

Company Registration No: 200608505W
 Malaysia Foreign Company Registration No.: 995221-H

13. TABLE ON THE PROVISIONS OF THE MALAYSIAN COMPANIES ACT AND SINGAPORE COMPANIES ACT WITH RESPECT TO SHAREHOLDERS AND MINORITY INTEREST PROTECTION, AND THE LAWS AND REGULATIONS OF MALAYSIA AND SINGAPORE ON CORPORATE GOVERNANCE AND TAKE-OVERS AND MERGERS (CONT'D)

MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 18(1) of the Malaysian Take-overs Code provides that an offeror shall not include in an offer document in respect of a voluntary offer, a defeating condition, however expressed, the fulfilment of which depends on:-</p> <p>(a) an opinion, belief or other state of mind of the offeror or any person acting in concert with the offeror; or</p> <p>(b) whether or not a particular event happens, being an event that is within the sole control of or is a direct result of an action by the offeror or any person acting in concert with the offeror.</p> <p>Section 18(2) of the Malaysian Take-overs Code provides that a condition in an offer document that is made in contravention of Section 18(1) of the Malaysian Take-overs Code shall be void.</p> <p>Section 18(3) of the Malaysian Take-overs Code provides that notwithstanding Section 18(1) or (2) of the Malaysian Take-overs Code, the offeror shall not be released from the offeror's other obligations under the Malaysian Take-overs Code.</p>	<p><i>Voluntary take-over offers shall not be subject to certain conditions</i></p> <p>Rule 15.1 of the Singapore Take-overs Code provides, <i>inter alia</i>, that a voluntary offer must not be made subject to conditions whose fulfilment depends on the subjective interpretation or judgement by the offeror or lies in the offeror's hands. Normal conditions, such as level of acceptance, approval of shareholders for the issue of new shares and the Singapore Exchange's approval for listing, may be attached without reference to the SIC. The SIC should be consulted where other conditions would be attached.</p>	

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 19(1) of the Malaysian Take-overs Code provides that in the case of a voluntary offer, all conditions attached to the take-over offer other than the condition referred to in Section 17(1) of the Malaysian Take-overs Code shall be fulfilled within twenty-one days:- (a) after the first closing date of the take-over offer; or (b) after the condition referred to in Section 17(1) of the Malaysian Take-overs Code is fulfilled, whichever is the later.</p> <p>Section 19(2) of the Malaysian Take-overs Code provides that the date in Section 19(1) of the Malaysian Take-overs Code shall not be later than seven days after the sixtieth day from the date on which the offer document was posted in accordance with Section 13(7) of the Malaysian Take-overs Code failing which the take-over offer shall lapse.</p> <p>Section 19(3) of the Malaysian Take-overs Code provides that upon the conditions to a voluntary offer being met, the offeror shall announce such fact in a press notice immediately.</p>	<p><i>Fulfillment of conditions</i></p> <p>Please see Rule 22.10 of the Singapore Take-overs Code as set out under "50% condition".</p>	

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 20(1) of the Malaysian Take-overs Code provides that in the case of a mandatory offer, the offeror in any take-over offer shall offer as consideration that is to be paid or provided for the acceptances of the take-over offer an amount of not less than the highest price (excluding stamp duty and commission) paid or agreed to be paid by the offeror or any person acting in concert with the offeror for any voting shares to which the take-over offer relates within six months prior to the beginning of the offer period.</p> <p>Section 20(2) of the Malaysian Take-overs Code provides that where the offeror or any person acting in concert with the offeror has purchased or agreed to purchase any voting shares to which the take-over offer relates during the offer period at a consideration that is higher than the consideration stated in the offer document to be paid or provided for the acceptances of the take-over offer, the offeror shall increase the consideration that is to be paid or provided for the acceptances of the take-over offer to not less than the highest price (excluding stamp duty and commission) paid or agreed to be paid by the offeror or any person acting in concert with the offeror for any voting shares to which the take-over offer relates during the offer period.</p> <p>Section 20(3) of the Malaysian Take-overs Code provides that where Section 20(2) of the Malaysian Take-overs Code applies, the offeror shall immediately announce by a press notice:- (a) the revised offer price;</p>	<p style="text-align: center;"><i>Offer price</i></p> <p>Rule 14.3 of the Singapore Take-overs Code provides that: (a) offers made under Rule 14 must, in respect of each class of equity share capital involved, be in cash or be accompanied by a cash alternative at not less than the highest price paid by the offeror or any person acting in concert with it for voting rights of the offeree company during the offer period and within 6 months prior to its commencement. Where any such shares have been acquired for a consideration other than cash, general principle 3 may be relevant and the SIC should be consulted. The SIC should be consulted as to the offer to be made for any class of share capital in respect of which no acquisitions have taken place within the preceding 6 months or when there is more than one class of equity share capital involved. (b) the SIC's consent is required if the offeror considers that the highest price should not apply in a particular case.</p> <p>Rule 21.1 of the Singapore Take-overs Code provides that if an offeror or any person acting in concert with it buys securities in the offeree company at above the offer price (being the then current value of the offer during the offer period), it must increase its offer to not less than the highest price paid for any securities so acquired.</p>	

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<p>(b) the number of voting shares to which the take-over offer relates that has been purchased or agreed to be purchased; and</p> <p>(c) the price paid or agreed to be paid for the said purchase or agreement to purchase.</p> <p>Section 20(4) of the Malaysian Take-overs Code provides that any revision made under Section 20(3) of the Malaysian Take-overs Code shall be subject to Section 23 of the Malaysian Take-overs Code.</p> <p>Section 20(5) of the Malaysian Take-overs Code provides that the offeror, in any take-over offer, shall post the cash consideration to all persons accepting the take-over offer:-</p> <p>(a) within twenty-one days from the date the offer becomes or is declared wholly unconditional;</p> <p>(b) in the event the take-over offer has already become or been declared wholly unconditional at the date of posting of the offer document in accordance with Section 13(7) of the Malaysian Take-overs Code, within twenty-one days from the date of such posting; or</p> <p>(c) where acceptances are received after the periods mentioned in Section 20(5)(a) or (b) of the Malaysian Take-overs Code, immediately upon acceptance of the offer, or at the latest within fourteen days from the date the acceptances are received.</p>	<p>Rule 21.3 of the Singapore Take-overs Code provides that within 30 minutes after the purchase of securities at above the offer price, it must be announced that a revised offer will be made in accordance with Rule 21. The announcement should also state the number and class of securities purchased and the price paid. Shareholders of the offeree company must be notified in writing of the increased price payable under Rule 21 at least 14 days before the offer closes.</p>	

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 20(6) of the Malaysian Take-overs Code provides that in the case where the consideration involves securities, the offeror, in any take-over offer, shall post or credit, as the case may be, the consideration to all persons, or the persons' securities account, as the case may be, accepting the take-over offer within twenty-one days from the date of the close of the take-over offer, provided that the take-over offer has become or has been declared wholly unconditional prior to the date of the close of the take-over offer.</p>		
<p>Section 20(7) of the Malaysian Take-overs Code provides that for the purpose of Section 20 of the Malaysian Take-overs Code, "securities account" means an account established by a central depository for a depositor for the recording of deposit of securities and for dealings in such securities by the depositor.</p>		

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 21(1) of the Malaysian Take-overs Code provides that in the case of a voluntary offer, where:-</p> <p>(a) 10% or more of the voting shares to which the take-over offer relates of the offeree has been purchased for cash by the offeror or any person acting in concert with the offeror during the offer period or within six months prior to the beginning of the offer period ; or</p> <p>(b) the Securities Commission determines that it is necessary,</p> <p>the offeror shall offer as consideration that is to be paid or provided for the acceptances of the take-over offer a cash sum or where there is more than one consideration, one consideration shall consist solely of a cash sum at not less than the highest price (excluding stamp duty and commission) paid for such voting shares purchased during the offer period or within six months prior to the beginning of the offer period.</p> <p>Section 21(2) of the Malaysian Take-overs Code provides that where the offeror offers unlisted securities as consideration to be paid or provided for the acceptances of a take-over offer, the offeror shall disclose in the offer document and any circular or document issued by the offeror in relation to the take-over offer:-</p> <p>(a) the value of the unlisted securities made based on a reasonable estimate by an independent valuer as may be approved by the Securities Commission ; and</p> <p>(b) relevant particulars of the valuation report made by the independent valuer.</p>	<p><i>Nature of consideration</i></p> <p>Rule 17.1 of the Singapore Take-overs Code provides that except with the SIC's consent, a cash offer is required where:</p> <p>(a) the offeror and any person acting in concert with it has bought for cash, during the offer period and within 6 months prior to its commencement, shares of any class under offer in the offeree company carrying 10% or more of the voting rights of that class; or</p> <p>(b) in the view of the SIC there are circumstances which render such a course necessary.</p> <p>The offer for each class of shares must be in cash or accompanied by a cash alternative at not less than the highest price paid by the offeror or any person acting in concert with it for shares of the class during the offer period and within 6 months prior to its commencement.</p> <p>Rule 17.2 of the Singapore Take-overs Code provides that where purchases of any class of the offeree company shares carrying 10% or more of the voting rights have been made by an offeror and any person acting in concert with it in exchange for securities during the offer period and in the 3 months prior to the commencement of the offer period, such securities will normally be required to be offered to all other holders of shares of that class. Unless the vendor is required to hold the securities received until either the offer has lapsed or the offer consideration has been posted to accepting shareholders, an obligation to provide a cash alternative will also arise under Rule 17.1.</p>	

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 21(3) of the Malaysian Take-overs Code provides that where the offeror offers listed securities as consideration to be paid or provided for the acceptances of a take-over offer the value of the consideration to be paid:-</p> <p>(a) in the case of unissued securities, shall be the price as approved by the Securities Commission;</p> <p>(b) in the case of issued securities, shall be the weighted average market price for the securities for the past five market days preceding the date of the written notice under Section 12(2) or 12(3) of the Malaysian Take-overs Code; or</p> <p>(c) where there is no trading of the securities for a continuous period of five market days immediately preceding the date of the written notice under Section 12(2) or 12(3) of the Malaysian Take-overs Code, the weighted average market price for the securities for the past five market days immediately preceding the close of trading of the market day when the securities were last traded.</p>	<p>Rule 21.2 of the Singapore Take-overs Code provides that for the purposes of Rule 21, if the offer entails a further issue of securities of a class already listed on the Singapore Exchange, the current value of the offer on a given day should normally be established by reference to the volume weighted average traded price of such securities during the immediately preceding trading day. If there were no dealings in the relevant securities on the immediately preceding trading day, the latest trading day on which there were dealings. The SIC reserves the right to set aside any inexplicably high or low traded prices. If the offer involves a combination of cash and securities and further purchases of the offeree company's shares oblige the offeror to increase the value of the offer, the offeror must endeavour, as far as practicable, to effect such increase while maintaining the same ratio of cash to securities as is represented by the offer.</p>	
<p>Section 21(4) of the Malaysian Take-overs Code provides that where the offeror or any person acting in concert with the offeror intends to purchase or agrees to purchase any voting shares to which a take-over offer relates prior to the date on which the offer document is posted in accordance with Section 13(7) of the Malaysian Take-overs Code, the offeror shall announce the valuation of the securities made under Section 21(2) or (3) of the Malaysian Take-overs Code in a press notice before making any such purchase or agreement to purchase.</p>		

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
TIMING OF OFFER		
<p>Section 22(1) of the Malaysian Take-overs Code provides that an offeror must keep a take-over offer open for acceptances for a period of not less than twenty-one days from the date the offer document is first posted in accordance with Section 13(7) of the Malaysian Take-overs Code.</p> <p>Section 22(2) of the Malaysian Take-overs Code provides that where there is a competing take-over offer made during the period referred to in Section 22(1) of the Malaysian Take-overs Code, the offer document sent by the offeror shall be deemed to have been posted on the date that the competing take-over offer document was posted.</p>	<p><i>Duration of offer</i></p> <p>Rule 22.3 of the Singapore Take-overs Code provides that an offer must initially be open for at least 28 days after the date on which the offer document is posted.</p>	

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 23(1) of the Malaysian Take-overs Code provides that where an offeror revises or is required to revise the offeror's take-over offer, the offeror shall:-</p> <p>(a) post the written notification of the revised take-over offer to all offeree shareholders, including all offeree shareholders who have accepted the original take-over offer; and</p> <p>(b) keep the take-over offer open for acceptances for at least another fourteen days from the date of posting of the written notification of the revised take-over offer in Section 23(1)(a) of the Malaysian Take-overs Code.</p> <p>Section 23(2) of the Malaysian Take-overs Code provides that the offeror shall state the next expiry date of a take-over offer in any announcement of extension of time for accepting the take-over offer.</p> <p>Section 23(3) of the Malaysian Take-overs Code provides that an offeror shall not revise a take-over offer, or cause a take-over offer to be revised, after forty-six days from the date on which the offer document was posted in accordance with Section 13(7) of the Malaysian Take-overs code.</p>	<p style="text-align: center;"><i>Revisions of a take-over offer</i></p> <p>Rule 20.1 of the Singapore Take-overs Code provides that if revised, an offer must be kept open for at least 14 days from the date of posting of the written notification of the revision to shareholders.</p> <p>Rule 20.2 of the Singapore Take-overs Code provides that if the offeror or a person on behalf of the offeror has made a "no increase" statement and it is not withdrawn immediately if incorrect, the offeror will not be allowed subsequently to amend the terms of the offer in any way even if the amendment would not result in an increase in the value of the offer, except in wholly exceptional circumstances or where the right to do so has been specifically reserved.</p> <p>Rule 20.3 of the Singapore Take-overs Code provides that an offeror may attach new conditions to an increased or improved offer, but only to the extent necessary to implement the revised offer and subject to the SIC's consent.</p> <p>Rule 20.4 of the Singapore Take-overs Code provides that if an offer is revised, all shareholders who accepted the original offer must receive the revised consideration.</p>	

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 23(4) of the Malaysian Take-overs Code provides that where a competing take-over offer has been announced an offeror shall not revise the offeror's take-over offer after forty-six days from the date on which the offer document relating to the competing take-over offer was posted in accordance with Section 13(7) of the Malaysian Take-overs Code.</p> <p>Section 23(5) of the Malaysian Take-overs Code provides that the offeror shall ensure that all offeree shareholders who have accepted the original take-over offer shall receive the revised consideration as consideration that is to be paid or provided for the acceptance of the take-over offer.</p> <p>Section 23(6) of the Malaysian Take-overs Code provides that the offeror and the board of directors of the offeree shall make such announcements in such manner as may be directed by the Securities Commission from time to time.</p>		

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 24(1) of the Malaysian Take-overs Code provides that a take-over offer shall be deemed to close prior to the expiry period which is stated in the offer document when:-</p> <ul style="list-style-type: none"> (a) the offeror receives acceptances amounting to all of the voting shares to which the take-over offer relates; (b) the offeree shareholders have received the independent advice circular under Section 15 of the Malaysian Take-overs Code if this requirement of appointment of an independent adviser has not been exempted in writing by the Securities Commission; and (c) the offeror has made an announcement under Section 25 of the Malaysian Take-overs Code. <p>Section 24(1A) of the Malaysian Take-overs Code provides that where a take-over offer has already become or been declared unconditional as to acceptances as at the date of the posting of the offer document in accordance with Section 13(7) of the Malaysian Take-overs Code, the closing date of the take-over offer shall not be later than the sixtieth day from such posting date.</p>	<p style="text-align: center;"><i>Closing of take-over offers</i></p> <p>No equivalent provisions under the Singapore Take-overs Code.</p>	

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 24(2) of the Malaysian Take-overs Code provides that where a take-over offer has become or is declared unconditional as to acceptances on any day before the forty-sixth day from the date on which the offer document was posted in accordance with Section 13(7) of the Malaysian Take-overs Code, the offeror shall keep the take-over offer open for acceptances for not less than fourteen days from the date on which the take-over offer becomes and is declared unconditional which shall, in any event, not be later than the sixtieth day from the date on which the offer document was posted under Section 13(7) of the Malaysian Take-overs Code.</p>		
<p>Section 24(3) of the Malaysian Take-overs Code provides where a take-over offer has become or is declared unconditional as to acceptances on any day after the forty-sixth day from the date on which the offer document was posted in accordance with Section 13(7) of the Malaysian Take-overs Code, the offeror shall keep the take-over open for acceptances for not less than fourteen days from the date in which the take-over offer becomes and is declared unconditional which shall in any event, not be later than the seventy-fourth day from the date on which the offer document was posted under Section 13(7) of the Malaysian Take-overs Code.</p>		
<p>Section 24(4) of the Malaysian Take-overs Code provides that without prejudice to Sections 24(1A), (2) and (3) of the Malaysian Take-overs Code and subject to Section 22(1) of the Malaysian Take-overs Code, the offeror shall give not less than fourteen days notice in writing to the offeree shareholders before closing the take-over offer.</p>		

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<p>Section 24(4A) of the Malaysian Take-overs Code provides that subject to the Securities Commission's approval, Section 23(4) of the Malaysian Take-overs Code shall not apply where a take-over offer has become unconditional as to acceptances before an expiry date and the offer document clearly states that the offer will be closed on a specific date.</p> <p>Section 24(5) of the Malaysian Take-overs Code provides that the offeror shall not give a written notice under Section 23(4A) of the Malaysian Take-overs Code where a competing take-over offer has been announced unless the competing take-over offer has reached its conclusion or the offeree shareholders who hold more than 50% of such voting shares have irrevocably rejected the competing take-over offer in favour of the take-over offer of the first offeror.</p> <p>Section 24(6) of the Malaysian Take-overs Code provides that where:- (a) the take-over offer is capable of becoming or being declared unconditional as to acceptances; (b) there are alternative forms of consideration; and (c) the take-over offer or the alternative form of consideration remains open, the offeror shall not allow the take-over offer nor any alternative to close unless:- (aa) fourteen days have elapsed since the first expiry date on which the take-over offer was capable of becoming or being declared unconditional as to acceptances; or (bb) the offeror has given a notice under Section 23(4A) of the Malaysian Take-overs Code.</p>		

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<p>Section 25(1) of the Malaysian Take-overs Code provides that if the securities or voting shares of the offeror or offeree are listed on a stock exchange, the offeror shall inform the Securities Commission and the relevant stock exchange and announce by way of press notice on the market day following the day on which a take-over is closed, becomes or is declared unconditional as to acceptances, revised or extended:-</p> <p>(a) the position of the take-over offer, that is, as to whether the take-over offer is closed, becomes or is declared unconditional as to acceptances, revised or extended; and</p> <p>(b) the total number of voting shares to which the take-over offer relates:-</p> <p>(i) for which acceptances of the take-over offer have been received after the posting of the offer document by the offeror to offeree shareholders in accordance with Section 13(7) of the Malaysian Take-overs Code;</p> <p>(ii) held by the offeror and all persons acting in concert with the offeror at the time of the posting of the offer document to offeree shareholders in accordance with Section 13(7) of the Malaysian Take-overs Code; and</p> <p>(iii) acquired or agreed to be acquired during the offer period,</p> <p>and shall specify the percentages of the relevant classes of share capital represented by these figures before trading in the securities of the offeror or offeree commences at the relevant stock exchange.</p>	<p style="text-align: center;"><i>Announcement of acceptances</i></p> <p>Rule 28.1 of the Singapore Take-overs Code provides that by 8.00 am at the latest on the dealing day ("the relevant day") immediately after the day on which an offer is due to expire, or becomes or is declared unconditional as to acceptances, or is revised or extended, the offeror must announce the total number of shares (as nearly as practicable):</p> <p>(a) for which acceptances of the offer have been received;</p> <p>(b) held before the offer period; and</p> <p>(c) acquired or agreed to be acquired during the offer period,</p> <p>and specify the percentages of the relevant classes of share capital represented by these figures.</p> <p>If the offeree company is quoted on the Singapore Exchange, the offeror must also inform the Singapore Exchange of the above.</p> <p>Note 7 to Rule 28.1 of the Singapore Take-overs Code provides that in the case of companies whose securities are not dealt in on the Singapore Exchange, it would normally be appropriate to write to all shareholders or issue a paid press notice instead of making an announcement.</p> <p>Rule 28.2 of the Singapore Take-overs Code provides that:</p> <p>(a) If the offeror is unable within the time limit to comply with any of the requirements of Rule 28.1, the SIC will consider requesting the Singapore Exchange to suspend dealings in the offeree company's shares and, where appropriate, in the offeror's shares until the relevant information is given.</p>	

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<p>Section 25(2) of the Malaysian Take-overs Code provides that in the case where the securities of the offeror and the offeree are not listed on a relevant stock exchange, the copy of the announcement containing particulars referred to in Sections 25(1)(a) and (b) shall be sent to the Securities Commission and announced by way of a press notice before 9.00 a.m. on the market day following the day on which a take-over offer is closed, becomes or is declared unconditional as to acceptances, revised or extended.</p> <p>Section 25(3) of the Malaysian Take-overs Code provides that where the offeror, having announced the offer to be unconditional as to acceptances, fails to comply with any of the requirements of Sections 25(1) and (2) of the Malaysian Take-overs Code:-</p> <p>(a) by the close of trading at the relevant stock exchange on the day referred to in Section 25(1) of the Malaysian Take-overs Code, where the offeror or offeree is listed on a stock exchange; or</p> <p>(b) by 5.00 p.m. on the day referred to in Section 25(2) of the Malaysian Take-overs Code, where the offeror and offeree is unlisted,</p> <p>any person who has accepted the take-over offer shall be entitled to withdraw his or its acceptance immediately thereafter.</p> <p>Section 25(4) of the Malaysian Take-overs Code provides that notwithstanding Section 25(3) of the Malaysian Take-overs Code, the Securities Commission may terminate the right of withdrawal referred to in Section 25(3) of the Malaysian Take-overs Code if:-</p>	<p>(b) If an offer has become or been declared unconditional as to acceptances, but the offeror fails by 3.30 pm on the relevant day to comply with any of the requirements of Rule 28.1, then immediately thereafter any acceptor will be entitled to withdraw his acceptance. Subject to Rule 22.9 (Final day rule), this right of withdrawal may be terminated not less than 8 days after the relevant day by the offeror confirming (if that be the case) that the offer is still unconditional as to acceptances and complying with Rule 28.1.</p>	

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>(a) the offeror has complied with the requirements within eight days from the day referred to in Section 25(1) of the Malaysian Take-overs Code; and</p> <p>(b) the offeror has confirmed in a statement by way of press notice that the offer is still unconditional as to acceptances.</p> <p>Section 25(5) of the Malaysian Take-overs Code provides that for the purpose of Section 25(4) of the Malaysian Take-overs Code:-</p> <p>(a) the expiry of the eight days period from the day referred to in Section 25(1) of the Malaysian Take-overs Code shall not fall after the expiry of the sixty days from the date which the offer document is posted in accordance with Section 13(7) of the Malaysian Take-overs Code; and</p> <p>(b) the right of any person who has withdrawn his or its acceptance under Section 25(3) of the Malaysian Take-overs Code shall not be prejudiced.</p> <p>Section 25(6) of the Malaysian Take-overs Code provides that where the offeror fails to comply with any of the requirements of Section 25 of the Malaysian Take-overs Code within eight days from the day referred to in Section 25(1) of the Malaysian Take-overs Code, the take-over offer shall lapse if the relevant level of acceptances are not received by the offeror.</p>		

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
EXTENSION OF TIME		
Section 40 of the Malaysian Take-overs Code provides that the Securities Commission may extend the time for compliance with any provision of the Malaysian Take-overs Code.	No equivalent provisions under the Singapore Take-overs Code.	
COMPULSORY ACQUISITIONS AND RIGHTS OF MINORITY SHAREHOLDERS IN RELATION TO TAKE-OVERS		
<i>Compulsory acquisitions</i>		
Section 222(1) of Division 2 of Part VI of the CMSA provides that subject to Section 224 of the CMSA, where a take-over offer by an offeror to acquire all the shares or all the shares in any particular class in an offeree has, within four months after the making of the take-over offer, been accepted by the holders of not less than nine-tenths in the nominal value of those shares or of the shares of that class (excluding shares already held at the date of the take-over offer by the offeror or persons acting in concert), the offeror may, at any time within two months from the date the nine-tenths in the nominal value of those shares have been achieved, give notice in the manner prescribed under the Malaysian Take-overs Code to any dissenting shareholder that it desires to acquire his shares together with a copy of a statutory declaration by the offeror that the conditions for the giving of the notice are satisfied.	Section 215(1) of the SCA provides that where a scheme or contract involving the transfer of all of the shares or all of the shares in any particular class in a company (referred to in Section 215 of the SCA as the transferor company) to another company or corporation (referred to in Section 215 of the SCA as the transferee company) has, within 4 months after the making of the offer in that behalf by the transferee company, been approved as to the shares or as to each class of shares whose transfer is involved by the holders of not less than 90% of the total number of those shares (excluding treasury shares) or of the shares of that class (other than shares already held at the date of the offer by the transferee company, and excluding any shares in the company held as treasury shares), the transferee company may at any time within 2 months, after the offer has been so approved, give notice in the prescribed manner to any dissenting shareholder that it desires to acquire his shares.	Section 222 of the CMSA does not apply to the Company as it is not a company incorporated under the MCA. However, the provisions under Section 215 of the SCA on the powers of a transferee company to acquire the shares of shareholders dissenting from a scheme or contract approved by a 90% majority are applicable to a take-over offer for the Company, being a Singapore-incorporated company. The provisions of the CMSA and the SCA on compulsory acquisitions are similar, with the principal differences being:- (i) unlike Section 222 of the CMSA, the powers of compulsory acquisition under Section 215(1) of the SCA cannot be invoked by a natural person; (ii) Section 215(9) of SCA provides that for the purposes of Section 215 of the SCA, shares held or acquired:- (a) by a nominee on behalf of the transferee company; or (b) by a related corporation of the transferee company or by a nominee of that related corporation,

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 222(2) of the CMSA provides that where an offeror has given notice to any dissenting shareholder that it desires to acquire his shares pursuant to Section 222(1) of the CMSA, the dissenting shareholder shall be entitled to require the offeror, by a demand in writing served on the offeror within one month from the date on which the notice is given, to supply him with a statement in writing of the names and addresses of all other dissenting shareholders as shown in the register of members and the offeror shall not be entitled or bound to acquire the shares of the dissenting shareholders until fourteen days after the posting of the statement of those names and addresses to the dissenting shareholder.</p>	<p>Section 215(2) of the SCA provides that where a transferee company has given notice to any dissenting shareholder that it desires to acquire his shares, the dissenting shareholder shall be entitled to require the company by a demand in writing served on that company, within one month from the date on which the notice was given, to supply him with a statement in writing of the names and addresses of all other dissenting shareholders as shown in the register of members, and the transferee company shall not be entitled or bound to acquire the shares of the dissenting shareholders until 14 days after the posting of the statement of such names and addresses to the dissenting shareholder.</p>	<p>shall be treated as held or acquired by the transferee company.</p> <p>On the other hand, Section 222(1) of the CMSA is applicable where a take-over offer has been accepted by the holders of not less than nine-tenths in the nominal value of those shares or of the shares of that class (excluding shares already held at the date of the take-over offer by the offeror or persons acting in concert). Under Section 216(3) of the CMSA, the following persons shall be presumed to be persons acting in concert unless the contrary is established:-</p>
<p>Section 222(3) of the CMSA provides that upon the giving of the notice and statutory declaration under Section 222(1) of the CMSA, or where Section 222(2) of the CMSA applies, upon the provisions in Section 222(2) of the CMSA being complied with, the offeror shall in accordance with Section 222(7) of the CMSA acquire those shares on the terms of the take-over offer or, if the take-over offer contained two or more alternative sets of terms, on the terms which were specified in the take-over offer as being applicable to the dissenting shareholders.</p> <p>Section 222(4) of the CMSA provides that a person commits an offence if he:-</p> <p>(a) sends a copy of a notice or statutory declaration under Section 222(1) of the CMSA which is not in the prescribed manner; or</p>	<p>Section 215(1) of the SCA further provides that when a notice is given under Section 215(1) of the SCA, the transferee company shall, unless on an application made by the dissenting shareholder within one month from the date on which the notice was given or within 14 days of a statement being supplied to a dissenting shareholder pursuant to Section 215(2) of the SCA (whichever is the later) the Court thinks fit to order otherwise, be entitled and bound to acquire those shares on the terms which, under the scheme or contract the shares of the approving shareholders are to be transferred to the transferee company or if the offer contained 2 or more alternative sets of terms upon the terms which were specified in the offer as being applicable to dissenting shareholders.</p>	<p>(a) a corporation and its related and associate corporations;</p> <p>(b) a corporation and any of its directors, or the parent, child, brother or sister of any of its directors, or the spouse of any such director or any such relative, or any related trusts;</p> <p>(c) a corporation and any pension fund established by it;</p> <p>(d) a person and any investment company, unit trust or other fund whose investments such person manages on a discretionary basis;</p> <p>(e) a financial adviser and its client which is a corporation, where the financial adviser manages on a discretionary basis the corporation's funds and has 10% or more of the voting shares in that corporation; and</p>

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>(b) makes a statutory declaration pursuant to Section 222(1) of the CMSA or sends a statement pursuant to Section 222(2) of the CMSA, knowing that the declaration or the statement, as the case may be, to be false, or without having reasonable grounds for believing it to be true.</p> <p>Section 222(5) of the CMSA provides that where a person is charged for an offence under Section 222(4) of the CMSA, it is a defence for him to prove that he took reasonable steps for securing compliance with that subsection.</p> <p>Section 222(6) of the CMSA provides that where, during the period within which a take-over offer can be accepted, the offeror acquires or contracts to acquire any of the shares to which the take-over offer relates, otherwise than by virtue of acceptances of the take-over offer, then if:-</p> <p>(a) the value of the consideration for which they are acquired or contracted to be acquired ("the acquisition consideration") does not at that time exceed the value of the consideration specified in the terms of the take-over offer; or</p> <p>(b) the terms of the take-over offer are subsequently revised so that when the revision is announced the value of the acquisition consideration at the time mentioned in paragraph (a) of Section 222(6) of the CMSA no longer exceeds the value of the consideration specified in those terms,</p>	<p>Section 215(11) of the SCA provides that where, during the period within which an offer for the transfer of shares to the transferee company can be approved, the transferee company acquires or contracts to acquire any of the shares whose transfer is involved but otherwise than by virtue of the approval of the offer, then, if:</p> <p>(a) the consideration for which the shares are acquired or contracted to be acquired (referred to in Section 215(11) of the SCA as the acquisition consideration) does not at that time exceed the consideration specified in the terms of the offer; or</p> <p>(b) those terms are subsequently revised so that when the revision is announced the acquisition consideration, at the time referred to in paragraph (a) of Section 215(11) of the SCA, no longer exceeds the consideration specified in those terms,</p>	<p>(f) a person who owns or controls 20% or more of the voting shares of a corporation falling within paragraph (a) and any parent, child, brother or sister of such person, or the spouse of such person or any such relative, or any related trusts together with one or more persons falling within paragraph (a); and</p> <p>(iii) unlike Section 222 of the CMSA, Section 215 of the SCA does not require the making of a statutory declaration by the offeror that the conditions for the giving of the notice are satisfied. The SCA does not contain the equivalent of Sections 222(4) and 222(5) of the CMSA.</p> <p>Note: The SCA does not contain the equivalent of Section 225 of the CMSA. Unlike Malaysia, Singapore does not separately provide in a legislation other than the SCA, provisions dealing with compulsory acquisitions and the rights of minority shareholders in relation to take-overs under its take-over code. Section 215 of the SCA continues to be applicable in such situations.</p>

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>the offeror shall be treated, for the purposes of this section, as having acquired or contracted to acquire those shares by virtue of acceptances of the take-over offer but in relation to any other case those shares shall be treated as excluded from those to which the take-over offer relates.</p> <p>Section 222(7) of the CMSA provides that subject to Section 224 of the CMSA, where a notice has been given by the offeror under Section 222(1) of the CMSA, the offeror shall, after the expiration of one month after the date on which the notice has been given, or where Section 222(2) of the CMSA applies after fourteen days from the date the statement has been posted to the dissenting shareholder:-</p> <p>(a) send a copy of the notice to the offeree together with an instrument of transfer executed on behalf of all such dissenting shareholders by the offeror; and</p> <p>(b) pay, allot or transfer to the offeree the amount or other consideration for the shares to which the notice relates,</p> <p>and the offeree shall thereupon register the offeror as the holder of those shares.</p>	<p>the transferee company shall be treated for the purposes of Section 215 of the SCA as having acquired or contracted to acquire those shares by virtue of the approval of the offer.</p> <p>Section 215(4) of the SCA provides that where a notice has been given by the transferee company under Section 215(1) of the SCA and the Court has not, on an application made by the dissenting shareholder, ordered to the contrary, the transferee company shall, after the expiration of one month after the date on which the notice has been given or, after 14 days after a statement has been supplied to a dissenting shareholder pursuant to Section 215(2) of the SCA or if an application to the Court by the dissenting shareholder is then pending, after that application has been disposed of, transmit a copy of the notice to the transferor company together with an instrument of transfer executed, on behalf of the shareholder by any person appointed by the transferee company, and on its own behalf by the transferee company, and pay, allot or transfer to the transferor company the amount or other consideration representing the price payable by the transferee company for the shares which by virtue of Section 215 of the SCA that company is entitled to acquire, and the transferor company shall thereupon register the transferee company as the holder of those shares.</p>	

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 222(8) of the CMSA provides that any sums received by the offeree under this section shall be paid into a separate bank account, and any such sums and any other consideration so received shall be held by that offeree in trust for the persons entitled to the shares in respect of which the sum or other consideration was received.</p> <p>Section 222(9) of the CMSA provides that where any consideration other than cash is held in trust by a company for any person under Section 222 of the CMSA, it may, after the expiration of ten years from the date on which the consideration is paid, allotted or transferred to it, transfer the same to the Minister.</p> <p>Section 222(10) of the CMSA provides that the Minister shall sell or dispose of any consideration received under Section 222(9) of the CMSA in such manner as he thinks fit and shall deal with the proceeds of the sale or disposal as if it were monies paid to him pursuant to the law relating to unclaimed monies.</p> <p>Section 225 of the CMSA provides that the provisions of Section 180 of the MCA shall not apply in respect of take-over offers to which Section 221(1) applies.</p>	<p>Section 215(5) of the SCA provides that any sums received by the transferor company under Section 215 of the SCA shall be paid into a separate bank account, and any such sums and any other consideration so received shall be held by that company in trust for the several persons entitled to the shares in respect of which they were respectively received.</p> <p>Section 215(6) of the SCA provides that where any consideration other than cash is held in trust by a company for any person under Section 215 of the SCA, it may, after the expiration of 2 years and shall before the expiration of 10 years from the date on which such consideration was allotted or transferred to it, transfer such consideration to the Official Receiver.</p>	

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 223(1) of Division 2 of Part VI of the CMSA provides that subject to Section 224, if a take-over offer relates to all the shares or to all shares in any class in an offeree and, at any time before the end of the period within which the take-over offer can be accepted:-</p> <p>(a) the offeror has, by virtue of the acceptances of the take-over offer, acquired some (but not all) of the shares to which the take-over offer relates or shares of any class to which the take-over offer relates; and</p> <p>(b) those shares, with or without any other shares or any other shares of that class to which the take-over offer relates, as the case may be, which the offeror or persons acting in concert has acquired amounts to not less than nine-tenths in value of all the shares in the offeree or of that class in the offeree,</p> <p>the holder of any shares or any class of shares to which the take-over offer relates may, by notice to the offeror, require him to acquire those shares, and the offeror shall be bound to acquire those shares on the terms of the take-over offer or such other terms as may be agreed.</p>	<p><i>Rights of minority shareholders</i></p> <p>Section 215(3) of the SCA provides that where, in pursuance of any such scheme or contract, shares in a company are transferred to another company or its nominee and those shares together with any other shares in the first-mentioned company held by the transferee company at the date of the transfer comprise or include 90% of the total number of the shares (excluding treasury shares) in the first-mentioned company or of any class of those shares, then:</p> <p>(a) the transferee company shall within one month from the date of the transfer (unless on a previous transfer in pursuance of the scheme or contract it has already complied with this requirement) give notice of that fact in the prescribed manner to the holders of the remaining shares or of the remaining shares of that class who have not assented to the scheme or contract; and</p> <p>(b) any such holder may within 3 months from the giving of the notice to him require the transferee company to acquire the shares in question,</p> <p>and where a shareholder gives notice under paragraph (b) of Section 215(3) of the SCA with respect to any shares, the transferee company shall be entitled and bound to acquire those shares on the terms on which under the scheme or contract the shares of the approving shareholders were transferred to it, or on such other terms as are agreed or as the Court on the application of either the transferee company or the shareholder thinks fit to order.</p>	<p>Section 223 of the CMSA does not apply to the Company as it is not a company incorporated under the MCA. However, the provisions under Section 215 of the SCA on the rights of minority shareholders are applicable to a take-over offer for the Company, being a Singapore-incorporated company.</p> <p>The provisions of the CMSA and the SCA on the rights of minority shareholders are similar, with the principal differences being:-</p> <p>(i) under Section 223(3) of the CMSA, the period for the exercise of the rights can only end no less than three months after the end of the period within which the take-over offer can be accepted. Under Section 215(3) of the SCA, the period for the exercise of the rights is three months from the giving of the prescribed notice by the offeror company to the dissenting shareholders; and</p> <p>(ii) under Section 215(3) of the SCA, the transferee company is required to give notice regardless of whether it is exercising its power of compulsory acquisition under Section 215(1) of the SCA. On the other hand, Section 223(3) of the CMSA exempts the offeror from giving notice if it is exercising its power of compulsory acquisition under Section 222 of the CMSA.</p>

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 223(2) of the CMSA provides that within one month of the time specified in Section 223(1) of the CMSA, the offeror shall give any shareholder who has not accepted the take-over offer, notice in the manner prescribed under the Malaysian Take-overs Code of the rights that are exercisable by him under Section 223(1) of the CMSA and, if the notice is given before the period mentioned in Section 223(1) of the CMSA, it shall state that the take-over offer is still open for acceptance.</p>		
<p>Section 223(3) of the CMSA provides that a notice under Section 223(2) of the CMSA may specify the period for the exercise of the rights conferred by Section 223 of the CMSA and in that event the rights shall not be exercisable after the end of that period; but no such period shall end less than three months after the end of the period within which the take-over offer can be accepted.</p>		
<p>Section 223(4) of the CMSA provides that Section 223(2) of the CMSA shall not apply if the offeror has given the shareholder a notice in respect of the shares in question under Section 222(1) of the CMSA.</p> <p>Section 223(5) of the CMSA provides that a person who contravenes Section 223(2) of the CMSA commits an offence.</p>		

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 224(1) of Division 2 of Part VI of the CMSA provides that where a notice is given under Section 222(1), the court may, on an application made by any dissenting shareholder within one month from the date on which the notice was given:-</p> <p>(a) order that the offeror shall not be entitled and shall not be bound to acquire those shares; or</p> <p>(b) specify terms of acquisition that are different from the terms of the take-over offer.</p> <p>Section 224(2) of the CMSA provides that if an application to court is pending at the end of the period mentioned in Section 222(2) of the CMSA, that subsection shall not have effect until the application has been disposed of.</p> <p>Section 224(3) of the CMSA provides that when the holder of any shares exercises his rights under Section 223(1) of the CMSA, the court may, on an application made by such holder of shares or the offeror, order that the terms on which the offeror shall acquire the shares shall be as the court thinks fit.</p> <p>Section 224(5) of the CMSA provides that subject to Section 224(6) of the CMSA, the court may, on an application made by an offeror who has not obtained acceptances to the extent necessary for entitling him to give notice under Section 222(1) of the CMSA, make an order authorising the offeror to give notices under Section 222(1) of the CMSA.</p>	<p style="text-align: center;"><i>Application to court</i></p> <p>Section 215(1) of the SCA provides that when a notice is given under Section 215(1) of the SCA, the transferee company shall be entitled and bound to acquire those shares on the terms which under the scheme or contract the shares of the approving shareholders are to be transferred to the transferee company unless on an application made by the dissenting shareholder within one month from the date on which the notice was given or within 14 days of a statement being supplied to a dissenting shareholder pursuant to Section 215(2) of the SCA (whichever is the later) the Court thinks fit to order otherwise.</p> <p>Section 215(3) of the SCA provides that where a shareholder gives notice under paragraph (b) of Section 215(3) of the SCA with respect to any shares, the transferee company shall be entitled and bound to acquire those shares on the terms on which under the scheme or contract the shares of the approving shareholders were transferred to it, or on such other terms as are agreed or as the Court on the application of either the transferee company or the shareholder thinks fit to order.</p> <p>The SCA does not contain provisions equivalent to Sections 224(5) and 224(6) of the CMSA.</p>	<p>Section 224 of the CMSA sets out certain specific provisions for applications to the court by an offeror or a dissenting shareholder in relation to Sections 222 and 223 of the CMSA.</p> <p>Unlike Malaysia, Singapore does not separately provide in a legislation other than the SCA, provisions dealing with applications to the court by an offeror or a dissenting shareholder in relation to take-overs under its take-over code. In this regard, Section 215(1) of the SCA allows for applications to the court by dissenting shareholders for the making of orders in relation to compulsory acquisitions under Section 215(1) of the SCA. Section 215(3) of the SCA allows for applications to the court by either the transferee company or the minority shareholders for the making of orders in relation to the terms on which the shares of the minority shareholders are to be transferred to the transferee company where the minority shareholders have given notice to the transferee company to acquire their shares.</p>

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MALAYSIAN TAKE-OVERS CODE	SINGAPORE TAKE-OVERS CODE	COMMENTS
<p>Section 224(6) of the CMSA provides that the court may grant an order under Section 222(5) of the CMSA upon being satisfied that:-</p> <p>(a) the failure of the offeror to obtain such acceptances was due to the inability of the offeror to trace one or more of the persons holding shares to which the take-over offer relates after having made reasonable enquiries;</p> <p>(b) the shares which the offeror has acquired or contracted to acquire by virtue of acceptances of the take-over offer, together with the shares held by the person mentioned in paragraph (a) of Section 224(6) of the CMSA, amount to not less than the minimum specified in Section 222(1) of the CMSA; and</p> <p>(c) the consideration offered is fair and reasonable,</p> <p>Provided that the court shall not make such an order unless it considers that it is just and equitable to do so having regard, in particular, to the number of shareholders who have been traced but who have not accepted the take-over offer.</p>		

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14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE

14.1 OPENING AND CLOSING OF APPLICATIONS

The application period will remain open until 5.00 p.m. on 9 December 2010 or for such later period or periods as our Directors, Offerors and Promoters together with our Managing Underwriter in their absolute discretion may mutually decide. **We will not accept late applications.**

In the event the closing date for the applications is extended, you will be notified of the change in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia. Should the application period be extended, the dates for the balloting of the applications and the listing of our company will be extended accordingly.

14.2 METHODS OF APPLICATIONS

Applications for the subscription of the Public Issue Shares may be made using any of the following ways: -

- (a) Application Forms; or
- (b) Electronic Share Applications; or
- (c) Internet Share Applications.

14.3 PROCEDURES FOR APPLICATIONS

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

The following relevant Application Forms issued with the notes and instructions printed therein are enclosed and issued together with this Prospectus and form an integral part of this Prospectus: -

14.3.1 Applications by the Malaysian Public via Balloting

Applications for the subscription of 24,495,000 Shares made available to the Malaysian Public must be made on the **White Application Forms** provided or by way of Electronic Share Application or Internet Share Application. A corporation or institution cannot apply for subscription of the Shares by way of Electronic Share Application or Internet Share Application.

14.3.2 Applications by selected investors for Private Placement

Selected investors being allocated the IPO Shares by way of private placement will be contacted directly by the Sole Placement Agent and are to follow the instructions as communicated by the Sole Placement Agent.

14.4 APPLICATIONS USING APPLICATION FORMS

The following relevant Application Forms issued with their notes and instructions are enclosed with this Prospectus: -

- (a) **White** Application Forms for application by the Malaysian Public.

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

White Application Forms together with copies of this Prospectus may be obtained, subject to availability, from AmInvestment Bank, member companies of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and MIH.

The submission of an Application Form does not necessarily mean that the application will be successful.

Directors and employees of MIH and their immediate families are strictly prohibited from applying to subscribe for and/or purchase of the IPO Shares.

Only one (1) Application Form from each applicant will be considered and applications must be for 100 Shares or multiples thereof. Multiple applications will not be accepted. A person who submit multiple applications in his own name or by using the name of others, with or without their consent, commits an offence under Section 179 of the 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.

Persons submitting applications by way of Application Forms or Electronic Share Applications or Internet Share Applications must have a CDS account.

The amount payable in full on application is RM0.80 per Share. Persons submitting applications by way of Applications Forms may not submit applications by way of Electronic Share Applications or Internet Share Applications and vice versa. A corporation or institution cannot apply for subscription and/or purchase of the Shares by way of Electronic Share Application or Internet Share Application.

IN THE CASE OF AN INDIVIDUAL APPLICANT OTHER THAN A MEMBER OF THE ARMED FORCES OR POLICE, THE NAME AND NATIONAL REGISTRATION IDENTITY CARD (NRIC) NUMBER OF THE APPLICANT MUST BE EXACTLY THE SAME AS STATED IN:

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

WHERE THE APPLICANT IS A MEMBER OF THE ARMED FORCES OR POLICE, THE NAME AND THE ARMED FORCES OR POLICE PERSONNEL NUMBER, AS THE CASE MAY BE, OF THE APPLICANT MUST BE EXACTLY THE SAME AS THAT STATED IN HIS / HER AUTHORITY CARD.

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

No acknowledgement of the receipt of the Application Form or Application monies will be made by us and/ or MIH.

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

14.4.1 Terms and Conditions for Applications Using Application Forms

Applications by way of White Application Forms shall be made on, and subject to, the terms and conditions set out below: -

- (i) Applicant who is an individual must be a Malaysian citizen residing in Malaysia, with a CDS account and a Malaysian address.
- (ii) Applicant that is a corporation / institution incorporated in Malaysia must have a CDS account and be subject to the following:-
 - (a) if the corporation / institution has a share capital, more than half of the issued share capital (excluding preference share capital) is held by Malaysian citizens; and
 - (b) there is a majority of Malaysian citizens on the board of Directors / trustee.
- (iii) Applicant that is a superannuation, provident or pension fund must be established or operating in Malaysia and have a CDS account.
- (iv) Applications will not be accepted from trustees, any person under eighteen (18) years of age, sole proprietorships, partnerships or other incorporated bodies or associations, other than corporations/ institutions referred to in Sections 14.4.1(ii) and (iii) above or the trustees thereof.
- (v) Application for the Shares must be made on the respective Application Forms issued together with this Prospectus and must be completed in accordance with the notes and instructions printed on the reverse side of the Application Form and this Prospectus. In accordance with Section 232 of the CMSA, the Application Form together with the notes and instructions printed therein is accompanied by this Prospectus. Applications, which **do not STRICTLY** conform to the terms of this Prospectus or Application Form or notes and instructions printed therein or which are illegible will not be accepted.
- (vi) EACH COMPLETED APPLICATION FORM MUST BE ACCOMPANIED BY REMITTANCE IN RINGGIT MALAYSIA FOR THE FULL AMOUNT PAYABLE BY EITHER: -
 - BANKER'S DRAFT OR CASHIER'S ORDER PURCHASED WITHIN MALAYSIA ONLY AND DRAWN ON A BANK IN KUALA LUMPUR; OR
 - MONEY ORDER OR POSTAL ORDER (FOR APPLICANTS FROM SABAH AND SARAWAK ONLY); OR
 - GUARANTEED GIRO ORDER (GGO) FROM BANK SIMPANAN NASIONAL MALAYSIA BERHAD; OR

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

- ATM STATEMENT OBTAINED ONLY FROM:-
 - 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;

AND MUST BE MADE OUT IN FAVOUR OF "MIH SHARE ISSUE ACCOUNT NO. 500" AND CROSSED "A/C PAYEE ONLY" (EXCLUDING ATM STATEMENTS) AND ENDORSED ON THE REVERSE SIDE WITH THE NAME AND ADDRESS OF THE APPLICANT.

APPLICATIONS ACCOMPANIED BY MODE OF PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES OR INAPPROPRIATE BANKER'S DRAFTS/ CASHIER'S ORDERS/ MONEY ORDERS OR POSTAL ORDER/ ATM STATEMENT/ GGO WILL NOT BE ACCEPTED. DETAILS OF REMITTANCES MUST BE COMPLETED IN THE APPROPRIATE BOXES PROVIDED ON THE APPLICATION FORMS.

- (vii) AN APPLICANT MUST STATE HIS CDS ACCOUNT NUMBER IN THE SPACE PROVIDED IN THE APPLICATION FORM AND HE SHALL BE DEEMED TO HAVE AUTHORISED BURSA DEPOSITORY TO DISCLOSE INFORMATION PERTAINING TO THE CDS ACCOUNT TO MIH / COMPANY.
- (viii) THE NAME AND ADDRESS OF THE APPLICANT MUST BE WRITTEN ON THE REVERSE SIDE OF THE BANKER'S DRAFT, CASHIER'S ORDER, ATM STATEMENT, MONEY ORDER OR POSTAL ORDER OR GGO FROM BANK SIMPANAN NASIONAL MALAYSIA BERHAD.
- (ix) Our Board reserves the right to require any successful applicant to appear in person at the registered office of MIH within fourteen (14) days of the date of the notice issued to him to ascertain the regularity or propriety of the Application. Our Board 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 the successful applicant for the purpose of complying with this provision.
- (x) MIH, on the authority of our Board 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.
- (xi) MIH, on the authority of our Board reserves the right not to accept any Application or accept any Application in part only without assigning any reason therefor. Due consideration will be given to the desirability of allotting the Shares to a reasonable number of applicants with a view to establishing an adequate market for the Shares.

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

- (xii) 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 Applications lists by registered post or ordinary post at 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 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.
- (xiii) The applicant shall ensure that his / her personal particulars stated in the Application Form are identical with the records maintained by Bursa Depository. The applicant must inform Bursa Depository promptly of any change in address failing which the notification letter of successful allotment will be sent to his / her registered or correspondence address last maintained with Bursa Depository.
- (xiv) MIH, on the authority of our Board reserves the right to bank in all Application monies from unsuccessful applicants and partially successful applicants, which would subsequently be refunded without interest by registered post or ordinary post.
- (xv) 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
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
P.O. Box 8269
Pejabat Pos Kelana Jaya
46785 Petaling Jaya
- or **DELIVERED BY HAND AND DEPOSITED** in the Drop-in Boxes provided at the front portion of Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, so as to arrive not later than 5.00 p.m. on 9 December 2010 or such other later period or periods as our Board, Offerors, Promoters and the Managing Underwriter in their absolute discretion may decide.
- (xvi) Directors and employees of MIH and their immediate families are strictly prohibited from applying for the Shares.
- (xvii) **PLEASE DIRECT ALL ENQUIRIES IN RESPECT OF THE WHITE APPLICATION FORM TO MIH.**

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

14.5 APPLICATIONS USING ELECTRONIC SHARE APPLICATION

14.5.1 Steps for Electronic Share Application through a Participating Financial Institution's ATM

- (i) Applicant must have an account with a Participating Financial Institution (as detailed in Section 14.5.2(xv) of this Prospectus) and an ATM card issued by that Participating Financial Institution to access the account.
- (ii) Applicant must have a CDS account.
- (iii) Applicant is to apply for the 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 14.5.2 of this Prospectus under the Terms and Conditions for Electronic Share Application. Applicant is to enter at least the following information through the ATM where the instructions on the ATM screen at which he enters his Electronic Share Application requires him to do so: -
 - Personal Identification Number (PIN);
 - MIH Share Issue Account Number 500;
 - CDS Account Number;
 - Number of Shares applied for and/or the Ringgit Malaysia amount to be debited from the account; and
 - Confirmation of several mandatory statements.

14.5.2 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 (the "Steps"). For illustration purposes, the procedures for Electronic Share Application at ATMs are set out in "Steps for Electronic Share Application through a Participating Financial Institution's ATM" in Section 14.5.1 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 Application set out below before making an Electronic Share Application.

Only an applicant who is an individual with a CDS Account is eligible to utilise the facility.

The applicant must have an existing bank account with, and be an ATM cardholder of, one (1) of the Participating Financial Institutions before he can make an Electronic Share Application at an ATM of that 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 completion of his Electronic Share Application transaction, the applicant will receive a computer-generated transaction slip (Transaction Record), confirming the details of his 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 retention by the applicant and should not be submitted with any Application Form.

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Upon the closing of the offer for the Application for the Public Issue Shares, on 9 December 2010 at 5.00 p.m. ("**Closing Date and Time**"), the Participating Financial Institution shall submit a magnetic tape containing its respective customers' applications for the Public Issue Shares to MIH as soon as practicable but not later than 12.00 p.m. of the second (2nd) business day after the Closing Date and Time.

An applicant will be allowed to make an Electronic Share Application for shares via an ATM that accepts the ATM cards of the Participating Financial Institution with which he has an account and its branches, subject to the applicant making only one (1) Application. An applicant who has a bank account with a Participating Financial Institution and has been issued an ATM card will be allowed to apply for shares via an ATM of that Participating Financial Institution which is situated in another country or place outside of Malaysia, subject to the applicant making only one (1) Application.

AN APPLICANT MUST ENSURE THAT HE USES HIS OWN CDS ACCOUNT NUMBER WHEN MAKING AN ELECTRONIC SHARE APPLICATION. AN APPLICANT OPERATING A JOINT ACCOUNT WITH ANY PARTICIPATING FINANCIAL INSTITUTION MUST ENSURE THAT HE ENTERS HIS OWN CDS ACCOUNT NUMBER WHEN USING AN ATM CARD ISSUED TO HIM IN HIS OWN NAME. HIS APPLICATION WILL BE REJECTED IF HE FAILS TO COMPLY WITH THE FOREGOING.

The Electronic Share Application shall be made on, and subject to, the terms and conditions contained herein as well as the terms and conditions set out below: -

- (i) The Electronic Share Application shall be made in connection with and subject to the terms of this Prospectus and our Memorandum and Articles of Association.
- (ii) The Applicant is required to confirm the following statement (by depressing pre-designated keys or buttons on the ATM keyboard) and undertake that the following information given is true and correct:
 - I have attained eighteen (18) years of age as at the Closing Date of the Share Application;
 - I am a Malaysian citizen residing in Malaysia;
 - I have read the relevant Prospectus and understood and agreed with the terms and conditions of this Application;
 - This is the only Application that I am submitting; and
 - I hereby give consent to the Participating Financial Institution and Bursa Depository to disclose information pertaining to myself and my account with the Participating Financial Institution and Bursa Depository to MIH and other relevant authorities.

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

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

- (iii) THE APPLICANT CONFIRMS THAT HE IS NOT APPLYING FOR OUR SHARES AS NOMINEE OF ANY OTHER PERSONS AND THAT ANY ELECTRONIC SHARE APPLICATION THAT HE MAKES IS MADE BY HIM AS BENEFICIAL OWNER. THE APPLICANT SHALL ONLY MAKE ONE (1) ELECTRONIC SHARE APPLICATION AND SHALL NOT MAKE ANY OTHER APPLICATION FOR OUR SHARES WHETHER AT THE ATMS OF ANY PARTICIPATING FINANCIAL INSTITUTION OR ON THE PRESCRIBED APPLICATION FORMS.
- (iv) The applicant must have sufficient funds in his account with the relevant Participating Financial Institution at the time he makes his Electronic Share Application, failing which his 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.
- (v) The applicant agrees and undertakes to subscribe for and to accept the number of Public Issue Shares applied for as stated on the Transaction Record or any lesser number of Public Issue Shares that may be allotted or allocated to him in respect of his Electronic Share Application. In the event that our Company decides to allot or allocate any lesser number of Public Issue Shares or not to allot or allocate any Public Issue Shares to the applicant, the applicant agrees to accept any such decision as final. If the applicant's Electronic Share Application is successful, his confirmation (by his action of pressing the designated key or button on the ATM keyboard) of the number of Public Issue Shares applied for shall signify, and shall be treated as, his acceptance of the number of Public Issue Shares that may be allotted or allocated to him and to be bound by the Memorandum and Bye-laws of our Company.
- (vi) MIH, on the authority of our Directors reserves 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 the Shares.

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

- (vii) Where an Electronic Share Application is not successful or successful in part only, the relevant Participating Financial Institution will be informed of the non-successful or partially successful Applications. Where the Electronic Share Application is not successful, the relevant Participating Financial Institution will credit the full amount of the Application monies without interest into the applicant's 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. The applicants may check their 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 Institution will credit the balance of the application monies without interest into the applicant's 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 the applicants not later than ten (10) Market Days from the day of the final ballot of the Application list. Should applicants encounter any problems in their Applications, they may refer to the Participating Financial Institutions.

- (viii) The applicant requests and authorises our Company: -
- (a) To credit the Public Issue Shares allotted or allocated to the applicant into the CDS account of the applicant; and
 - (b) To issue share certificate(s) representing such Public Issue Shares allotted in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.
- (ix) The applicant, acknowledging that his Electronic Share Application is subject to the risks of electrical, electronic, technical and computer-related faults and breakdowns, fires and other events beyond the control of our Company, MIH or the Participating Financial Institution, irrevocably agrees that if: -
- (a) Our Company or MIH does not receive the applicant's Electronic Share Application; or
 - (b) Data relating to the applicant's Electronic Share Application is wholly or partially lost, corrupted or not otherwise accessible, or not transmitted or communicated to our Company or MIH,

the applicant shall be deemed not to have made an Electronic Share Application and the applicant shall not claim whatsoever against our Company, MIH or the Participating Financial Institutions for the shares applied for or for any compensation, loss or damage.

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

- (x) All particulars of the applicant in the records of the relevant Participating Financial Institution at the time he makes his Electronic Share Application shall be deemed to be true and correct and our Company, MIH and the relevant Participating Financial Institution shall be entitled to rely on the accuracy thereof.
- (xi) The applicant shall ensure that his personal particulars as recorded by both Bursa Depository and relevant Participating Financial Institution are correct and identical. Otherwise, his Electronic Share Application is liable to be rejected. The applicant must inform Bursa Depository promptly of any change in address failing which the notification letter of successful allotment or allocation will be sent to his registered or correspondence address last maintained with Bursa Depository.
- (xii) By making and completing an Electronic Share Application, the applicant agrees that: -
 - (a) In consideration of our Company agreeing to allow and accept the making of any Application for Shares via the Electronic Share Application facility established by the Participating Financial Institutions at their respective ATMs, his Electronic Share Application is irrevocable;
 - (b) 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 his Electronic Share Application to our Company due to a breakdown or failure of transmission or communication facilities or to any cause beyond their control;
 - (c) Notwithstanding the receipt of any payment by or on behalf of our Company, the acceptance of the offer made by the applicant to subscribe for Public Issue Shares for which the applicant's Electronic Share Application has been successfully completed shall be constituted by the issue of notices of successful allotment for prescribed securities, in respect of the said Shares;
 - (d) The applicant irrevocably authorises Bursa Depository to complete and sign on his behalf as transferee or renounee any instrument of transfer and/or other documents required for the issue of the Public Issue Shares allotted to the Applicant; and
 - (e) Our Company agrees 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 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 our Company irrevocably submits to the jurisdiction of the courts of Malaysia.

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

- (xiii) Our Board reserves the right to require any successful applicant to appear in person at the registered office of MIH within fourteen (14) days of the date of the notice issued to him to ascertain the regularity or propriety of the Application. Our Board 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 the successful applicant for the purpose of complying with this provision.
- (xiv) MIH, on the authority of our Board reserves the right to reject Applications that do not conform to these instructions.
- (xv) Electronic Share Applications may be made through an ATM of the following Participating Financial Institutions and their branches: -
 - AFFIN BANK BERHAD; OR
 - AMBANK (M) BERHAD; OR
 - BANK MUAMALAT MALAYSIA BERHAD; OR
 - CIMB BANK BERHAD; OR
 - EON BANK BERHAD; OR
 - HSBC BANK MALAYSIA BERHAD; OR
 - MALAYAN BANKING BERHAD; OR
 - OCBC BANK (MALAYSIA) BERHAD; OR
 - RHB BANK BERHAD; OR
 - STANDARD CHARTERED BANK MALAYSIA BERHAD (at selected branches only).
- (xvi) A surcharge of RM2.50 per Electronic Share Application will be charged by the respective Participating Financial Institution.

14.6 APPLICATIONS USING INTERNET SHARE APPLICATION

14.6.1 Steps for Internet Share Application

The exact steps for Internet Share Application in respect of the IPO Shares are as set out on the Internet financial services website of the Internet Participating Financial Institutions.

For illustration purposes only, the steps for an application for the IPO Shares via Internet Share Application may be as set out below. The steps set out the actions that the applicant must take at the Internet financial services website of the Internet Participating Financial Institution to complete an Internet Share Application.

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

- (i) Connect to the Internet financial services website of the Internet Participating Financial Institution with which the applicant has an account.
- (ii) Login to the Internet financial services facility by entering the applicant's user identification and PIN / password.
- (iii) Navigate to the section of the website on applications in respect of initial public offerings.

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

- (iv) Select the counter in respect of the IPO Shares to launch the Electronic Prospectus and the terms and conditions of the Internet Share Application.
- (v) Select the designated hyperlink on the screen to accept the abovementioned terms and conditions, having read and understood such terms and conditions.
- (vi) At the next screen, complete the online application form.
- (vii) Check that the information contained in the online application form such as the share counter, NRIC number, CDS account number, number of IPO 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.
- (viii) By confirming such information, the applicant also undertakes that the following information given are true and correct: -
 - (a) The applicant has attained eighteen (18) years of age as at the date of the application for the IPO Shares;
 - (b) The applicant is a Malaysian citizen residing in Malaysia;
 - (c) The applicant has, prior to making the Internet Share Application, received and/or has had access to a printed/ electronic copy of the Prospectus, the contents of which the applicant has read and understood;
 - (d) The applicant agrees to all the terms and conditions of the Internet Share Application as set out in the Prospectus and has carefully considered the risk factors set out in the Prospectus, in addition to all other information contained in the Prospectus before making the Internet Share Application for the IPO;
 - (e) The Internet Share Application is the only application that the applicant is submitting for the IPO Shares;
 - (f) The applicant authorises the Authorised Financial Institution to deduct the full amount payable for the IPO Shares from the applicant's account with the Authorised Financial Institution;
 - (g) The applicant gives 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 the applicant, the Internet Share Application made by the applicant or the applicant's account with the Internet Participating Financial Institution, to the Issuing House and the Authorised Financial Institution, the SC and any other relevant authority;

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

- (h) The applicant is not applying for the Public Issue Shares as a nominee of any other person and the application is made in the applicant's own name, as beneficial owner and subject to the risks referred to in this Prospectus; and
- (i) The applicant authorises the Internet Participating Financial Institution to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, our Company or other relevant parties in connection with the IPO, all information relating to the applicant if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institution, necessary for the provision of the Internet Share Applications services or if such disclosure is requested or required in connection with the IPO. Further, the Internet Participating Financial Institution will take reasonable precautions to preserve the confidentiality of information relating to the applicant furnished by the applicant to the Internet Participating Financial Institution in connection with the use of the Internet Share Application services.
- (ix) Upon submission of the online application form, the applicant will be linked to the website of the Authorised Financial Institution to effect the online payment of the application money for the IPO.
- (x) 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 money is being made.
- (xi) Subsequent to the above, the Internet Participating Financial Institution shall confirm that the Internet Share Application has been completed, via the Confirmation Screen on its website.
- (xii) The applicant is advised to print out the Confirmation Screen for reference and retention.

14.6.2 Terms and Conditions for Internet Share Application

Applications for the IPO Shares may be made through the Internet financial services website of the Internet Participating Financial Institutions.

APPLICANTS ARE ADVISED NOT TO APPLY FOR THE IPO SHARES THROUGH ANY WEBSITE OTHER THAN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS.

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14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Internet Participating Financial Institution

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

PLEASE READ THE TERMS OF THIS PROSPECTUS, THE TERMS AND CONDITIONS FOR INTERNET SHARE APPLICATIONS SET OUT HEREIN AND THE STEPS FOR INTERNET SHARE APPLICATIONS SET OUT HEREIN CAREFULLY PRIOR TO MAKING AN INTERNET SHARE APPLICATION.

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

PLEASE NOTE THAT THE ACTUAL TERMS AND CONDITIONS OUTLINED BELOW SUPPLEMENT THE ADDITIONAL TERMS AND CONDITIONS FOR INTERNET SHARE APPLICATIONS CONTAINED IN THE INTERNET FINANCIAL SERVICES WEBSITE 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 herein: -

- (i) An applicant making an Internet Share Application shall: -
 - (a) be an individual with a CDS Account;
 - (b) have an existing account with access to Internet financial services facilities with an Internet Participating Financial Institution. Applicant must have ready their user identification (User ID) and Personal Identification Numbers (PIN)/ password for the relevant Internet financial services facilities; and
 - (c) be a Malaysian citizen and have a mailing address in Malaysia.

Applicants are advised to note that a User ID and PIN / password issued by one of the Internet Participating Financial Institutions cannot be used to apply for the IPO Shares at Internet financial service websites of other Internet Participating Financial Institutions.

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

- (ii) An Internet Share Application shall be made on and shall be subject to the terms of this Prospectus and our Company's Memorandum and Articles of Association.
- (iii) The applicant is required to confirm the following statements (by selecting the designated hyperlink on the relevant screen of the Internet financial services website of the Internet Participating Financial Institution) and to undertake that the following information given is true and correct: -
 - (a) The applicant has attained eighteen (18) years of age as at the date of the application for the Public Issue Shares;
 - (b) The applicant is a Malaysian citizen residing in Malaysia;
 - (c) The applicant has, prior to making the Internet Share Application, received and/or has had access to a printed/ electronic copy of the Prospectus, the contents of which the applicant has read and understood;
 - (d) The applicant agrees to all the terms and conditions of the Internet Share Application as set out in the Prospectus and has carefully considered the risk factors set out in the Prospectus, in addition to all other information contained in the Prospectus before making the Internet Share Application for the IPO;
 - (e) The Internet Share Application is the only application that the applicant is submitting for the Public Issue Shares;
 - (f) The applicant authorises the Internet Participating Financial Institution or the Authorised Financial Institution to deduct the full amount payable for the Public Issue Shares from the applicant's account with the Internet Participating Financial Institution or the Authorised Financial Institution;
 - (g) The applicant gives 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 the applicant, the Internet Share Applicant made by the applicant or the applicant's account with the Internet Participating Financial Institution, to the Issuing House and the Authorised Financial Institution, the SC and any other relevant authority;
 - (h) The applicant is not applying for the Public Issue shares as a nominee of any other person and the application is made in the applicant's own name, as beneficial owner and subject to the risks referred to in this Prospectus; and

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

(i) The applicant authorises the Internet Participating Financial Institution to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, our Company or other relevant parties in connection with the IPO, all information relating to the applicant if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institution, necessary for the provision of the Internet Share Application services or if such disclosure is requested or required in connection with the IPO. Further, the Internet Participating Financial Institution will take reasonable precautions to preserve the confidentiality of information relating to the applicant furnished by the applicant to the Internet Participating Financial Institution in connection with the use of the Internet Share Application services.

(iv) The application will not be successfully completed and cannot be recorded as a completed application unless the applicant has 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 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 the applicant's Internet Share Application, including the number of Public Issue Shares applied for which can be printed out by the applicant for his records.

Upon the display of the Confirmation Screen, the applicant shall be deemed to have confirmed the truth of the statements set out in Section 14.6.2(iii) of this Prospectus.

(v) The applicant must have sufficient funds in the applicant's 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 conform strictly 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.

(vi) The applicant irrevocably agrees and undertakes to subscribe for and/or to purchase and to accept the number of Public Issue Shares applied for as stated on the Confirmation Screen or any lesser number of Public Issue Shares that may be allotted or allocated to the applicant in respect of the Internet Share Application. In the event that our Company decides to allot or allocate any lesser number of such Public Issue Shares or not to allot or allocate any Public Issue Shares to the applicant, the applicant agrees to accept any such decision of our Company as final.

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

In the course of completing the Internet Share Application on the website of the Internet Participating Financial Institution, the confirmation by the applicant of the number of Public Issue Shares applied for (by way of the applicant's action of clicking the designated hyperlink on the relevant screen of the website) shall be deemed to signify and shall be treated as:-

- (a) Acceptance by the applicant of the number of Public Issue Shares that may be allotted or allocated to the applicant in the event that the applicant's Internet Share Application is successful or successful in part, as the case may be; and
 - (b) The applicant's agreement to be bound by the Memorandum and Articles and Association of our Company.
- (vii) The applicant is fully aware that multiple or suspected multiple Internet Share Applications for the Public Issue Shares of our Company will be rejected. The Company reserves the right to reject any Internet Share Application or accept any Internet Share Application in part only without assigning any reason therefor. Due consideration will be given to the desirability of allotting or allocating the Public Issue Shares to a reasonable number of applicants with a view to establishing an adequate market for the Shares.
- (viii) Where an Internet Share Application is unsuccessful or successful in part only, the Internet Participating Financial Institution will be informed of the unsuccessful or partially successful Internet Share Application. Where an Internet Share Application is unsuccessful, the Internet Participating Financial Institution will credit or arrange with the Authorised Financial Institution to credit the full amount of the application monies in Ringgit Malaysia (without interest or any share of revenue or other benefit arising therefrom) into the applicant's account with the Internet Participating Financial Institution or the Authorised Financial Institution within two (2) Market Days after receipt of written confirmation from MIH.

MIH shall inform the Internet Participating Financial Institution of unsuccessful or partially successful applications within two (2) Market Days from the balloting date.

Where the Internet Share Application is accepted in part only, the relevant Internet Participating Financial Institution will credit the balance of the application monies in Ringgit Malaysia (without interest or any share of revenue or other benefit arising therefrom) into the applicant's account with the Internet Participating Financial Institution within two (2) Market Days after receipt of written confirmation from MIH. A number of applications will however be held in reserve to replace any successfully balloted applications that are subsequently rejected. In respect of such applications that are subsequently rejected, the application monies (without interest or any share of revenue or other benefit arising therefrom) will be refunded to applicants by MIH by way of cheques issued by MIH. The cheques will be issued to the applicants within ten (10) Market Days from the day of the final ballot of the Applications list.

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

For applications that are held in reserve and are subsequently unsuccessful (or only partly successful), the Internet Participating Financial Institution will arrange for a refund of the application money (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 of the Applications list.

Except where MIH is required to refund application monies, it is the sole responsibility of the Internet Participating Financial Institution to ensure the timely refund of application monies from unsuccessful or partially successful Internet Share Applications. Therefore, applicants are strongly advised to consult the Internet Participating Financial Institution through which the application was made in respect of the mode or procedure of enquiring on the status of an applicant's Internet Share Application in order to determine the status or exact number of Public Issue Shares allotted, if any, before trading the Public Issue Shares on Bursa Securities.

- (ix) Internet Share Applications will be closed at 5.00 p.m. on 9 December 2010 or such other date(s) as our Directors, Offerors, Promoters and the Managing Underwriter may in their absolute discretion mutually decide. An Internet Share Application is deemed to be received only upon its completion, which is when the Confirmation Screen is displayed on the Internet financial services website. Applications are advised to print out and retain a copy of the Confirmation Screen for record purposes. Late Internet Share Applications will not be accepted.
- (x) The applicant irrevocably agrees and acknowledges that the Internet Share Application is subject to risk of electrical, electronic, technical and computer-related faults and breakdowns, faults with computer software, problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, fires, acts of God and other events beyond the control of the Internet Participating Financial Institution, the Authorised Financial Institution and our Company. If, in any such event, our Company, MIH and/or the Internet Participating Financial Institution and/or the Authorised Financial Institution do not receive the applicant's Internet Share Application and/or the payment therefor, or in the event that any data relating to the Internet Share Application or the tape or any other devices containing such data is lost, corrupted, destroyed or otherwise not accessible, whether wholly or partially and for any reason whatsoever, the applicant shall be deemed not to have made an Internet Share Application and the applicant shall have no claim whatsoever against our Company, MIH or the Internet Participating Financial Institution and the Authorised Financial Institution in relation to the IPO Shares applied for or for any compensation, loss or damage whatsoever, as a consequence thereof or arising therefrom.
- (xi) All particulars of the applicant in the records of the relevant Internet Participating Financial Institution at the time of the Internet Share Application shall be deemed to be true and correct, and our Company, the Internet Participating Financial Institutions, MIH and all other persons who, are entitled or allowed under the law to such information or where the applicant expressly consent to the provision of such information shall be entitled to rely on the accuracy thereof.

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

The applicant shall ensure that the personal particulars of the applicant as recorded by both Bursa Depository and the Internet Participating Financial Institution are correct and identical, otherwise the applicant's Internet Share Application is liable to be rejected. The notification letter on successful allotment will be sent to the applicant's address last registered with Bursa Depository. It is the responsibility of the applicant to notify the Internet Participating Financial Institution and Bursa Depository of any changes in the applicant's personal particulars that may occur from time to time.

- (xii) By making and completing an Internet Share Application, the applicant is deemed to have agreed that: -
- (a) In consideration of our Company making available the Internet Share Application facility to the applicant, through the Internet Participating Financial Institution acting as agents of our Company, the Internet Share Application is irrevocable;
 - (b) The applicant has irrevocably requested and authorised our Company to register the Public Issue Shares allotted to the applicant for deposit into the applicant's CDS Account;
 - (c) Neither our Company nor the Internet Participating Financial Institution 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 the Issuing House or Bursa Depository due to any breakdown or failure of transmission, delivery or communication facilities or due to any risk referred to in **Section 3** of this Prospectus or to any cause beyond their control;
 - (d) The applicant shall hold the Internet Participating Financial Institution harmless from any damages, claims or losses whatsoever, as a consequence of or arising from any rejection of the applicant's Internet Share Application by MIH, our Company and/or the Internet Participating Financial Institution for reasons of multiple application, suspected multiple application, inaccurate and/or incomplete details provided by the applicant, or any other cause beyond the control of the Internet Participating Financial Institution;
 - (e) The acceptance of the offer made by the applicant to subscribe for and/or purchase the Public Issue Shares for which the applicant's Internet Share Application has been successfully completed shall be constituted by written notification in the form of the issue of a notice of allotment by or on behalf of our Company and not otherwise, notwithstanding the receipt of any payment by or behalf of our Company;
 - (f) The applicant is not entitled to exercise any remedy of rescission for misrepresentation at any time after acceptance of the applicant's Internet Share Application by our Company;

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

- (g) In making the Internet Share Application, the applicant has relied solely on the information contained in this Prospectus. Our Company, the Adviser, Managing Underwriter, Underwriter and Sole Placement Agent, and any other person involved in the IPO shall not be liable for any information not contained in this Prospectus which may have been relied on by the applicant in making the Internet Share Application; and
- (h) The acceptance of an applicant's Internet Share Application by our Company and the contract resulting therefrom under the IPO shall be governed by and construed in accordance with the laws of Malaysia, and the applicant irrevocably submits to the jurisdiction of the courts of Malaysia.
- (xiii) The following processing fee per Internet Share Application will be charged by the respective Internet Participating Financial Institution: -
 - (a) Affin Bank Berhad (www.affinOnline.com) - No fee will be charged for application by their account holders;
 - (b) CIMB Investment Bank Berhad (www.eipocimb.com) - RM2.00 for payment via CIMB Bank or Malayan Banking Berhad;
 - (c) CIMB Bank Berhad (www.cimbclicks.com.my) - RM2.00 for applicants with CDS accounts held with CIMB and RM2.50 for applicants with CDS accounts with other ADAs;
 - (d) Malayan Banking Berhad (www.maybank2u.com.my) - RM1.00; and
 - (e) RHB Bank Berhad (www.rhbbank.com.my) – RM2.50.

14.7 APPLICATIONS AND ACCEPTANCES

MIH on the authority of our Board 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.

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14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

In the event of an over-subscription, acceptance of Applications shall be subject to ballot to be conducted in the manner approved by our Directors and on a fair and equitable basis. Due consideration will be given to the desirability of distributing the Public Issue Shares, to a reasonable number of Applicants with a view to broadening the shareholding base and establishing an adequate market in our Shares. Pursuant to the Listing Requirements, at least 25% of the enlarged issued and paid-up share capital of our Company must be held by a minimum number of 1,000 public Shareholders holding not less than 100 Shares each upon completion of the IPO and at the point of Listing. In the event that the above requirement is not met pursuant to the IPO, our Company may not be allowed to proceed with the Listing. In the event thereof, monies paid in respect of all Applications will be returned without interest if the said permission for listing and quotation is not granted. Applicants will be selected in a manner to be determined by our Directors.

Kindly refer to Section 2.2(iii) of this Prospectus for further details in the event of an under-subscription.

Directors and employees of MIH and their immediate families are strictly prohibited from applying for our Shares.

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, WILL BE REFUNDED WITHOUT INTEREST AND SHALL BE DESPATCHED BY ORDINARY POST OR REGISTERED POST RESPECTIVELY TO THE APPLICANT WITHIN TEN (10) MARKET DAYS FROM THE DATE OF THE FINAL BALLOT OF THE APPLICATION LISTS AT THE ADDRESS REGISTERED WITH BURSA DEPOSITORY AT THE APPLICANT'S OWN RISK.

NO APPLICATION SHALL BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCES HAVING BEEN PRESENTED FOR PAYMENT.

MIH RESERVES THE RIGHT TO BANK IN ALL APPLICATION MONIES FROM PARTIALLY SUCCESSFUL APPLICANTS. REFUND MONIES IN RESPECT OF PARTIALLY SUCCESSFUL APPLICANTS WILL BE REFUNDED WITHOUT INTEREST AND SHALL BE DESPATCHED TO THE APPLICANT WITHIN TEN (10) MARKET DAYS FROM THE DATE OF THE FINAL BALLOT OF THE APPLICATION BY REGISTERED POST AT THE ADDRESS REGISTERED WITH BURSA DEPOSITORY AT THE APPLICANT'S OWN RISK.

14.8 CDS ACCOUNTS

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991, Bursa Securities has prescribed the Shares as Prescribed Securities. In consequence thereof, the Shares issued/ 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 Securities Industry (Central Depository) Act, 1991, and the Rules of Bursa Depository.

Following the above, in accordance with Section 29 of the Securities Industry (Central Depositories) Act, 1991, all dealings in our Shares will be by book entries through CDS accounts. No share certificates will be issued to successful applicants.

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Only an applicant who has a CDS account can make an Application by way of an Application Form. An applicant should state his CDS account number in the space provided on the Application Form and he/she shall be deemed to have authorised Bursa Depository to disclose information pertaining to the CDS account to MIH/ us. Where an applicant does not presently have a CDS account, he/she should open a CDS account at an ADA prior to making an Application for our Shares.

In the case of an Application by way of Electronic Share Application, only an applicant who has a CDS Account can make an Electronic Share Application. The applicant shall furnish his CDS account number to the Participating Financial Institution by way of keying in his CDS account number if the instructions on the ATM screen at which he enters his Electronic Share Application require him to do so.

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 Institution can make an Internet Share Application. Arising therewith, the applicant's CDS account number would automatically appear in the e-IPO online application form.

Failure to comply with these specific instructions or inaccuracy in the CDS account number, arising from use of invalid, third party or nominee accounts, may result in the Application being rejected. If a successful applicant fails to state his/her CDS account number, MIH, on our authority, will reject the Application. MIH, on the authority of our Directors also reserves the right to reject any incomplete and inaccurate Application. Applications may also be rejected if the applicants' 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 Internet Share Application differ from those in Bursa Depository's records, such as the identity card number, name and nationality.

14.9 NOTICE OF ALLOTMENT

Our Shares allotted to all successful or partially successful applicants will be credited to their respective CDS accounts. A notice of allotment will be despatched to the successful or partially successful applicant at his address last maintained with Bursa Depository at the applicant's own risk prior to our Listing. For Electronic Share Application or Internet Share Application, the notice of allotment will be despatched to the successful or partially successful applicant at his address last maintained with Bursa Depository at the applicant's own risk prior to our Listing. This is the only acknowledgement of acceptance of the Application.

All applicants must inform Bursa Depository of his/her updated address promptly by adhering to certain rules and regulation of Bursa Depository, failing which, the notification letter on successful allotment shall be sent to the applicant's address last maintained with Bursa Depository.

Applicants may also check the status of their application by logging on to the MIH website at www.mih.com.my or by calling their respective ADAs at the telephone number as stated in Section 14.10 or MIH Enquiry Services Telephone at (03) 7841 8000 or 7841 8289 between five (5) to ten (10) Market Days (during office hours only) after the balloting date.

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

14.10 LIST OF ADAs

The list of the ADAs and their respective Broker codes are as follows:-

Name	Address and Telephone Number	ADA 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 & 3 rd Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No: 03-21438668	028-001
ALLIANCE INVESTMENT BANK BERHAD	17th Floor, Menara Multi-Purpose Capital Square 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Tel No: 03-26976333	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 Bangunan AMDB No. 1, Jalan Lumut 50400 Kuala Lumpur Tel No: 03-40433533	024-001
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
CIMB INVESTMENT BANK BERHAD	9 th Floor, Commerce Square Jalan Semantan Damansara Heights 50490 Kuala Lumpur Tel No: 03-20849999	065-001
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

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
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	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	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	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
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
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

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
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 (<i>formerly known as Aseambankers Malaysia Berhad</i>)	5-13 Floor, Maybanlife Tower Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No: 03-22978888	098-001
MERCURY SECURITIES SDN BHD	L-7-2, No. 2 Jalan Solaris Solaris Mont' Kiara 50480 Kuala Lumpur Tel No: 03-62037227	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	No. 62 & 64, Vista Magna Jalan Prima, Metro Prima 52100 Kuala Lumpur Tel No: 03-62575869	056-028
OSK INVESTMENT BANK BERHAD	20th Floor, Plaza OSK Jalan Ampang 50450 Kuala Lumpur Tel No: 03-23338333	056-001
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
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

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
PM SECURITIES SDN BHD	Ground Mezzanine, 1 st & 10 th Floor Menara PMI No. 2, Jalan Changkat Ceylon 50200 Kuala Lumpur Tel No: 03-21463000	064-001
PUBLIC INVESTMENT BANK BERHAD	27 th Floor, Bangunan Public Bank 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 TA One Tower 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, 2nd Floor, The Curve No. 6, Jalan PJU7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No: 03-77298016	028-003
AmINVESTMENT BANK BERHAD	4 th Floor, Plaza Damansara Utama No. 2, Jalan SS21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel No: 03-77106613	086-003
CIMB INVESTMENT BANK BERHAD	Ground Floor Tropicana City Office Tower 3, Jalan SS 20/27 47400 Petaling Jaya Selangor Darul Ehsan Tel No: 03-77173319	065-009

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
HONG LEONG INVESTMENT BANK BERHAD (<i>formerly known as HLG Securities Sdn Bhd</i>)	Level 10 1 First Avenue Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan Tel No: 03-77246888	066-002
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 SS 16/1 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
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

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
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, 2nd 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 SS 2/63 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 1½, Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No: 03-33439180	056-048
OSK INVESTMENT BANK BERHAD	3 rd Floor, 1A-D Jalan USJ 10/1A Pusat Perniagaan USJ 10 47610 UEP Subang Jaya Selangor Darul Ehsan Tel No: 03-80236518	056-063
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

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
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	Ground Floor, Podium Block Wisma Synergy Lot 72, Persiaran Jubli Perak Section 22 40200 Shah Alam Selangor Darul Ehsan Tel No: 03-51920202	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
TA SECURITIES HOLDINGS BERHAD	Damansara Utama Branch 2 nd Floor, Wisma TA 47400 Petaling Jaya Selangor Darul Ehsan Tel No: 03-77295713	058-007
<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
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. 81-B & 83-B, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No: 06-2921898	093-003

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
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 PM2 Plaza Mahkota 75000 Melaka Tel No: 06-2866008	064-006
RHB INVESTMENT BANK BERHAD	7-13 & 15, 1 st Floor Bangunan Tabung Haji Jalan Bandar Kaba 75000 Melaka Tel No: 06-2833622	087-002
<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
CIMB INVESTMENT BANK BERHAD	Ground, No. 8, 8A-C Persiaran Greentown 4C Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel No: 05-2082688	065-010
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 (<i>formerly known as HLG Securities Sdn Bhd</i>)	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No: 05-2530888	066-003
HWANGDBS INVESTMENT BANK BERHAD	Ground, Level 1, 2 & 3 21, Jalan Stesen 34000 Taiping Perak Darul Ridzuan Tel No: 05-8066688	068-003

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
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, 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
OSK INVESTMENT BANK BERHAD	Ground & 1 st Floor No. 17, Jalan Intan 2 Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel No: 05-6236498	056-014
OSK INVESTMENT BANK BERHAD	No. 72, Ground Floor Jalan Idris 31900 Kampar Perak Darul Ridzuan Tel No: 05-4651261	056-044

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
OSK INVESTMENT BANK BERHAD	Ground Floor No. 2, Jalan Wawasan 4 Taman Wawasan 34200 Parit Buntar Perak Darul Ridzuan Tel No: 05-7170888	056-052
TA SECURITIES HOLDINGS BERHAD	Ground, 1 st & 2 nd Floor, Plaza Teh Teng Seng 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 & 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: 04-2385900	065-003
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

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
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 & 8th Floor Bangunan Mayban Trust 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	2nd Floor, Standard Chartered Bank Chambers 2 Lebuhr Pantai 10300 Pulau Pinang Tel No: 04-2639118	093-004
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
OSK INVESTMENT BANK BERHAD	Ground & Upper Floor No. 11A, Jalan Keranji Off Jalan Padang Lallang 14000 Bukit Mertajam Pulau Pinang Tel No: 04-5402888	056-015
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

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
OSK INVESTMENT BANK BERHAD	64, Bishop Street 20E, 20F & 20G, Penang Street 10200 Pulau Pinang Tel No: 04-2634222	056-004
OSK INVESTMENT BANK BERHAD	No. 834 Jalan Besar, Sungai Bakap 14200 Sungai Jawi Seberang Perai Selatan Pulau Pinang Tel No: 04-5831888	056-032
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 & 1st Floor No. 39, Taman Suriani Persiaran Jubli Emas 01000 Kangar Perlis Indra Kayangan Tel No: 04-9793888	056-061
<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. 70 A, B, C Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No: 04-4256666	068-011

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
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
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	No. 112, Jalan Pengkalan Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No: 04-4204888	056-017
<u>NEGERI SEMBILAN DARUL KHUSUS</u>		
ECM LIBRA INVESTMENT BANK BERHAD	1 C-1 & 1 D-1, First Floor Jalan Tunku Munawir 70000 Seremban Negeri Sembilan Tel No: 06-7655998	052-013
HWANGDBS INVESTMENT BANK BERHAD	No. 6, Upper Level Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No: 06-4553188	068-013
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
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: 06-4553011	056-040
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

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
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	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>JOHOR DARUL TAKZIM</u>		
A.A. ANTHONY SECURITIES SDN BHD	Level 6 & 7, Menara MSC Cyberport No. 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: 07-6637398	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
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

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
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 & 31 st 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: 06-9532222	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
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. 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	No. 31, Lorong Dato' Ahmad Jalan Khalidi 84000 Muar Johor Darul Takzim Tel No: 06-9542711	073-008

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
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	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, Menara Pelangi 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	53, 53-A & 53-B, Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel No: 07-4380288	056-009
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
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	1 st Floor, No. 2 & 4 Jalan Makmur, Taman Sri Aman 85300 Labis Johor Darul Takzim Tel No: 07-9256881	056-039

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
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. 343, Jalan Muar 84900 Tangkak Johor Darul Takzim Tel No: 06-9787180	056-038
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 and 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 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	No. 41, Jalan Molek 2/4 Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No: 07-3513232	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

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
<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
CIMB INVESTMENT BANK BERHAD	Ground, 1 st & 2 nd No. A-27 (Aras G, 1 & 2) Jalan Dato' Lim Hoe Lek 25200 Kuantan Pahang Darul Makmur Tel No: 09-5057800	065-007
ECM LIBRA INVESTMENT BANK BERHAD	A15, A17 & A19, Ground Floor Jalan Tun Ismail 2 Sri Dagangan 2 25000 Kuantan Pahang Tel No: 09-5171698	052-007
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: 05-4914913	056-041
OSK INVESTMENT BANK BERHAD	B2 & B34, Lorong Tun Ismail 8 Seri Dagangan II 25000 Kuantan Pahang Darul Makmur Tel No: 09-5173811	056-007
<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

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
<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, 1 st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No: 09-6261816	056-055
<u>SABAH</u>		
CIMB INVESTMENT BANK BERHAD	1 st & 2 nd Floor Central Building No. 28 Jalan Sagunting 88000 Kota Kinabalu Sabah Tel No: 088-328878	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

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
INNOSABAH SECURITIES BERHAD	11, Equity House, Block K Sadong Jaya, Karamuning 88100 Kota Kinabalu Sabah Tel No: 088-234090	020-001
OSK INVESTMENT BANK BERHAD	5 th Floor, Wisma BSN Sabah Jalan Kemajuan Karamuning 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 1st, 2nd & 3rd Floor Jalan Abell 93100 Kuching Sarawak Tel No: 082-244791	086-005
CIMB INVESTMENT BANK BERHAD	Level 1, Wisma STA 26 Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Tel No: 082-358606	065-004
CIMB INVESTMENT BANK BERHAD	No. 6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibu Sarawak Tel No: 084-367700	065-008
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

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
KENANGA INVESTMENT BANK BERHAD	Level 5, Wisma Mahmud Jalan Sungai Sarawak 93100 Kuching Sarawak Tel No: 082-338000	073-003
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	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 and 2 nd Floor Lot 1269, 2 nd Floor Centre Point Commercial Centre Jalan Melayu 98000 Miri Sarawak Tel No: 085-422788	056-012
OSK INVESTMENT BANK BERHAD	101 & 102, Pusat Pedada Jalan Pedada 96000 Sibul 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

14. PROCEDURES FOR APPLICATIONS AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibu Sarawak Tel No: 084-319998	058-002
TA SECURITIES HOLDINGS BERHAD	2nd Floor, (Bahagian Hadapan) Bangunan Binamas, Lot 138 Section 54, Jalan Pandung 93100 Kuching Sarawak Tel No: 082-236333	058-006

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APPENDIX I OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM SINGAPORE

(Prepared for inclusion in this Prospectus)

Lawyers



18 November 2010

Our reference : AMYP/dc/2009001826

To:

1. **The Board of Directors**
Sozo Global Limited
c/o 80 Robinson Road, #17-02
Singapore 068898
Republic of Singapore

Attention: Mr Shen Hengbao / Ms Meng Xiangzhen /
Ms Lee Yu Lian / Mr Sun Shimin / Mr Tan Gim Hwee /
Mr Poh Seng Hiap / Mr Ching Leng Team

2. **AmlInvestment Bank Berhad**
Level 21, Bangunan AmBank Group
55 Jalan Raja Chulan
50200 Kuala Lumpur
Malaysia

Attention: Mr. Sip Way Keong

3. **Martin Cheah & Associates**
4th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia

Attention: Mr. Martin Cheah

Dear Sirs

SOZO GLOBAL LIMITED ("COMPANY") – LEGAL OPINION ON THE GENERAL LAW AND POLICIES GOVERNING FOREIGN INVESTMENTS, TAXATION AND EXCHANGE CONTROL IN SINGAPORE AS WELL AS REPATRIATION OF PROFITS FROM SINGAPORE

1. **Introduction**

- 1.1 We act as Legal Adviser to the Company on Singapore law in connection with its listing on the Main Market of Bursa Malaysia Securities Berhad ("**Listing**").
- 1.2 We are instructed that in order for the Company to comply with certain disclosure requirements in connection with the Listing, legal opinion on the general law and policies of Singapore relating to foreign investments, taxation, exchange control,



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APPENDIX I OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM SINGAPORE (CONT'D)



Page 2

repatriation of profits out of Singapore and the expected time frame for the repatriation of profits is required to be issued.

- 1.3 This opinion relates solely to the issues mentioned in paragraph 1.2 above and we understand that this opinion will be included in the prospectus ("**Prospectus**") to be issued by the Company in connection with the Listing.
- 1.4 Our opinion expressed below is limited to the laws of Singapore in effect and as applied by the Singapore Courts as at the date hereof and we disclaim any responsibility to inform you of any changes. We have not made any investigation of, and do not express any opinion herein concerning, any applicable laws other than the laws of Singapore. We assume that no law other than the laws of Singapore affects the conclusions stated in this opinion.

2. **Principal statute governing companies in Singapore**

- 2.1 The principal statute governing the formation and operation of the Company, being a public company limited by shares incorporated under the laws of Singapore, is the Companies Act (Chapter 50) of Singapore ("**Companies Act**").

3. **Policies and law on foreign investment**

- 3.1 There are no restrictions on foreign investors holding shares in a Singapore-incorporated company and the entire equity interest in a Singapore-incorporated company may be held by foreign shareholders. However, the ownership of companies which are engaged in businesses or activities which could affect, *inter alia*, the security, public interests or economic interests of Singapore, may be subject to certain restrictions or require the approval of the relevant government authorities as prescribed under law. The said restrictions on ownership include, but are not limited to, the following provisions as set out in paragraphs 3.2 to 3.7 below.
- 3.2 Under the Insurance Act (Chapter 142) of Singapore ("**Insurance Act**"), a person is required to notify the Monetary Authority of Singapore ("**MAS**") of its intention and is required to obtain the approval of the MAS prior to: (i) the entering into of any agreement to acquire shares of a registered insurer that is incorporated in Singapore by virtue of which a person would, if the agreement was carried out, obtain effective control (as defined under section 27(4) of the Insurance Act) of that insurer; (ii) the entering into of any agreement in relation to any registered insurer that is incorporated in Singapore by virtue of which a person would, if the

APPENDIX I OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM SINGAPORE (CONT'D)



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arrangement is carried out, obtain control (as defined under section 28(3) of the Insurance Act) of the insurer; and (iii) the entering into of any agreement to acquire shares of a registered insurer that is incorporated in Singapore by virtue of which a person would, if the agreement is carried out, become a substantial shareholder (as defined under section 29(3) of the Insurance Act) of that insurer.

- 3.3 Under the Banking Act (Chapter 19) of Singapore ("**Banking Act**"), a person is required to obtain the approval of the Minister for Finance of Singapore prior to: (i) becoming a substantial shareholder (as defined under section 81 of the Companies Act) of a designated financial institution; (ii) the entering into of any agreement or arrangement, whether oral or in writing and whether express or implied, to act together with any person with respect to the acquisition, holding or disposal of, or the exercise of rights in relation to, their interests in voting shares of an aggregate of 5% or more of the total votes attached to all voting shares in a designated financial institution; and (iii) becoming a 12% controller, 20% controller or an indirect controller (as defined under section 15B of the Banking Act) of a designated financial institution. A "designated financial institution" is defined under the Banking Act as a bank incorporated in Singapore or a financial holding company approved under the Monetary Authority of Singapore Act (Chapter 186) of Singapore.
- 3.4 Under the Finance Companies Act (Chapter 108) of Singapore ("**FC Act**"), a person is required to notify the MAS of its intention and is required to obtain the approval of the MAS prior to: (i) the entering into of any agreement to acquire shares of a finance company that is incorporated in Singapore by virtue of which it would, if the agreement is carried out, obtain effective control (as defined under section 10(3) of the FC Act) of that finance company; (ii) the entering into of any arrangement in relation to any finance company that is incorporated in Singapore by virtue of which it would, if the arrangement is carried out, obtain control (as defined under section 11(2) of the FC Act) of the finance company; and (iii) the entering into of any agreement to acquire shares by virtue of which it would, if the agreement is carried out, acquire a substantial shareholding (as defined under section 81 of the Companies Act) in a finance company. A "finance company" is defined under section 2 of the FC Act as any company licensed to carry on financing business, and all branches and offices in Singapore of such a company shall be deemed to be one finance company. "Financing business" is defined under the FC Act as the business of (A) borrowing money from the public, by acceptance of deposits and issuing certificates or other documents acknowledging or evidencing indebtedness to the public and undertaking to repay the money on call or after an agreed maturity period; and (B)

APPENDIX I OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM SINGAPORE (CONT'D)



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lending money to the public or to a company deemed to be related to the finance company by virtue of section 6 of the Companies Act (referred to herein as the "related company") on the basis that the public or the related company undertakes to repay the money, whether within an agreed period of time or not, or by instalments, and includes the business of financing hire-purchase transactions arising out of hire-purchase agreements, where the money used, or to be used, for such business is borrowed from the public and such other business as the MAS may prescribe.

- 3.5 Under the Telecommunications Act (Chapter 323) of Singapore ("**Telecoms Act**"), a person is required to give notification in the prescribed form and / or obtain the approval of the Infocomm Development Authority of Singapore ("**IDA**") prior to: (i) acquiring an ownership interest in the voting shares of the designated telecommunications licensee, whether by a series of transactions over a period of time or otherwise, that would result in that person holding an ownership interest of 5% or more but less than 12% of the voting shares on that designated telecommunications licensee; (ii) becoming, whether through a series of transactions over a period of time or otherwise, a 12% controller or 30% controller (as defined under section 32B(5) of the Telecoms Act) of a designated telecommunications licensee, and where such acquisition constitutes a consolidation (as defined in the code of practice issued under section 32C of the Telecoms Act) with that designated telecommunications licensee, that person and the designated telecommunications licensee is required to obtain the written approval of the IDA as prescribed under the Telecoms Act; and (iii) acquiring the business of a designated telecommunications licensee as a going concern.
- 3.6 Under the Newspaper and Printing Presses Act (Chapter 206) of Singapore ("**NPP Act**"), a person is required to obtain the approval of the Minister for Information, Communications and the Arts of Singapore prior to: (i) becoming a substantial shareholder (as defined under section 81 of the Companies Act) of a newspaper company; (ii) the entering into of any agreement or arrangement, whether oral or in writing and whether express or implied, to act together with any other person with respect to the acquisition, holding or disposal of, or the exercise of rights in relation to, their interests in voting shares of an aggregate of more than 5% of the total votes attached to all voting shares in a newspaper company; and (iii) becoming a 12% controller or an indirect controller (as defined under section 12 of the NPP Act) of a newspaper company.
- 3.7 Save for the provisions under section 23(2) of the Companies Act and section 3 of the Residential Property Act (Chapter 274) of Singapore ("**RPA**"), a Singapore-

APPENDIX I OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM SINGAPORE (CONT'D)



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incorporated company may hold or acquire land if so permitted under its memorandum of association and articles of association.

3.7.1 Section 23(2) of the Companies Act provides that a company formed for the purpose of providing recreation or amusement or promoting commerce, industry, art, science, religion or any other like object not involving the acquisition of gain by the company or by its individual members shall not acquire any land without the approval of the Minister for Finance of Singapore but he may empower any such company to hold lands in such quantity and subject to such conditions as he thinks fit.

3.7.2 Section 3 of the RPA provides that a foreign person, subject to certain exceptions, is prohibited from owning residential property as defined under section 2 of the RPA. A "foreign person" is defined under the RPA as any person who is not (i) a Singapore citizen; (ii) a Singapore company; (iii) a Singapore limited liability partnership or (iv) a Singapore society. For the purposes of the RPA, a "Singapore company" means any company which satisfies the following requirements: (A) the company is incorporated in Singapore and its directors and members are all citizens; (B) if any member of the company is another company, that other company satisfies the requirements of paragraph (A) above; and (C) if that other company referred to in paragraph (B) has a member which is a company, which in turn has a member which is also a company and so on, all the members of each such company consist only of any or any combination of Singapore citizens, companies which satisfy the requirements of paragraphs (A) and (B) and (where a member is a limited liability partnership) a Singapore limited liability partnership. Based on the above, the Company does not qualify as a "Singapore company" as defined under the RPA.

3.8 We understand that the Company is not engaged in any of the above mentioned activities and accordingly the restrictions on ownership under the said provisions do not apply to the Company.

APPENDIX I OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM SINGAPORE (CONT'D)



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4. Taxation

4.1 Rate of tax and applicable tax exemptions

4.1.1 The corporate tax rate in Singapore is 17% with effect from the year of assessment 2010. Further, partial exemption from tax will apply to the first S\$300,000 of a company's chargeable income as follows: 75% on the first S\$10,000 of a company's chargeable income (excluding Singapore franked dividends); and 50% on the next S\$290,000 of a company's chargeable income (excluding Singapore franked dividends). The remaining chargeable income (after the said tax exemption) is taxed at a rate of 17% (with effect from the year of assessment 2010).

4.1.2 The tax residence status of a company depends on where the control and management of its business is exercised. A company is tax resident in Singapore if the control and management of its business is exercised in Singapore. The basis of taxation for a Singapore tax-resident company and a non-resident company are similar, although a Singapore tax-resident company can, subject to certain prescribed conditions, enjoy certain benefits (which are not available to a non-resident company) which include:

- (i) benefits conferred under the Avoidance of Double Taxation Agreements that Singapore has concluded with certain countries;
- (ii) tax exemption on foreign-sourced dividends, foreign branch profit and foreign-sourced service income under section 13(8) of the Income Tax Act (Chapter 134) of Singapore; and
- (iii) benefits conferred under the tax exemption scheme for new start-up companies.

4.2 One-tier corporate tax system

4.2.1 With effect from 1 January 2003, Singapore adopted the "one-tier" corporate tax system whereby tax collected from corporate profits is final and any Singapore dividends paid by a Singapore tax-resident company are tax exempt in the hands of the shareholder regardless of whether the shareholder is a corporate or individual shareholder or whether the shareholder is a Singapore tax-resident.

APPENDIX I OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM SINGAPORE (CONT'D)



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4.3 Dividend distributions

4.3.1 Dividends received in respect of shares in a Singapore tax-resident company by either a tax-resident or non-resident of Singapore is not subject to withholding tax.

4.4 Capital gains tax on the disposal of shares, bonus issue and scrip dividends

4.4.1 There are no capital gains tax in Singapore. However, there are no specific laws or regulations which deal with the characteristics of capital gains and hence, gains may be construed to be of an income nature and subject to tax especially if they arise from activities which the Inland Revenue Authority of Singapore regards as the carrying on of a trade in Singapore.

4.4.2 Under Singapore law and practice, a capitalisation of profits followed by the issue of new shares, credited as fully paid, pro-rata to shareholders ("**Bonus Issue**") does not represent a distribution of dividends by a company to its shareholders. Therefore, shareholders receiving shares by way of a Bonus Issue will not have a liability to Singapore tax.

4.4.3 When a dividend declared by a company (which is subject to the one-tier corporate tax system) is to be satisfied wholly or in part in the form of an allotment of shares credited as fully paid, the dividend so declared will be treated as an exempt (one-tier) dividend, the receipt of which will not be subject to tax in the hands of the shareholders.

4.5 Stamp duty

4.5.1 There is no stamp duty payable on the subscription of shares in the Company.

4.5.2 Stamp duty is payable on the instrument of transfer of shares in the Company at the rate of S\$2.00 for every S\$1,000 or part thereof, computed on the consideration or market value of the shares, whichever is the higher. The purchaser is liable for stamp duty, unless there is an agreement to the contrary. No stamp duty is payable if no instrument of transfer is executed or the instrument of transfer is executed outside Singapore. However, stamp duty may be payable if the instrument of transfer which is executed outside Singapore is received in Singapore.

APPENDIX I OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM SINGAPORE (CONT'D)



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4.6 Estate Duty

4.6.1 Estate duty has been removed on deaths occurring on or after 15 February 2008.

4.7 Goods and Services Tax ("GST")

4.7.1 The sale of shares is considered a supply of services for Singapore GST purposes. Generally, a supply of services made by a GST-registered person is subject to GST at the current standard rate of 7% unless the services can qualify for zero-rating (that is, GST at 0%) under section 21(3) of the Goods and Services Tax Act (Chapter 117A) of Singapore ("**GST Act**"), or can qualify for exemption under the Fourth Schedule to the GST Act. GST incurred on purchases by a person not registered for GST in Singapore will represent an additional cost as he will not be able to recover the GST charged.

4.7.2 No GST is payable on the purchase of shares except for (possible) GST payable on other incidental charges, such as brokerage as mentioned below.

4.7.3 Services such as brokerage, handling and clearing fees in connection with the sale and acquisition of shares charged by a GST-registered person (such as a broker) to an investor belonging in Singapore is subject to GST at the current rate of 7%. Similar services rendered to an investor belonging outside of Singapore should qualify for zero-rating if the investor is outside Singapore when the services are performed and the services provided do not directly benefit any Singapore persons.

5. Exchange control, repatriation of profits and timing for the repatriation of profits

5.1 Pursuant to notice 754 dated 25 May 1978 ("**Notice 754**") issued by the MAS, with effect from 1 June 1978, all persons are exempted from the provisions and other obligations imposed under the various sections of the Exchange Control Act (Chapter 245) of Singapore. Pursuant to Notice 754, no exchange control formalities or approvals are required for all forms of payments or capital transfers. Accordingly, there are currently no governmental laws, decrees, regulations or other legislation in force which would affect (i) the import or export of capital, including the availability of cash and cash equivalents for use by the Company; and (ii) the remittance of dividends, interest or other payments to non-resident holders of shares in the Company.

APPENDIX I OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM SINGAPORE (CONT'D)



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- 5.2 However, certain foreign exchange restrictions exist under Singapore laws and regulations. These restrictions include: (i) section 48C of the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (Chapter 65A) of Singapore which provides that any person who moves or attempts to move into or out of Singapore cash, the total value of which exceeds the amount of S\$30,000 or its equivalent in foreign currency (or such amount as may be prescribed from time to time) shall provide a report of such movement to the immigration officer; and (ii) restrictions on the internationalisation of the Singapore Dollar pursuant to notice 757 dated 28 May 2004 issued by the MAS ("Notice 757") whereby banks which lend Singapore Dollars to non-resident financial institutions for any purpose whether in Singapore or elsewhere where the aggregate Singapore Dollar credit facilities exceed S\$5 million per entity must comply with certain conditions as prescribed in Notice 757.
- 5.3 Pursuant to Notice 754, there are currently no restrictions under Singapore law on the import or export of capital, including the availability of cash and cash equivalents for use by the Company.
- 5.4 There are no restrictions under Singapore law on the repatriation of profits, whether in the form of dividends or interest, by the Company to its shareholders outside of Singapore. Repatriation of profits is entirely dependent on the ability of the Company to pay dividends to shareholders and provided that the payment of dividends is made only out of the profits of the Company as required under section 403(1) of the Companies Act.
- 5.5 There is no requirement under the laws of Singapore prescribing the timeframe for the repatriation of profits (by way of dividends of the Company) out of Singapore. The timeframe would depend on a variety of factors, including but not limited to the operations of the particular bank.
6. **Others**
- 6.1 This opinion is to be governed by and construed in accordance with the laws of Singapore.
- 6.2 This opinion is rendered solely for and in connection with the Listing only, and is not to be relied upon by any person, firm or entity for any other purpose. Save for the Prospectus, this opinion shall not be quoted or referred to in any other public document without our prior consent in writing.

APPENDIX I OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM SINGAPORE (CONT'D)



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6.3 This opinion is strictly limited to the matters stated herein.

Yours faithfully

Kelvin Chia Partnership

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE

(Prepared for inclusion in this Prospectus)

Lawyers



18 November 2010

Our reference : AM/YP/dc/2009001826



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- The Board of Directors**
Sozo Global Limited
c/o 80 Robinson Road, #17-02
Singapore 068898
Republic of Singapore

Attention: Mr Shen Hengbao / Ms Meng Xiangzhen /
Ms Lee Yu Lian / Mr Sun Shimin / Mr Tan Gim Hwee /
Mr Poh Seng Hiap / Mr Ching Leng Team
- AmInvestment Bank Berhad**
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Attention: Mr Sip Way Keong
- Martin Cheah & Associates**
4th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia

Attention: Mr. Martin Cheah

Dear Sirs

SOZO GLOBAL LIMITED ("COMPANY") – LEGAL OPINION ON THE VALIDITY AND ENFORCEABILITY OF AGREEMENTS INCLUDING REPRESENTATIONS AND UNDERTAKINGS AND OTHER LEGAL MATTERS UNDER THE LAWS OF SINGAPORE

- We act as Legal Adviser to the Company on Singapore law in connection with its listing on the Main Market of Bursa Malaysia Securities Berhad ("**Listing**").
- We understand that this opinion will be included in the prospectus ("**Prospectus**") to be issued by the Company in connection with the proposed Listing.
- For the purposes of giving this opinion, we have examined the documents set out in Appendix A (collectively referred to herein as "**Documents**") as provided to us by the Company.

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



Page 2

4. We have also reviewed copies of the following documents:
- 4.1 the notification dated 12 June 2006 issued by the Accounting and Corporate Regulatory Authority of Singapore ("ACRA") confirming the incorporation of the Company (then known as Sozo Energy Capital Pte. Ltd.);
 - 4.2 the notification dated 6 October 2006 issued by ACRA relating to the change of the name of the Company from "Sozo Energy Capital Pte. Ltd." to "Sozo Global Pte. Ltd.";
 - 4.3 the notification dated 27 October 2009 issued by ACRA relating to the change of the name of the Company from "Sozo Global Pte. Ltd." to "Sozo Global Limited" upon conversion to a public company;
 - 4.4 the memorandum of association and the articles of association of the Company;
 - 4.5 written resolutions of the board of directors of the Company dated 25 September 2006 approving the transfer of shares to Mah Pow Tan by E-Eye Sdn. Bhd.; written resolutions of the board of directors of the Company dated 2 November 2007 approving the transfer of shares to Mah Quee Yong by Wee Gi Mui; written resolutions of the board of directors of the Company dated 7 January 2008 relating to the general mandate to allot and issue new shares in the Company; written resolutions of the board of directors of the Company dated 26 October 2009 relating to (amongst others) the general mandate to allot and issue new shares in the Company; written resolutions of the board of directors of the Company dated 6 February 2008 relating to the subdivision of every one existing ordinary share into 100 ordinary shares in the Company; written resolutions of the board of directors of the Company dated 15 September 2009 relating to the issue and allotment of preference shares in accordance with the subscription agreement dated 27 August 2009 between the Company and (amongst others) Agro Treasures Sdn. Bhd.; written resolutions of the board of directors of the Company dated 24 September 2009 relating to the allotment and issue of 507,511,165 preference shares in the Company to Agro Treasures Sdn. Bhd.; written resolutions of the board of directors of the Company dated 5 December 2007 relating to the Company's entry into the agreement dated 5 December 2007 for the subscription of capital in Rizhao Hengbao Foodstuffs Co., Ltd. and the Company's entry into the equity joint venture contract dated 5 December 2007; written resolutions of the board of directors of the Company dated 7 April 2008 relating to the Company's

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



Page 3

entry into the convertible loan and share sale agreements dated 7 April 2008; written resolutions of the board of directors of the Company dated 18 September 2009 relating to the Company's entry into the convertible loan and share sale agreements dated 29 December 2008, 29 March 2009 and 31 March 2009 and convertible loan agreements dated 25 May 2009, 26 May 2009, 1 June 2009 and 17 September 2009; written resolution of the board of directors of the Company dated 16 October 2009 relating to the Company's entry into the agreement dated 27 August 2009 with Agro Treasures Sdn. Bhd. for the subscription of preference shares, the joint venture agreement in respect of Sozo Global Pte. Ltd. dated 27 August 2009 and the deed of undertaking dated 11 September 2009 with (amongst others) Agro Treasures Sdn. Bhd., the Company's entry into the equity transfer agreement dated 27 May 2008 in respect of the acquisition of the remaining 68.55% of the registered capital in Rizhao Hengbao Foodstuffs Co., Ltd. and the allotment and issue of 324,807,146 preference shares in the Company to Agro Treasures Sdn. Bhd.; written resolutions of the board of directors of the Company dated 5 October 2009 approving the transfer of shares to Hengbao Foodstuffs Holding Limited by Mah Pow Tan and Mah Quee Yong; written resolutions of the board of directors of the Company dated 3 February 2010 approving (amongst others) the subdivision of every one existing ordinary share into 100 ordinary shares in the Company; written resolutions of the board of directors of the Company dated 8 September 2010 approving the allotment and issue or transfer of 112,620,000 new ordinary shares to the allottees set out in schedule A of the said resolutions pursuant to the approval granted by the Company in general meeting on 3 February 2010, and the transfers of shares to Lim Kwee Gee, Cherrybrook Group Limited, Sign Century Limited, Loh Peng Chai, Arthur J Stewart Group Limited, Lim Chee Pin, Eminence Capital Pte. Ltd. and Clifford Capital Holdings Limited by Hengbao Foodstuffs Holding Limited; and written resolutions of the board of directors of the Company dated 4 November 2010 relating to the Company's entry into the underwriting agreement with AmInvestment Bank Berhad (as managing underwriter and underwriter) and JF Apex Securities Berhad (as underwriter) for the underwriting of 24,495,000 public issue shares at an underwriting commission of 3.25% of the total value of the said underwritten shares and upon the terms and conditions contained therein;

- 4.6 minutes of the resolution passed by the shareholders of the Company dated 7 January 2008 relating to the general mandate to allot and issue new shares in the Company; minutes of the resolution passed by the shareholders of the Company dated 6 February 2008 relating to the subdivision of every one existing ordinary share into 100 ordinary shares in

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



Page 4

the Company; minutes of the resolutions passed by the shareholders of the Company dated 15 September 2009 relating to the allotment and issue of preference shares in the Company to Agro Treasures Sdn. Bhd.; minutes of the resolutions passed by the shareholders of the Company dated 22 September 2009 relating to the deletion and replacement of Articles 63 and 69 of the articles of association of the Company; minutes of the resolutions passed by the shareholders of the Company dated 5 December 2007 relating to the Company's entry into the agreement dated 5 December 2007 for the subscription of capital in Rizhao Hengbao Foodstuffs Co., Ltd. and the Company's entry into the equity joint venture contract dated 5 December 2007; minutes of the resolutions passed by the shareholders of the Company dated 7 April 2008 relating to the Company's entry into the convertible loan and share sale agreements dated 7 April 2008; minutes of the resolutions passed by the shareholders of the Company dated 18 September 2009 relating to the Company's entry into the convertible loan and share sale agreements dated 29 December 2008, 29 March 2009 and 31 March 2009 and convertible loan agreements dated 25 May 2009, 26 May 2009, 1 June 2009 and 17 September 2009; minutes of the resolutions passed by the shareholders of the Company dated 3 February 2010 relating to (amongst others) the Company's subdivision of every one existing ordinary share into 100 ordinary shares in the Company, the conversion of all convertible loans into a maximum of 63,814,460 fully paid-up new ordinary shares in the share capital of the Company and the conversion of 832,318,311 preference shares into a maximum of 48,805,540 fully paid-up new ordinary shares in the share capital of the Company; and minutes of the resolutions passed by the shareholders of the Company dated 16 August 2010 relating to (amongst others) the adoption of a new set of articles of association; and

- 4.7 executed instrument of transfer dated 25 September 2006 relating to the transfer of 2,000 ordinary shares to Mah Pow Tan by E-Eye Sdn. Bhd.; executed instrument of transfer dated 2 November 2007 relating to the transfer of 8,000 ordinary shares to Mah Quee Yong by Wee Gui Mui; executed instrument of transfer dated 25 September 2009 relating to the transfer of 2,800,000 ordinary shares to Hengbao Foodstuffs Holding Limited by Mah Quee Yong; and the executed instrument of transfer dated 25 September 2009 relating to the transfer of 200,000 ordinary shares to Hengbao Foodstuffs Holding Limited by Mah Pow Tan; and executed instruments of transfers dated 8 September 2010 relating to the transfer of 6,612,500 ordinary shares to Lim Kwee Gee, the transfer of 5,819,000 ordinary shares to Cherrybrook Group Limited, the transfer of 5,290,000 ordinary shares to Sign Century Limited, the transfer of 3,967,500 ordinary

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



shares to Loh Peng Chai, the transfer of 3,967,500 ordinary shares to Arthur J Stewart Group Limited, the transfer of 3,967,500 ordinary shares to Lim Chee Pin, the transfer of 2,116,000 ordinary shares to Eminence Capital Pte. Ltd., and the transfer of 1,058,000 ordinary shares to Clifford Capital Holdings Limited by Hengbao Foodstuffs Holding Limited.

5. Our opinion expressed below is limited to the laws of Singapore in effect and as applied by the Singapore Courts as at the date hereof and we disclaim any responsibility to inform you of any changes. We have not made any investigation of, and do not express any opinion herein concerning, any applicable laws other than the laws of Singapore. We have assumed the binding nature of the obligations of the parties under any applicable laws other than the laws of Singapore. We assume that no law other than the laws of Singapore affects the conclusions stated in this opinion. This opinion does not extend to any law of any other state or territory as applied within Singapore by virtue of the rules of Private International Law applicable from time to time or incorporated or applied within Singapore.
6. Based on the foregoing and subject to the assumptions and qualifications set out below, we are of the opinion that, under the laws of Singapore now in effect:
 - 6.1 The Company has been duly incorporated and is validly existing under the laws of Singapore.
 - 6.2 The Company is a separate legal entity capable of suing and being sued in its own name.
 - 6.3 Based solely on the review of the register of members of the Company, the following persons are registered holders of the number of shares in the Company as set out opposite their respective names and the shares are validly issued, fully paid or credited as fully paid, and non-assessable (which term when used herein means that no further sums are required to be paid by the holder thereof in connection with the issue thereof):

Name of shareholder	Number of ordinary shares in the share capital of the Company
Hengbao Foodstuffs Holding Limited	: 267,202,000
Agro Treasures Sdn. Bhd.	: 48,805,540

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



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Roscrea Investments Limited	:	20,968,802
Elpis Wealth Management Pte. Ltd.	:	7,863,302
George Tiong Siy	:	1,965,825
Jovenson Lim Ong	:	1,965,825
Janet Fong Wuan Yee	:	1,310,550
Tong Wai Mun	:	1,310,550
Lai Wai Yin	:	1,310,550
Bernard Chua Go	:	982,913
Ng Been Hwee	:	720,803
Eminence Capital Pte. Ltd.	:	2,771,275
Wan Kum Tho	:	262,110
Lim Kwee Gee	:	9,265,087
Strategic Capital Partners Pte. Ltd.	:	2,950,787
Yap Yoon Keong	:	593,760
Pok Yoke Yung	:	593,760
Ong Soo Boon	:	1,484,400
Heng Hock Keng	:	593,760
Resource Hardware & Trading Pte. Ltd.	:	1,187,520
Lee Ying Kiat	:	593,760
Oleksandr Danylenko	:	593,760
Tan Poh Thong	:	296,880
Ayako Kira	:	742,200
Yong Sooi Seong	:	262,307
Strategic Advisory Services Pte. Ltd.	:	5,937,601

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



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Yap Soo Ching	:	466,323
Lee Kim Tow	:	475,008
Tan Roy Soon	:	971,506
Ng Yew	:	242,876
Lee Yok Khon @ Lee Kua	:	728,629
Mah Siew Hoe	:	1,214,382
Lim Chee Pin	:	4,696,129
Suraj Singh Gill	:	1,187,520
Cherrybrook Group Limited	:	5,819,000
Sign Century Limited	:	5,290,000
Loh Peng Chai	:	3,967,500
Arthur J Stewart Group Limited	:	3,967,500
Clifford Capital Holdings Limited	:	1,058,000

- 6.4 The persons mentioned in paragraph 6.3 above are the legal and beneficial holders of the amount of shares in the share capital of the Company as set out against their names respectively.
- 6.5 The Company has the necessary corporate power and authority to enter into and perform its obligations under the Documents. The execution and delivery of the Documents by the Company and the performance by the Company of its obligations thereunder will not violate the memorandum of association and articles of association of the Company nor any applicable law, regulation, statute or order in Singapore.
- 6.6 The Company has taken all corporate action required to authorise the execution delivery and performance of the Documents. The Documents have been duly executed and delivered by or on behalf of the Company, and constitute the valid and binding obligations of the Company enforceable in accordance with the terms thereof.
- 6.7 No order, consent, approval, licence, authorisation or validation of or exemption by any government or public body or authority in Singapore is

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



required to authorise or is required in the execution, delivery, performance and enforcement of the Documents, except such as have been duly obtained in accordance with Singapore laws.

- 6.8 It is not necessary or desirable to ensure the enforceability in Singapore of the Documents that they be registered in any register kept by, or filed with, any governmental authority or regulatory body in Singapore. However, to the extent that any of the Documents creates a charge over assets of the Company, it may be desirable to ensure the priority in Singapore of the charge that it be registered in the Register of Charges in accordance with section 131 of the Companies Act (Chapter 50) of Singapore.
- 6.9 The parties' choice of the laws of Malaysia or the laws of the People's Republic of China (as the case may be) to govern the relevant Documents is valid and will be recognised and upheld by the courts of Singapore.
- 6.10 Neither the Company nor any of its assets has any immunity from suit or proceedings or the enforcement of any judgment (whether on grounds of sovereign immunity or otherwise) under the laws of Singapore.
- 6.11 There is no income or other tax of Singapore imposed by withholding or otherwise on any payment to be made to or by the Company pursuant to the Documents.
- 6.12 The Documents will not be subject to *ad valorem* stamp duty in Singapore and no registration, documentary, recording, transfer or other similar tax, fee or charge is payable in Singapore in connection with the execution, delivery, filing, registration or performance of the Documents, other than stated in Section 6.8 above.
- 6.13 The courts of Singapore would recognise as a valid judgment, a final and conclusive judgment *in personam* obtained in the foreign courts, as the case may be, against the Company based upon the relevant Documents under which a sum of money is payable (other than a sum of money payable in respect of multiple damages, taxes or other charges of a like nature or in respect of a fine or other penalty) and would give a judgment based thereon provided that (a) such courts had proper jurisdiction over the parties subject to such judgment; (b) such courts did not contravene the rules of natural justice of Singapore; (c) such judgment was not obtained by fraud; (d) the enforcement of the judgment would not be contrary to the public policy of Singapore; (e) no new admissible evidence relevant to the action is submitted prior to the rendering of the judgment by the courts of Singapore;

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



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and (f) there is due compliance with the correct procedures under the laws of Singapore.

7. We understand that the Company does not currently own or hold any interest in any property or other asset in Singapore.
8. In giving our opinion, we have assumed (although we have not verified) the following:
 - 8.1 the genuineness of all signatures, seals and dates and the correct identity and legal capacity and authority of all signatories on all Documents;
 - 8.2 the authenticity, completeness and factual accuracy of all Documents and corporate records presented as originals and the conformity with the originals of all Documents and corporate records presented to us as copies;
 - 8.3 for each document to which a corporation (other than the Company) is a party, (i) the binding nature of the obligations expressed to be assumed by that party under the document; (ii) that party had been and at all relevant times remained duly incorporated or established and had at all relevant times the necessary corporate power; (iii) all corporate authorisations had been validly obtained, each such document was validly executed and was entered into for that party's respective corporate benefit and that party was solvent when it did so;
 - 8.4 that every board and shareholder's resolution is a correct record of the business transacted, and that each has been effectively passed;
 - 8.5 that no party to any document entered into or was induced to enter into it by fraud, misrepresentation or, undue influence or on the basis of a mistake of fact or law or believing the document to be fundamentally different in substance or in kind from what it is, so that the said document is not regarded as the intended or wilful act of that party (this being known as "*non est factum*" doctrine);
 - 8.6 the correctness, accuracy and completeness of all factual representations made in each Document;
 - 8.7 that none of the parties to the Documents is, or will be, seeking to conduct an irrelevant transaction or any associated activity in a manner or for a purpose not evidenced on the face of the Documents which might render the Documents or any relevant transaction or associated activity illegal, void or voidable;

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



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- 8.8 due compliance with all matters required under the Documents, including without limitation:
- 8.8.1 the obtaining, in jurisdictions other than Singapore, of all necessary consents, licences, approvals and authorities (and the same remain in full force and effect and will continue to be given where required);
 - 8.8.2 the making, in jurisdictions other than Singapore, of all necessary filings, lodgments, registrations, notifications, furnishings of particulars and applications for exemptions or clearances;
 - 8.8.3 the payment, in jurisdictions other than Singapore, of stamp duties and other documentary taxes and charges; and
 - 8.8.4 the validity and enforceability, under those laws (other than the laws of Singapore) which govern or relate to any Document, of obligations or rights which are to be performed or enforced under such laws by or against the parties to such Document or other persons affected thereby; and
- 8.9 the accuracy and completeness of all information disclosed by the online public searches conducted by us or our agents on 12 November 2010 via the website LawNet against the Company, the continuing correctness of such searches from the date of the relevant search until the present and that the information contained in such searches has not been materially altered and that such searches did not fail to disclose any material information which had been delivered for filing but did not appear on the public file at the time of the searches.
9. Our opinion is subject to any limitation on the validity, enforceability or binding nature of the Documents resulting from:
- 9.1 the laws from time to time in effect relating to bankruptcy, insolvency, liquidation, receivership, judicial management, prescription, lapse of time, possessory liens, rights of set off, reconstruction, reorganisation, amalgamation, moratorium, limitation, or any other laws or legal procedures, whether of a similar nature or otherwise, generally affecting the rights of creditors;
 - 9.2 statutory limitation of the time within which proceedings may be brought;

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



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- 9.3 the effect of principles of equity and, as such, specific performance and injunctive relief, being equitable remedies, may not be available;
- 9.4 any amendment, waiver, variation or discharge, whether effected by a further or supplemental agreement, side letter or other document, arrangement, course of dealings or otherwise (whether or not evidenced in writing) which may affect any Document or any other matters not expressly disclosed by or apparent on the face of any Document;
- 9.5 the choice of law to govern the relevant Document will only be recognised and upheld by a Singapore Court provided that it is *bona fide* and there are no reasons for avoiding it on grounds of public policy. A choice of law would not be upheld if it was made with the express purpose of avoiding the law of the jurisdiction with which the relevant Document has most substantial connection and which, in the absence of the stated choice of law would have invalidated the relevant Document or been inconsistent with it;
- 9.6 a claim being or becoming subject to set-off or counterclaim;
- 9.7 a Singapore Court's right to stay proceedings if concurrent proceedings are being brought elsewhere or as to the principles regarding enforcement of judgements of foreign courts applied by Singapore Courts;
- 9.8 the possibility that a Singapore Court may refuse to give effect to any provision of any Documents:
 - 9.8.1 requiring the costs of any party to be paid in respect of unsuccessful litigation brought before a Singapore Court or where the Court has itself made an order for costs;
 - 9.8.2 which provides for the payment of an amount which is in the nature of a penalty and not in the nature of liquidated damages; or
 - 9.8.3 which purports to permit severance of any illegal or unenforceable provision thereof;
- 9.9 where any obligation is to be performed or observed or is based upon a matter arising in a jurisdiction outside Singapore or a party's obligations are subject to the laws of a jurisdiction outside Singapore, then such obligations may not be enforceable under Singapore law if the same would be unlawful,

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



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unenforceable or contrary to public policy under the laws of such jurisdiction;

- 9.10 the fact that a certificate, determination, notification or opinion given pursuant to any Document as to any matter provided for therein might be held by a Singapore Court not to be conclusive if it can be shown to be mistaken or made on an arbitrary, unreasonable or improper basis;
- 9.11 the fact that the laws of Singapore (including without limitation, the laws of frustration of contract or public policy) may render any provision of any contract invalid or unenforceable;
- 9.12 where a party to any Document is vested with a discretion or may determine a matter in its opinion, the laws of Singapore may require that such discretion is exercised reasonably or that such opinion is based upon reasonable grounds;
- 9.13 the fact that any provision of any Document may be amended by oral agreement between the parties thereto, notwithstanding any provision to the contrary;
- 9.14 notwithstanding that claims may be made in the Singapore Courts in foreign currencies and that the Singapore Courts have power to give monetary judgements expressed in foreign currencies, the Singapore Courts nevertheless have a residual power to express their judgements in a currency other than that claimed;
- 9.15 the possibility that a Singapore Court may regard a provision in any Document regarding deemed notification ineffective to the extent that it is established as a matter of fact that such notification was not effected; and / or
- 9.16 the fact that any transfer of, or payment in respect of, an instrument involving the government of any country which is currently the subject of any United Nations sanctions, any person or body resident in, incorporated in or constituted under the laws of any such country or exercising public functions in any such country or any person or body controlled by any of the foregoing, or by any person acting on behalf of any of the foregoing, may be subject to restrictions pursuant to such sanctions as implemented by the laws of Singapore.

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



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10. This opinion is to be governed by and construed in accordance with the laws of Singapore.
 11. This opinion is rendered solely for and in connection with the proposed Listing, and is not to be relied upon by any person, firm or entity for any other purpose. Save for the Prospectus, this opinion shall not be quoted or referred to in any other public document without our prior consent in writing.
 12. This opinion is strictly limited to the matters stated herein.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Kelvin Chia'.

Kelvin Chia Partnership

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



APPENDIX A

List of documents reviewed:

- 1) Copy of the agreement dated 5 December 2007 (the date is as reflected in the Chinese version of the said document) relating to the subscription of capital in Rizhao Hengbao Food Co., Ltd. between Shen Hengbao, Meng Xiangzhen, Wu Fang, Yao Zhifang, Shi Geli and the Company;
- 2) Copy of the equity joint venture contract dated 5 December 2007 (the date is as reflected in the Chinese version of the said document) between Shen Hengbao, Meng Xiangzhen, Wu Fang, Yao Zhifang, Shi Geli and the Company;
- 3) Copy of the convertible loan and share sale agreement dated 7 April 2008 between Mah Quee Yong, Mah Pow Tan, Roscrea Investments Limited and the Company (as amended by the supplemental agreement dated 22 August 2009 between the said parties);
- 4) Copy of the convertible loan and share sale agreement dated 7 April 2008 between Mah Quee Yong, Mah Pow Tan, Elpis Wealth Management Pte Ltd and the Company (as amended by the supplemental agreement dated 22 August 2009 between the said parties);
- 5) Copy of the convertible loan and share sale agreement dated 7 April 2008 between Mah Quee Yong, Mah Pow Tan, Eminence Capital Pte Ltd and the Company (as amended by the supplemental agreement dated 22 August 2009 between the said parties);
- 6) Copy of the convertible loan and share sale agreement dated 7 April 2008 between Mah Quee Yong, Mah Pow Tan, Janet Fong Wuan Yee and the Company (as amended by the supplemental agreement dated 22 August 2009 between the said parties);
- 7) Copy of the convertible loan and share sale agreement dated 7 April 2008 between Mah Quee Yong, Mah Pow Tan, Wan Kum Tho and the Company (as amended by the supplemental agreement dated 22 August 2009 between the said parties);
- 8) Copy of the convertible loan and share sale agreement dated 7 April 2008 between Mah Quee Yong, Mah Pow Tan, Lai Wai Yin and the Company (as amended by the supplemental agreement dated 22 August 2009 between the said parties);

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



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- 9) Copy of the convertible loan and share sale agreement dated 7 April 2008 between Mah Quee Yong, Mah Pow Tan, Bernard Chua Go and the Company (as amended by the supplemental agreement dated 22 August 2009 between the said parties);
- 10) Copy of the convertible loan and share sale agreement dated 7 April 2008 between Mah Quee Yong, Mah Pow Tan, Tong Wai Mun and the Company (as amended by the supplemental agreement dated 22 August 2009 between the said parties);
- 11) Copy of the convertible loan and share sale agreement dated 7 April 2008 between Mah Quee Yong, Mah Pow Tan, George Tiong Siy and the Company (as amended by the supplemental agreement dated 22 August 2009 between the said parties);
- 12) Copy of the convertible loan and share sale agreement dated 7 April 2008 between Mah Quee Yong, Mah Pow Tan, Jovenson Lim Ong and the Company (as amended by the supplemental agreement dated 22 August 2009 between the said parties);
- 13) Copy of the convertible loan and share sale agreement dated 7 April 2008 between Mah Quee Yong, Mah Pow Tan, Ng Been Hwee and the Company (as amended by the supplemental agreement dated 22 August 2009 between the said parties);
- 14) Copy of the convertible loan and share sale agreement dated 29 December 2008 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Lim Kwee Gee and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
- 15) Copy of the convertible loan and share sale agreement dated 29 March 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Lim Kwee Gee and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
- 16) Copy of the convertible loan and share sale agreement dated 31 March 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Strategic Capital Partners Pte. Ltd. and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



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- 17) Copy of the convertible loan agreement dated 25 May 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Pok Yoke Kung and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
- 18) Copy of the convertible loan agreement dated 25 May 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Yap Yoon Keong and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
- 19) Copy of the convertible loan agreement dated 26 May 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Lee Ying Kiat and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
- 20) Copy of the convertible loan agreement dated 26 May 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Resource Hardware & Trading Pte. Ltd. and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
- 21) Copy of the convertible loan agreement dated 26 May 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Tan Poh Thong and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
- 22) Copy of the convertible loan agreement dated 1 June 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Heng Hock Keng and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
- 23) Copy of the convertible loan agreement dated 1 June 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Ayako Kira and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
- 24) Copy of the convertible loan agreement dated 1 June 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Ong Soo Boon and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
- 25) Copy of the convertible loan agreement dated 1 June 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Mah Siew Hoe and the

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



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- Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
- 26) Copy of the convertible loan agreement dated 1 June 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Yap Soo Ching and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
 - 27) Copy of the convertible loan agreement dated 1 June 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Tan Roy Soon and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
 - 28) Copy of the convertible loan agreement dated 1 June 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Ng Yew and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
 - 29) Copy of the convertible loan agreement dated 1 June 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Yong Sooi Seong and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
 - 30) Copy of the convertible loan agreement dated 1 June 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Lee Yok Khon @ Lee Kua and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
 - 31) Copy of the convertible loan agreement dated 1 June 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Strategic Advisory Services Pte. Ltd. and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
 - 32) Copy of the convertible loan agreement dated 1 June 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Lee Kim Tow and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
 - 33) Copy of the convertible loan agreement dated 1 June 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Oleksandr Danylenko and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);

APPENDIX II OPINION FROM LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF SINGAPORE (CONT'D)



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- 34) Copy of the convertible loan agreement dated 1 June 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Lim Chee Pin and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
- 35) Copy of the convertible loan agreement dated 17 September 2009 between Mah Quee Yong, Mah Pow Tan, Shen Hengbao, Meng Xiangzhen, Suraj Singh Gill and the Company (as amended by the supplemental agreement dated 25 September 2009 between the said parties);
- 36) Copy of the subscription agreement dated 27 August 2009 relating to subscription of the redeemable cumulative and convertible preference shares series A in Sozo Global Pte. Ltd. between the Company, Agro Treasures Sdn. Bhd., Shen Hengbao, Meng Xiangzhen, Wu Fang, Shi Geli and Yao Zhifang;
- 37) Copy of the joint venture agreement in respect of Sozo Global Pte. Ltd. dated 27 August 2009 between the Company, Agro Treasures Sdn. Bhd., Hengbao Foodstuffs Holding Limited, Shen Hengbao, Meng Xiangzhen, Wu Fang, Shi Geli and Yao Zhifang;
- 38) Copy of the deed of undertaking dated 11 September 2009 between Shen Hengbao, Meng Xiangzhen, Wu Fang, Shi Geli, Yao Zhifang, Hengbao Foodstuffs Holding Limited, Agro Treasures Sdn. Bhd. and the Company;
- 39) Copy of the equity transfer agreement (日照恒宝食品有限公司股权转让协议) (in Chinese) dated 27 May 2008 between the Company, Shen Hengbao, Meng Xiangzhen, Wu Fang, Shi Geli and Yao Zhifang in respect of the acquisition of the remaining 68.55% of the registered capital in Rizhao Hengbao Food Co., Ltd.
- 40) Copy of the underwriting agreement dated 15 November 2010 between the Company and AmlInvestment Bank Berhad (as managing underwriter and underwriter) and JF Apex Securities Berhad (as underwriter) for the underwriting of 24,495,000 public issue shares at an underwriting commission of 3.25% of the total value of the said underwritten shares.

APPENDIX III OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM THE PRC

(Prepared for inclusion in this Prospectus)



JINCHENG TONGDA & NEAL LAW FIRM

11/F, Huaxia Bank Plaza, No.22 Jianguomennei Avenue,
Beijing, 100005, PRC
Tel: (8610) 85237766; Fax: (8610) 65185057

18 November 2010

THE BOARD OF DIRECTORS
SOZO GLOBAL LIMITED (THE “COMPANY”)
80 Robinson Road, #17-02
Singapore 068898
Republic of Singapore

Dear Sirs,

EXPERT’S REPORT ON THE POLICIES ON FOREIGN INVESTMENTS OF THE PEOPLE’S REPUBLIC OF CHINA IN CONNECTION WITH THE PROPOSED ADMISSION OF THE COMPANY ON THE OFFICIAL LIST OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) AND THE LISTING OF AND QUOTATION FOR ITS ENTIRE ISSUED AND PAID-UP SHARE CAPITAL ON THE MAIN MARKET OF BURSA SECURITIES (“PROPOSED LISTING”)

We have acted as legal advisers for the Company in respect of the laws of the People's Republic of China (the “PRC”, which for the purpose of this Report, excludes Hong Kong Special Administrative Region of PRC, Macao Special Administrative Region of PRC and Taiwan Province) for the Proposed Listing. We are lawyers duly qualified and licensed to practice law within the PRC and such qualification has not been revoked, suspended, restricted or limited in any manner whatsoever. Accordingly, we are duly qualified to issue this Expert’s Report (“Report”).

We have been requested by the Company to provide an expert report on Rizhao Hengbao Foodstuffs Co., Ltd. (“Rizhao Hengbao” or the “PRC Company”) on the policies on foreign investments (including taxation, foreign exchange control) and repatriation of profits as well as expected timeframe in which profits are to be repatriated under the laws of PRC. Rizhao Hengbao is a wholly foreign-owned enterprise with limited liability duly incorporated and validly existing under the laws of the PRC.

This Report has been prepared for inclusion in the Prospectus of the Company in relation to the Proposed Listing.

APPENDIX III OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM THE PRC (CONT'D)

1. Foreign Investment Policies in China

The three major Chinese government policies concerning foreign investment in China are outlined in the “Provisions on Guiding the Orientation of Foreign Investment”, the “Catalogue of Industries for Guiding Foreign Investment (Amended in 2007) as well as the “Catalogue of Priority Industries for Foreign Investment in the Central-Western Region (Amended in 2008). These provisions classify investment projects into encouraged, permitted, restricted and prohibited categories. In general, projects engaged in the high-tech, agriculture, forestry, telecommunications, and export oriented sectors will be strongly encouraged and further supported through many favorable treatments by government agencies in financial and tax respects.

Foreign investment enterprises (“FIEs”) can take many forms such as wholly foreign-owned enterprise (“WFOE”), equity joint venture or co-operative joint venture.

Furthermore, the PRC central government and local government provide a lot of favorable interests to promote the investment and trading activities throughout the foreign countries.

WFOEs are governed by the laws of the PRC on Foreign Capital Enterprises, which was promulgated on 12th April, 1986 and amended on 31 October 2000, and its Implementation Regulations promulgated on 12th December, 1990 and amended on 12 April 2001 (together the “Foreign Enterprise Law”).

The establishment of a WFOE will have to be approved by the Ministry of Commerce (the “MOC”) (or its delegated authorities). If two or more foreign investors jointly apply for the establishment of a wholly foreign-owned enterprise, a copy of the contract between the parties must also be submitted to the MOC (or its delegated authorities) for its records. A WFOE must also obtain a business license from the State Administration for Industry and Commerce (or its delegated authorities) before it can commence business.

A WFOE is a limited liability company under the Foreign Enterprise Law. It is a legal person which may independently assume civil obligations, enjoy civil rights and has the right to own, use and dispose of its asset and property. It is required to have a registered capital contributed by the foreign investor(s). The liability of the foreign investor(s) is limited to the amount of registered capital contributed. A foreign investor may make its contributions by installments and the registered capital must be contributed within the period as approved by the MOC (or its delegated authorities) in accordance with relevant laws and regulations.

2. Repatriation of Profits, Dividend and Capital

Repatriation of Profit and Dividend

APPENDIX III OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM THE PRC (CONT'D)

The Foreign Enterprise Law provides that after the payment of taxes, a WFOE must make contributions to three funds, namely the reserve fund, employee bonus fund and welfare fund. The allocation ratio for the employee bonus fund and welfare fund may be determined by the enterprise itself. However, at least 10 percent of the after-tax profits must be allocated to the reserve fund. If the cumulative total amount of allocated reserve funds reaches 50% of an enterprise's registered capital, the enterprise will not be liable to make any additional contribution to such fund. The reserve fund may be used by a WFOE to make up its losses and with the consent of the examination and approval authority, can also be used to expand its production operations and to increase its capital. The employee bonus fund and welfare fund can only be used for the collective benefit and facilities of the employees of the WFOE. The enterprise may distribute dividends after payment of taxes and contributions to the statutory funds as aforesaid, but is prohibited from distributing dividends unless the losses (if any) of previous years have been made up.

When foreign investors of a FIE want to remit profits or dividends of current year abroad, the foreign investors and the FIE are required to present the following documents to the designated foreign exchange banks:

- (i) tax payment certificate and taxation declaration form (for enterprises enjoying tax reduction or exemption, certificate of tax reduction or exemption issued by domiciled taxation administration shall be provided);
- (ii) Audited Report of the current year issued by Certified Public Accountants ("CPA");
- (iii) Resolution of the board of directors authorizing the distribution of profits or dividends;
- (iv) Foreign Exchange Registration Card; and
- (v) Capital Verification Report issued by the CPA.

If foreign investors want to remit profit or dividends of previous years abroad, in addition to the documents prescribed above, an audited report issued by the CPA on the financial position of the relevant accounting years during which such profits or dividends yielded should also be submitted to the designated bank.

The designated bank will review the documents submitted and found in order, the profits or dividends will be converted into the foreign exchange for repatriation abroad by the FIE.

Repatriation of Capital

The Foreign Enterprise Law and some relevant laws and regulations provides that the repatriation of capital of a FIE is under the control of capital items of the SAFE. The capital repatriation can only be made upon: 1) capital deduction; 2) repayment of loan;

APPENDIX III OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM THE PRC (CONT'D)

and 3) liquidation of a FIE.

For capital deduction, the FIE shall obtain the approval from the approving authority for its capital deduction application first. With such approval, the FIE shall fulfill some procedures with Administration of Industry and Commerce, SAFE, tax bureau and other relevant government agencies for registration of such capital deduction. After those procedures, the FIE shall apply with the SAFE for approval of its capital repatriation. With such approval and other necessary documents required the FIE can repatriate its deducted capital to its parent company through a designated bank. The designated bank will review all the necessary documents submitted and if found in order, the deducted capital in the capital account will be then repatriated abroad by the FIE.

For repayment of loan, the FIE should have had a foreign loan account before the loan occurred. The repayment of loan cannot exceed the balance between the registered capital and the total investment of the FIE (interest excluded). The FIE shall apply with the SAFE to obtain the approval for the repayment of loan. With such approval, loan agreement, certificate of foreign loan account and some other necessary documents required, the FIE can repatriate its foreign outstanding loan due from its foreign loan account to its lender through a designated bank. The designated bank will review all the necessary documents submitted and found in order, the loan in its foreign loan account will be then repatriated abroad by the FIE.

For repatriation of capital after the liquidation of the FIE, the FIE shall obtain the approval from the approving authority for its liquidation application first. With such approval, the FIE shall fulfill some procedures with Administration of Industry and Commerce, SAFE, tax bureau and other relevant government agencies for registration of such liquidation. In those procedures, the FIE shall have all the taxes, salary, outstanding debts duly paid. After the fulfillment of those procedures, the FIE can apply with the SAFE for approval of its remaining capital repatriation. With SAFE approval and other necessary documents required, the FIE can repatriate its remaining capital to its parent company through a designated bank. The designated bank will review all the necessary documents submitted and found in order, the remaining capital will be converted into the foreign exchange for repatriation abroad by the FIE.

3. Taxation

The applicable income tax laws, regulations, notices and decisions related to FIEs and their investors include the following:

- (i) Income Tax Law of the PRC on Foreign Investment Enterprises and Foreign Enterprises adopted by the NPC on 9th April, 1991 and being invalid from 1 January 2008 ("FIE Tax Law")
- (ii) Implementing Rules of the Income Tax Law of the PRC on Foreign Investment Enterprises and Foreign Enterprises promulgated by the State Council, which

APPENDIX III OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM THE PRC (CONT'D)

- came into effect on 1st July, 1991 which became invalid from 1 January 2008;
- (iii) Notice Relating to Taxes Applicable to Foreign Investment Enterprises/Foreign Enterprises and Foreign Nationals in Relation to Dividends and Gains obtained from Holding and Transferring of shares promulgated by State Tax Bureau on 21 July 1993;
 - (iv) The Income Tax Law Applicable to Individuals of the PRC promulgated by the Standing Committee of NPC on 10 September 1980, which was amended by the Standing Committee of NPC on 30 August 1999, 27 October 2005, 29 June 2007 and 29 December 2007 which came into force on 1 March 2008;
 - (v) Notice on Relevant Policies Concerning Individual Income Tax issued by Ministry of Finance and the State Administration of Taxation on 13 May 1994;
 - (vi) Notice on Reduction of Income Tax in Relation to Interests and Gains Derived by Foreign Enterprises from the PRC, promulgated by the State Council on 18 November 2000("Notice 37");
 - (vii) The PRC Enterprise Income Tax Law promulgated by the NPC on 16 March 2007(" New Income Tax Law") and came into effect on 1 January 2008; and
 - (viii) Implementing Regulations of the PRC Enterprise Income Tax Law promulgated by the State Council on 6 December 2007 and came into effect on 1 January 2008 ("Implementing Regulations of New Income Tax Law").

The following is a summary of the material taxes that apply to FIEs:

(a) Income tax on FIE

According to the FIE Tax Law, FIEs (including sino-foreign equity joint ventures, sino-foreign co-operative joint venture and WFOE established in the territory of the PRC) are required to pay a national income tax at a rate of 30% of their taxable income and local income tax at a rate of 3% of their taxable income.

A FIE engaged in production having a period of operation of not less than ten years shall be exempted from national income tax for the first two profit-making years and a 50% reduction in the national income tax payable for the next three years. If, in any year after the expiration of the period of tax exemption and reduction, the value of the products exported by a foreign investment enterprise constitutes 70% or more of its total turnover, the enterprise qualifies as an "export-oriented" enterprise, and will be entitled to a 50% tax reduction for that year. For those "export-oriented" enterprises established in the 5 special economic zones of PRC, the minimum tax rate is 10%. The income tax concession for FIE engaged in the exploitation of resources such as petroleum natural gas, rare metals and precious metals are regulated separately by the State Council.

APPENDIX III OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM THE PRC (CONT'D)

FIEs established in special economic zones, foreign enterprises having an establishment in 5 special economic zones engaged in production or business operations and foreign investment enterprises engaged in production in economic and technological zones may pay national income tax at a reduced rate of 15%. FIEs engaged in production established in coastal economic open zones or in the old urban districts of cities where the special economic zones or the economic and technological development zones are located may pay national income taxes at a reduced rate of 24%. A reduced national income tax rate of 15 percent, may apply to an enterprise located in such regions which is engaged in energy, communication, harbor, wharf or other projects encouraged by the State.

Losses incurred in a tax year may be carried forward for not more than five years.

The people's governments of provinces, autonomous regions and municipalities directly under the central government may grant exemptions from or reduce local income tax for a foreign investment enterprise engaged in an industry or a project encouraged by the State.

Pursuant to the New Income Tax Law, FIEs are required to pay income tax at a rate of 25.0% of their taxable income, while the FIEs will no longer be entitled to income tax exemption and reduction as previously granted by the Income Tax Law of the PRC on Foreign Investment Enterprises and Foreign Enterprises and some other tax incentives including pre-tax reduction and tax rebate for re-investment, Nevertheless, the FIEs which were incorporated before the promulgation of the New Income Tax Law on 16 March 2007 will still be entitled to the tax exemption and reduction and other tax incentives as stipulated in the Applicable Foreign Enterprises Law.

(b) Value added tax

The Provisional Regulations of the People's Republic of China Concerning Value Added Tax promulgated by the State Council came into effect on 1st January, 1994, which was amended on 5 November 2008. Under these regulations and the Implementing Rules of the Provisional Regulations of the People's Republic of China Concerning Value Added Tax, value added tax is imposed on goods sold in or imported into the PRC and on processing, repair and replacement services provided within the PRC.

Value added tax payable in the PRC is charged on an aggregate basis at a rate of 13% or 17% (depending on the type of goods involved) on the full price collected for the goods sold or, in the case of taxable services provided, at a rate of 17% on the charges for the taxable services provided but excluding, in respect of both goods and services, any amount paid in respect of value added tax included in the price or charges, and less any deductible value added tax already paid by the taxpayer on purchases of goods and service in the same financial year.

(c) Business tax

APPENDIX III OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM THE PRC (CONT'D)

With effect from 1st January, 1994, business that provide services, assign intangible assets or sell immovable property are subject to business tax at a rate ranging from three to five percent of the charges of the services provided, intangible assets assigned or immovable property sold, as the case may be.

(d) Tax on dividends from PRC enterprise with foreign investment

According to New Income Tax Law, the dividends received by a foreign investors from PRC FIEs is subject to a withholding tax from 5% to 10%, depending on whether there is a mutual taxation treaty or arrangement between PRC and the foreign country or legislative region where the foreign investors come from. According to the Arrangement between the PRC and Singapore on the Avoidance of Double Taxation and Prevention of Fiscal Evasion with Respect to Taxes on Income executed on 11 July 2007 and having taken effect on 1 January 2008, for Singapore investors, the withholding tax rate is 5% if the equity interest in the FIEs held by such Singapore investors is above 25%.

(e) Tax on rental, interest, royalty from PRC enterprise with foreign investment

According to Notice 37, income such as rental, interest and royalty from the PRC derived by a foreign enterprise which has no establishment in the PRC or has establishment but the income has no relationship with such establishment is subject to a 10% withholding tax, subject to reduction as provided by any applicable double taxation treaty, unless the relevant income is specifically exempted from tax under the applicable income tax laws, regulations, notices and decisions which relate to foreign investment enterprises and their investors.

(f) Tax on income from the PRC derived by a Non-Resident enterprise

According to New Income Tax law and Implementing Regulations of New Income Tax law, income such as dividends, rental, interest and royalty from the PRC derived by a Non-resident enterprise which has no establishment in the PRC or has establishment but the income has no relationship with such establishment is subject to a 10% withholding tax, subject to reduction as provided by any applicable double taxation treaty, unless the relevant income is specifically exempted from tax under the applicable income tax laws, regulations, notices and decisions which relate to FIEs and their investors.

4. Foreign Exchange Control

Prior to 31 December 1993, any enterprise in the PRC requiring foreign currency was required to obtain a quota from the State Administration for Foreign Exchange (“SAFE”) before it could convert Renminbi (“RMB”) into a foreign currency, and such conversion had to be effected at the official rate prescribed by SAFE. RMB could also be converted into foreign currency at swap centers. The exchange rate used by swap

APPENDIX III OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM THE PRC (CONT'D)

centers was largely determined by the demand for, and supply of foreign currencies and RMB requirements.

On 28 December 1993, the People's Bank of China ("PBOC"), with the authorization of the State council issued the Notice on Further Reform of the Foreign Exchange Control System which came into effect on 1 January 1994. It announced that the dual exchange rate system for RMB against foreign currencies will be abolished with effect from 1 January 1994 and would be replaced by a unified exchange rate system. Since that, series of major reforms have been introduced to the foreign exchange control system of the PRC.

Other new regulations and implementation measures include the Regulations on the Foreign Exchange Settlement, Sale and Payments which were promulgated on 20 June 1996 and took effect on 1 July 1996 and which contain detailed provisions regulating the settlement, sale and payment of foreign exchange by enterprises, individuals, foreign organizations and visitors in the PRC and the Administration Regulations of the PRC on Foreign Exchange Control which were promulgated on 29 January 1996 and took effect on 1 April 1996 and which contain detailed provisions in relation to foreign exchange control. On 20 June 1996, the PBOC issued the Administration Regulations on the Settlement, Sale and Payment of Foreign Exchange, which took effect on 1 July 1996. On 25 October 1998, the PBOC and the SAFE issued a Joint Announcement on Abolishment of Foreign Exchange Swap Business which states that from 1 December 1998, all foreign exchange transactions for FIEs may only be conducted through authorized banks.

On 14 January 1997, the State Council amended and re-promulgated the PRC Foreign Exchange Administration Regulations by segregating international earnings into current activities and capital activities. Except for foreign exchange relating to capital activities, the use of foreign exchange for current activities does not require the approval from the Foreign Exchange Control Department. The PRC Foreign Exchange Administration Regulation was further amended on 1 August 2008 and re-promulgated on 5 August 2008 to tighten restrictions on foreign exchange inflow and relax the approach to foreign exchange outflow.

These regulations contain detailed provisions regulating the holding, sale and purchase of foreign exchange by individuals, enterprises, economic bodies and social organizations in the PRC.

On 21 July 2005, the Public Announcement of the People's Bank of China on Reforming the RMB Exchange Rate Regime (the "Announcement") was promulgated by the PBOC. In accordance with the Announcement, the PRC government has reformed the RMB exchange rate regime into a managed floating exchange rate regime based on market supply and demand with reference to a basket of currencies, giving more flexibility as compared with the former system in which the RMB was pegged to the US dollar. Under this reformed system, the PBOC announces the closing price of a

APPENDIX III OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM THE PRC (CONT'D)

foreign currency traded against the RMB in the inter-bank foreign exchange market after the closing of the market on each working day, and will make it the central parity for trading against the RMB on the following working day. PRC banks licensed to engage in foreign exchange transactions use the closing price announced by the PBOC as a basis and decide a rate of their own to enter into foreign exchange sale and purchase transactions with customers, such rate shall be within a specified floating band around the central parity which may be adjusted by the PBOC from time to time according to the economic and financial condition in the PRC.

Under the PRC Foreign Exchange Administration Regulations (1997 amended version), international payments and transfers were segregated into current account items and capital account items. All organizations and individuals within the PRC, including FIEs, were required to remit their foreign exchange earnings to the PRC. The foreign exchange earnings under the current account items of all PRC enterprises, other than those FIEs who were allowed to retain a part of their regular foreign exchange earnings or specifically exempted under the relevant regulations, were to be sold to designated banks. Foreign exchange earnings under the capital account items obtained from borrowings from foreign institutions or issues of shares or bonds denominated in foreign currency need not be sold to designated banks, but must be kept in foreign exchange bank accounts of designated banks unless specifically approved otherwise. On 1 August 2008, the State Council further amended the PRC Foreign Exchange Administration Regulations ("New Foreign Exchange Administration Regulations") which became effective from 5 August 2008. According to the New Foreign Exchange Administration Regulations, foreign exchange earnings of domestic institutions and individuals could be repatriated into the PRC as well as deposited overseas. The conditions and time limitation for repatriation into the PRC or deposited overseas shall be specified by the State Council foreign exchange management departments in accordance with the international balance payments situations and the needs of foreign exchange managements. Furthermore, foreign exchange earnings under the current account items could be retained or sold to financial institutions which conduct business of settlement, sale and payment of foreign exchange.

At present, control of the purchase of foreign exchange is being relaxed. Enterprises within the PRC which require foreign exchange for their ordinary trading and non-trading activities, import activities and repayment of foreign debts may purchase foreign exchange from the designated banks if the application is supported by the relevant documents without the need for any prior approvals of the SAFE. In addition, where an enterprise requires any foreign exchange for the payment of dividends that are payable in foreign currencies under applicable regulations, such as the distribution of profits by a foreign investment enterprise to its foreign investors, then, subject to the due payment of tax on such dividends the amount required may be withdrawn from funds in foreign exchange accounts maintained with designated banks, and when the amount of the funds in foreign exchange is insufficient, the enterprise may purchase additional foreign exchange from designated banks upon the presentation of the resolutions of the board of directors on the profits distribution plan of that enterprise.

APPENDIX III OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON FOREIGN INVESTMENT POLICIES, TAXATION, FOREIGN EXCHANGE CONTROL AND REPATRIATION OF CAPITAL AND PROFITS OUT FROM THE PRC (CONT'D)

Despite the relaxation of foreign exchange control over current account transaction, the approval of the foreign exchange administration authority is still required before a PRC enterprise may borrow a loan in foreign currency or provide any foreign exchange guarantee or make any investment outside of the PRC or to enter into any other capital account transaction involving the purchase of foreign exchange.

5. Capital Injection to FIEs

Under the current applicable PRC laws and regulations, the foreign investors may invest in the capital of FIEs in the following manner:

(i) Contribution to the outstanding registered capital

Foreign investors may contribute to and pay the outstanding registered capital of the FIE within the time limit approved by the approving authority and stipulated in its articles of association.

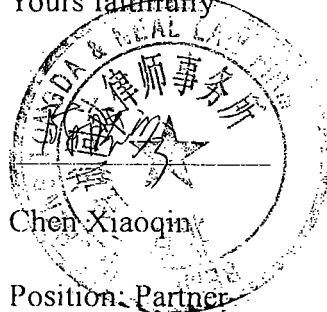
When the foreign investors have fully paid the registered capital of the FIE, the investors may apply to the authorities to increase the registered capital of the FIE and make contribution to the increased registered capital.

(ii) Shareholder's loan

The foreign investors of the FIE may provide shareholder's loan to the FIE, pursuant to a written loan agreement duly entered into between the foreign investor and the FIE and filed with the local SAFE. The shareholder's loan granted to a FIE shall not exceed the difference between the registered capital and the total investment amount of the FIE.

(iii) To establish a new FIE and make contribution to the registered capital of the new FIE.

Yours faithfully



Chen Xiaoqin

Position: Partner

Jincheng Tongda & Neal Law Firm

APPENDIX IV OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF THE PRC

(Prepared for inclusion in this Prospectus)



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18 November 2010

THE BOARD OF DIRECTORS
SOZO GLOBAL LIMITED (THE “COMPANY”)
80 Robinson Road, #17-02
Singapore 068898
Republic of Singapore

Dear Sirs,

**PROPOSED LISTING OF THE COMPANY ON THE MAIN MARKET OF
BURSA MALAYSIA SECURITIES BERHAD (“PROPOSED LISTING”)**

**LEGAL OPINION ON RIZHAO HENGBAO FOODSTUFFS CO., LTD.
 (“RIZHAO HENGBAO” OR “PRC COMPANY”) ON THE OWNERSHIP OF
TITLE TO THE SECURITIES AND ASSETS IN THE PEOPLE’S REPUBLIC
OF CHINA, THE ENFORCEABILITY OF AGREEMENTS,
REPRESENTATIONS AND UNDERTAKINGS AND OTHER RELEVANT
LEGAL MATTERS**

1 Introduction

- 1.1 We have acted as legal advisers for the Company in respect of the laws of the People’s Republic of China (“PRC”, which for the purpose of this legal opinion, excludes Hong Kong Special Administrative Region of PRC, Macao Special Administrative Region of PRC and Taiwan Province) for its Proposed Listing. We are duly qualified and licensed to practice law within the PRC and such qualification and license have not been revoked, suspended, restricted or limited in any manner whatsoever. Accordingly, we are duly qualified to issue this legal opinion (the “Legal Opinion”).
- 1.2 We have been requested by the Company to provide a legal opinion on Rizhao Hengbao on the ownership of title to its securities and assets in the PRC, the enforceability of agreements, representations and undertakings and other legal matters for the purposes of the Proposed Listing.

APPENDIX IV OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF THE PRC (CONT'D)

1.3 In this regard, we understand that this Legal Opinion will be relied upon and disclosed in connection with the submission of an application for approval of the Proposed Listing to the Securities Commission of Malaysia and the issuance of the prospectus of the Company in relation to the Proposed Listing. Accordingly, this Legal Opinion has been prepared for inclusion in the application for approval to the Securities Commission of Malaysia and the prospectus in relation to the Proposed Listing.

1.4 We have been provided by Martin Cheah & Associates (the Malaysian legal advisers for the Proposed Listing) with the provisions under Divisions 1 and 3 of Part VI of the Capital Market and Services Act, 2007 of Malaysia.

2 Documents examined and searches

2.1 In connection with this Legal Opinion, we have examined the original or certified true copies of the documents set out in Schedule 1 (the "Documents") to this Legal Opinion. We have also examined the original or copies of such corporate records of Rizhao Hengbao and such other documents and material documents as we have considered necessary or appropriate including but not limited to those set out in Schedule 1 to this Legal Opinion. Further we have made some other investigations, inquires and consultations with all the PRC government authorities, departments, bodies and bureaus as we consider necessary, appropriated, advisable and desirable.

2.2 We have, in addition, made the following searches (collectively, the "PRC Searches")

- (a) Company searches on the Rizhao Hengbao with Shandong Administration of Industry and Commerce ("Shandong AIC");
- (b) Property search on the properties owned by Rizhao Hengbao with Shandong Juxian County Urban Construction Files House and Juxian County State Land and Resources Bureau;
- (c) Taxation status searches on Rizhao Hengbao with Juxian County Local Taxation Bureau and Rizhao Taxation Bureau, Juxian Sub-bureau.

3 Assumption

For the purpose of this Legal Opinion we have assumed (without making an independent investigation) that;

- (a) All the Documents are true and genuine, if any of the Documents submitted to us are photocopies, such photocopies are in conformity to their respective original documents;

APPENDIX IV OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF THE PRC (CONT'D)

- (b) All the seals affixed on the Documents are genuine and all the persons who signed the Documents were duly authorized to do so;
- (c) All the factual statements in the Documents are accurate and complete. Nothing has come to our attention that causes us to believe that any such factual statement is untruthful, inaccurate or incomplete in any material respect. Where important facts were not independently established to us, we have relied upon certificates issued by governmental agencies and representatives of Rizhao Hengbao with proper authority, and also upon representations, oral or written, made in, or pursuant to, the Documents;
- (d) All the information that may influence this Legal Opinion has been provided and /or disclosed to us without any concealment, omission or misleading statement;
- (e) All the written statements and confirmations given by Rizhao Hengbao to us are true and accurate; and
- (f) Up to the date of this Legal Opinion, none of the Documents has been revoked, amended, varied or supplemented since they were provided to us.

4 Opinion

Based on the foregoing and our review of the relevant documents (including, without limitation, the Documents) and our understanding of the PRC Laws, we are of the opinion that:

4.1 Incorporation and existence

- (i) Rizhao Hengbao is duly incorporated and existing under the laws of PRC as a wholly foreign-owned enterprise and is in good standing and validly existing under the laws of PRC. It possesses the capacity to sue and be sued in its own name under the laws of PRC.
- (ii) Rizhao Hengbao has obtained all licenses, approvals and permits and has made all registrations and filings required under the laws and regulations of PRC in order for Rizhao Hengbao to carry on its business.
- (iii) Sozo Global Limited is the legal and beneficial owner of the entire registered capital of Rizhao Hengbao.

APPENDIX IV OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF THE PRC (CONT'D)

4.2 Rights to and Ownership of Assets

- (i) Rizhao Hengbao has duly acquired and obtained the State-owned Land Use Rights Certificates to use the four (4) parcels of land identified in the table below (“Said Lands”). The Said Lands are free and clear of any security interest, mortgage, pledge or other similar claim or encumbrances.

Certificate Type, No. & Date	Location and Description of Land	Tenure	Use of Land	Land Area (sqm)	Land Conditions, if any
State-owned Land Use Right Certificate numbered Juguoyong (2006) No.576, issued on June 26, 2006	East of Weixu Road and south of Rizhao Road, Land No.: 1-3-1727-1	38 years, expire on September 3, 2044	Industrial purpose	6406.00	-
State-owned Land Use Right Certificate numbered Juguoyong (2006) No.577, issued on June 26, 2006	East of Weixu Road and South of Rizhao Road, Land No.: 1-3-1727-2	38 years, expire on August 25, 2044	Industrial purpose	17093.8	-
State-owned Land Use Right Certificate numbered Juguoyong (2006) No.740, issued on August 17, 2006	East of Weixu Road and south of Rizhao Road, Land No.: 1-3-1727-3	50 years, expire on July 2, 2056	Industrial purpose	17170.10	-
State-owned Land Use Right Certificate numbered Juguoyong (2006) No.2050, issued on December 22, 2006	Location of Jianhua county, Yanzhuang town and north of Weifang Road, Land No.: 1-31-2467	50 years, expire on December 10, 2056	Industrial purpose	64427.00	-

APPENDIX IV OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF THE PRC (CONT'D)

The State-owned Land Use Rights Certificates confer upon the PRC Company the legal right of use of the Said Lands, which rights are protected by and under the laws of PRC.

- (ii) Rizhao Hengbao is the owner and has valid title to the company's production plants and buildings constructed on the Said Lands.
- (iii) the following government registered material assets are owned by Rizhao Hengbao:

Type	License No.	Brand	Purchase date
Vehicle	LU LE8630	BUICK	25 September 2006
Vehicle	LU LJ5896	WULING	12 March 2007
Vehicle	LU LO2089	BUICK	3 April 2008

4.3 Enforceability of Agreements, Representations and Undertakings

- (i) Rizhao Hengbao has the necessary corporate power and authority to enter into and perform their respective obligations and liabilities under the agreements to which it is a party as set out in the Section 3 of Schedule 1 to this Legal Opinion (the "Agreements"). The execution and delivery of the Agreements by Rizhao Hengbao and the performance by Rizhao Hengbao of its obligations thereunder will not violate the memorandum and articles of association of Rizhao Hengbao nor any applicable law, regulation, order or decree in PRC.
- (ii) Rizhao Hengbao has taken all corporate action required to authorize its execution, delivery and performance of the Agreements. The Agreements have been duly executed and delivered by or on behalf of Rizhao Hengbao, and constitute legal, valid and binding obligations of it.
- (iii) The terms of Agreements and the representations and undertaking given and /or made by foreign counter-parties in the Agreements are enforceable against them under the PRC law.
- (iv) All orders, consents, approvals, licenses, authorizations or validations of or exemptions by any government or public body or authority of PRC or any sub-division thereof which are required to authorize or is required in connection with the execution, delivery, performance and enforcement of the Agreements, if any, have been duly obtained in accordance with PRC law.

APPENDIX IV OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF THE PRC (CONT'D)

- (v) All registrations and filings with governmental authorities or regulatory bodies in the PRC necessary or desirable to ensure the enforceability in the PRC of any of the Agreements, if any, have been made.
- (vi) All registration, documentary, recording, transfer or other similar tax, fee or charge payable in PRC in connection with the execution, delivery, filing, registration or performance of the Agreements, if any, have been duly paid and settled.
- (vii) The choice of the laws of PRC as the governing law in the Agreements is a valid choice of law and would be recognized and given effect to in any action brought before a court of competent jurisdiction in PRC.

5 Qualification

- 5.1 This Legal Opinion is limited to the laws of PRC in force at the date hereof in respect of the matters in paragraph 4 above, and we express no opinion on any other matters.
- 5.2 This Legal Opinion is given on the basis that it will be governed by and construed in accordance with the laws of PRC.
- 5.3 We express no opinion as to any laws, rules and regulations other than the laws of PRC.
- 5.4 We have not made any investigations of, nor do we express or imply any opinion as to any laws, rules and regulations of any other foreign jurisdiction and we have assumed that there is nothing in any other law that affects our opinion.

6 Law

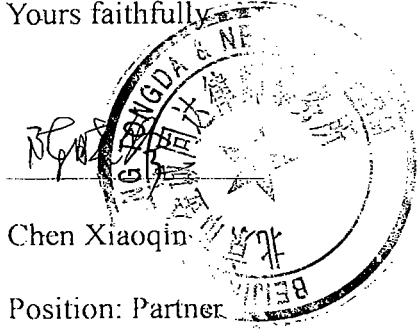
This Legal Opinion is governed by and shall be construed in accordance with the laws of PRC.

7 Confidentiality and reliance

This legal opinion is given to the Company for the purposes as set out in paragraph 1.2 and paragraph 1.3. Save as aforesaid, it may not be relied on by or distributed to any other person, nor may it be relied on in any other context, nor is it to be quoted or made public in any other way without prior written consent by us or pursuant to a demand by a competent regulatory authority in Malaysia, the PRC or Singapore in connection with the Proposed Listing.

APPENDIX IV OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF THE PRC (CONT'D)

Yours faithfully,

A circular stamp with a star in the center. The text around the star includes "JINCHENG TONGDA & NEAL" at the top and "BEIJING" at the bottom. There is also Chinese text around the star. A handwritten signature is written over the stamp.

Chen Xiaoqin

Position: Partner

Jincheng Tongda & Neal Law Firm

APPENDIX IV OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF THE PRC (CONT'D)

Schedule 1

List of Major Documents Reviewed

DOCUMENT LIST

No.	Name of Documentation
1	Corporate Documents of Rizhao Hengbao
1.1	business license March 9, 2005
1.2	business license April 21, 2005
1.3	business license March 17, 2006
1.4	business license June 9, 2006
1.5	business license February 5, 2007
1.6	business license April 7, 2007
1.7	business license May 8, 2007
1.8	business license December 11, 2007
1.9	business license April 10, 2008
1.10	business license dated September 25, 2009
1.11	certificate of approval 3 January 2008
1.12	certificate of approval June 3, 2008
	Historical shareholder resolution
1.13	shareholder resolution February 9, 2006
1.14	shareholder resolution June 8, 2006
1.15	shareholder resolution February 1, 2007
1.16	shareholder resolution April 18, 2007
1.17	shareholder resolution September 23, 2007
1.18	shareholder resolution December 1, 2007
1.19	shareholder resolution dated May 27, 2008
	Historical articles of association
1.20	amended articles of association
1.21	amended articles of association
1.22	amended articles of association
1.23	amended articles of association
1.24	amended articles of association
1.25	amended articles of association
1.26	amended articles of association
1.27	capital verification report (Juyongkuaiyanzi (2005) No 13) February 21, 2005
1.28	capital verification report (Juyongkuaiyanzi (2006) No 6) January 13, 2006
1.29	capital verification report (Juyongkuaiyanzi (2006) No 109) May 23, 2006
1.30	capital verification report (Juyongkuaiyanzi (2007) No 15) January 30, 2007
1.31	capital verification report (Juyongkuaiyanzi (2007) No 40) March 30, 2007
1.32	capital verification report (Juyongkuaiyanzi (2008) No 11)
1.33	capital verification report (Juyongkuaiyanzi (2008) No 18)

APPENDIX IV OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF THE PRC (CONT'D)

1.34	capital verification report (Juyongkuaiyanzi (2008) No 41)
1.35	assets valuation report (Linjinkuaipingbaozi [2007] No123) October 31, 2007
2	Documents in relation to the properties owned by Rizhao Hengbao
2.1	State-owned Land Usage Right Certificate (Juguoyong (2006) No.576)
2.2	State-owned Land Usage Right Certificate (Juguoyong (2006) No.577)
2.3	State-owned Land Usage Right Certificate (Juguoyong (2006) No.740)
2.4	State-owned Land Usage Right Certificate (Juguoyong (2006) No. 2050)
2.5	Usage Rights of State Owned Tracks of Land Transfer Contract (No. 2006048)
2.6	Certificate of Real Estate Ownership (Ju Fang Quan Zheng Cheng Qu Zi No. 110503)
2.7	Land Use Planning Permit for Construction Purposes [No. (2007) 11-03-002 dated March 9, 2007
2.8	Recording Form for Completion-based Check and Acceptance of Construction Project on July 21, 2009
3	Material Agreements entered into by or relating to Rizhao Hengbao
3.1	Business Contract of HENGBAO I
3.2	Business Contract of HENGBAO II
3.3	Business Contract of HENGBAO III
3.4	Business Contract of HENGBAO IV
3.5	Business Contract of HENGBAO V
3.6	Business Contract of HENGBAO VI
3.7	Business Contract of HENGBAO VII
3.8	Business Contract of HENGBAO VIII
3.9	Business Contract of HENGBAO IX
3.10	share transfer agreement between Zhao Changmin and Zheng Sixiang
3.11	share transfer agreement between Yu Shanyong and Shi Geli
3.12	share transfer agreement between Zhang Xiangyou and Wu Fang
3.13	share transfer agreement between Mei Jijun and Wu Fang
3.14	share transfer agreement between Zheng Sixiang and Shen Hengbao
3.15	share transfer agreement between Xing Huisheng and Shen Hengbao
3.16	share transfer agreement between Liu Fuliang and Shen Hengbao
3.17	share transfer agreement between Meng Xiangzhen and Shen Hengbao
3.18	share transfer agreement between Yu Xiaoen and Yao Zhifang
3.19	share transfer agreement between Liu Jinzhen and Yao Zhifang
3.20	share transfer agreement between Wang Xiaodong and Yao Zhifang
3.21	share transfer agreement between Chen Caixia and Yao Zhifang
3.22	share transfer agreement between Zhang Xuejun and Yao Zhifang
3.23	share transfer agreement between Mu Dexiang and Yao Zhifang
3.24	Share transfer agreement between the Company and five founders
3.25	Employment Contract
3.26	Insurance policies for Computers, Cash and Property comprehensive Insurance
3.27	Invoices for Insurance for Computers, Cash and Property comprehensive Insurance
3.28	Invoice for General Motor Vehicle Insurance
3.29	Construction Project Construction Contract executed on August 25, 2007

APPENDIX IV OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON THE OWNERSHIP OF SECURITIES AND ASSETS, ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS UNDER THE LAWS OF THE PRC (CONT'D)

3.30	Construction Project Construction Contract executed on March 20, 2007
3.31	Purchase contract between HENGBAO and Qingdao Huaguang Cable Co., Ltd
3.32	Purchase contract between HENGBAO and Linqu Huahai Foodstuff Machinery Co., Ltd
3.33	Purchase contract between HENGBAO and Yantai Oceania Air Condition Co., Ltd
3.34	Purchase contract between HENGBAO and Yantai Lider Artificial Environment Equipment Manufacture Co., Ltd
3.35	Purchase contract between HENGBAO and Zhucheng Xindeli Foodstuff Machinery Co., Ltd.
3.36	Purchase contract between HENGBAO and Dalian Refrigeration Company Limited
3.37	Purchase contract between HENGBAO and Jiaxing Kairun Machinery Manufacture Co., Ltd.
3.38	Agreement between HENGBAO and Nantong Xingnuo Freeze Equipment Co., Ltd.

APPENDIX V OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON PUBLIC OFFERING OF OUR SHARES AND THE LISTING, AND OTHER LEGAL MATTERS RELATING TO OUR COMPANY AND OUR SUBSIDIARY

(Prepared for inclusion in this Prospectus)



JINCHENG TONGDA & NEAL LAW FIRM

11/F, Huaxia Bank Plaza, No.22 Jianguomennei Avenue,

Beijing, 100005, PRC

Tel: (8610) 85237766; Fax: (8610) 65185057

18 November 2010

1. THE BOARD OF DIRECTORS

SOZO GLOBAL LIMITED

80 Robinson Road, #17-02

Singapore 068898

Republic of Singapore

2. AMINVESTMENT BANK BERHAD

Level 21, Bangunan Ambank Group

55 Jalan Raja Chulan

50200 Kuala Lumpur

Malaysia

Attention: Mr. Sip Way Keong

3. MARTIN CHEAH & ASSOCIATES

4th Floor, Wisma Genting

Jalan Sultan Ismail

50250 Kuala Lumpur

Malaysia

Attention: Mr. Martin Cheah

Dear Sirs,

SOZO GLOBAL LIMITED (THE “COMPANY”) - LEGAL OPINION IN CONNECTION WITH (1) THE PUBLIC OFFERING OF SHARES IN THE SHARE CAPITAL OF THE COMPANY AND THE LISTING OF THE COMPANY ON THE MAIN MARKET OF THE BURSA MALAYSIA SECURITIES BERHAD (“PROPOSED LISTING”) AND (2) OTHER LEGAL MATTERS RELATING TO THE COMPANY AND ITS SUBSIDIARY, RIZHAO HENGBAO FOODSTUFFS CO., LTD (“RIZHAO HENGBAO”)

1 Introduction

- 1.1 We have acted as legal advisers for the Company in respect of the laws of the People’s Republic of China (“PRC”, which for the purpose of this legal

APPENDIX V OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON PUBLIC OFFERING OF OUR SHARES AND THE LISTING, AND OTHER LEGAL MATTERS RELATING TO OUR COMPANY AND OUR SUBSIDIARY (CONT'D)

opinion, excludes Hong Kong Special Administrative Region of PRC, Macao Special Administrative Region of PRC and Taiwan Province) for its Proposed Listing. We are duly qualified and licensed to practice law within the PRC and such qualification and license have not been revoked, suspended, restricted or limited in any manner whatsoever. Accordingly, we are duly qualified to issue this legal opinion (the "Legal Opinion").

- 1.2 We have been requested by the Company to provide a legal opinion in connection with the public offering of shares in the share capital of the Company and the listing of the Company on the Main Market of the Bursa Malaysia Securities Berhad and other legal matters.
- 1.3 In this regard, we understand that this Legal Opinion will be relied upon and disclosed in connection with the submission of an application for approval of the Proposed Listing to the Securities Commission of Malaysia and the issuance of the prospectus of the Company in relation to the Proposed Listing. Accordingly, this Legal Opinion may be disclosed to the Securities Commission of Malaysia and in the prospectus in relation to the Proposed Listing.
- 1.4 We have been provided by Martin Cheah & Associates (the Malaysian legal advisers for the Proposed Listing) with the provisions under Divisions 1 and 3 of Part VI of the Capital Market and Services Act, 2007 of Malaysia.

2 Documents examined and searches

- 2.1 In connection with this Legal Opinion, we have examined the original or copies of such corporate records of Rizhao Hengbao and such other documents and material documents as we have considered necessary or appropriate. Further we have made some other investigations, inquires and consultations with all the PRC government authorities, departments, bodies and bureaus as we consider necessary, appropriated, advisable and desirable.
- 2.2 We have, in addition, made the following searches (collectively, the "PRC Searches")
 - (a) Company searches on the Rizhao Hengbao with Shandong Administration of Industry and Commerce ("Shandong AIC");
 - (b) Property search on the properties owned by Rizhao Hengbao with Shandong Juxian County Urban Construction Files House and Juxian County State Land and Resources Bureau;
 - (c) Taxation status searches on Rizhao Hengbao with Juxian County Local Taxation Bureau and Rizhao Taxation Bureau, Juxian Sub-bureau.

APPENDIX V OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON PUBLIC OFFERING OF OUR SHARES AND THE LISTING, AND OTHER LEGAL MATTERS RELATING TO OUR COMPANY AND OUR SUBSIDIARY (CONT'D)

3 Assumption

For the purpose of this Legal Opinion we have assumed (without making an independent investigation) that;

- (a) All the documents examined by us are true and genuine, if any of the documents submitted to us are photocopies, such photocopies are in conformity to their respective original documents;
- (b) All the seals affixed on documents are genuine and all the persons who signed the documents were duly authorized to do so;
- (c) All the factual statements in the documents examined by us are accurate and complete. Nothing has come to our attention that causes us to believe that any such factual statement is untruthful, inaccurate or incomplete in any material respect. Where important facts were not independently established to us, we have relied upon certificates issued by governmental agencies and representatives of Rizhao Hengbao with proper authority, and also upon representations, oral or written, made in, or pursuant to, the documents examined by us;
- (d) All the information that may influence this Legal Opinion has been provided and /or disclosed to us without any concealment, omission or misleading statement;
- (e) All the written statements and confirmations given by Rizhao Hengbao to us are true and accurate; and
- (f) Up to the date of this Legal Opinion, none of the documents examined by us has been revoked, amended, varied or supplemented since they were provided to us.

4 Opinion

Based on the foregoing and our review of the relevant documents and our understanding of the PRC Laws, we are of the opinion and confirm that:

- (a) all approvals, filings and registrations which are required to be obtained and made under the laws and regulations of PRC for or in relation to Rizhao Hengbao's legal structuring and for the remittance to and receipt by Rizhao Hengbao of offshore financing and IPO proceeds from the Company and for Rizhao Hengbao's remittance and payment of dividends, profits and other distributions to Company have been duly obtained and made and that Rizhao Hengbao have been complied with such approvals, filings and registrations;

APPENDIX V OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON PUBLIC OFFERING OF OUR SHARES AND THE LISTING, AND OTHER LEGAL MATTERS RELATING TO OUR COMPANY AND OUR SUBSIDIARY (CONT'D)

(b) no approvals, filings and registrations are required to be obtained or made under the laws and regulations of PRC for the listing of the Company on the Main Market on Bursa Malaysia Securities Berhad with Rizhao Hengbao as its subsidiary, including the public offering of shares by the Company and the issuance and circulation of the Listing Prospectus in Malaysia in conjunction with the Proposed Listing. No approvals, fillings and registrations are required to be obtained from the China Securities Regulatory Commission for the listing of the Company on the Main Market of Bursa Malaysia Securities Berhad.;

(c) as at the date hereof, Rizhao Hengbao has duly converted into and registered as a WFOE;

(d) the existing securities of Rizhao Hengbao have been validly issued in accordance with its constituent documents and the relevant laws and regulations of PRC;

(e) the legal structure and the Proposed Listing (including the public offering of shares by Company and the issuance and circulation of the Listing Prospectus in Malaysia in conjunction therewith) are not in contravention of any laws and regulations of PRC; and

(f) Rizhao Hengbao has complied with all applicable laws, regulations, rules and requirement of PRC governing the conduct of Rizhao Hengbao's business and operations in PRC.

5 Qualification

5.1 This Legal Opinion is limited to the laws of PRC in force at the date hereof in respect of the matters in paragraph 4 above, and we express no opinion on any other matters.

5.2 This Legal Opinion is given on the basis that it will be governed by and construed in accordance with the laws of PRC.

5.3 We express no opinion as to any laws, rules and regulations other than the laws of PRC.

5.4 We have not made any investigations of, nor do we express or imply any opinion as to any laws, rules and regulations of any other foreign jurisdiction and we have assumed that there is nothing in any other law that affects our opinion.

APPENDIX V OPINION FROM LEGAL ADVISER TO OUR COMPANY ON PRC LAW ON PUBLIC OFFERING OF OUR SHARES AND THE LISTING, AND OTHER LEGAL MATTERS RELATING TO OUR COMPANY AND OUR SUBSIDIARY (CONT'D)

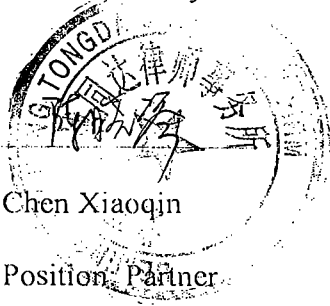
6 Law

This Legal Opinion is governed by and shall be construed in accordance with the laws of PRC.

7 Confidentiality and reliance

This Legal Opinion is given to the Company for the purposes as set out in paragraph 1.2 and paragraph 1.3. Save as aforesaid, it may not be relied on by or distributed to any other person, nor may it be relied on in any other context, nor is it to be quoted or made public in any other way without prior written consent by us or pursuant to a demand by a competent regulatory authority in Malaysia, the PRC or Singapore in connection with the Proposed Listing.

Yours faithfully



Chen Xiaoqin

Position: Partner

Jincheng Tongda & Neal Law Firm

**APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE
2006 TO FYE 2009 AND FPE 2010**

**SOZO GLOBAL LIMITED
AND ITS SUBSIDIARY
(Incorporated in Republic of Singapore)**

**COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED
31 DECEMBER 2006, 2007, 2008, 2009
AND SIX-MONTH ENDED 30 JUNE 2010**

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**APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE
2006 TO FYE 2009 AND FPE 2010 (CONT'D)**

Page 1

**SOZO GLOBAL LIMITED
AND ITS SUBSIDIARY
STATEMENT BY DIRECTORS**

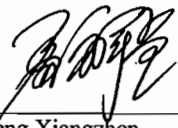
We, Shen Hengbao and Meng Xiangzhen state that, in the opinion of the directors:

- (i) the accompanying combined statement of financial position, combined statement of comprehensive income, combined statement of changes in equity and the combined statement of cash flows, together with the notes thereon are drawn up so as to give a true and fair view of the Group as at 31 December 2006, 2007, 2008 and 2009 and 30 June 2010 and of the results of the business, changes in equity and cash flows of the Group for the financial years/period then ended; and
- (ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the directors,



Shen Hengbao



Meng Xiangzhen

4 October 2010

**APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE
2006 TO FYE 2009 AND FPE 2010 (CONT'D)**



Page 2

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SOZO GLOBAL LIMITED AND ITS SUBSIDIARY
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2006, 2007, 2008, 2009
AND SIX-MONTH ENDED 30 JUNE 2010**

We have audited the accompanying Combined Financial Statements of the Company and its subsidiary (collectively the "Group"), as set out on pages 4 to 34, which comprises Combined Statement of Financial Position of the Group as at 31 December 2006, 2007, 2008, 2009 and 30 June 2010, and the Combined Statement of Comprehensive Income, Combined Statement of Changes in Equity and Combined Statement of Cash Flows of the Group for the years/period then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these Combined Financial Statements in accordance with International Financial Reporting Standards ("IFRS"). This responsibility includes:

- (a) devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of comprehensive income and statement of financial position and to maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on the Combined Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. 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 Combined Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Combined Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the Combined 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Combined Financial Statements.

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

**APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE
2006 TO FYE 2009 AND FPE 2010 (CONT'D)**



Opinion

In our opinion, the Combined Financial Statements, for the purpose of this report are prepared on the basis set out in Note 2 of this report, present fairly, in all material respects, the Group's combined results, Combined Statement of Changes in Equity and Combined Statement of Cash Flows for the years ended 31 December 2006, 2007, 2008, 2009 and six-month ended 30 June 2010, and the Group's Combined Financial Position as at 31 December 2006, 2007, 2008, 2009 and 30 June 2010 have been properly prepared in accordance with IFRS.



PAUL WAN & CO
Public Accountants and Certified Public Accountants
Singapore
A Member Firm of Morison International

Wan Tong Chee Paul
Partner in charge

4 October 2010

APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE 2006 TO FYE 2009 AND FPE 2010 (CONT'D)

Page 4

**SOZO GLOBAL LIMITED
 AND ITS SUBSIDIARY**

**COMBINED STATEMENTS OF COMPREHENSIVE INCOME
 FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2006, 2007, 2008, 2009
 AND SIX-MONTH ENDED 30 JUNE 2010 AND 2009**

	Note	← Audited →				Audited		Based on management accounts presented for comparative figures only
		Financial year ended 31 December				Six-month ended 30 June		
		2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000	2009 RMB'000	
Revenue	6	126,335	218,615	415,126	608,775	392,554	284,625	
Cost of sales		(98,164)	(143,847)	(282,304)	(394,446)	(263,118)	(184,560)	
Gross profit		28,171	74,768	132,822	214,329	129,436	100,065	
Other operating income	7	248	2,249	886	1,801	1,821	1,020	
Selling and distribution expenses		(727)	(917)	(749)	(1,412)	(725)	(992)	
General and administrative expenses		(1,336)	(3,100)	(5,902)	(7,588)	(3,534)	(3,078)	
Other operating expenses	8	(1,673)	(7,206)	(2)	(637)	(2,659)	(39)	
Finance costs	9	(32)	(475)	(558)	(260)	(369)	(54)	
Profit before tax		24,651	65,319	126,497	206,233	123,970	96,922	
Income tax expense	11	(9,116)	(23,270)	(31,587)	(52,601)	(31,285)	(24,632)	
Profit for the year/period	12	15,535	42,049	94,910	153,632	92,685	72,290	
Other comprehensive income for the year/period, (net of tax)		-	-	-	8,237	-	-	
Total comprehensive income for the year/period		15,535	42,049	94,910	161,869	92,685	72,290	
Earning per share - Basic (RMB cents) #		3.76	10.19	23.00	37.23	22.46	17.52	

These combined earnings per share were computed based on the profit attributable to shareholders and the pre-invitation number of shares of 412,620,000 shares.

The accompanying notes form an integral part of these financial statements.

APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE 2006 TO FYE 2009 AND FPE 2010 (CONT'D)

Page 5

**SOZO GLOBAL LIMITED
 AND ITS SUBSIDIARY**

**COMBINED STATEMENTS OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2006, 2007, 2008, 2009 AND 30 JUNE 2010**

	Note	As at 31 December				As at 30 June
		2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
Non-current assets						
Property, plant and equipment	13	23,367	16,589	42,637	58,370	57,920
Construction in progress	14	183	26,761	15,260	6,475	7,237
Intangible assets	15	14,594	14,829	14,501	14,174	14,011
Total non-current assets		38,144	58,179	72,398	79,019	79,168
Current assets						
Inventories	16	21,683	13,280	2,733	6,514	10,253
Trade and other receivables	17	11,191	25,933	52,964	47,474	101,621
Cash and cash equivalents	18	7,536	39,021	124,175	290,952	372,631
Total current assets		40,410	78,234	179,872	344,940	484,505
Total assets		78,554	136,413	252,270	423,959	563,673
Capital and reserves						
Share capital	19	12,831	21,952	21,952	152	152
Reserves	20	2,028	7,100	16,554	40,489	48,637
Retained earnings		18,253	26,890	112,346	250,280	334,817
Total equity		33,112	55,942	150,852	290,921	383,606
Non-current liabilities						
Borrowings	21	6,546	6,546	-	13,769	12,789
Total non-current liabilities		6,546	6,546	-	13,769	12,789
Current liabilities						
Trade and other payables	23	23,502	30,141	68,142	33,268	71,454
Income tax liabilities		3,344	5,444	8,065	11,775	18,293
Dividend payable	24	-	28,340	-	-	-
Borrowings	21	12,050	10,000	25,211	74,226	77,531
Total current liabilities		38,896	73,925	101,418	119,269	167,278
Total liabilities		45,442	80,471	101,418	133,038	180,067
Total equity and liabilities		78,554	136,413	252,270	423,959	563,673

The accompanying notes form an integral part of these financial statements.

APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE 2006 TO FYE 2009 AND FPE 2010 (CONT'D)

Page 6

**SOZO GLOBAL LIMITED
 AND ITS SUBSIDIARY**

**COMBINED STATEMENTS OF CHANGES IN EQUITY
 FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2006, 2007, 2008, 2009
 AND SIX-MONTH ENDED 30 JUNE 2010**

	Note	Share capital RMB'000	Statutory reserves RMB'000	Fair value adjustments reserves RMB'000	Retained earnings RMB'000	Total equity RMB'000
At 1 January 2006		2,180	475	-	4,271	6,926
Additions		10,651	-	-	-	10,651
Total comprehensive income for the year		-	-	-	15,535	15,535
Transfer to reserves		-	1,553	-	(1,553)	-
At 31 December 2006		12,831	2,028	-	18,253	33,112
Additions		9,121	-	-	-	9,121
Total comprehensive income for the year		-	-	-	42,049	42,049
Transfer to reserves		-	5,072	-	(5,072)	-
Dividend paid to shareholders before the restructuring	24	-	-	-	(28,340)	(28,340)
At 31 December 2007		21,952	7,100	-	26,890	55,942
Total comprehensive income for the year		-	-	-	94,910	94,910
Transfer to reserves		-	9,454	-	(9,454)	-
At 31 December 2008		21,952	16,554	-	112,346	150,852
Elimination of subsidiary's share capital		(21,800)	-	-	-	(21,800)
Total comprehensive income for the year		-	-	8,237	153,632	161,869
Transfer to reserves		-	15,698	-	(15,698)	-
At 31 December 2009		152	32,252	8,237	250,280	290,921
Total comprehensive income for the period		-	-	-	92,685	92,685
Transfer to reserves		-	8,148	-	(8,148)	-
At 30 June 2010		152	40,400	8,237	334,817	383,606

The accompanying notes form an integral part of these financial statements.

APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE 2006 TO FYE 2009 AND FPE 2010 (CONT'D)

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**SOZO GLOBAL LIMITED
AND ITS SUBSIDIARY**

**COMBINED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2006, 2007, 2008, 2009
AND SIX-MONTH ENDED 30 JUNE 2010**

	Note	Financial years ended 31 December				Six-month ended
		2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit before income tax		24,651	65,319	126,497	206,233	123,970
Adjustments for:						
Depreciation		1,892	2,263	2,410	3,489	2,170
Amortisation		86	328	328	327	163
Gain on disposal of property, plant and equipment		-	(369)	-	-	-
Assets revaluation deficit		-	5,054	-	-	-
Interest expense		32	475	558	260	369
Interest income		(95)	(98)	(260)	(381)	(470)
Unrealised loss on exchange difference		-	-	-	1,337	3,305
Gain on fair value adjustment of borrowings		-	-	-	-	(1,349)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		26,566	72,972	129,533	211,265	128,158
In inventories		(15,906)	8,403	10,547	(3,781)	(3,739)
In trade and other receivables		(6,615)	(14,742)	(27,031)	5,490	(54,147)
In trade and other payables		20,883	6,639	38,001	(34,874)	38,186
Cash from operations		24,928	73,272	151,050	178,100	108,458
Income tax paid		(7,471)	(21,170)	(28,966)	(48,891)	(24,767)
Interest received		95	98	260	381	470
Net cash generated from operating activities		17,552	52,200	122,344	129,590	84,161
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of property, plant and equipment		(24,899)	(1,481)	(752)	(962)	(1,720)
Payment of construction in progress		(183)	(26,578)	(16,205)	(9,475)	(762)
Proceeds from disposal of property, plant and equipment		-	1,311	-	-	-
Purchase of intangible assets		(14,680)	(563)	-	-	-
Net cash used in investing activities		(39,762)	(27,311)	(16,957)	(10,437)	(2,482)

APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE 2006 TO FYE 2009 AND FPE 2010 (CONT'D)

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	Note	Financial years ended 31 December				Six-month ended
		2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	30 June 2010 RMB'000
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from borrowings		18,596	-	15,211	79,478	-
Repayment of borrowings		-	(2,050)	(6,546)	(10,000)	-
Proceeds from issuance of shares and capital injection		10,651	9,121	-	-	-
Payment to ex-shareholder for subsidiary company's share		-	-	-	(21,800)	-
Interest paid		(32)	(475)	(558)	(54)	-
Payment of dividends to shareholders before the restructuring		-	-	(28,340)	-	-
Net cash generated from/(used in) financing activities		<u>29,215</u>	<u>6,596</u>	<u>(20,233)</u>	<u>47,624</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS						
		7,005	31,485	85,154	166,777	81,679
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR/ PERIOD						
		<u>531</u>	<u>7,536</u>	<u>39,021</u>	<u>124,175</u>	<u>290,952</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR/ PERIOD						
	18	<u>7,536</u>	<u>39,021</u>	<u>124,175</u>	<u>290,952</u>	<u>372,631</u>

The accompanying notes form an integral part of these financial statements.

**APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE
2006 TO FYE 2009 AND FPE 2010 (CONT'D)**

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**SOZO GLOBAL LIMITED
AND ITS SUBSIDIARY**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2006, 2007, 2008, 2009
AND SIX-MONTH ENDED 30 JUNE 2010**

These notes form an integral part of and should be read in conjunction with the Combined Financial Statements.

1. THE COMPANY

The Company was incorporated in Republic of Singapore on 12 June 2006 under name of Sozo Energy Capital Pte Ltd, change its name to Sozo Global Pte Ltd on 6 October 2006. At the date of incorporation, the initial issued and paid up share capital was S\$10,000, comprising 10,000 ordinary shares of S\$1 each. On 7 January 2008, the Company increased its issued and paid up share capital by issuing 20,000 ordinary shares of S\$1.00 each for working capital resulting in issued and fully paid share capital of S\$30,000. On 6 February 2008, the Company subdivided its ordinary shares of S\$1.00 into S\$0.01 each resulting in 3,000,000 ordinary share capital issued.

On 27 October 2009, the Company was converted into a public limited company and the consequential change of its name to "Sozo Global Limited". On 3 February 2010, the Company undertook a subdivision of 3,000,000 ordinary shares into 300,000,000 ordinary shares on the basis that every one (1) ordinary share be divided into one hundred (100) ordinary shares.

The Company's registered office is located at 80 Robinson Road, #17-02, Singapore 068898.

The principal place of business of the Group is located at 1 Juzhou Road, Ju County, Rizhao City, Shandong Province, People's Republic of China. The principal activity of the company is investment holding. The principal activities of the Company's subsidiary are those of manufacturing and producing various types of foods.

2. RESTRUCTURING EXERCISE

The Group was formed through the Restructuring Exercise in preparation for its listing on the Bursa Malaysia which resulted in the Company becoming the investment holding company of the Group.

The Restructuring Exercise involved the following steps:-

(i) Incorporation of the Company

Sozo Global Pte Ltd ("Sozo") was incorporated in Republic of Singapore on 12 June 2006 under name of Sozo Energy Capital Pte Ltd, changed its name to Sozo Global Pte Ltd on 6 October 2006 as an investment holding company of the Group.

(ii) Acquisition of Rizhao Hengbao Foodstuffs Co., Ltd. ("Rizhao Hengbao")

On 5 December 2007, the Company has entered into an equity joint venture contract with Shen Henbao, Meng Xiangzhen, Wu Fang, Yao Zhifang and Shi Geli, the equity shareholders of Rizhao Hengbao to acquire the newly increased registered capital of Rizhao Hengbao amounting to RMB10 million (representing 31.45% of the total registered capital of Rizhao Hengbao after the increase). Subsequently, the Certificate of Approval for Establishment of Enterprises with Foreign Investment in the People's Republic of China was obtained on 4 January 2008 and Rizhao Hengbao was converted into a Sino-foreign joint venture enterprise. Subsequent to the joint venture status, the Company had on 27 May 2008 entered into an Equity Transfer Agreement with Shen Hengbao, Meng Xiangzhen, Wu Fang, Yao Zhifang and Shi Geli to acquire the remaining 68.55% of the registered capital of Rizhao Hengbao. Thereafter, the Company will hold 100% equity interest in Rizhao Hengbao.

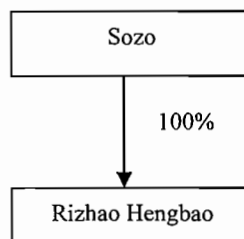
(iii) Conversion into a Wholly Foreign Owned Enterprise ("WFOE")

On 25 September 2009, Rizhao Hengbao became a wholly foreign owned enterprise with paid in capital of RMB41.63 million. The business license is valid for 18 years from 9 March 2005 to 12 March 2023.

APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE 2006 TO FYE 2009 AND FPE 2010 (CONT'D)

2. **RESTRUCTURING EXERCISE (cont'd)**

The Group structure is shown as follows:



<u>Name of Company</u>	<u>Principal Activities</u>	<u>Place of Incorporation</u>	<u>Effective Equity Held By Group %</u>	<u>Registered Capital RMB'000</u>
Rizhao Hengbao Foodstuffs Co., Ltd	Manufacturing and producing various types of foods	PRC	100	80,800

The Group is regarded as a continuing entity resulting from the Restructuring Exercise since the management of all the entities which took part in the Restructuring Exercise was controlled by the same directors and under common shareholders before and immediate after the Restructuring Exercise. Consequently immediately after the Restructuring Exercise, there was a continuation of the control over the entities in the financial and operating policies and decisions and risk and benefits to the ultimate shareholders that existed prior to the Restructuring Exercise. The Restructuring Exercise has been accounted for as a restructuring under common control in a manner similar to the pooling of interest. Accordingly, the Combined Financial Statements for the financial years ended 31 December 2006, 2007, 2008, 2009 and six-month ended 30 June 2010 have been prepared on the basis of merger accounting and comprise financial statements of the subsidiary which were under common control of the ultimate shareholders and directors that existed prior to the Restructuring Exercise during the relevant periods or since their respective date of incorporation.

3. **COMBINED FINANCIAL STATEMENTS**

The Combined Financial Statements of the Group for the financial years ended 31 December 2006, 2007, 2008, 2009 and six-month ended 30 June 2010 ("the relevant period") were prepared in a manner similar to the "pooling of interest" method assumed the Restructuring Exercise Note 2 had been completed on 1 January 2006. Such manner of presentation reflects the economic substance of the combining companies, which were under common control throughout the relevant period, as a single economic enterprise, although the legal parent-subsidiary relationships were not established.

These Combined Financial Statements of the Group are the combination or aggregation of all the audited financial statements for the financial years ended 31 December 2006, 2007, 2008, 2009 and six-month ended 30 June 2010 of the companies in the Group, namely Sozo Global Pte Ltd (the "Company"), company incorporated in Republic of Singapore and Rizhao Hengbao Foodstuffs Co., Ltd (its Subsidiary), company incorporated in PRC, prepared in accordance with International Financial Reporting Standard ("IFRS") and are audited by Paul Wan & Co, Public Accountants and Certified Public Accountants Singapore in accordance with International Standard on Auditing for the period under review. The audited accounts were not subject to any audit qualifications, modifications or disclaimers.

4. **SUMMARY ACCOUNTING POLICIES**

(a) **Basis of Accounting**

The Combined Financial Statements are prepared on a historical cost basis in accordance with International Financial Reporting Standards ("IFRS") including related interpretations promulgated by the International Accounting Standard Board, and have been consistently applied throughout the years ended 31 December 2006, 2007, 2008, 2009 and six-month ended 30 June 2010.

**APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE
2006 TO FYE 2009 AND FPE 2010 (CONT'D)**

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4. SUMMARY ACCOUNTING POLICIES (cont'd)

(a) Basis of Accounting (cont'd)

The Group's principal operations are conducted in the PRC and thus the financial statements are prepared in Renminbi (RMB), being the measurement and presentation currency of the Group. All values are rounded to the nearest thousands ("RMB'000") except when otherwise indicated.

(b) Changes in Accounting Policies

The Group has early adopted IFRSs and interpretations which are effective for accounting periods beginning on or after 1 January 2007 for the preparation of these Combined Financial Statements of the Group since 1 January 2006. IFRS 1, First-time Adoption of Financial Reporting Standards, has been applied in preparing these Combined Financial Statements. These Combined Financial Statements are the first set of financial statements prepared in accordance with IFRS by the Group.

The accounting policies have been applied consistently to all periods presented in these Combined Financial Statements and in preparing an opening IFRS statement of financial position as at 1 January 2006 for the purpose of the first set of IFRS financial statements.

The management does not anticipate that the adoption of those IFRSs (including consequential amendments) and interpretations that have been issued but not effective at the date of authorisation of these financial statements will have no material financial impact to the financial statements.

(c) Subsidiary and Combined Financial Statements

(i) Subsidiary

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities. The Group generally has such power when it directly or indirectly, holds more than 50% of the issued share capital, or controls more than half of the voting power, or controls the composition of the board of directors.

(ii) Combined Financial Statements

A business combination involving entities under common controls is a business combination in which all the combining entities or business are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

The Combined Financial Statements comprise the financial statements of the Company and its subsidiary as at the statement of financial position date. The financial statements of the subsidiary are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions that are recognised in assets, are eliminated in full.

The Restructuring Exercise described in Note 2 to the Combined Financial Statements resulted in a business combination involving common control entities. For such common control business combinations, the merger accounting principles are used to include the assets, liabilities, results, equity changes and cash flows of the combining entities in the Combined Financial Statements. The Combined Financial Statements of the Group for the financial years ended 31 December 2006, 2007, 2008, 2009 and six-month ended 30 June 2010 was prepared using the historical cost method in accordance with the principles of merger accounting and presumed that the Restructuring Exercise completed as described in Note 2 to the Combined Financial Statements is a legal re-organisation of entities and businesses under common control.

Pursuant to this:

- Assets and liabilities are combined at their existing carrying amounts;
- No amount is recognised for goodwill;
- For the purpose of this report, the adjusted paid-in capital represented by the issued and paid up share capital of the Company and the paid-in capital of its subsidiary Rizhao Hengbao Foodstuffs Co., Ltd for the financial years ended 31 December 2006, 2007, 2008, 2009 and six-month ended 30 June 2010 (Note 19).

APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE 2006 TO FYE 2009 AND FPE 2010 (CONT'D)

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4. SUMMARY ACCOUNTING POLICIES (cont'd)

(c) Subsidiary and Combined Financial Statements (cont'd)

(ii) Combined Financial Statements (cont'd)

Consolidation of the subsidiary in the PRC is based on the subsidiary's audited financial statements prepared in accordance with IFRS. Profits reflected in the financial statements prepared in accordance with IFRS may differ from those reflected in the PRC statutory financial statements of the subsidiary, prepared for PRC statutory reporting purposes. In accordance with the relevant laws and regulations, profits available for distribution by the PRC subsidiary are based on the amounts stated in the PRC statutory financial statements.

(d) Financial Instruments

Financial instruments carried on the combined statements of financial position include cash and cash equivalents, all receivables and payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. These instruments are recognised when contracted for.

Financial assets and financial liabilities are recognised on the Group's financial position when the Group becomes a party to the contractual provisions of the instrument. De-recognition of the financial assets occurs when the rights to receive cash flows from the instruments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. Financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

Financial assets which are under IAS 39, other than hedging instruments, are divided into the following categories: financial assets at fair value through combined statement of comprehensive income, held-to-maturity investments, loans and receivables and available-for-sale financial assets. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the assets are acquired. The designation of financial assets is re-evaluated and classification may be changed at the reporting date with the exception that the designation of financial assets at fair value through statement of comprehensive income is not revocable.

Financial assets

The Group does not have any financial assets at fair value through combined statement of comprehensive income, held-to maturity investments or available-for-sale financial assets except for loans and receivables.

(i) Trade and other receivables

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in the combined statement of comprehensive income when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

(ii) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and in banks.

Financial liabilities

The Group's financial liabilities include trade and other payables and borrowings.

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

(i) Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE 2006 TO FYE 2009 AND FPE 2010 (CONT'D)

4. SUMMARY ACCOUNTING POLICIES (cont'd)

(d) Financial Instruments (cont'd)

Financial liabilities (cont'd)

(ii) Borrowings

Borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

The residual amount, after deducting the fair value of the liability component, is recognised and included in shareholder equity, net of transaction costs.

Equity

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from the proceeds to the extent that they are incidental costs directly attributable to the equity transaction.

(i) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(e) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditure for additions, improvements and renewals are capitalised and expenditure for maintenance and repairs are charged to the combined statement of comprehensive income. When plant and equipment are sold or retired, their cost and accumulated depreciation and accumulated impairment losses are removed from the financial statements and any gain or loss resulting from their disposal is included in the statement of comprehensive income.

Depreciation is calculated on a straight line basis to write off the cost of property, plant and equipment less any estimated residual values, over the following estimated useful lives :-

	<u>Estimated useful lives</u>	<u>Estimated residual value as a percentage of cost</u>
Leasehold building and infrastructure	25 years	5%
Plant and machinery	10 years	5%
Furniture, fittings and equipment	5 years	5%
Motor vehicles	5 years	5%

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date. Fully depreciated assets still in use are retained in the combined financial statements.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in the combined statement of comprehensive income.

(f) Construction In Progress

Construction in progress is stated at cost which includes the cost of construction, purchase cost of plant and machinery as well as interest expenses arising from borrowings used to finance the construction during the construction period.

Construction in progress for production plants and machinery is transferred to property, plant and equipment on the commissioning date. Plant and machinery are considered to be commissioned when they are capable of producing saleable quality output in commercial quantities on an ongoing basis.

**APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE
2006 TO FYE 2009 AND FPE 2010 (CONT'D)**

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4. SUMMARY ACCOUNTING POLICIES (cont'd)

(g) Intangible Assets

Intangible assets are accounted for using the cost model. Capitalised costs are amortised on a straight-line basis over their estimated useful lives as they are considered finite. After initial recognition, they are carried at cost less accumulated amortisation and accumulated impairment losses, if any. In addition, they are subject to impairment testing.

Intangible assets are written off where, in the opinion of the directors, no further future economic benefits are expected to arise.

Land use rights

Land use rights are stated at cost less accumulated amortisation and impairment losses, if any. Amortisation is charged so as to write off the cost of land use rights, using the straight-line method, over the period of the grant, which is the lease term.

(h) Impairment Loss

(i) Non-financial assets

The carrying amounts of the Group's assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of the impairment loss (if any). An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss is charged to the combined statement of comprehensive income in the period in which it arises unless the asset is carried at revalued amount, in which case, such impairment loss is charged to equity.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the combined statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(ii) Financial assets

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries previously written off are recognised against the same line item in the statement of comprehensive income.

The allowance for impairment loss account is reduced through the combined statement of comprehensive income in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured.

(i) Inventories

Inventories are measured at the lower of cost (weighted average method) and net realisable value. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs, and related production overheads based on normal operating capacity but excludes borrowing costs. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

(j) Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted in countries where the subsidiaries operate by the statement of financial position date.

**APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE
2006 TO FYE 2009 AND FPE 2010 (CONT'D)**

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4. SUMMARY ACCOUNTING POLICIES (cont'd)

(j) Income Tax (cont'd)

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the combined financial information and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to combined statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

(k) Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the statement of financial position date, and are discounted to present value where the effect is material.

(l) Foreign Currency Transactions and Translation

(i) Functional and presentation currency

Items included in the Combined Financial Statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Combined Financial Statements are presented in RMB.

(ii) Transactions and balances

In preparing the financial statements of the Group, monetary assets and liabilities in foreign currencies are translated into RMB at rates of exchange closely approximate to those ruling at the statement of financial position date and transactions in foreign currencies during the financial years/periods are translated at rates ruling on transaction dates. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in statement of comprehensive income for the years/periods. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the years/periods except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

**APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE
2006 TO FYE 2009 AND FPE 2010 (CONT'D)**

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4. SUMMARY ACCOUNTING POLICIES (cont'd)

(l) Foreign Currency Transactions and Translation (cont'd)

(iii) Group companies

The results and financial position of the Group entities that have functional currencies different from the presentation currency are translated into the presentation currency as follows:

- (a) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (b) Income and expenses for each statement of comprehensive income are translated at average exchange rate; and
- (c) All resulting exchange differences are recognised as a separate component of equity.

(m) Employee Benefits

Retirement benefit costs

Pursuant to the relevant regulations of the People's Republic of China ("PRC") government, the PRC subsidiary of the Group has participated in central pension schemes ("the Schemes") operated by local municipal government whereby PRC subsidiary is required to contribute a certain percentage of the basic salaries of their employees to the Schemes to fund their retirement benefits. The local municipal governments undertake to assume the retirement benefit obligations of all existing and future retired employees of the subsidiary of the Company. The only obligation of the PRC subsidiary with respect to the Scheme is to pay the ongoing required contributions under the Schemes mentioned above. Contributions under the Schemes are charged to the statement of comprehensive income as incurred.

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the statement of financial position date.

(n) Revenue Recognition

Sale of goods

Revenue from sales of goods is recognised when the Group has delivered the products to the customer, the customer has accepted the products and the collectability of the related receivables is reasonably assured. It is recorded net of returns, trade allowances and duties and taxes.

Interest income

Interest income is recognised on a time-apportioned basis using the effective interest method.

(o) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the combined statement of comprehensive income in the period in which they are incurred.

(p) Operating Leases

Rentals payable under operating leases are charged to the combined statement of comprehensive income on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE 2006 TO FYE 2009 AND FPE 2010 (CONT'D)

4. SUMMARY ACCOUNTING POLICIES (cont'd)

(q) Segment Reporting

A operating segment is a distinguishable component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Combined Financial Statements in conformity with IFRS requires management to exercise its judgements, make estimates and assumptions that affect the application of accounting policies as described in Note 4, reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Combined Financial Statements.

Estimates and judgements are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as below:

(a) Critical judgements in applying the accounting policies

In the process of applying the Group's accounting policies as described in Note 4, the management is of the opinion that there are no instances of application of judgements which are expected to have a significant effect on the amounts recognised in the Combined Financial Statements.

(b) Key sources of estimation uncertainty

(i) Useful lives of property, plant and equipment

The estimates for the useful lives and related depreciation charges for property, plant and equipment is based on commercial and production factors which could change significantly as a result of technical innovations and competitor actions in response to severe market conditions. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets. Therefore, future depreciation charges could be revised. A 5% difference in the expected useful lives of the property, plant and equipment would not result in a significant change to the Group's net profit for the respective financial years/period.

(ii) Income taxes

The Group has exposure to income taxes in the PRC. Significant judgement is involved in determining the Group provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

6. REVENUE

	← Audited →				Audited		Based on management accounts presented for comparative figures only
	<u>Financial years ended 31 December</u>				<u>Six-month ended 30 June</u>		
	2006	2007	2008	2009	2010	2009	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
Sale of goods	<u>126,335</u>	<u>218,615</u>	<u>415,126</u>	<u>608,775</u>	<u>392,554</u>	<u>284,625</u>	

APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE 2006 TO FYE 2009 AND FPE 2010 (CONT'D)

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7. OTHER OPERATING INCOME

	← Audited →				Audited	Based on management accounts presented for comparative figures only		
	<u>Financial years ended 31 December</u>						<u>Six-month ended 30 June</u>	
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000			2010 RMB'000	2009 RMB'000
Foreign exchange gain	-	-	476	-	-	-		
Gain on disposal of plant and equipment	-	369	-	-	-	-		
Government subsidies/grants	-	-	150	1,420	-	1,020		
Interest income	95	98	260	381	470	-		
Gain on fair value adjustment for borrowings	-	-	-	-	1,349	-		
Reversal of staff welfare provision no longer required	-	1,776	-	-	-	-		
Others	153	6	-	-	2	-		
	<u>248</u>	<u>2,249</u>	<u>886</u>	<u>1,801</u>	<u>1,821</u>	<u>1,020</u>		

8. OTHER OPERATING EXPENSES

	← Audited →				Audited	Based on management accounts presented for comparative figures only		
	<u>Financial years ended 31 December</u>						<u>Six-month ended 30 June</u>	
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000			2010 RMB'000	2009 RMB'000
Assets revaluation deficit	-	5,054	-	-	-	-		
Foreign exchange losses	12	434	-	632	2,658	39		
Inventory written-off	1,614	1,669	-	-	-	-		
Others	47	49	2	5	1	-		
	<u>1,673</u>	<u>7,206</u>	<u>2</u>	<u>637</u>	<u>2,659</u>	<u>39</u>		

APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE 2006 TO FYE 2009 AND FPE 2010 (CONT'D)

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9. FINANCE COSTS

	← Audited →				Audited	Based on management accounts presented for comparative figures only		
	<u>Financial years ended 31 December</u>						<u>Six-month ended 30 June</u>	
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000			2010 RMB'000	2009 RMB'000
Interest on fair value for borrowings	-	-	-	-	369	-		
Interest expense on borrowings	32	475	558	260	-	54		
	<u>32</u>	<u>475</u>	<u>558</u>	<u>260</u>	<u>369</u>	<u>54</u>		

10. STAFF COSTS

	← Audited →				Audited	Based on management accounts presented for comparative figures only		
	<u>Financial years ended 31 December</u>						<u>Six-month ended 30 June</u>	
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000			2010 RMB'000	2009 RMB'000
Wages and salaries	7,384	9,447	12,439	19,659	12,990	8,378		
Employees expenses relating to defined benefit and contribution pension plans	83	1,232	1,178	1,200	615	586		
Other staff related expenses	87	-	162	39	2	39		
	<u>7,554</u>	<u>10,679</u>	<u>13,779</u>	<u>20,898</u>	<u>13,607</u>	<u>9,003</u>		

Key management remuneration is disclosed in Note 26.

11. INCOME TAX EXPENSE

	← Audited →				Audited	Based on management accounts presented for comparative figures only		
	<u>Financial years ended 31 December</u>						<u>Six-month ended 30 June</u>	
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000			2010 RMB'000	2009 RMB'000
Tax expense attributable to profit is made up of:								
PRC income tax	9,116	23,270	31,587	52,601	31,285	24,632		
	<u>9,116</u>	<u>23,270</u>	<u>31,587</u>	<u>52,601</u>	<u>31,285</u>	<u>24,632</u>		

APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE 2006 TO FYE 2009 AND FPE 2010 (CONT'D)

11. **INCOME TAX EXPENSE (cont'd)**

PRC tax

The PRC income tax is computed according to the relevant laws and regulations in the PRC. The applicable income tax rate was 33% throughout the years 2006 and 2007 and 25% for year 2008, 2009 and six-month ended 30 June 2010.

Singapore tax

No provision for Singapore profits tax was made as the Group has no assessable profits subject to Singapore tax during the financial years/periods end.

Reconciliation between tax expenses and profit before taxation at applicable tax rates is as follow:

	← Audited →				Audited	Based on management accounts presented for comparative figures only		
	<u>Financial years ended 31 December</u>						<u>Six-month ended 30 June</u>	
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000			2010 RMB'000	2009 RMB'000
Profit before income tax	24,651	65,319	126,497	206,233	123,970	96,922		
Tax calculated at a tax rate of 17% (2009: 17%; 2008: 18%; 2007: 18%; 2006: 20%)	4,930	11,758	22,770	35,060	21,075	16,477		
Items not deductible/ (taxable) for tax purposes	981	1,712	(12)	1,042	292	359		
Difference in foreign tax rate	3,205	9,800	8,829	16,499	9,918	7,796		
Tax expense	<u>9,116</u>	<u>23,270</u>	<u>31,587</u>	<u>52,601</u>	<u>31,285</u>	<u>24,632</u>		

No provision for deferred taxation has been provided as the Group did not have any significant temporary differences which gave rise to a deferred tax asset or liability as at 31 December 2006, 2007, 2008, 2009 and 30 June 2010.

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12. PROFIT FOR THE YEAR/ PERIOD

In addition to the charges and credits disclosed elsewhere in the notes to the combined financial statements, this item includes the following charges:-

	← Audited →				Audited		Based on management accounts presented for comparative figures only
	<u>Financial years ended 31 December</u>				<u>Six-month ended 30 June</u>		
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000	2009 RMB'000	
Amortisation charges	86	328	328	327	163	163	
Depreciation of property, plant and equipment (Note 13)							
- Buildings	513	578	743	1,348	993	645	
- Plant and machinery	1,219	1,440	1,367	1,830	946	907	
- Furniture, fittings and equipment	141	200	225	218	91	113	
- Motor vehicles	19	45	75	93	140	37	
Directors' remuneration	34	36	105	151	114	53	
Rental expense on operating lease	-	-	145	53	26	22	
Inventory charged to cost of sales	82,076	123,340	260,333	391,928	262,429	168,319	

13. PROPERTY, PLANT AND EQUIPMENT

	<u>Leasehold buildings and infrastructure</u> RMB'000	<u>Plant and machinery</u> RMB'000	<u>Furniture, fittings and equipments</u> RMB'000	<u>Motor vehicles</u> RMB'000	<u>Total</u> RMB'000
Cost or valuation:					
At 1 January 2006	-	253	113	-	366
Additions	13,305	10,663	531	400	24,899
At 31 December 2006	13,305	10,916	644	400	25,265
Additions	-	884	570	27	1,481
Assets to revaluation	(4,892)	(2,839)	(378)	(111)	(8,220)
Disposal	-	(994)	-	-	(994)
At 31 December 2007	8,413	7,967	836	316	17,532
Additions	-	735	17	-	752
Reclassification from construction in progress	21,593	6,108	5	-	27,706
At 31 December 2008	30,006	14,810	858	316	45,990
Additions	38	673	43	208	962
Reclassification from construction in progress	18,260	-	-	-	18,260
At 31 December 2009	48,304	15,483	901	524	65,212
Additions	-	391	2	1,327	1,720
At 30 June 2010	48,304	15,874	903	1,851	66,932

APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE 2006 TO FYE 2009 AND FPE 2010 (CONT'D)

13. **PROPERTY, PLANT AND EQUIPMENT (cont'd)**

	Leasehold buildings and <u>infrastructure</u> RMB'000	Plant and <u>machinery</u> RMB'000	Furniture, fittings and <u>equipments</u> RMB'000	Motor <u>vehicles</u> RMB'000	<u>Total</u> RMB'000
Comprising:					
At 31 December 2006					
At cost	-	389	169	400	958
At valuation	13,305	10,527	475	-	24,307
	<u>13,305</u>	<u>10,916</u>	<u>644</u>	<u>400</u>	<u>25,265</u>
At 31 December 2007					
At cost	-	7,217	322	-	7,539
At valuation	8,413	750	514	316	9,993
	<u>8,413</u>	<u>7,967</u>	<u>836</u>	<u>316</u>	<u>17,532</u>
At 31 December 2008					
At cost	21,593	14,060	344	-	35,997
At valuation	8,413	750	514	316	9,993
	<u>30,006</u>	<u>14,810</u>	<u>858</u>	<u>316</u>	<u>45,990</u>
At 31 December 2009					
At cost	39,891	14,733	387	208	55,219
At valuation	8,413	750	514	316	9,993
	<u>48,304</u>	<u>15,483</u>	<u>901</u>	<u>524</u>	<u>65,212</u>
At 30 June 2010					
At cost	39,891	15,124	389	1,535	56,939
At valuation	8,413	750	514	316	9,993
	<u>48,304</u>	<u>15,874</u>	<u>903</u>	<u>1,851</u>	<u>66,932</u>
Accumulated Depreciation					
At 1 January 2006					
Depreciation charge for the year	513	1,219	141	19	1,892
At 31 December 2006					
Depreciation charge for the year	513	1,223	143	19	1,898
Assets revaluation	(855)	(2,043)	(241)	(27)	(3,166)
Disposals	-	(52)	-	-	(52)
At 31 December 2007					
Depreciation charge for the year	236	568	102	37	943
	<u>743</u>	<u>1,367</u>	<u>225</u>	<u>75</u>	<u>2,410</u>
At 31 December 2008					
Depreciation charge for the year	979	1,935	327	112	3,353
	<u>1,348</u>	<u>1,830</u>	<u>218</u>	<u>93</u>	<u>3,489</u>
At 31 December 2009					
Depreciation charge for the period	2,327	3,765	545	205	6,842
	<u>993</u>	<u>946</u>	<u>91</u>	<u>140</u>	<u>2,170</u>
At 30 June 2010					
	<u>3,320</u>	<u>4,711</u>	<u>636</u>	<u>345</u>	<u>9,012</u>

APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE 2006 TO FYE 2009 AND FPE 2010 (CONT'D)

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13. **PROPERTY, PLANT AND EQUIPMENT (cont'd)**

	Leasehold buildings and <u>infrastructure</u> RMB'000	Plant and <u>machinery</u> RMB'000	Furniture, fittings and <u>equipments</u> RMB'000	Motor <u>vehicles</u> RMB'000	<u>Total</u> RMB'000
Carrying Amount					
At 30 June 2010	44,984	11,163	267	1,506	57,920
At 31 December 2009	45,977	11,718	356	319	58,370
At 31 December 2008	29,027	12,875	531	204	42,637
At 31 December 2007	8,177	7,399	734	279	16,589
At 31 December 2006	12,792	9,693	501	381	23,367

The above leasehold buildings are located at Ju County Huaixu Gonglu Dong Ce, Rizhao Lu Nan Ce (莒县淮徐公路东侧, 日照路南侧) and Ju County Yanzhuang Town Jianhua Cun Zhu Di, Weifang Lu Bei Ce (莒县闫庄镇建华村驻地, 潍坊路北侧).

14. **CONSTRUCTION IN PROGRESS**

	Building under <u>construction</u> RMB'000	Plant and machinery under <u>installation</u> RMB'000	Waste water treatment <u>plant</u> RMB'000	<u>Total</u> RMB'000
At 1 January 2006	-	-	-	-
Additions	183	-	-	183
At 31 December 2006	183	-	-	183
Additions	23,937	2,641	-	26,578
At 31 December 2007	24,120	2,641	-	26,761
Additions	12,985	3,220	-	16,205
	(21,845)	(5,861)	-	(27,706)
At 31 December 2008	15,260	-	-	15,260
Additions	3,000	-	6,475	9,475
Reclassifications to property, plant and equipment	(18,260)	-	-	(18,260)
At 31 December 2009	-	-	6,475	6,475
Additions	-	-	762	762
At 30 June 2010	-	-	7,237	7,237

Building under construction represent the factory premises and dormitory building under construction, production plants, machinery and other equipment under installation are stated at cost. The construction of the waste water treatment plant is expected to be completed by first quarter of 2011.

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15. INTANGIBLE ASSETS

	Land use rights RMB'000	Computer software RMB'000	Total RMB'000
At Cost			
At 1 January 2006	-	-	-
Additions	14,680	-	14,680
At 31 December 2006	14,680	-	14,680
Additions	550	13	563
At 31 December 2007	15,230	13	15,243
Additions	-	-	-
At 31 December 2008	15,230	13	15,243
Additions	-	-	-
At 31 December 2009	15,230	13	15,243
Additions	-	-	-
At 30 June 2010	15,230	13	15,243
Accumulated Amortisation			
At 1 January 2006	-	-	-
Amortisation for the year	86	-	86
At 31 December 2006	86	-	86
Amortisation for the year	325	3	328
At 31 December 2007	411	3	414
Amortisation for the year	325	3	328
At 31 December 2008	736	6	742
Amortisation for the year	324	3	327
At 31 December 2009	1,060	9	1,069
Amortisation for the period	162	1	163
At 30 June 2010	1,222	10	1,232
Carrying Amount			
At 30 June 2010	14,008	3	14,011
At 31 December 2009	14,170	4	14,174
At 31 December 2008	14,494	7	14,501
At 31 December 2007	14,819	10	14,829
At 31 December 2006	14,594	-	14,594

The above land use rights represent land of:

- a) 6,406 sq m located at Ju County Huaixu Gonglu Dong Ce, Rizhao Lu Nan Ce (莒县淮徐公路东侧, 日照路南侧), and amortised over lease period of 38 years from 2006;
- b) 17,903.80 sq m located at Ju County Huaixu Gonglu Dong Ce, Rizhao Lu Nan Ce (莒县淮徐公路东侧, 日照路南侧), and amortised over lease period of 38 years from 2006;
- c) 17,170.10 sq m located at Ju County Huaixu Gonglu Dong Ce, Rizhao Lu Nan Ce (莒县淮徐公路东侧, 日照路南侧) and amortised over lease period of 50 years from 2006; and
- d) 64,427 sq m located at Ju County Yanzhuang Town Jianhua Cun Zhu Di, Weifang Lu Bei Ce (莒县闫庄镇建华村驻地, 潍坊路北侧), and amortised over lease period of 50 years from 2006.

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16. INVENTORIES

	As at 31 December				As at 30 June
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
Raw materials	12,795	2,618	535	3,029	2,411
Finished goods	8,888	10,662	2,198	3,485	7,842
	<u>21,683</u>	<u>13,280</u>	<u>2,733</u>	<u>6,514</u>	<u>10,253</u>

All the goods are stated at cost in the combined statement of financial position.

The aging of the inventory turnover approximates 6 days for 30 June 2010 (2009: 4 days; 2008: 11 days; 2007: 45 days; 2006: 51 days). No allowance for inventory obsolescence is considered necessary for financial years ended 31 December 2006, 2007, 2008, 2009 and six-month ended 30 June 2010.

17. TRADE AND OTHER RECEIVABLES

	As at 31 December				As at 30 June
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
<i>Outside parties</i>					
Trade receivables	11,074	24,556	47,141	32,975	85,053
Other receivables	49	64	447	-	-
Deposits	50	-	-	-	-
Prepayments	18	1,313	5,376	14,499	16,568
	<u>11,191</u>	<u>25,933</u>	<u>52,964</u>	<u>47,474</u>	<u>101,621</u>

Trade and other receivables are denominated in the following currencies:-

	As at 31 December				As at 30 June
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
Chinese renminbi	6,369	23,776	47,742	33,138	83,480
Singapore dollars	-	9	3,359	12,256	14,276
United states dollars	4,822	2,148	1,863	2,080	3,865
	<u>11,191</u>	<u>25,933</u>	<u>52,964</u>	<u>47,474</u>	<u>101,621</u>

Trade receivables are usually due within 30 to 90 days and do not bear any effective interest rate. All trade receivables are subject to credit risk exposure. However, the Group does not identify specific concentrations of credit risk with regards to trade and other receivables, as the amounts recognised resemble a large number of receivables from various customers. The aging analysis of the trade receivables approximates 27 days for 30 June 2010 (2009: 24 days; 2008: 32 days; 2007: 30 days; 2006: 22 days). No allowance for impairment has been considered necessary for financial years ended 31 December 2006, 2007, 2008, 2009 and six-month ended 30 June 2010.

18. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

	As at 31 December				As at 30 June
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
Cash at bank	7,427	38,975	124,064	290,851	372,631
Cash in hand	109	46	111	101	-
	<u>7,536</u>	<u>39,021</u>	<u>124,175</u>	<u>290,952</u>	<u>372,631</u>

The carrying amounts of bank balances and cash approximate to their fair values.

APPENDIX VI AUDITED COMBINED FINANCIAL STATEMENTS OF OUR GROUP FOR FYE 2006 TO FYE 2009 AND FPE 2010 (CONT'D)

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18. CASH AND CASH EQUIVALENTS (cont'd)

Cash and cash equivalents are denominated in the following currencies:-

	As at 31 December				As at 30 June
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
Chinese renminbi	7,363	38,761	122,148	280,495	362,449
Singapore dollars	51	134	1,860	314	722
United states dollars	122	126	167	-	1,099
Malaysia ringgit	-	-	-	10,143	8,361
	<u>7,536</u>	<u>39,021</u>	<u>124,175</u>	<u>290,952</u>	<u>372,631</u>

19. SHARE CAPITAL

	As at 31 December				As at 30 June
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
Issued and fully paid share capital of the Company	51	152	152	152	152
Paid in capital of the subsidiary (a)	<u>12,780</u>	<u>21,800</u>	<u>21,800</u>	<u>-</u>	<u>-</u>
	<u>12,831</u>	<u>21,952</u>	<u>21,952</u>	<u>152</u>	<u>152</u>

(a) The share capital balances as at 31 December 2006, 2007 and 2008 represent the paid in capital of Rizhao Hengbao registered under the name of the then shareholders of Rizhao Hengbao as mentioned in Note 2(ii) of the Combined Financial Statements as the acquisition of Rizhao Hengbao was only completed on 25 September 2009.

Number of share capital for the Company as at 30 June 2010 is 300,000,000 (2009: 3,000,000; 2008: 3,000,000; 2007: 30,000; 2006: 10,000) shares.

20. RESERVES

	As at 31 December				As at 30 June
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
Fair value adjustments reserves	-	-	-	8,237	8,237
Statutory reserves	<u>2,028</u>	<u>7,100</u>	<u>16,554</u>	<u>32,252</u>	<u>40,400</u>
	<u>2,028</u>	<u>7,100</u>	<u>16,554</u>	<u>40,489</u>	<u>48,637</u>

Fair value adjustment reserves

The above fair value adjustment reserves represent fair value adjustment on interest free loan from ex-shareholders (Note 21). The Group has accounted for the liability based on fair value through income statement. Changes in the fair value of the borrowings at fair value through income statement have been included in the statement of comprehensive income for the period.

Statutory reserves

The Group follows the accounting principles and relevant financial regulations of the People's Republic of China ("PRC GAAP") in the preparation of the accounting records and statutory financial statements.

In accordance with the Foreign Enterprise Law applicable to the Group in the People's Republic of China (PRC), the Group is required to make appropriation to a Statutory Reserve Fund (SRF). At least 10% of the statutory after tax profits as determined in accordance with the applicable PRC accounting standards and regulations must be allocated to the SRF until the cumulative total of the SRF reaches 50% of the Group's registered capital. Subject to approval from the relevant PRC authorities, the SRF may be used to offset any accumulated losses or increase the registered capital of the Group. The SRF is not available for dividend distribution to shareholders.

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21. **BORROWINGS**

	As at 31 December				As at 30 June
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
Loans – secured	18,596	16,546	10,000	-	-
Loans - unsecured	-	-	-	13,769	12,789
	<u>18,596</u>	<u>16,546</u>	<u>10,000</u>	<u>13,769</u>	<u>12,789</u>
Convertible loans					
Tranche 1	-	-	14,260	14,598	14,611
Tranche 2	-	-	951	4,162	4,214
Tranche 3	-	-	-	14,524	15,699
Convertible loans	-	-	15,211	33,284	34,524
Redeemable preference shares (Note 22)	-	-	-	40,942	43,007
Total borrowings	18,596	16,546	25,211	87,995	90,320
Less: Amount due within one year	(12,050)	(10,000)	(25,211)	(74,226)	(77,531)
Balance due after one year	<u>6,546</u>	<u>6,546</u>	<u>-</u>	<u>13,769</u>	<u>12,789</u>

Borrowings are denominated in the following currencies:

	As at 31 December				As at 30 June
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
Chinese renminbi	18,596	16,546	10,000	13,769	12,789
Malaysia ringgit	-	-	-	45,736	48,042
Singapore dollars	-	-	15,211	28,490	29,489
	<u>18,596</u>	<u>16,546</u>	<u>25,211</u>	<u>87,995</u>	<u>90,320</u>

Loans - secured

The Group's borrowings bear interest rate ranging from 6.12% - 6.39%. These borrowings have an average maturity of NIL (2008: 3 months; 2007: 3 months; 2006: 3 months) from the end of the financial year. During the financial year ended 31 December 2009, the short-term borrowing has been fully repaid.

The borrowings are guaranteed by a third party, Rizhao Fuyuan Foodstuff Co., Ltd (日照福源食品有限公司).

Loans - unsecured

On 25 September 2009, PRC Subsidiary has entered into a loan agreement with Shen Hengbao, Meng Xiangzhen, Wu Fang, Yao Zhifang and Shi Geli (collectively referred to as the "Ex-shareholders") amounting to RMB21.8 million. The loan is interest free. The tenure of the loan is 10 years and will be automatically renewed for another 10 years unless the Directors decide that the loan is no longer required.

Loans from Ex-shareholders are stated at fair value and determined from the cashflow analyses, discounted at market borrowing rates of 5.94% (2009: 4.86%) per annum of an equivalent instrument at the statement of financial position date.

All borrowings are denominated in Renminbi.

Convertible loans (Tranche 1)

On 7 April 2008 and 22 August 2009, the Company entered into Convertible Loan Agreements and Supplemental Agreements respectively with various strategic investors wherein the investors agreed to grant the Company convertible loan facility of an aggregate amount of S\$3,000,000 in consideration of the right to convert the full sum of the convertible loan into fully paid new ordinary shares of the Company. The convertible loans are expected to be converted to ordinary shares upon successful application of the Company listing with Bursa Malaysia Securities Berhad. The terms of the convertible loan facility shall commence from the drawdown date and for loan period of 24 months from drawdown date.

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21. **BORROWINGS (cont'd)**

Convertible loans (Tranche 1) (cont'd)

Tranche 1 convertible loan shall be converted as per formulas below:

Principal Amount of loan divided by "B"

Where "B" = (P x 3.2) + Principal Amount of loan

Where "P" = Audited net profit after tax of Rizhao Hengbao Foodstuffs Co., Ltd (PRC Company) for the financial year ended 31 December 2007.

Convertible loans (Tranche 2)

The Company entered into various Convertible Loan Agreements with various strategic investors dated on 29 December 2008, 29 March 2009 and 31 March 2009 and Supplemental Agreements dated 25 September 2009, wherein the investors agreed to grant the Company convertible loan facility of an aggregate amount of S\$650,000 and RM500,000 in consideration of the right to convert the full sum of the convertible loan into fully paid new ordinary shares of the Company. The convertible loans are expected to be converted to ordinary shares upon successful application of the Company listing with Bursa Malaysia Securities Berhad. The term of the convertible loan facility shall commence from the drawdown date and for loan period of 24 months from drawdown date.

Tranche 2 convertible loan shall be converted as per formulas below:

Principal Amount of loan divided by "Agreed Value"

Where "Agreed Value" = "Profit Target" multiply by PER at IPO multiply by 41.2%

Where "Profit Target" = Amount of RMB 140,000,000.

PER at IPO, is the price earning multiple uses to determine the IPO price of the Company.

Convertible loans (Tranche 3)

The Company entered into various Convertible Loan Agreements, dated 25 May 2009, 26 May 2009 and 1 June 2009 and Supplemental Agreements dated 25 September 2009 with various strategic investors, wherein the investors agreed to grant the Company convertible loan facility of an aggregate amount of S\$2,405,000 and RM1,900,000 in consideration of the right to convert the full sum of the convertible loan into fully paid new ordinary shares of the Company. The convertible loans are expected to be converted to ordinary shares upon successful application of the Company listing with Bursa Malaysia Securities Berhad. The term of the convertible loan facility shall commence from the drawdown date and for loan period of 12 months from drawdown date.

Tranche 3 convertible loan shall be converted as per formulas below:

Principal Amount of loan divided by "Agreed Value"

Where "Agreed Value" = "Profit Target" multiply by PER at IPO multiply by 45.5%

Where "Profit Target" = Amount of RMB 140,000,000

PER at IPO, is the price earning multiple use to determine the IPO price of the Company.

The above convertible loans represent the drawdown amount for each respective year and are jointly guaranteed by certain directors of Rizhao Hengbao Foodstuffs Co., Ltd. As at 31 December 2009, all the above convertible loans are fully drawdown.

Unless the convertible loans are converted into the Company's share, the Company shall repay any outstanding amount of the loan to the investors upon the expiry of loan period together with either:-

- (a) if the market value of Conversion Shares (calculated based on the hypothetical conversion of the Loan into Conversion Shares) is higher than the loan, then the difference between these two amounts; or
- (b) interest at the rate of 8%, 14% or 14.5% (vary to investors) per annum compounded annually and calculated from the drawdown date, whichever is the higher.

The convertible loans are regarded as liability component were determined at the date of the Convertible Loan Agreement. The fair value of the liability component, included in current liabilities was similar debt without a conversion option and has been assessed to approximate the principal amount received. Accordingly, there is no residual amount for the equity conversion component.

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22. REDEEMABLE PREFERENCE SHARES

On 27 August 2009, the Company entered into subscription agreement for Redeemable Cumulative and Convertible preference Shares Series A in Sozo ("RCCPS) with a strategic investor pursuant to which the strategic investor agreed to subscribe for the RCCPS at an issue price of S\$0.01 for each RCCPS subject to a maximum amount of RM20,500,000 for capital expenditure and business expansion. Each RCCPS shall be paid a fixed cumulative dividend at the rate of 8% per annum.

The RCCPS shall be redeemed on the Company redemption rate and shall be converted into fully paid ordinary shares in the share capital of the Company based on the specified conversion formula. The RCCPS shall be redeemed on the Company redemption date and at the redemption price which is equivalent to the issue price of the RCCPS together with an internal rate of return of 15% per annum.

On 24 September 2009 and 19 October 2009 respectively, the Company allotted 507,511,165 and 324,807,146 RCCPS of S\$0.01 each for cash to a strategic investor. The RCCPS has been fully drawdown as at 31 December 2009.

The redeemable preference shares are regarded as liability component were determined at the date of the subscription agreement. The fair value of the liability component, included in current liabilities was similar debt without a conversion option and has been assessed to approximate the principal amount received. Accordingly, there is no residual amount for the equity conversion component.

23. TRADE AND OTHER PAYABLES

	As at 31 December				As at 30 June
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
<u>Outside parties</u>					
Trade payables	15,567	2,124	57,857	21,435	53,691
Other payables	1,998	20,965	7,478	7,886	10,737
Accruals	5,937	6,805	2,560	3,947	6,899
Advances from customers	-	247	247	-	127
	<u>23,502</u>	<u>30,141</u>	<u>68,142</u>	<u>33,268</u>	<u>71,454</u>

Trade and other payables are denominated in the following currencies:-

	As at 31 December				As at 30 June
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
Chinese renminbi	23,502	30,136	68,126	29,406	66,928
Malaysia ringgit	-	-	-	1,720	468
Singapore dollars	-	5	16	2,142	4,058
	<u>23,502</u>	<u>30,141</u>	<u>68,142</u>	<u>33,268</u>	<u>71,454</u>

Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. The fair value of trade and other payables have not been disclosed as, due to short term duration, management considers the carrying amounts recognised in the statements of financial position to be reasonable approximation of their fair values. The aging of trade payables approximate 26 days for 30 June 2010 (2009: 37 days; 2008: 39 days; 2007: 22 days; 2006: 32 days).

24. DIVIDEND PAYABLE

	Financial years ended 31 December				Six-month ended 30 June
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
Dividend paid to shareholders before the restructuring	-	28,340	-	-	-

Dividend declared during the relevant period represented dividends declared and paid by Rizhao Hengbao Foodstuffs Co., Ltd to their equity owners. The rates of dividends and number of share ranking for dividends are not presented as such information is not meaningful.

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25. **COMMITMENTS**

Capital commitments

Capital expenditures contracted for at the statement of financial position date but not recognised in the financial statements are analysed as follows:

	As at 31 December				As at 30 June
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
Capital contribution to subsidiary	-	-	69,860	28,811	28,811
Payment for construction of factory and office building	-	8,052	-	-	-
Capital expenditure for waste water treatment plant	-	-	-	2,025	1,263

Operating lease commitments

At the statement of financial position date, the total of future minimum lease payments under non-cancellable operating lease is as follows:

	As at 31 December				As at 30 June
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	2010 RMB'000
Not later than one year	-	-	53	53	26
Later than one year and not later than five years	-	-	75	22	22
	-	-	128	75	48
Rental expenses for the year/period	-	-	145	53	26

26. **RELATED PARTY TRANSACTIONS**

Key management personnel compensation (include directors)

Key management personnel compensation is analysed as follows:

	Financial years ended 31 December				Six-month ended
	2006 RMB'000	2007 RMB'000	2008 RMB'000	2009 RMB'000	30 June 2010 RMB'000
Salaries and other short-term employee benefits	60	84	187	203	101
Post employment benefits	22	22	22	21	13
	82	106	209	224	114

27. **SEGMENT INFORMATION**

(a) **Business segments**

For management purposes, the Company is organised into business unit based on their products and has four reportable operating segments,

- (i) Ready-to-serve food
- (ii) Frozen vegetables
- (iii) Canned food
- (iv) Others

Except as indicated above, no operating segments have been aggregated to/from the above reportable operating segments.

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27. **SEGMENT INFORMATION (cont'd)**

(a) **Business segments (cont'd)**

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

Unallocated costs represent corporate expenses.

Capital expenditures comprised of additions to property, plant and equipment and intangible assets.

	<u>Six-month ended 30 June 2010</u>				
	<u>Ready-to-serve Food</u> RMB'000	<u>Frozen Vegetables</u> RMB'000	<u>Canned Food</u> RMB'000	<u>Others</u> RMB'000	<u>Total</u> RMB'000
Revenue	314,765	68,772	-	9,017	392,554
Segment results	100,747	24,094	-	4,595	129,436
Other gains					1,821
Unallocated costs					(6,918)
Finance expenses					(369)
Profit before income tax					123,970
Income tax expense					(31,285)
Profit for the period					<u>92,685</u>
Other segment information:					
Depreciation and amortisation					2,333
Capital expenditures					<u>2,482</u>

	<u>Financial year ended 31 December 2009</u>				
	<u>Ready-to-serve Food</u> RMB'000	<u>Frozen Vegetables</u> RMB'000	<u>Canned Food</u> RMB'000	<u>Others</u> RMB'000	<u>Total</u> RMB'000
Revenue	445,918	73,431	51,950	37,476	608,775
Segment results	151,342	30,238	13,534	19,215	214,329
Other gains					1,801
Unallocated costs					(9,637)
Finance expenses					(260)
Profit before income tax					206,233
Income tax expense					(52,601)
Profit for the year					<u>153,632</u>
Other segment information:					
Depreciation and amortisation					3,816
Capital expenditures					<u>10,437</u>

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27. SEGMENT INFORMATION (cont'd)

(a) Business segments (cont'd)

	Financial year ended 31 December 2008				
	Ready-to serve Food	Frozen Vegetables	Canned Food	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	312,895	40,608	59,696	1,927	415,126
Segment results	100,147	12,741	19,227	707	132,822
Other gains					886
Unallocated costs					(6,653)
Finance expenses					(558)
Profit before income tax					126,497
Income tax expense					(31,587)
Profit for the year					<u>94,910</u>
Other segment information:					
Depreciation and amortisation					2,738
Capital expenditures					<u>16,957</u>
	Financial year ended 31 December 2007				
	Ready-to serve Food	Frozen Vegetables	Canned Food	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	113,234	82,555	16,135	6,691	218,615
Segment results	36,603	32,109	3,922	2,134	74,768
Other gains					2,249
Unallocated costs					(11,223)
Finance expenses					(475)
Profit before income tax					65,319
Income tax expense					(23,270)
Profit for the year					<u>42,049</u>
Other segment information:					
Depreciation and amortisation					2,591
Capital expenditures					<u>28,609</u>
	Financial year ended 31 December 2006				
	Ready-to serve Food	Frozen Vegetables	Canned Food	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	66,622	37,635	14,754	7,324	126,335
Segment results	17,207	6,285	3,194	1,485	28,171
Other gains					248
Unallocated costs					(3,736)
Finance expenses					(32)
Profit before income tax					24,651
Income tax expense					(9,116)
Profit for the year					<u>15,535</u>
Other segment information:					
Depreciation and amortisation					1,978
Capital expenditures					<u>39,762</u>

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27. SEGMENT INFORMATION (cont'd)

(b) Geographical segments

The Group's revenue is operated in geographical area including China, Japan, Europe and others.

	← Revenue →					
	Financial years ended 31 December				Six-month ended 30 June	
	2006	2007	2008	2009	2010	2009
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
China	63,228	149,170	390,072	561,891	364,363	267,456
Japan	56,969	63,309	18,063	45,270	27,472	16,283
Europe	4,138	4,186	6,991	1,412	603	782
Others	2,000	1,950	-	202	116	104
	<u>126,335</u>	<u>218,615</u>	<u>415,126</u>	<u>608,775</u>	<u>392,554</u>	<u>284,625</u>

28. FINANCIAL RISK MANAGEMENT

The management meets periodically to analyse and formulate measures to manage the Group exposure to market risk, including principally changes in interest rates and currency exchange rates. Generally the Group employs a conservative strategy regarding its risk management. As the Group exposure to market risk is kept at a minimum level, the Group has not used any derivatives or other instruments for hedging purposes. The Group does not hold or issue derivative financial instruments for trading purposes.

As at 30 June 2010, the Group's financial instruments mainly consisted of cash and cash equivalents, financial assets and financial liabilities.

Foreign Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group operates and sells its products in several countries other than PRC and transacts in foreign currencies. As a result, the Group is exposed to movements in foreign currency exchange rates arising from normal trading transactions, primarily with respect to United States dollar except that the convertible loans are denominated in Singapore dollars and Malaysia ringgit. However, the Group does not use any financial derivatives such as foreign currency forward contracts, foreign currency options or swaps for hedging purposes.

A 2% strengthening of the USD and SGD, against the Renminbi would have had the following impact on the net profit by the amounts shown below.

	← Increase/(Decrease) →	
	Profit after tax 30 Jun 2010 RMB'000	Profit after tax 31 Dec 2009 RMB'000
Singapore dollars	219	313
United States dollars	99	11
Malaysia ringgit	<u>158</u>	<u>304</u>

A 2% weakening of the above currencies against the Renminbi would have the equal but opposite effect on the Renminbi of the amounts shown above.

Exposures to foreign exchange rates vary during the period depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of Group exposure to currency risk.

Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Group's exposures to interest rate risk from the interest-bearing borrowings are minimal as the Group's policy is to maintain the borrowings on a fixed rate basis.

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28. **FINANCIAL RISK MANAGEMENT (cont'd)**

Credit risk

The carrying amounts of trade receivables and other receivables represent the Group maximum exposure to credit risk in relation to its financial assets. The Group has no other significant concentration of credit risk other than the five largest trade receivables which represents approximately 37% of the total trade receivables at the end of reporting period. No other financial assets carry a significant exposure to credit risk.

The credit terms granted to customers are recommended by the Group are determined based on the credit worthiness, payment history, transaction volume, financial background, market reputation and the existing relationship that the Group has with the customers.

There is no impairment losses recognised in the relevant periods since all receivable are collected within the credit period granted and there is no trade receivables that are consider past due within the relevant period.

Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group manages its liquidity risk by ensuring the availability of adequate funds to meet all its obligations in a timely and cost-effective manner.

29. **CAPITAL MANAGEMENT**

The Group's objectives when managing capital are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

As disclosed in Note 20, a subsidiary of the Group is required by the Foreign Enterprise Law of PRC to contribute to and maintain a non-distributable statutory reserve fund whose utilisation is subject to approval by the relevant PRC authorities. This externally imposed capital requirement has been complied with by the above-mentioned subsidiary for the financial years ended 2006, 2007, 2008, 2009 and six-month ended 30 June 2010.

30. **SUBSEQUENT EVENTS**

- (i) On 9th July 2010, the Company obtained approval from Securities Commission Malaysian for extension of time of six months up to 19th January 2011 to complete the proposed listing.
- (ii) Pursuant to an extraordinary general meeting held on 16th August 2010, in lieu of a special general meeting, the shareholders approved the adoption of a new set of Article of Association.
- (iii) Pursuant to an extraordinary general meeting held on 8th September 2010, in lieu of a special general meeting, the shareholders approved,
 - (a) an increase in the issued and paid up share capital of the Company for S\$15,362,015 to S\$15,392,105 by the issuance of an additional 112,620,000 ordinary shares in the capital of the Company by capitalizing the loan pursuant to the Restructuring Exercise;
 - (b) the issue of an aggregate of 112,620,000 new ordinary shares in the capital of the Company to Pre-IPO Investors at subscription price of RM0.19 to RM0.42 per new ordinary share by converting the convertible loans of RM22,900,000 and S\$6,055,000 amounting to RMB77,531,000 in aggregate, pursuant to the Restructuring Exercise.

30. **AUTHORISATION OF FINANCIAL STATEMENTS**

The Combined Financial Statements for the years ended 31 December 2006, 2007, 2008, 2009 and six-month ended 30 June 2010 were authorised for issue in accordance with a resolution of the directors on 4 October 2010.