misrepresentation at any time after we have accepted your Internet Share Application;
 - (vii) in making the Internet Share Application, you have relied solely on the information contained in this Prospectus. We, the Underwriters, the Adviser and any other person involved in the Public Issue shall not be liable for any information not contained in this Prospectus which you may have relied on in making the Internet Share Application; and
 - (viii) our acceptance of your Internet Share Application and the contract resulting from the Public Issue shall be governed by and construed in accordance with the laws of Malaysia, and you irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (m) A processing fee of RM1.00 per Internet Share Application will be charged by Malayan Banking Berhad, RM2.00 per Internet Share Application will be charged by CIMB (www.eipocimb.com) or RM5.00 for payment via Malayan Banking Berhad and RM2.00 per Internet Share Application for applicants with CDS account held with CIMB Investment Bank Berhad, RM2.50 for applicants with CDS accounts with other ADAs will be charged by CIMB Bank Berhad (www.cimbclicks.com.my) and no fee will be charged by Affin Bank Berhad (www.affinOnline.com) to their account holders.

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19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

19.7 Applications and Acceptances

MIH, acting on the authority of our Directors reserves the right not to accept any application, which does not strictly comply with the instructions, or to accept any application in part only without assigning any reason therefor.

THE SUBMISSION OF AN APPLICATION FORM DOES NOT NECESSARILY MEAN THAT THE APPLICATION WILL BE SUCCESSFUL.

ALL APPLICATIONS MUST BE FOR 100 ORDINARY SHARES OR MULTIPLES THEREOF.

In the event of an over-subscription, acceptance of applications by the Malaysian Public shall be subject to ballot to be conducted in a fair and equitable manner and as approved by our Directors. Due consideration will be given to the desirability of distributing the IPO Shares to a reasonable number of Applicants with a view of broadening the shareholding base and establishing an adequate market in our shares.

Pursuant to the Listing Requirements, we need to have at least 25% of the enlarged issued and paid-up share capital in the hands of public shareholders and a minimum of 1,000 public shareholders holding not less than 100 Shares each at the point of Listing. However, in the event that the above requirement is not met pursuant to this IPO, we may not be allowed to proceed with our listing plan. In the event thereof, monies paid in respect of all applications will be returned in full. The Applicants will be selected in a manner to be determined by our Directors.

Any portion of the Public Issue Shares which are not subscribed by the eligible Directors and employees and other persons who have contributed to the success of our Group will be made available for subscription by the Malaysian Public. Thereafter, any remaining Public Issue Shares not subscribed for will be made available for subscription by the placees under the private placement. Any further Public Issue Shares not subscribed for will be made available for subscription by the Underwriters in proportions specified in the Underwriting Agreement.

Directors and employees of MIH and their immediate families are strictly prohibited from applying for the IPO Shares.

WHERE AN APPLICATION IS NOT ACCEPTED OR PARTIALLY ACCEPTED, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST TO YOU WITHIN TEN (10) MARKET DAYS FROM THE DATE OF THE FINAL BALLOT OF THE APPLICATION BY ORDINARY POST OR REGISTERED POST RESPECTIVELY, TO YOUR ADDRESS REGISTERED WITH BURSA DEPOSITORY AT YOUR OWN RISK.

MIH RESERVES THE RIGHT TO BANK IN ALL APPLICATION MONIES FROM UNSUCCESSFUL AND PARTIALLY SUCCESSFUL APPLICANTS WHICH WOULD SUBSEQUENTLY BE REFUNDED WITHOUT INTEREST TO YOU WITHIN TEN (10) MARKET DAYS FROM THE DATE OF THE FINAL BALLOT OF THE APPLICATION BY ORDINARY POST OR REGISTERED POST TO YOUR ADDRESS REGISTERED WITH BURSA DEPOSITORY AT YOUR OWN RISK.

NO APPLICATION SHALL BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE HAVING BEEN PRESENTED FOR PAYMENT.

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

19.8 CDS Accounts

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

Following the above, in accordance with Section 29 of the SICDA, all dealings in our securities including the Public Issue Shares and Offer Shares will be by book entries through CDS accounts. No share certificates will be issued to successful Applicants.

Only an Applicant who has a CDS account can make an application by way of Application Form. You shall furnish your CDS account number in the space provided in the Application Form and you shall be deemed to have authorised Bursa Depository to disclose information pertaining to the CDS account to MIH or our Company. Where you do not presently have a CDS account, you should open a CDS account at an ADA prior to making an application for the IPO Shares. Failure to comply with these specific instructions as the Application Form requires or inaccuracy in the CDS account number may result in the application being rejected. If a successful Applicant fails to state his / her CDS account number, MIH under the instruction of our Company, will reject the application.

Only an Applicant who has a CDS account can make an Electronic Share Application. You shall furnish your CDS account number to the Participating Financial Institutions by way of keying in your CDS account number if the instruction on the ATM screen at which you enter your Electronic Share Application requires you to do so. Failure to comply with these specific instructions as the Electronic Share Application requires or inaccuracy in the CDS account number arising from use of invalid, third party or nominees account, may result in your application being rejected.

In the case of an application by way of Internet Share Application, only an applicant who has a CDS account can make an Internet Share Application. In certain cases, only an applicant who has a CDS account opened with the Internet Participating Financial Institutions can make an Internet Share Application. Arising therewith, the applicant's CDS account number would automatically appear in the e-IPO online application form.

MIH, on the authority of our Directors, reserves the right to reject any incomplete and inaccurate application. Applications may also be rejected if your particulars provided in the Application Forms, or in the case of Electronic Share Application or Internet Share Application, if the records of the Participating Financial Institutions at the time of making the Electronic Share Application or if the records of the Internet Participating Financial Institutions at the time of making the Internet Share Application differ from those in Bursa Depository's records, such as the National Registration Identity Card number, name and nationality.

19.9 Notice of Allotment

We will allot and credit the Shares to your CDS account if you are successful or partially successful in the application. A notice of allotment will then be despatched to you at your address last maintained with the Bursa Depository at your own risk prior to the listing of YOCB. For Electronic Share Application or Internet Share Application, the notice of allotment will be despatched to the successful or partially successful Applicant at your address last maintained with the Bursa Depository at your own risk prior to the listing of YOCB. This is the only acknowledgement of acceptance of the application.

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

If your address as stated in the Application Form or, in the case of an Electronic Share Application, in the records of the Participating Financial Institutions, or Internet Share Application, in the records of the Internet Participating Financial Institutions, as the case may be, is different from the address registered with Bursa Depository, you must inform Bursa Depository of your updated address promptly by adhering to the certain rules and regulations of the Bursa Depository, failing which the notification letter on successful allotment shall be sent to your address last registered with Bursa Depository.

You may also check the status of your application by calling your respective ADAs at the telephone number as stated in Section 19.10 hereof or at the telephone numbers of MIH stated below between five (5) to ten (10) Market Days (during office hours only) or checking at MIH's website stated below after the date of allotment of the Shares:

MIH Enquiry Services 03-2693 2075 (10 lines)

MIH website www.mih.com.my

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19. PROCEDURES FOR APPLICATION AND ACCEPTANCE

19.10 List of ADAs

The list of the ADAs and their respective Broker codes are as follows:

Name	Address and telephone number	Broker Code
<u>KUALA LUMPUR</u>		
A.A. ANTHONY SECURITIES SDN BHD	N3, Plaza Damas 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Tel No.: 03-62011155	078-004
AFFIN INVESTMENT BANK BERHAD	Ground Mezzanine & 3rd Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No.: 03-21438668	028-001
ALLIANCE INVESTMENT BANK BERHAD	No. 8, Jalan Binjai Off Jalan Ampang 50450 Kuala Lumpur No. Tel.: 03-21667922	076-001
AMINVESTMENT BANK BERHAD	15 th Floor, Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-20782788	086-001
BIMB SECURITIES SDN BHD	1 st & 2 nd Floor, Podium Block AMDB Building No. 1, Jalan Lumut 50400 Kuala Lumpur Tel No.: 03-40433533	024-001
CIMB INVESTMENT BANK BERHAD	9 th Floor, Commerce Square Jalan Semantan Damansara Heights 50490 Kuala Lumpur Tel No.: 03-20849999	065-001
ECM LIBRA INVESTMENT BANK BERHAD	3 rd Floor, Wisma Genting Jalan Sultan Ismail 50250 Kuala Lumpur Tel No.: 03-21781888	052-001
ECM LIBRA INVESTMENT BANK BERHAD	Level 1, Avenue Building Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur Tel No.: 03-20891800	052-009
HONG LEONG INVESTMENT BANK BERHAD (<i>formerly known as HLG Securities Sdn Bhd</i>)	Level 8, Menara HLA No. 3, Jalan Kia Peng 50450 Kuala Lumpur Tel No.: 03-21681168	066-001

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

Name	Address and telephone number	Broker Code
<u>KUALA LUMPUR (CONT'D)</u>		
HWANGDBS INVESTMENT BANK BERHAD	2 nd Floor, Bangunan AHP No. 2, Jalan Tun Mohd Fuad 3 Taman Tun Dr Ismail 60000 Kuala Lumpur Tel No.: 03-77106688	068-009
HWANGDBS INVESTMENT BANK BERHAD	No. 34-5, 36-5, 38-5, 40-5, 42-5 & 44-5 5 th Floor, Cheras Commercial Centre Jalan 5/101C, Off Jalan Kaskas 5 th Mile Cheras 56100 Kuala Lumpur Tel No.: 03-91303399	068-012
HWANGDBS INVESTMENT BANK BERHAD	7 th , 22 nd , 23 rd & 23A Floor Menara Keck Seng 203, Jalan Bukit Bintang 55100 Kuala Lumpur Tel No.: 03-27116888	068-014
INTER-PACIFIC SECURITIES SDN BHD	West Wing, Level 13 Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Tel No.: 03-21171888	054-001
INTER-PACIFIC SECURITIES SDN BHD	Ground Floor, 7-0-8 Jalan 3/109F Danau Business Centre, Danau Desa 58100 Kuala Lumpur Tel No.: 03-79847796	054-003
INTER-PACIFIC SECURITIES SDN BHD	Stesyen Minyak SHELL Jalan 1/116B, Off Jalan Kuchai Lama Kuchai Entrepreneur Park 58200 Kuala Lumpur Tel No.: 03-79818811	054-005
JUPITER SECURITIES SDN BHD	7 th - 9 th Floor, Menara Olympia 8, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-20341888	055-001
KAF-SEAGROATT & CAMPBELL SECURITIES SDN BHD	11 th - 14 th Floor, Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No.: 03-21688800	053-001
KENANGA INVESTMENT BANK BERHAD	8 th Floor, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur Tel No.: 03-21649080	073-001

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>KUALA LUMPUR (CONT'D)</u>		
KENANGA INVESTMENT BANK BERHAD	No. 57-10, Level 10 The Boulevard, Mid Valley City Lingkaran Syed Putra 59000 Kuala Lumpur Tel No.: 03-22871799	073-015
M & A SECURITIES SDN BHD	Level 1-2, No. 45 & 47 The Boulevard Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Tel No.: 03-22821820	057-002
MAYBANK INVESTMENT BANK BERHAD (formerly known as Aseambankers Malaysia Berhad)	5-13 Floor, MaybanLife Tower Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No.: 03-22978888	098-001
MERCURY SECURITIES SDN BHD	Lot 6-05, Level 6, Tower Block Menara Milenium 8, Jalan Damanela Bukit Damansara 50490 Kuala Lumpur Tel No.: 03-20942828	093-002
MIDF AMANAH INVESTMENT BANK BERHAD	11 th & 12 th Floor, Menara MIDF 82, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-21738888	026-001
MIMB INVESTMENT BANK BERHAD	Level 18, Menara EON Bank 288, Jalan Raja Laut 50350 Kuala Lumpur Tel No.: 03-26910200	061-001
OSK INVESTMENT BANK BERHAD	20 th Floor, Plaza OSK Jalan Ampang 50450 Kuala Lumpur Tel No.: 03-23338333	056-001
OSK INVESTMENT BANK BERHAD	No. 62 & 64, Vista Magna Jalan Prima, Metro Prima 52100 Kuala Lumpur Tel No.: 03-62575869	056-028
OSK INVESTMENT BANK BERHAD	Ground Floor No. M3-A-7 & M3-A-8 Jalan Pandan Indah 4/3A Pandan Indah 55100 Kuala Lumpur Tel No.: 03-42804798	056-054

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>KUALA LUMPUR (CONT'D)</u>		
OSK INVESTMENT BANK BERHAD	Ground, 1 st , 2 nd & 3 rd Floor No. 55, Zone J4 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel No.: 03-90587222	056-058
PM SECURITIES SDN BHD	Ground, Mezzanine, 1 st & 10 th Floor Menara PMI No. 2, Jalan Changkat Ceylon 50250 Kuala Lumpur Tel No.: 03-21463000	064-001
PUBLIC INVESTMENT BANK BERHAD	27 th Floor, Public Bank Building No. 6, Jalan Sultan Sulaiman 50000 Kuala Lumpur Tel No.: 03-20313011	051-001
RHB INVESTMENT BANK BERHAD	Level 9, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-92873888	087-001
TA SECURITIES HOLDINGS BERHAD	Floor 13-16, 23, 28-30, 34 & 35 Menara TA One No. 22, Jalan P. Ramlee 50250 Kuala Lumpur Tel No.: 03-20721277	058-003
<u>SELANGOR DARUL EHSAN</u>		
AFFIN INVESTMENT BANK BERHAD	2 nd , 3 rd & 4 th Floor Wisma Amsteel Securities No. 1, Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No.: 03-33439999	028-002
AFFIN INVESTMENT BANK BERHAD	Lot 229, 2 nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiarra Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-77298016	028-003
AFFIN INVESTMENT BANK BERHAD	No. 1, Jalan 52/16 46200 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-79553281	028-004

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>SELANGOR DARUL EHSAN (CONT'D)</u>		
AMINVESTMENT BANK BERHAD	4 th Floor, Plaza Damansara Utama No 2, Jalan SS 21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-77106613	086-003
HWANGDBS INVESTMENT BANK BERHAD	16 th , 18 th -20 th Floor, Plaza Masalam No. 2, Jalan Tengku Ampuan Zabedah E9/E Section 9 40100 Shah Alam Selangor Darul Ehsan Tel No.: 03-55133288	068-002
HWANGDBS INVESTMENT BANK BERHAD	East Wing & Centre Link Floor 3A, Wisma Consplant 2 No. 7, Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-56356688	068-010
INTER-PACIFIC SECURITIES SDN BHD	No. 77 & 79, Jalan 2/3A Pusat Bandar Utara KM12, Jalan Ipoh Selayang 68100 Batu Caves Selangor Darul Ehsan Tel No : 03-61371888	054-006
JF APEX SECURITIES BERHAD	6 th Floor, Menara Apex Off Jalan Semenyih Bukit Mewah 43000 Kajang Selangor Darul Ehsan Tel No.: 03-87361118	079-001
JF APEX SECURITIES BERHAD	15 th & 16 th Floor , Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-76201118	079-002
KENANGA INVESTMENT BANK BERHAD	13 th Floor, Menara Yayasan Selangor No. 18A, Jalan Persiaran Barat Off Jalan Timur 46000 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-79562169	073-005

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

Name	Address and telephone number	Broker Code
<u>SELANGOR DARUL EHSAN (CONT'D)</u>		
KENANGA INVESTMENT BANK BERHAD	1 st Floor, Wisma UEP Pusat Perniagaan USJ 10 Jalan USJ 10/1A 47620 Subang Jaya Selangor Darul Ehsan Tel No : 03-80241682	073-006
KENANGA INVESTMENT BANK BERHAD	Suite 7.02, Level 7, Menara ING Intan Millenium Square No. 68, Jalan Batai Laut 4 Taman Intan 41300 Klang Selangor Darul Ehsan Tel No.: 03-30057550	073-007
KENANGA INVESTMENT BANK BERHAD	Lot 240, 2 nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-77259095	073-016
OSK INVESTMENT BANK BERHAD	24, 24M, 24A, 26M, 28M, 28A & 30 Jalan SS2/63 47300 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-78736366	056-011
OSK INVESTMENT BANK BERHAD	No. 37, Jalan Semenyih 43000 Kajang Selangor Darul Ehsan Tel No.: 03-87363378	056-045
OSK INVESTMENT BANK BERHAD	Ground & 1 st Floor No. 15, Jalan Bandar Rawang 4 48000 Rawang Selangor Darul Ehsan Tel No.: 03-60928916	056-047
OSK INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 87 & 89, Jalan Susur Pusat Perniagaan NBC Batu 1 ½, Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No.: 03-33439180	056-048
PM SECURITIES SDN BHD	No. 157 & 159 Jalan Kenari 23/A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No.: 03-80700773	064-003

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>SELANGOR DARUL EHSAN (CONT'D)</u>		
PM SECURITIES SDN BHD	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No.: 03-33415300	064-007
SJ SECURITIES SDN BHD	Level 3, Holiday Villa No. 9, Jalan SS 12/1, Subang Jaya 47500 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-56340202	096-001
TA SECURITIES HOLDINGS BERHAD	No. 2-1, 2-2, 2-3 & 4-2 Jalan USJ 9/5T, Subang Business Centre 47620 UEP Subang Jaya Selangor Darul Ehsan Tel No.: 03-80251880	058-005
<u>PERAK DARUL RIDZUAN</u>		
A.A. ANTHONY SECURITIES SDN BHD	29G, Jalan Intan 2 Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel No :05-6232328	078-009
ALLIANCE INVESTMENT BANK BERHAD	No. 43 & 44, Ground Floor Taman Sentosa Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel No.: 05-6910910	076-008
ECM LIBRA INVESTMENT BANK BERHAD	No. 63, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2422828	052-002
ECM LIBRA INVESTMENT BANK BERHAD	No. 7B-1, Jalan Laman Intan Bandar Baru Teluk Intan 36000 Teluk Intan Perak Darul Ridzuan Tel No.: 05-6222828	052-006
HONG LEONG INVESTMENT BANK BERHAD (formerly known as HLG Securities Sdn Bhd)	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No : 05-2530888	066-003

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>PERAK DARUL RIDZUAN (CONT'D)</u>		
HWANGDBS INVESTMENT BANK BERHAD	Ground, Level 1, 2 & 3 21, Jalan Stesen 34000 Taiping Perak Darul Ridzuan Tel No.: 05-8066688	068-003
HWANGDBS INVESTMENT BANK BERHAD	Ground, 1 st & 2 nd Floor No. 22, Persiaran Greentown 1 Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2559988	068-015
M & A SECURITIES SDN BHD	M & A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel No.: 05-2419800	057-001
MAYBANK INVESTMENT BANK BERHAD (<i>formerly known as Aseambankers Malaysia Berhad</i>)	B-G-04 (Ground Floor), Level 1 & 2 42 Persiaran Greentown 1 Pusat Dagangan Greentown 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2453400	098-002
OSK INVESTMENT BANK BERHAD	21-25, Jalan Seenivasagam Greentown 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2415100	056-002
OSK INVESTMENT BANK BERHAD	Ground & 1 st Floor 17, Jalan Intan 2 Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel No.: 05-6236498	056-014
OSK INVESTMENT BANK BERHAD	Ground and 1 st Floor No. 23 & 25 Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel No.: 05-6921228	056-016
OSK INVESTMENT BANK BERHAD	Ground Floor, No. 40, 42 & 44 Jalan Berek 34000 Taiping Perak Darul Ridzuan Tel No.: 05-8088229	056-034

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>PERAK DARUL RIDZUAN (CONT'D)</u>		
OSK INVESTMENT BANK BERHAD	No. 72, Ground Floor Jalan Idris 31900 Kampar Perak Darul Ridzuan Tel No.: 05-4651261	056-044
OSK INVESTMENT BANK BERHAD	Ground Floor No. 2, Jalan Wawasan 4 Taman Wawasan 34200 Parit Bundar Perak Darul Ridzuan Tel No.: 05-7170888	056-052
TA SECURITIES HOLDINGS BERHAD	Ground, 1 st & 2 nd Floor Plaza Teh Teng Seng No. 227, Jalan Raja Permaisuri Bainun 30250 Ipoh Perak Darul Ridzuan Tel No.: 05-2531313	058-001
<u>PULAU PINANG</u>		
A.A. ANTHONY SECURITIES SDN BHD	1 st , 2 nd and 3 rd Floor Bangunan Heng Guan 171 Jalan Burmah 10050 Pulau Pinang Tel No.: 04-2299318	078-002
A.A. ANTHONY SECURITIES SDN BHD	Ground & 1 st Floor No 2, Jalan Perniagaan 2 Pusat Perniagaan Alma 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-5541388	078-003
ALLIANCE INVESTMENT BANK BERHAD	Suite 2.1 & 2.4, Level 2 Wisma Great Eastern No. 25, Lebu Light 10200 Penang Tel No : 04-2611688	076-015
AMINVESTMENT BANK BERHAD	Mezzanine Floor & Level 3 No. 37, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No : 04-2261818	086-004
CIMB INVESTMENT BANK BERHAD	Ground Floor Suite 1.01, Menara Boustead Penang 39, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No.: 04-2911833	065-003

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>PULAU PINANG (CONT'D)</u>		
ECM LIBRA INVESTMENT BANK BERHAD	No. 111, Jalan Macalister 10400 Pulau Pinang Tel No.: 04-2281868	052-003
ECM LIBRA INVESTMENT BANK BERHAD	7 th Floor, Menara Boustead Penang 39 Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No.: 04-2283355	052-010
HWANGDBS INVESTMENT BANK BERHAD	Level 2, 3, 4, 7 & 8 Wisma Sri Pinang 60, Green Hall 10200 Pulau Pinang Tel No.: 04-2636996	068-001
HWANGDBS INVESTMENT BANK BERHAD	No 2 & 4 Jalan Perda Barat Bandar Perda 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-5372882	068-006
INTER-PACIFIC SECURITIES SDN BHD	Ground, Mezzanine & 8 th Floor Mayban Trust Building 3, Penang Street 10200 Pulau Pinang Tel No.: 04-2690888	054-002
KENANGA INVESTMENT BANK BERHAD	Lot 1.02, Level 1 Menara KWSP 38, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No.: 04-2106666	073-013
MERCURY SECURITIES SDN BHD	Ground, 1 st , 2 nd & 3 rd Floor Wisma UMNO Lorong Bagan Luar Dua 12000 Butterworth Pulau Pinang Tel No.: 04-3322123	093-001
MERCURY SECURITIES SDN BHD	2 nd Floor, Standard Chartered Bank Chambers 2 Lebuh Pantai 10300 Pulau Pinang Tel No.: 04-2639118	093-004
OSK INVESTMENT BANK BERHAD	64, Bishop Street 20E, 20F & 20G, Penang Street 10200 Pulau Pinang Tel No.: 04-2634222	056-004

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>PULAU PINANG (CONT'D)</u>		
OSK INVESTMENT BANK BERHAD	Ground, 1 st & 2 nd Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Prai Pulau Pinang Tel No.: 04-3900022	056-005
OSK INVESTMENT BANK BERHAD	Ground & Upper Floor 11A, Jalan Keranji Off Jalan Padang Lallang 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-5402888	056-015
OSK INVESTMENT BANK BERHAD	834, Jalan Besar Sungai Bakap 14200 Sungai Jawi Seberang Perai Selatan Pulau Pinang Tel No.: 04-5831888	056-032
OSK INVESTMENT BANK BERHAD	Ground & 1 st Floor No. 15-G-5, 15-G-6, 15-1-5, 15-1-6 Medan Kampung Relau (Bayan Point) 11950 Pulau Pinang Tel No.: 04-6404888	056-042
PM SECURITIES SDN BHD	Level 25, Menara BHL 51, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No.: 04-2273000	064-004
<u>PERLIS INDERA KAYANGAN</u>		
ALLIANCE INVESTMENT BANK BERHAD	2 nd Floor, Podium Block KWSP Building 01000 Kangar Perlis Indera Kayangan Tel No.: 04-9765200	076-003
OSK INVESTMENT BANK BERHAD	Ground & 1 st Floor No. 39, Taman Suriani Persiaran Jubli Emas 01000 Kangar Perlis Indra Kayangan Tel No : 04-9793888	056-061

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>KEDAH DARUL AMAN</u>		
A.A. ANTHONY SECURITIES SDN BHD	Lot 4, 5 & 5A 1 st Floor EMUM 55 No. 55, Jalan Gangsa Kawasan Perusahaan Mergong 2 Seberang Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7322111	078-007
ALLIANCE INVESTMENT BANK BERHAD	2 nd Floor, Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel No.: 04-7317088	076-004
HWANGDBS INVESTMENT BANK BERHAD	No. 70A, B & C Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No.: 04-4256666	068-011
OSK INVESTMENT BANK BERHAD	No 112, Jalan Pengkalan Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No.: 04-4204888	056-017
OSK INVESTMENT BANK BERHAD	No. 35, Ground Floor Jalan Suria 1, Jalan Bayu 09000 Kulim Kedah Darul Aman Tel No.: 04-4964888	056-019
OSK INVESTMENT BANK BERHAD	Ground & 1 st Floor, 215-A & 215-B Medan Putra, Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7209888	056-021
<u>NEGERI SEMBILAN DARUL KHUSUS</u>		
ECM LIBRA INVESTMENT BANK BERHAD	1C-1 & 1D-1, 1 st Floor Jalan Tunku Munawir 70000 Seremban Negeri Sembilan Tel No.: 06-7655998	052-013
HWANGDBS INVESTMENT BANK BERHAD	Ground & 1 st Floor 105, 107 & 109, Jalan Yam Tuan 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7612288	068-007

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>NEGERI SEMBILAN DARUL KHUSUS (CONT'D)</u>		
HWANGDBS INVESTMENT BANK BERHAD	No. 6, Upper Level Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-4553188	068-013
OSK INVESTMENT BANK BERHAD	Ground, 1 st & 2 nd Floor No. 33, Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7641641	056-024
OSK INVESTMENT BANK BERHAD	1 st Floor, No. 3601, Jalan Besar 73000 Tampin Negeri Sembilan Darul Khusus Tel No : 06-4421000	056-037
OSK INVESTMENT BANK BERHAD	1 st & 2 nd Floor No. 168, Jalan Mewah (Pusat Perniagaan UMNO Bahagian Jempol) 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-4553014	056-040
OSK INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 346 & 347, Batu ½ Jalan Pantai 71000 Port Dickson Negeri Sembilan Darul Khusus Tel No.: 06-6461234	056-046
PM SECURITIES SDN BHD	1 st , 2 nd & 3 rd Floor 19-21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7623131	064-002
<u>MELAKA</u>		
CIMB INVESTMENT BANK BERHAD	Ground, 1 st & 2 nd Floor No. 191, Taman Melaka Raya Off Jalan Parameswara 75000 Melaka Tel No :06-2898800	065-006
ECM LIBRA INVESTMENT BANK BERHAD	71A & 73A, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2881720	052-008

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>MELAKA (CONT'D)</u>		
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM 9 Plaza Pandan Malim (Business Park) Balai Panjang P.O. Box 248 75250 Melaka Tel No.: 06-3371533	012-001
MERCURY SECURITIES SDN BHD	No. 81B & 83B, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2921898	093-003
OSK INVESTMENT BANK BERHAD	579, 580 & 581 Taman Melaka Raya 75000 Melaka Tel No.: 06-2825211	056-003
PM SECURITIES SDN BHD	No. 11 & 13, Jalan PM 2 Plaza Mahkota 75000 Melaka Tel No.: 06-2866008	064-006
RHB INVESTMENT BANK BERHAD	Lot 7-13 & 15, 1 st Floor Tabung Haji Building Jalan Bandar Kaba 75000 Melaka Tel No.: 06-2833622	087-002
<u>JOHOR DARUL TAKZIM</u>		
A.A ANTHONY SECURITIES SDN BHD	Level 6 & 7, Menara MSC Cyberport 5, Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Tel No.: 07-3332000	078-001
A.A ANTHONY SECURITIES SDN BHD	42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Tel No.: 07-6636658	078-005
A.A ANTHONY SECURITIES SDN BHD	No. 70, 70-01, 70-02 Jalan Rosmerah 2/17 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3513218	078-006

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>JOHOR DARUL TAKZIM (CONT'D)</u>		
A.A. ANTHONY SECURITIES SDN BHD	No. 171 (Ground Floor) Jalan Bestari 1/5 Taman Nusa Bestari 81300 Skudai Johor Darul Takzim Tel No : 07-5121633	078-008
ALLIANCE INVESTMENT BANK BERHAD	No. 73, Ground & 1 st Floor Jalan Rambutan 86000 Kluang Johor Darul Takzim Tel No.: 07-7717922	076-006
AMINVESTMENT BANK BERHAD	2 nd & 3 rd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4342282	086-002
AMINVESTMENT BANK BERHAD	18 th Floor, Selesa Tower Jalan Dato' Abdullah Tahir 80300 Johor Bahru Johor Darul Takzim Tel No.: 07-3343855	086-006
ECM LIBRA INVESTMENT BANK BERHAD	No. 57, 59 & 61 Jalan Ali 84000 Muar Johor Darul Takzim Tel No.: 07-9532222	052-004
ECM LIBRA INVESTMENT BANK BERHAD	Ground Floor No. 234, Jalan Besar Taman Semberong Baru 83700 Yong Peng Johor Darul Takzim Tel No.: 07-4678885	052-005
HWANGDBS INVESTMENT BANK BERHAD	Level 7, Johor Bahru City Square (Office Tower) 106-108, Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-2222692	068-004
INTER-PACIFIC SECURITIES SDN BHD	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-2231211	054-004

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>JOHOR DARUL TAKZIM (CONT'D)</u>		
KENANGA INVESTMENT BANK BERHAD	Level 2, Menara Pelangi Jalan Kuning Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3333600	073-004
KENANGA INVESTMENT BANK BERHAD	No. 31, Lorong Dato' Ahmad Jalan Khalidi 84000 Muar Johor Darul Takzim Tel No.: 06-9542711	073-008
KENANGA INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 34, Jalan Genuang 85000 Segamat Johor Darul Takzim Tel No.: 07-9333515	073-009
KENANGA INVESTMENT BANK BERHAD	No. 33 & 35, (Ground & 1 st Floor A & B) Jalan Syed Abdul Hamid Sagaff 86000 Kluang Johor Darul Takzim Tel No.: 07-7771161	073-010
KENANGA INVESTMENT BANK BERHAD	Ground Floor No. 4 Jalan Dataran 1 Taman Bandar Tangkak 84900 Tangkak Johor Darul Takzim Tel No.: 06-9782292	073-011
MERCURY SECURITIES SDN BHD	Suite 17.1, Level 17 Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3316992	093-005
MIMB INVESTMENT BANK BERHAD	Suite 25.02, Level 25 Johor Bahru City Square (Office Tower) No. 106-108, Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel No : 07-2227388	061-002
OSK INVESTMENT BANK BERHAD	6 th Floor, Wisma Tiong-Hua 8, Jalan Keris Taman Sri Tebrau 80050 Johor Bahru Johor Darul Takzim Tel No.: 07-2788821	056-006

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>JOHOR DARUL TAKZIM (CONT'D)</u>		
OSK INVESTMENT BANK BERHAD	53, 53-A & 53-B Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4380288	056-009
OSK INVESTMENT BANK BERHAD	No. 33-1, 1 st & 2 nd Floor Jalan Ali 84000 Muar Johor Darul Takzim Tel No.: 06-9538262	056-025
OSK INVESTMENT BANK BERHAD	Ground & 1 st Floor No 119 & 121 Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Tel No.: 07-5577628	056-029
OSK INVESTMENT BANK BERHAD	Ground & 1 st & 2 nd Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Tel No.: 07-9321543	056-030
OSK INVESTMENT BANK BERHAD	Ground, 1 st & 2 nd Floor No. 17, Jalan Manggis 86000 Kluang Johor Darul Takzim Tel No.: 07-7769655	056-031
OSK INVESTMENT BANK BERHAD	Ground, 1 st & 2 nd Floor No. 10, Jalan Anggerik 1 Taman Kulai Utama 81000 Kulai Johor Darul Takzim Tel No.: 07-6626288	056-035
OSK INVESTMENT BANK BERHAD	Ground, 1 st & 2 nd Floor No. 343, Jalan Muar 84900 Tangkak Johor Darul Takzim Tel No.: 06-9787180	056-038
OSK INVESTMENT BANK BERHAD	1 st Floor, No. 2 & 4, Jalan Makmur Taman Sri Aman 85300 Labis Johor Darul Takzim Tel No.: 07-9256881	056-039

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>JOHOR DARUL TAKZIM (CONT'D)</u>		
OSK INVESTMENT BANK BERHAD	Ground & 1 st Floor No. 1 & 1-01, Jalan Rosmerah 2/11 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3522293	056-043
PM SECURITIES SDN BHD	Suite 5.1, Level 5, Menara Pelangi Jalan Kuning Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-2781813	064-005
PM SECURITIES SDN BHD	Ground & 1 st Floor No. 43 & 43A, Jalan Penjaja 3 Taman Kim's Park Business Centre 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4333608	064-008
<u>KELANTAN DARUL NAIM</u>		
OSK INVESTMENT BANK BERHAD	Ground & 1 st Floor No. 3953-H Jalan Kebun Sultan 15350 Kota Bharu Kelantan Darul Naim Tel No.: 09-7430077	056-020
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No.: 09-7432288	058-004
<u>PAHANG DARUL MAKMUR</u>		
ALLIANCE INVESTMENT BANK BERHAD	A-397, A-399 & A-401 Taman Sri Kuantan III Jalan Beserah 25300 Kuantan Pahang Darul Makmur Tel No.: 09-5660800	076-002
ECM LIBRA INVESTMENT BANK BERHAD	B62, Ground Floor Lorong Tun Ismail 8 Sri Dagangan II 25000 Kuantan Pahang Darul Makmur Tel No.: 09-5133289	052-007

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>PAHANG DARUL MAKMUR (CONT'D)</u>		
OSK INVESTMENT BANK BERHAD	B2 & B34 Lorong Tun Ismail 8 Seri Dagangan II 25000 Kuantan Pahang Darul Makmur Tel No.: 09-5163811	056-007
OSK INVESTMENT BANK BERHAD	Ground Floor 98, Jalan Pasdec 28700 Bentong Pahang Darul Makmur Tel No.: 09-2234943	056-022
OSK INVESTMENT BANK BERHAD	Ground Floor No. 76-A, Persiaran Camelia 4 Tanah Rata 39000 Cameron Highlands Pahang Darul Makmur Tel No.: 09-4914913	056-041
<u>TERENGGANU DARUL IMAN</u>		
ALLIANCE INVESTMENT BANK BERHAD	No. 1D, Ground & Mezzanine No. 1E, Ground, Mezzanine, 1 st & 2 nd Floor, Jalan Air Jerneh 20300 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6317922	076-009
FA SECURITIES SDN BHD	No. 51 & 51A Ground, Mezzanine & 1 st Floor Jalan Tok Lam 20100 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6238128	021-001
OSK INVESTMENT BANK BERHAD	Ground & 1 st Floor 9651, Cukai Utama Jalan Kubang Kurus 24000 Kemaman Terengganu Darul Iman Tel No.: 09-8583109	056-027
OSK INVESTMENT BANK BERHAD	31A, Ground Floor 31A & 31B, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6261816	056-055

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>SABAH</u>		
CIMB INVESTMENT BANK BERHAD	1 st & 2 nd Floor Central Building No. 28, Jalan Sagunting 88000 Kota Kinabalu Sabah Tel No : 088-313836	065-005
ECM LIBRA INVESTMENT BANK BERHAD	Aras 8, Wisma Great Eastern 68 Jalan Gaya 88000 Kota Kinabalu Sabah Tel No.: 088-236188	052-012
HWANGDBS INVESTMENT BANK BERHAD	Suite 1-9-E1, 9 th Floor CPS Tower Centre Point Sabah No. 1 Jalan Centre Point 88000 Kota Kinabalu Sabah Tel No.: 088-311688	068-008
INNOSABAH SECURITIES BERHAD	11, Equity House, Block K Sadong Jaya, Karamunsing 88100 Kota Kinabalu Sabah Tel No.: 088-234090	020-001
OSK INVESTMENT BANK BERHAD	5 th Floor, Wisma BSN Sabah Jalan Kemajuan Karamunsing 88000 Kota Kinabalu Sabah Tel No.: 088-269788	056-010
OSK INVESTMENT BANK BERHAD	Ground Floor, Block 2 Lot 4 & Lot 5, Bandar Indah, Mile 4 North Road 91000 Sandakan Sabah Tel No : 089-229286	056-057
<u>SARAWAK</u>		
AMINVESTMENT BANK BERHAD	No. 164, 166 & 168 1 st 2 nd & 3 rd Floor Jalan Abell 93100 Kuching Sarawak Tel No : 082-244791	086-005

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>SARAWAK (CONT'D)</u>		
CIMB INVESTMENT BANK BERHAD	Level 1, Wisma STA 26 Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Tel No.: 082-358606	065-004
HWANGDBS INVESTMENT BANK BERHAD	Lot 328, Jalan Abell 93100 Kuching Sarawak Tel No.: 082-236999	068-005
HWANGDBS INVESTMENT BANK BERHAD	No 282, 1 st Floor Park City Commercial Centre Phase 4, Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel No.: 086-330008	068-016
KENANGA INVESTMENT BANK BERHAD	Lot 2465, Jalan Boulevard Utama Boulevard Commercial Centre 98000 Miri Sarawak Tel No.: 085-435577	073-002
KENANGA INVESTMENT BANK BERHAD	Level 5, Wisma Mahmud Jalan Sungai Sarawak 93100 Kuching Sarawak Tel No.: 082-338000	073-003
KENANGA INVESTMENT BANK BERHAD	No. 11-12, (Ground & 1 st Floor) Lorong Kampung Datu 3 96000 Sibul Sarawak Tel No.: 084-313855	073-012
OSK INVESTMENT BANK BERHAD	Ground, 1 st & 6 th Floor Wisma Chinese Chambers Lot 357, Section 47 K.T.L.D. Jalan Bukit Mata Kuching 93100 Kuching Sarawak Tel No.: 082-422252	056-008
OSK INVESTMENT BANK BERHAD	Lot 1268, 1 st & 2 nd Floor Lot 1269, 2 nd Floor Centre Point Commercial Centre Jalan Melayu 98000 Miri Sarawak Tel No : 085-422788	056-012

19. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>SARAWAK (CONT'D)</u>		
OSK INVESTMENT BANK BERHAD	101 & 102, Pusat Pedada Jalan Pedada 96000 Sibu Sarawak Tel No.: 084-329100	056-013
OSK INVESTMENT BANK BERHAD	Ground & 1 st Floor No. 10, Jalan Bersatu 96100 Sarikei Sarawak Tel No.: 084-654100	056-050
OSK INVESTMENT BANK BERHAD	Ground Floor No. 177, Taman Sri Dagang 97000 Bintulu Sarawak Tel No.: 086-311770	056-053
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibu Sarawak Tel No.: 084-319998	058-002
TA SECURITIES HOLDINGS BERHAD	2 nd Floor, (Bahagian Hadapan) Bangunan Binamas, Lot 138 Section 54, Jalan Pandung 93100 Kuching Sarawak Tel No.: 082-236333	058-006

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