

7 HISTORICAL PROFORMA FINANCIAL INFORMATION AND OTHER INFORMATION (Cont'd)

7.3 CAPITALISATION AND INDEBTEDNESS

The following table sets out our cash and cash equivalents, capitalisation and indebtedness:-

- (i) as at 31 July 2010 based on our proforma consolidated financial statements after the Acquisition of Subsidiary Companies; and
- (ii) adjusted for the listing proceeds arising from the issue of 23,000,000 Public Issue Shares pursuant to our Listing Scheme and the utilisation of proceeds as set out in Section 3.8 of this Prospectus.

	Proforma as at 31 July 2010 after Acquisition of Subsidiary Companies RM'000	After the IPO and utilisation of proceeds RM'000
Cash and cash equivalents	879	5,931
Indebtedness		
Short term – short term loans (secured & guaranteed)	4,119	119
Long term – Hire Purchase (secured)	567	567
Total indebtedness	4,686	686
Capitalisation		
Total shareholders' equity	24,477	44,419
Total capitalisation	24,477	44,419
Total capitalisation and indebtedness	29,163	45,105

The contingent liabilities of our Group are set out in Section 7.6 herein.

7.4 LIQUIDITY AND CAPITAL RESOURCES

7.4.1 Working Capital

We have been financing our operations through cash generated from our operations and financing from banks and Malaysia Debt Ventures Berhad. As at the LPD, proforma cash balances of our Group stood at RM1.28 million as compared to RM7.10 million as at 31 December 2009. This decrease was mainly attributable to the dividend payment of RM5.59 million to the respective original shareholders of our subsidiary companies (prior to the Acquisition of Subsidiaries) in respect of profits for FYE 2008 (CSM) and FYE 2009 (TMX).

As at 31 July 2010, assuming the completion of Acquisition of Subsidiary Companies, our Group has total proforma current assets and current liabilities of RM21.01 million and RM7.52 million, respectively. The current assets comprise mainly of trade receivables and other receivables, deposits and prepayments amounting to RM15.20 million and RM4.80 million respectively, as well as cash and bank balances of RM0.46 million and fixed deposits of RM0.45 million.

Our Board is of the opinion that, after taking into account our cashflow position and net proceeds from the Public Issue, we will have adequate working capital for a period of twelve (12) months from the date of issue of this Prospectus.

7 HISTORICAL PROFORMA FINANCIAL INFORMATION AND OTHER INFORMATION (Cont'd)

7.4.2 Cash Flow

The following are the net cash flow from the respective activities of our Group for the 7-months FPE 31 July 2010 (on a proforma group basis after completion of the Acquisition of Subsidiary Companies) based on the proforma consolidated cash flow statement as disclosed in Section 7.2 of this prospectus:-

	7-months FPE 31 July 2010 RM'000
Net cash from operating activities	1,418
Net cash used for investing activities	(1,994)
Net cash used for financing activities	(5,648)
Net decrease in cash and cash equivalents	(6,224)
Cash and cash equivalents at the beginning of the financial period	7,103
Cash and cash equivalents at the end of the financial period	879

The cash and cash equivalents of RM0.88 million includes fixed deposit placements with financial institutions of approximately RM0.45 million.

There are no legal or economic restrictions on the ability of CSM to transfer funds to CSHB in the form of cash dividends upon completion of the Acquisition of Subsidiary Companies save for the consent to be obtained from the financiers prior to any payment of dividends during the tenure of the loan facility obtained from respective financiers.

We do not foresee any material impact from the above restrictions for CSHB to meet its cash obligations.

There are no legal or economic restrictions on the ability of TMX to transfer funds to CSHB in the form of cash dividends.

Net cash from operating activities

The net cash from operating activities of RM1.42 million was mainly derived from our normal operating activities of providing software, implementation and training services, hardware and maintenance attributable to PBT of RM4.58 million and adjusted for amortisation and depreciation amounting to RM1.04 million as well as changes in working capital of RM4.18 million.

Net cash for investing activities

The net cash for investing activities was mainly for software development expenditure amounting to RM1.99 million.

Net cash for financing activities

Net cash for financing activities was mainly due to dividends paid of RM5.59 million and repayment of bank borrowings and hire purchase amounting to RM0.06 million.

7 HISTORICAL PROFORMA FINANCIAL INFORMATION AND OTHER INFORMATION (Cont'd)

7.4.3 Borrowings and Gearing

The following are the interest bearing borrowings of our Group (on a proforma group basis after completion of the Acquisition of Subsidiary Companies) as at 31 July 2010:-

	As at 31 July 2010 RM'000
Non current liabilities	
Long term borrowings	567
Current liabilities	
Short term borrowings	4,119 [#]
Total borrowings	<u>4,686</u>
Gearing (times) [^]	0.19
Gearing (times) [*]	0.02

Notes:-

[#] Censof pledged RM2 million as security to the borrowings.

[^] Based on proforma shareholders' funds as at 31 July 2010 of RM24.48 million upon completion of the Acquisition of Subsidiaries as set out in Section 7.2 of this Prospectus

^{*} Based on proforma shareholders' funds as at 31 July 2010 of RM44.42 million upon completion of the Listing Scheme and after utilisation of proceeds as set out in Section 7.2 of this Prospectus. Upon the utilisation of proceeds, total borrowings will decrease to RM0.69 million

In addition, CSM also has facilities (including bank guarantee) of up to RM7.0 million with CIMB Bank Berhad which is secured against pledge of RM3.1 million by Censof and fixed deposit of RM0.13 million by CSM.

Our Group has not defaulted on payments of either interest and/or principal sums in respect of any borrowings throughout the FYE 2007 to 7-months FPE 31 July 2010 thereof, immediately preceding the date of this Prospectus, up to LPD.

7.4.4 Breach of Terms and Conditions/ Covenants Associated with Credit Arrangement/ Bank Loan

As at the LPD, neither CSHB nor its subsidiary companies are in breach of any terms and conditions or covenants associated with any credit arrangement or bank loan, which can materially affect our Group's financial results or business operations, or the investments by holders of securities in our Group.

7.4.5 Type of Financial Instruments Used

As at the LPD, our Group does not have nor is our Group using any financial instruments for hedging purposes.

7 HISTORICAL PROFORMA FINANCIAL INFORMATION AND OTHER INFORMATION (Cont'd)

7.5 TREND INFORMATION

As at the LPD, to the best of our Directors' knowledge and belief, the financial conditions and operations of our Group have not been and are not expected to be affected by any of the following:-

- (a) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have a material favourable or unfavourable impact on our Group's financial performance, position and operations other than those discussed in Sections 4, 5 and Section 8 of this Prospectus;
- (b) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group save as disclosed in Sections 4 and 8 of this Prospectus;
- (c) known trends, demands, commitments, events or uncertainties that had resulted in a material impact on our Group's revenue and/or profits save as those disclosed hereunder, industry overview and our future plans and strategies in Sections 5.5 and 6 of this Prospectus;
- (d) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical financial statements not indicative of the future performance and position other than those disclosed in Sections 4 and 8 of this Prospectus;
- (e) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have, a material favourable or unfavourable impact on our Group's liquidity and capital resources, other than those discussed hereunder and in Sections 4 and 7.4 of this Prospectus; and
- (f) seasonality trends and demands that have had or that we reasonably expect to have a material favourable or unfavourable impact on our Group's financial performance, position and operations other than those discussed hereunder and in Section 5.4.7 of this Prospectus.

In addition to the above, our Board is of the opinion that the state of our order book is likely to have a material impact on our revenue or profit. As at 31 July 2010, we have an order book of approximately RM34.91 million which consists of new projects and maintenance services with new projects amounting to approximately 65%. In addition, our subsidiary TMX has a recurring revenue from MBF Cards (M) Sdn Bhd of an average of RM1.5 million per year for the 18-months FPE 31 December 2007 to the 7-months FPE 2010.

The most significant recent trends in costs since the most recent financial year for both FMSS and payment solutions is the increase of staff remuneration. In respect of revenue model, our Group intends to gradually move to the ASP model, focusing on SaaS. This approach would provide a more consistent source of recurring income.

The Development Administration Circular No.1 of 2007, issued by the PMD effective 4 May 2007 which superseded the Government's circular PKPA 1/1996, asserted the Government's plan to implement SAGA progressively in all its Federal Statutory Bodies. Our Board believes that the recognition of CSM as a provider of SAGA puts us in a niche position to carry out the Government's plans.

7 HISTORICAL PROFORMA FINANCIAL INFORMATION AND OTHER INFORMATION (Cont'd)

Bank Negara Malaysia will continue to emphasise on promoting awareness and enhancing cooperation of more economic sectors to drive the higher adoption of e-payments will be a priority for 2010. (Source: *Financial Stability and Payment Systems Report 2009 by Bank Negara Malaysia*) Our Board believes that TMX has the solution, expertise and track record to implement e-payment systems for various economic sectors to support Bank Negara Malaysia's efforts to promote e-payment in the country.

Our Board is optimistic about our Group's business and financial prospects given the favourable outlook of the ICT and FMSS industry as well as our market size, as set out in Section 6 of this Prospectus, our competitive strengths and advantages as set out in Section 5.4.13 of this Prospectus and our dedication to implement our R&D and future plan as set out in Sections 5.4.10 and 5.5 respectively of this Prospectus.

7.6 MATERIAL LITIGATION, MATERIAL CONTINGENT LIABILITIES AND MATERIAL CAPITAL COMMITMENT

(a) Material Litigation

As at the LPD, our Group is not engaged whether as plaintiff or defendant in any legal action, proceedings, arbitration or prosecution for any criminal offence, which has a material effect on the financial performance and position of our Group and our Board has no knowledge of any proceedings pending or threatened against our Group or any facts likely to give rise to any proceedings which might materially affect the financial position or business of our Group.

(b) Material Contingent Liabilities

As at the LPD, there are no material contingent liabilities incurred by our Group, which upon becoming enforceable, may have a material impact on the results or the financial position of our Group.

(c) Material Commitment

As at the LPD, there are no material commitments for capital expenditure incurred or known to be incurred by our Group which may have a substantial impact on the results or the financial position of our Group.

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8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS

The following is a discussion of our results over comparable periods of time. This management discussion and analysis of our business, financial condition and results of operations has been prepared based on our audited consolidated financial statements for the three (3) FYE 2007, 2008, 2009 and the 7-months FPE 31 July 2010 as well as the unaudited 7-months FPE 31 July 2009. It should be noted that the relevant audited periods used in the preparation of the aforementioned consolidated financial statements for CSM is FYE 2007, FYE 2008, FYE 2009, 7-months FPE 31 July 2009 and 7-months FPE 31 July 2010, whilst TMX is 18-months FPE 31 December 2007, FYE 2008, FYE 2009, 7-months FPE 31 July 2009 and 7-months FPE 31 July 2010. The figures presented here have been prepared only to facilitate our discussion and analysis of our business, financial condition and results of operations. This section should be read in conjunction with the proforma consolidated financial information and the related notes thereon for the three (3) FYE 2007, 2008, 2009 and 7-months FPE 31 July 2010 as well as the unaudited 7-months FPE 31 July 2009 included in Sections 7.1 (Historical Financial Information) and 7.2 (Reporting Accountants' Letter on the Proforma Consolidated Financial Information) of this Prospectus.

The discussion and analysis contains forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause future results to differ significantly from those projected in the forward-looking statements include, but are not limited to, those discussed below and elsewhere in this Prospectus, particularly the risk factors set out in Section 4 (Risk Factors).

The figures in this section are approximate figures and where appropriate, for ease of reference, we have rounded the figures to two (2) decimal places.

8.1 BACKGROUND

Overview

Our Group comprises an investment holding company and two (2) subsidiaries which own and operate our businesses. We operate our businesses through the following two (2) business units which is essentially our two (2) subsidiaries:

- (i) CSM - FMSS division, involved in the design, development, implementation and marketing of financial management software and services (For further details, please refer to Section 5.1.2 of this Prospectus); and
- (ii) TMX - Payment Aggregation Software division, which provides services for financial applications, electronic payments and collections solutions, essentially offering SaaS (For further details, please refer to Section 5.1.3 of this Prospectus).

8.2 SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations are affected by a number of factors, the most significant of which are described below.

8.2.1 Government's Initiatives/ Spending

Since 1996, the Malaysian Government has rolled out many initiatives to lead the country into the information age. The implementation of SAGA is an example of the Government's initiative to improve efficiency of financial management and accounting within the public sector. SAGA fulfils accounting needs of Federal Statutory Bodies.

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

Another initiative is the Electronic Government ("e-Government") Programme. The e-Government Programme was developed to improve the public delivery system. This is done through the provision of integrated and efficient ICT solutions to ensure easier and speedier access to government services, especially by rural communities. The aims of the e-Government Programme are:

- improve how the Government operates internally as well as how it delivers services to the people of Malaysia; and
- improve the convenience, accessibility and quality of interactions with citizens and businesses.

Besides the e-Government Programme, the Government has also rolled out ICT Strategic Plan for the Public Sector, which was launched in 2003. This plan focuses on the strategic direction and framework for ICT in the public sector. It comprises a number of strategic initiatives and smart partnership programmes to improve linkages among agencies, businesses and the public. The implementation of the ICT Strategic Plan for the Public Sector takes into consideration the need for increased interoperability, common standards and guidelines, shared infrastructure, as well as continuous upgrading of ICT skills amongst the Government workforce.

The 10th Malaysian Plan has highlighted that the public sector must transform to effectively respond to a rapidly evolving global environment. The Government believes that as challenges and opportunities will increasingly transcend traditional boundaries, inter-agency collaboration and working across federal, state and local levels as an integrated government will be adopted to ensure cross-cutting issues are addressed. An outcome-based approach will be adopted for planning, resource allocation, monitoring and evaluation in order to allow for more effective resource management.

(Source: IMR Report prepared by D&B)

The initiatives and plans abovementioned are backed by annual budget allocations by the Government, which supports CSM's continued focus in the public sector and forms a basis for CSM's revenue growth moving forward.

8.2.2 Productivity in the Public Sector

The Government understands and recognises that ICT will enable the public sector to carry out its role effectively and efficiently. Under the Third Industrial Master Plan 2006-2020, the Government requested for improved productivity within the public sector. There is a need to address inefficiencies in the public sector delivery to facilitate business operations which will enable Malaysia to remain attractive not only to local but also foreign investors.

The Government has launched quite a number of initiatives to address the public sector's inefficiencies. Some of these initiatives include SAGA and e-Government, which was launched in 1997 with the aim of leading the country into the information age and better automation. The e-Government has seven (7) flagship applications which include:-

- (a) E-Services
 - Government-to-citizen's application for electronic delivery of utility payments and summons services such as compound, licensing and bill payment
- (b) Project Monitoring System
 - a system used to monitor the Government's development projects' implementation, from the highest level to the activity level
- (c) Human Resource Management Information System
 - an integrated, technology-enabled information system for public service with the objective to consolidate human resource data and open system

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

- (d) Generic Office Environment
 - an office management solution that manages the office environment
- (e) Electronic Procurement
 - a system that enables suppliers to sell goods and services to the Government via the Internet
- (f) Electronic Labour Exchange
 - one-stop centre for labour market information
- (g) E-Syariah
 - integration of processes related to cases for the Syariah Courts

These initiatives are to assist the public sector to improve productivity through the use of ICT. Flagship applications such as the aforementioned will greatly assist civil servants to improve better efficiencies in delivering public services. Moreover, with the implementation of a five-day working week for civil servants, ICT will be the main platform for public sector's productivity.

(Source: IMR Report prepared by D&B)

With the initiatives launched by the Government to improve productivity in the public sector, CSM believes that this would continue to support CSM's focus in the public sector.

8.2.3 Contracts

Currently, the contracts secured are dependent on factors such as our extensive experience in implementing Government projects, with both CSM and TMX being a MoF approved Bumiputera contractor as well as CSM's recognition as the current sole provider under the SAGA Initiative for the SAGA Expansion Programme I, II and III. For more details, please refer to Section 5.1.2 of this Prospectus for more details. CSM's ability to continuously secure contracts would also have an effect on our Group's profits.

Notwithstanding the maintenance service contracts ranging from one (1) to three (3) years which contribute approximately 41% and 49% to CSM's total revenue in FYE 2009 and 7-months FPE 31 July 2010 respectively, CSM's profitability is affected by the timely completion of contracts, as the billings are generally milestone based. Any delay in the implementation of any of CSM's contracts would affect our Group's profitability. Additionally, CSM may be liable for product warranty as provided in the contracts as set up in Section 4.1.2(e) of this Prospectus.

TMX's payment and collection services contracts are long term and recurrent in nature, ranging from two (2) to three (3) years.

8.2.4 Salaries and related costs

A significant portion of our Group's expenses comprises salaries and the related costs. In our effort to maintain competitive salaries and attractive remuneration packages, any significant increase in our Group's salaries and the related costs would have an effect on our Group's PAT.

8.2.5 Tax consideration

Our subsidiary companies, CSM and TMX, are both granted MSC Malaysia Status and Pioneer Status by MDeC and MITI which accords our Group exemption from Malaysian income tax for a period of five (5) years. CSM was awarded pioneer status on 17 August 2006 whilst TMX received their award on 24 September 2002. Subsequently, TMX had renewed its Pioneer Status for another five (5) years in 2007. Revocation of the MSC Malaysia Status and Pioneer Status and consequently the related tax and other advantages would affect our Group's profits.

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

8.3 OVERVIEW OF REVENUE AND EXPENSES

The following table sets forth our audited proforma consolidated income statement and unaudited 7-months FPE 31 July 2009, the components of which are expressed as a percentage of total revenue for the FYE indicated:-

	Proforma FYE 2007			Proforma FYE 2008			Unaudited 7-months FPE 31 July 2009			Proforma FYE 2010		
	RM'000	% of operating revenue	RM'000	RM'000	% of operating revenue	RM'000	RM'000	% of operating revenue	RM'000	RM'000	% of operating revenue	RM'000
Operating Revenue:												
Software, Implementation and Training	15,966	64.85	18,903	64.17	50.93	15,341	7,220	49.73	8,444	45.79		
Hardware	4,330	17.59	6,104	20.72	14.10	4,248	1,711	11.78	2,608	14.14		
Maintenance	4,323	17.56	4,452	15.11	34.97	10,533	5,589	38.49	7,390	40.07		
	24,619	100.00	29,459	100.00	100.00	30,122	14,520	100.00	18,442	100.00		
	(12,418)	(50.44)	(14,113)	(47.91)	(44.71)	(13,469)	(7,002)	(48.22)	(9,471)	(51.36)		
Cost of sales												
Gross Profit	12,201	49.56	15,346	52.09	55.29	16,653	7,518	51.78	8,971	48.64		
Other Income	543	2.21	4,291	14.57	1.16	348	183	1.26	36	0.20		
Administrative Expenses	(5,504)	(22.36)	(6,752)	(22.92)	(17.37)	(5,233)	(3,051)	(21.01)	(3,874)	(21.01)		
Depreciation	(466)	(1.89)	(539)	(1.83)	(1.81)	(546)	(308)	(2.12)	(356)	(1.93)		
Other operating expenses	(18)	(0.07)	(53)	(0.18)	(5.41)	(1,631)	(1)	(0.01)	(1)	(0.01)		
Profit from operations	6,756	27.44	12,293	41.73	31.84	9,591	4,341	29.90	4,776	25.90		
Finance costs	(191)	(0.78)	(426)	(1.45)	(1.08)	(326)	(189)	1.30	(195)	(1.06)		
PBT	6,565	26.67	11,867	40.28	30.76	9,265	4,152	28.60	4,581	24.84		
Taxation	(84)	(0.34)	(59)	(0.20)	0.03	8	(17)	(0.12)	(6)	(0.03)		
PAT	6,481	26.33	11,808	40.08	30.78	9,273	4,135	28.48	4,575	24.81		

Our operating revenue increased from RM24.62 million for the FYE 2007 to RM30.12 million for the FYE 2009 whilst PAT increased from RM6.48 million for the FYE 2007 to RM9.27 million for the FYE 2009. Our operating revenue and PAT for the 7-months FPE 31 July 2010 are RM18.44 million and RM4.58 million respectively. Our performance is further discussed in the sections below.

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

8.3.1 Operating Revenue

Our operating revenue comprises operating revenue from our FMSS division and Payment Aggregation Software division.

FMSS Division

The operating revenue consist of the following:-

Software, Implementation and Training

Software license fees refer to a one-time right of use of the software. For CSM's proprietary software, Century Financials, this fee is normally approximately 20% to 25% of the project revenue. CSM adopts a licensing model based on the number of servers, users and/or subscribers.

Implementation fees refer to charges for the value-added services CSM provides to ensure timely and successful completion of CSM's projects. CSM charges implementation fees based on factors such as software integration, additional functionality or customisation required, review and reconciliation of customers' standard operating procedures, expected man-days required to complete the integration, implementation and commissioning of the software. This constitutes approximately 35% to 50% of the project revenue.

Training fees refer to charges for the training sessions CSM conducts during implementation to familiarise end users with CSM's software. The fees depend on the number of sessions required, size of each session and the number of modules involved. Typically, training fees constitute 10% to 15% of the total project revenue. CSM initiated a training unit focusing on the financial aspects of Century Financials.

Hardware

In the course of providing CSM software, CSM also provides hardware at the option of its customers, which normally constitute an average 15% to 30% of CSM's total project revenue. Hardware includes, inter alia, servers, PCs, networking equipment, data storage, printers and uninterrupted power supply. The pricing is based on the combination of hardware and services required in the project. CSM's margin for hardware is typically in between 5% to 20%.

Maintenance

Maintenance revenue is derived from fees charged for annual licensing, technical support and maintenance.

Annual licensing refers to the customers' continuing right to use CSM's software on an annual basis. This will also entitle them to software upgrades and bug fixes.

Technical support and maintenance refers to ongoing technical support that CSM's provides to ensure system uptime and any other maintenance required, and includes a web-based RFS portal which CSM hosts and is staffed by skilled and experienced accountants and support engineers.

Maintenance revenue is typically 18% to 22% of the software license fee charged for each project. In addition, CSM earns a small margin from the maintenance of servers that its software runs on.

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

An analysis of CSM's segmental revenue is as follows:-

Revenue analysis by services

Products and/or services	FYE 2007		FYE 2008		FYE 2009		7-months FPE 31 July 2009		7-months FPE 31 July 2010	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Software, implementation and training	9,593	52.58	13,716	56.51	10,763	42.14	4,930	41.58	4,724	32.66
Hardware	4,330	23.73	6,104	25.15	4,248	16.63	1,628	13.73	2,607	18.03
Maintenance	4,323	23.69	4,452	18.34	10,533	41.23	5,298	44.69	7,131	49.31
	18,246	100.0	24,272	100.0	25,544	100.0	11,856	100.0	14,462	100.0

The percentages between software, implementation and training, hardware and maintenance fluctuate as their proportions vary from one project to another. The timing of the invoices also contributes to this, for example, a project may overlap two financial years and the total invoiced amount between these two years will depend on factors such as the commencement and completion dates of the projects. Further, as delivery of the hardware is normally done at the beginning of the project, the invoice amount in the initial project period tends to be higher.

The fluctuation is normally more prominent for hardware as the revenue earned is supplementary to the software package and depends on customers' requirements.

In general, revenue from maintenance increases gradually as the revenue will be earned from all projects previously undertaken, excluding revenue from a few small projects where maintenance contracts have not been entered into.

Revenue analysis by sectors

Products and/or services	FYE 2007		FYE 2008		FYE 2009		7-months FPE 31 July 2009		7-months FPE 31 July 2010	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Public sector	17,205	94.29	26,850	98.26	24,070	94.23	11,496	96.96	14,253	98.55
Private sector	1,041	5.71	422	1.74	1,474	5.77	360	3.04	209	1.45
	18,246	100.0	24,272	100.0	25,544	100.0	11,856	100.0	14,462	100.0

Having serviced the Malaysian public sector for over 10 years, CSM's focus is in the public sector, with revenue contribution from the public sector being more than 94% for the past three (3) FYEs and the 7-months FPE 31 July 2010.

Payment Aggregation Software Division

The operating revenue consists of the following:-

Software and Implementation

Software license fees refer to all configured application software and related functionality used in the client's application as well as SaaS fees where a fixed fee is charged on a per transaction basis. It contributes approximately 40% of the total operating revenue.

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

Implementation fees refer to the configuration of a tailored, client-specific software interface to the system and the design and configuration of client business rules and databases. This constitutes approximately 40% of the total operating revenue.

TMX's software and implementation revenue consist of two (2) main streams, namely ASP, which is recurrent in nature and SI which is project based, with an approximate contribution of 62% and 25% respectively while the balance is contributed by hardware (3%) and maintenance (10%) over the last three (3) years.

Hardware

In the course of providing TMX's software, TMX's also provide servers and other networking equipments at the option of its customers, which normally constitute an average of 10% to 12% of our total operating revenue. TMX's margin for hardware is typically in between 10% to 20%.

Maintenance

Maintenance revenue consists of software maintenance and technical support fee. This includes updates to the software, reconfiguration or maintenance on the software necessary during the contract term, as well as the performance of routine maintenance on clients' relevant databases and core systems.

An analysis of TMX's segmental revenue is as follows:-

Revenue analysis by services

Products and/or services	FYE 2007		FYE 2008		FYE 2009		7-months FPE 31 July 2009		7-months FPE 31 July 2010	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Software, implementation and training	6,041	94.78	4,895	94.37	4,025	87.92	2,290	85.96	3,720	93.47
Hardware	22	0.35	-	-	83	1.81	83	3.12	1	0.02
Maintenance	310	4.87	292	5.63	470	10.27	291	10.92	259	6.51
	6,373	100.0	5,187	100.0	4,578	100.0	2,664	100.0	3,980	100.0

In general, software and implementation has been the major contributor to TMX's revenue, contributing approximately 88% - 95% over the past three (3) FYE 2009 and the 7-months FPE 31 July 2010. Contribution from hardware fluctuates as the revenue depends on customers' requirements. Revenue from maintenance will be earned from projects which were previously undertaken.

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

8.3.2 Cost of Sales and GP

(i) Cost of Sales

Our cost of sales comprises the following:-

FMSS Division

Products and/or services	FYE 2007		FYE 2008		FYE 2009		7-months FPE 31 July 2009		7-months FPE 31 July 2010	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Software, implementation and training	5,387	57.87	5,096	41.92	6,987	63.59	3,339	57.17	2,872	42.85
Hardware	1,978	21.25	5,272	43.37	2,465	22.43	1,335	22.86	2,075	30.96
Maintenance	1,943	20.88	1,789	14.71	1,537	13.98	1,166	19.97	1,756	26.19
	9,308	100.0	12,157	100.0	10,989	100.0	5,840	100.0	6,703	100.00

Payment Aggregation Software Division

Products and/or services	FYE 2007		FYE 2008		FYE 2009		7-months FPE 31 July 2009		7-months FPE 31 July 2010	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Software, implementation and training	2,916	93.77	1,703	87.07	2,031	81.90	859	73.90	2,580	93.21
Hardware	16	0.51	-	-	72	2.90	72	6.20	-	-
Maintenance	178	5.72	253	12.93	377	15.20	231	19.90	188	6.79
	3,110	100.0	1,956	100.0	2,480	100.0	1,162	100.0	2,768	100.0

Note:-

The amortisation of software development expenditure has been classified under cost of sales.

(ii) GP

An analysis of our segmental GP is as follows:-

FMSS Division

Products and/or services	FYE 2007		FYE 2008		FYE 2009		7-months FPE 31 July 2009		7-months FPE 31 July 2010	
	Margin		Margin		Margin		Margin		Margin	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Software, implementation and training	4,206	43.84	8,620	62.85	3,776	35.08	1,591	32.27	1,852	39.20
Hardware	2,352	54.32	832	13.63	1,783	41.97	293	18.00	532	20.41
Maintenance	2,380	55.05	2,663	59.82	8,996	85.41	4,132	77.99	5,375	75.38
	8,938	48.99	12,115	49.91	14,555	56.98	6,016	50.74	7,759	53.65

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

The gross profit margins of software, implementation and training, fluctuate as gross profit margins differ from one project to another due to the different composition between software, implementation and training for each project. In addition, the total revenue from implementation and training is dependent on factors such as the extent of the work, for example, for some projects, more implementation work is required to integrate our software to other systems or more extensive training is requested by our clients.

However, the margins of our core business, namely, software implementation training and maintenance, have been relatively healthy ranging between 32.27% to 62.85%.

Revenue from hardware is supplementary to our software package and the profit margin derived from hardware sales varies from one project to another.

Payment Aggregation Software Division

Products and/or services	FYE 2007		FYE 2008		FYE 2009		7-months FPE 31 July 2009		7-months FPE 31 July 2010	
	RM'000	Margin %	RM'000	Margin %	RM'000	Margin %	RM'000	Margin %	RM'000	Margin %
Software, implementation and training	3,125	51.73	3,192	65.21	1,994	49.54	1,431	62.53	1,140	30.67
Hardware	6	27.27	-	-	11	13.25	11	13.25	1	100.0
Maintenance	132	42.58	39	13.36	93	19.79	60	20.62	71	27.41
	3,263	51.20	3,231	62.29	2,098	45.83	1,502	56.42	1,212	30.48

The margins for software and implementation have been relatively high during the past three (3) FPE/FYE 2009 and the 7-months FPE 31 July 2010, mainly due to the ASP business. The gross profit margins nevertheless vary as gross profit margins differ from one project to another, depending on factors such as the different proportion between software and implementation, which have different gross margins.

The profit margin derived from hardware sales also varies as the amount differs from one project to another.

8.3.3 Other Income

The following table sets forth our Group's other income for the relevant FYEs:-

	2007	FYE 2008	2009	7-months FPE 31 July 2009	7-months FPE 31 July 2010
	RM'000	RM'000	RM'000	RM'000	RM'000
Other Income					
Fixed deposit interest income	71	83	84	67	20
Recoverable expenses	470	799	162	103	16
Rental income	-	226	-	-	-
Gain on disposal of property	-	3,180	-	-	-
Grant income	-	-	13	13	-
Insurance claim	-	-	87	-	-
Others	2	3	2	-	-
	543	4,291	348	183	36

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

Other income comprises mainly the following:-

- interest income from fixed deposit;
- recoverable expenses relating to the recovery of costs such as rental of conference hall, paid on behalf of our customers and the amount varies depending on the events organised for our customers and their requirements;
- Rental income relates to rental received prior to the disposal of our property at KL Sentral;
- Gain on disposal of fixed assets relates to gain arising from disposal of our property and its related assets at KL Sentral; and
- Grant income relates to a grant given by Microsoft through a financial funding program which was designed to support software developers.

8.3.4 Total Expenditure

Our total expenditure comprises administrative expenses, depreciation and other operating expenses.

Administrative Expenses

The following table sets forth our administrative expenses for the relevant FYEs:-

	2007	FYE 2008	2009	7-months FPE 31 July 2009	2010
	RM'000	RM'000	RM'000	RM'000	RM'000
Administrative Expenses					
Director's remuneration	724	585	498	281	230
Marketing expenses	1	96	364	314	31
Staff costs	2,723	4,118	2,364	1,322	1,351
Travelling and accommodation	398	103	192	110	119
Rental expense	209	326	603	355	337
Lease rental	90	20	-	-	-
Others	1,359	1,504	1,212	669	1,806*
	5,504	6,752	5,233	3,051	3,874

Note:-

* Other expenses relate largely to Listing expenses charged out during the 7-months FPE 31 July 2010.

Staff costs are a major portion of our administration expenses and these staff costs are mainly for R&D, sales and marketing and support staff such as finance and administration staffs.

Depreciation

The following table sets forth our depreciation for the relevant FYEs:-

	2007	FYE 2008	2009	7-months FPE 31 July 2009	2010
	RM'000	RM'000	RM'000	RM'000	RM'000
Depreciation	466	539	546	308	355

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

Depreciation comprises depreciation of office equipment, computer hardware, computer software, furniture & fittings, motor vehicle and renovation work. Generally, the amount increases as our Group's capital expenditure expands.

Other Operating Expenses

The following table sets forth our other operating expenses for the relevant FYEs:-

	FYE		7-months FPE 31 July	
	2007	2008	2009	2010
	RM'000	RM'000	RM'000	RM'000
Other Operating Expenses				
Development expenditure written off	-	-	1,342	-
Others	18	53	289	1
	18	53	1,631	1

The development expenditure written off was due to the realignment of TMX's amortisation policy with that adopted by CSM of five (5) years. Previously, TMX had amortised its development expenditure over a period of ten (10) years.

8.4 7-MONTHS FPE 31 JULY 2010 COMPARED TO 7-MONTHS FPE 31 JULY 2009

8.4.1 Operating revenue

Our operating revenue increased by 27.00% from RM14.52 million in the 7-months FPE 31 July 2009 to RM18.44 million in the 7-months FPE 31 July 2010.

FMSS Division

CSM's operating revenue increased significantly by 21.92% (or RM2.60 million) from RM11.86 million registered in the 7-months FPE 31 July 2009 to RM14.46 million in the 7-months FPE 31 July 2010. This increase was mainly attributable to revenue earned from the following new customers:-

- (i) Perbadanan Pengurusan Sisa Pepejal dan Pembersihan Awal - RM1.08 million,
- (ii) Lembaga Kemajuan Pertanian Muda - RM0.92 million, and
- (iii) Suruhanjaya Koperasi Malaysia - RM0.91 million.

The increase however, was slightly offset by a lower contribution from LHDN, the major revenue contributor for the 7-months FPE 31 July 2009, i.e., by RM0.69 million from RM1.80 million in the 7-months FPE 31 July 2009 to RM1.11 million in the 7-months FPE 31 July 2010, as the project nears completion.

Nevertheless, revenue contribution from software, implementation and training fees decreased slightly from RM4.93 million in the 7-months FPE 31 July 2009 to RM4.72 million in the 7-months FPE 31 July 2010, i.e., a diminution of 4.26%, mainly due to the timing of recognition of revenue. Most of CSM's projects initially involve delivery of the hardware, which is only then followed by the delivery of software, implementation and training. As a few of the major new projects for the 7-months FPE 31 July 2010 commenced only towards the end of the period, revenue contributions from software, implementation and training from these projects were initially lower.

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

Due to the same reason, revenue from hardware increased considerably by 60.12% from RM1.63 million in the 7-months FPE 31 July 2009 to RM2.61 million in the 7-months FPE 31 July 2010. Having said this, hardware revenue is supplementary to the software package and varies from one project to another depending on customers' requirements.

Maintenance fees increased by 34.53% from RM5.30 million in the 7-months FPE 31 July 2009 to RM7.13 million in the 7-months FPE 31 July 2010. The maintenance revenue amount will only be recognised one year subsequent to implementation, thus it will not increase in proportion to the increase in software, implementation and training. There is an increase in maintenance fees as revenue was earned from all projects previously undertaken, excluding revenue from a few small projects where maintenance contracts have not been entered into.

Payment Aggregation Software Division

TMX's operating revenue has increased by 49.62% from RM 2.66 million in the 7-months FPE 31 July 2009 to RM 3.98 million in the 7-months FPE 31 July 2010. The increase was mainly due to the EPF ID management project which started at end of year 2009 which contributed approximately 53.90% (or RM2.14 million) to the total operating revenue.

As a result of the above, the software & implementation revenue has increased by 62.44% from RM 2.29 million in the 7-months FPE 31 July 2009 to RM 3.72 million in the 7-months FPE 31 July 2010.

On the other hand, maintenance fee has decreased by 10.34% from RM 0.29 million in the 7-months FPE 31 July 2009 to RM0.26 million in the 7-months FPE 31 July 2010 due to the completion of the RHB stock banking system project in 2009.

8.4.2 Cost of Sales and GP

Our cost of sales increased by 35.29% from RM7.00 million in the 7-months FPE 31 July 2009 to RM9.47 million in the 7-months FPE 31 July 2010. Our GP improved by 19.28% from RM7.52 million in the 7-months FPE 31 July 2009 to RM8.97 million in the 7-months FPE 31 July 2010. Our overall GP margin decreased from 51.78% to 48.64%.

FMSS Division

CSM's cost of sales increased by 14.73% from RM5.84 million in the 7-months FPE 31 July 2009 to RM6.70 million in the 7-months FPE 31 July 2010 primarily attributable to the increase in revenue.

CSM's GP increased by 28.90% from RM6.02 million in the 7-months FPE 31 July 2009 to RM7.76 million in the 7-months FPE 31 July 2010. The increase was mainly due to an improved GP margin of 53.65% for the 7-months FPE 31 July 2010 as compared to 50.74% for the 7-months FPE 31 July 2009, as a result of higher revenue contribution from maintenance which provides a higher profit margin compared to revenue from software, implementation and training or hardware.

Payment Aggregation Software Division

TMX's cost of sales has significantly increased by 138.79% from RM 1.16 million in the 7-months FPE 31 July 2009 to RM 2.77 million in the 7-months FPE 31 July 2010. This increase was mainly due to TMX subcontracting the security / Identity Management (IDM) installation and customisation services to Xynapse Asia Sdn Bhd and Avnet Azure Sdn Bhd in the EPF Identity Management project.

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

TMX's GP decreased by 19.33% from RM1.50 million in the 7-months FPE 31 July 2009 to RM1.21 million in the 7-months FPE 31 July 2010. The decrease was mainly due to the drop in GP margin for the software, implementation and training fees. This decrease was mainly due to the expiration of the three (3) year revenue sharing arrangement for e-HR, TMX's Max-Paygate PPS co-branded by RHB Bank, which has a relatively high margin. Another reason for a fall in GP margin was due to the reduced margin for the MBF Cards Max-Paygate MPS due to a new discounted price agreed between TMX and MBF Cards in 2010.

8.4.3 Other income

Our other income decreased by 77.78% from RM0.18 million for the 7-months FPE 31 July 2009 to RM0.04 million for the 7-months FPE 31 July 2010. The decrease was mainly attributable to the following:-

- lower recoverable expenses for the 7-months FPE 31 July 2010 compared to that for the 7-months FPE 31 July 2009. Recoverable expenses relate to the recovery of costs such as rental of conference hall, paid on behalf of our customers and the amount varies depending on the events organised for our customers and their requirements; and
- lower income from fixed deposit interest due to reduced cash balance.

8.4.4 Total expenditure

(i) Administrative expenses

Our administrative expenses have increased considerably by 26.89% from RM3.05 million in the 7-months FPE 31 July 2009 to RM3.87 million in the 7-months FPE 31 July 2010. The increase was mainly attributable to Listing expenses amounting to RM1.05 million charged out during the 7-months FPE 31 July 2010.

(ii) Depreciation

Our depreciation increased marginally from RM0.31 million for the 7-months FPE 31 July 2009 to RM0.36 million for the 7-months FPE 31 July 2010, as no significant addition or disposal of fixed assets were made in the 7-months FPE 31 July 2010.

(iii) Other operating expenses

There were no significant fluctuation in other operating expenses in the 7-months FPE 31 July 2010 as compared to the 7-months FPE 31 July 2009.

8.4.5 Finance costs

Our finance costs increased marginally from RM0.19 million in the 7-months FPE 31 July 2009 to RM0.20 million in the 7-months FPE 31 July 2010.

8.4.6 PBT

As a result of the abovementioned factors, our PBT increased by 10.36% from RM4.15 million in the 7-months FPE 31 July 2009 to RM4.58 million in the 7-months FPE 31 July 2010.

8.4.7 Taxation

Taxation decreased marginally from RM0.02 million in the 7-months FPE 31 July 2009 to RM0.01 million in the 7-months FPE 31 July 2010. Taxation mainly relates to income from fixed deposit and the reduction in taxation is in line with the reduction in income from fixed deposit.

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

8.4.8 PAT

As a result of the abovementioned factors, our PAT increased by 10.63%, from RM4.14 million in the 7-months FPE 31 July 2009 to RM4.58 million in the 7-months FPE 31 July 2010.

8.5 FYE 2009 COMPARED TO FYE 2008

8.5.1 Operating revenue

Our operating revenue increased by 2.24% from RM29.46 million in the FYE 2008 to RM30.12 million in the FYE 2009.

FMSS Division

CSM's operating revenue increased by 5.23% from RM24.27 million in the FYE 2008 to RM25.54 million in the FYE 2009. This increase was mainly attributable to higher maintenance revenue of RM10.53 million for the FYE 2009 compared to RM4.45 million for the FYE 2008. Maintenance revenue had increased which is in line with maintenance contracts entered into in respect of revenue from projects previously undertaken, excluding revenue from a few small projects where maintenance contracts have not been entered into. Such maintenance amount is usually recognised only one year after successful implementation of projects.

The above increase however, was offset by a reduction in revenue from software, implementation and training due to a few major projects nearing completion. Generally, revenue contribution would decrease as projects are near completion as most of the revenue had been recognised during the previous year. For example, revenue recognised from SAGA Expansion Programme Phase II decreased from RM6.98 million for the FYE 2008 to RM5.27 million for the FYE 2009 and revenue from LHDN dropped from RM7.92 million for the FYE 2008 to RM4.75 million for the FYE 2009. This accordingly has resulted in lower software, implementation and training fees of RM10.76 million in the FYE 2009 as compared to RM13.72 million in the FYE 2008.

A few new major projects were secured by CSM during the FYE 2009 including projects from Jabatan Akauntan Negara SAGA Expansion Programme Phase IV, Perbadanan Kemajuan Negeri Kedah, Universiti Tenaga Nasional and eNCoral Digital Solutions Sdn Bhd. Nevertheless, contributions from some of these projects during the year were small as they were secured towards the end of the financial year.

Revenue from hardware decreased by 30.49% from RM6.10 million in the FYE 2008 to RM4.20 million in the FYE 2009. As explained above, hardware revenue is supplementary to the software package and varies from one project to another depending on customers' requirements.

Payment Aggregation Software Division

TMX's operating revenue decreased by 11.75% from RM5.19 million in the FYE 2008 to RM4.58 million in the FYE 2009. The decrease was mainly attributable to the expiration of the three (3) year revenue sharing arrangement for e-HR, TMX's Max-Paygate PPS co-branded by RHB Bank. Therefore, the IP remains with TMX. Upon the expiration of the ASP contract, e-HR is no longer a service offered by RHB Bank.

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

As a result of the above, software and implementation fees have decreased by 17.76% from RM4.90 million in FYE 2008 to RM4.03 million in FYE 2009.

Maintenance fees increased by 62.07% from RM0.29 million in FYE 2008 to RM0.47 million in FYE 2009. This increase was mainly attributable to the completion of several SI projects, such as Bank Rakyat Identity Management, CIMB gateway and RHB e-FPX in the FYE 2009.

8.5.2 Cost of Sales and GP

Our cost of sales decreased by 4.54% from RM14.11 million in the FYE 2008 to RM13.47 million in the FYE 2009. Our GP accordingly increased by 8.47% from RM15.35 million in the FYE 2008 to RM16.65 million in the FYE 2009.

FMSS Division

CSM's cost of sales decreased by 9.62% from RM12.16 million in the FYE 2008 to RM10.99 million in the FYE 2009. The decrease was mainly due to lower cost of sales for hardware from RM5.27 million in the FYE 2008 to RM2.47 million in the FYE 2009 as a result of lower hardware revenue contribution. As explained above, revenue derived from hardware and its related cost of sales and margins varies as the hardware amount differs from one project to another, in view that the purchase of hardware is optional for its customers.

CSM's GP increased by 20.13% from RM12.12 million in the FYE 2008 to RM14.56 million in the FYE 2009. The increase is mainly due to higher revenue contribution from maintenance which provides a higher profit margin compared to revenue from software, implementation and training or hardware.

Payment Aggregation Software Division

TMX's cost of sales increased by 26.53% from RM1.96 million in the FYE 2008 to RM2.48 million in the FYE 2009. This increase was mainly due to TMX subcontracting the security / Identity Management (IDM) installation and customisation services to Xynapse Sdn Bhd in the Bank Rakyat Identity Management project; while TMX continues to play the role of main contractor, project manager, quality assurance and integration service provider. Depending on future projects and customer requirements, TMX may from time-to-time source for specialist sub-contractors to handle certain part of the projects.

TMX's GP decreased by 34.98% from RM3.23 million in the FYE 2008 to RM2.10 million in the FYE 2009. This decrease was in line with the decrease in TMX's revenue in the FYE 2009 as well as higher cost of sales as abovementioned.

8.5.3 Other income

Our other income decreased by 91.84% from RM4.29 million for the FYE 2008 to RM0.35 million for the FYE 2009. This decrease was mainly attributable to the following:-

- one off gain from disposal of property and its related assets at KL Sentral, amounting to RM3.18 million recorded in the FYE 2008;
- rental income of RM0.23 million received in the prior year compared to none in the FYE 2009. This rental income relates to rental received prior to the completion of the disposal of the property at KL Sentral; and
- higher recoverable expenses for the FYE 2008 compared to that for the FYE 2009. These recoverable expenses relate to the recovery of costs such as rental of conference hall paid on behalf of our customers and the amount varies depending on the events organised for them and their requirements.

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

8.5.4 Total expenditure

(i) Administrative expenses

Our administrative expenses decreased by 22.52% from RM6.75 million in the FYE 2008 to RM5.23 million in the FYE 2009. This decrease was mainly attributable to the reduction in staff costs by 42.72% from RM4.12 million in the FYE 2008 to RM2.36 million in the FYE 2009, as more staff salaries and their related expenses were capitalised during the FYE 2009 arising from increased R&D and related activities.

(ii) Depreciation

Our depreciation increased marginally from RM0.54 million for the FYE 2008 to RM0.55 million for the FYE 2009, as no significant addition or disposal of fixed assets were made in the FYE 2009.

(iii) Other operating expenses

Our other operating expenses increased significantly from RM0.05 million for the FYE 2008 to RM1.63 million for the FYE 2009. This increase was mainly attributable to the RM1.34 million development expenditure written off to realign TMX's amortisation policy from ten (10) years to five (5) years to be in line with CSM's amortisation policy.

8.5.5 Finance costs

Our finance costs decreased marginally from RM0.43 million in the FYE 2008 to RM0.33 million in the FYE 2009, mainly due to the lower utilisation of our overdraft facility during the FYE 2009.

8.5.6 PBT

As a result of the abovementioned factors, our PBT decreased by 21.90% from RM11.87 million in the FYE 2008 to RM9.27 million in the FYE 2009.

8.5.7 Taxation

Taxation decreased by 113.56% from RM0.06 million in the FYE 2008 to a tax credit of RM0.01 million in the FYE 2009. The taxation amount in the previous year mainly relates to rental income from our property at KL Sentral before the disposal was completed.

8.5.8 PAT

As a result of the abovementioned factors, our PAT decreased by 21.51% from RM11.81 million in the FYE 2008 to RM9.27 million in the FYE 2009.

8.6 FYE 2008 COMPARED TO FYE 2007

8.6.1 Operating revenue

Our operating revenue increased by 19.66% from RM24.62 million in the FYE 2007 to RM29.46 million in the FYE 2008.

FMSS Division

CSM's operating revenue increased by 32.99% from RM18.25 million in the FYE 2007 to RM24.27 million in the FYE 2008. This increase was mainly attributable to the following:-

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

- increase in revenue from LHDN from RM2.36 million in FYE 2007 to RM7.92 million in FYE 2008. The contribution from LDHN for the FYE 2008 relates to a new contract secured during the year; and
- increase in revenue from ANM for SAGA Expansion Programme Phase II project from RM5.06 million in FYE 2007 to RM6.98 million in FYE 2008.

Other new major projects secured in FYE 2008 were from Lembaga Air Pahang and Universiti Malaya amounting to RM1.20 million and RM2.12 million respectively. The projects were completed in 2009 and 2010 respectively.

Software, implementation and training fees is the main factor behind the above improvement as it increased by 43.07% from RM9.59 million in the FYE 2007 to RM13.72 million in the FYE 2008.

Revenue from hardware also contributed to the improvement of operating revenue as it increased by 40.88% from RM4.33 million in the FYE 2007 to RM6.10 million in the FYE 2008.

Payment Aggregation Software Division

TMX's operating revenue decreased by 18.52% from RM6.37 million in FPE 31 December 2007 to RM5.19 million in FYE 2008. The decrease was mainly attributable to the reduction in the software and implementation fees by 18.87% from RM6.04 million in FPE 31 December 2007 to RM4.90 million in FYE 2008. It should be noted that FPE 31 December 2007 comprised operations for 18 months whilst FYE 2008 comprised 12 months operations due to change of accounting year end.

8.6.2 Cost of Sales and GP

Our cost of sales increased by 13.61% from RM12.42 million in the FYE 2007 to RM14.11 million in the FYE 2008. Our GP increased by 25.82% from RM12.20 million in the FYE 2007 to RM15.35 million in the FYE 2008.

FMSS Division

CSM's cost of sales increased by 30.61% from RM9.31 million in the FYE 2007 to RM12.16 million in the FYE 2008. This increase was mainly attributable to the purchase of hardware for new projects secured.

CSM's GP increased from RM8.94 million in the FYE 2007 to RM12.12 million in the FYE 2008. The increase was mainly attributable to the increase in revenue.

Payment Aggregation Software Division

TMX's cost of sales decreased by 35.69% from RM3.11 million in the FPE 31 December 2007 to RM2.00 million in the FYE 2008. This is due to the lesser number of SI projects in 2008.

As the decrease in TMX's revenue and cost of sales are relatively the same, TMX's GP has similarly remained the same, i.e., RM3.26 million in the FPE 31 December 2007 compared to RM3.23 million in the FYE 2008.

8.6.3 Other income

Our other income increased by 694.44% from RM0.54 million for the FYE 2007 to RM4.29 million for the FYE 2008. This increase was mainly attributable to the one off gain on disposal of property of RM3.18 million and rental income of RM0.23 million received from the purchaser of CSM's property prior to the completion of the disposal in the FYE 2008.

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

8.6.4 Total expenditure

(i) Administrative expenses

Our administrative expenses increased by 22.73% from RM5.50 million in the FYE 2007 to RM6.75 million in the FYE 2008. This increase was primarily attributable to the increase of staff costs by 51.47% from RM2.72 million in the FYE 2007 to RM4.12 million in the FYE 2008 mainly due to more staff being employed to support the expansion of our Group.

(ii) Depreciation

Our depreciation increased by 14.89% from RM0.47 million for the FYE 2007 to RM0.54 million for the FYE 2008 mainly due to the depreciation of the renovation cost of the new office rented by CSM.

(iii) Other operating expenses

Our other operating expenses increased marginally from RM0.02 million for the FYE 2007 to RM0.05 million for the FYE 2008. This increase was mainly due to loss on fixed assets written off and a bad debt of RM20,000 written off.

8.6.5 Finance costs

Our finance costs increased by 126.32% from RM0.19 million in the FYE 2007 to RM0.43 million in the FYE 2008. This increase was mainly due to additional borrowing amounting to RM4.00 million obtained for working capital purposes by CSM.

8.6.6 PBT

As a result of the abovementioned factors, our PBT increased by 80.67% from RM6.57 million in the FYE 2007 to RM11.87 million in the FYE 2008.

8.6.7 Taxation

Taxation decreased marginally from RM0.08 million in the FYE 2007 to RM0.06 million in the FYE 2008.

8.6.8 PAT

As a result of the abovementioned factors, our PAT increased by 82.25% from RM6.48 million in the FYE 2007 to RM11.81 million in the FYE 2008.

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8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

8.7 FYE 2007 COMPARED TO FYE 2006

8.7.1 Operating revenue

Our operating revenue decreased marginally from RM25.13 million in the FYE 2006 to RM24.62 million in the FYE 2007.

FMSS Division

CSM's operating revenue decreased by 13.67% from RM21.14 million in the FYE 2006 to RM18.25 million in the FYE 2007. The decrease in revenue was mainly attributable to lower revenue contribution from projects brought forward from the FYE 2006 and new projects secured in the FYE 2007 compared to the FYE 2006. The SAGA Expansion Programme Phase I initiative project in particular, which was secured in the FYE 2005, contributed lower revenue in the FYE 2007 compared to the FYE 2006 as it had been substantially completed in the FYE 2006.

During the FYE 2007, CSM secured two (2) new contracts under SAGA Expansion Programme Phase II and III initiatives, involving implementations for 28 Government Agencies with a contract value of RM16.10 million and this contract contributed approximately 25% towards total operating revenue for the FYE 2007.

Other major new projects secured in FYE 2007 were from Universiti Putra Malaysia and PKNS and Perbadanan Kemajuan Pertanian Negeri Selangor, that contributed approximately 11% towards total operating revenue for the year.

The drop in the software, implementation and training fees by 25.72% from RM12.91 million in the FYE 2006 to RM9.59 million in the FYE 2007 was due to the substantial completion of the abovementioned projects in FYE 2006 was the main factor that contributed towards the decrease in the overall revenue of CSM.

Revenue from hardware decreased marginally from RM4.66 million in the FYE 2006 to RM4.33 million in the FYE 2007.

The above reduction however was slightly offset by the improvement in maintenance fees that had increased by 21.01% from RM3.57 million in the FYE 2006 to RM4.32 million in the FYE 2007. This increase was mainly attributable to the recognition of additional maintenance fees in FYE 2007 for the projects that were implemented in the FYE 2006.

Payment Aggregation Software Division

TMX's operating revenue increased by 59.65% from RM 3.99 million in the Financial Year Ended 30 June 2006 to RM6.37 million in the FPE 31 December 2007. The increase in revenue was mainly attributable to the implementation of Identity Access Management, a tool to tighten up security and efficiently manage user credentials for the systems in Bank Rakyat, which contributed RM1.88 million and the increase in ASP income which was mainly contributed by RHB e-HR Payment Gateway where TMX provided a payment gateway solution for RHB in terms of payment for salary, claims and statutory payment. It should be noted that FPE 31 December 2007 comprised operations for 18 months whilst Financial Year Ended 30 June 2006 comprised 12 months operations due to change of accounting year end.

The improvement in software and implementation fees increased by 51.38% from RM3.99 million in the Financial Year Ended 30 June 2006 to RM6.04 million in the FPE 31 December 2007 due to higher transaction volume as a result of more Max-Paygate connections with panel banks.

No hardware and maintenance fees were registered in the Financial Year Ended 30 June 2006 as compared to RM0.33 million registered in FPE 31 December 2007.

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

8.7.2 Cost of Sales and GP

Even though our revenue decreased marginally, cost of sales however, decreased considerably by 25.54% from RM16.69 million in the FYE 2006 to RM12.42 million in the FYE 2007. Our GP consequently increased by 44.38% from RM8.45 million in the FYE 2006 to RM12.20 million in the FYE 2007.

FMSS Division

CSM's cost of sales decreased considerably by 39.11% from RM15.29 million in the FYE 2006 to RM9.31 million in the FYE 2007. This decrease was mainly attributable to a change in the way CSM operates its business. CSM ceased to outsource its software implementation work to CSSB in FYE 2007 and carried out its own implementation work in house.

The above accordingly resulted in cost savings and improved the GP margins for software implementation. CSM's GP consequently increased by 52.82% from RM5.85 million in the FYE 2006 to RM8.94 million in the FYE 2007.

Payment Aggregation Software Division

TMX's cost of sales increased by 123.74% from RM1.39 million in the Financial Year Ended 30 June 2006 to RM3.11 million in the FPE 31 December 2007. This increase was attributable to some project functions such as security being subcontracted to third parties. In addition, it should be noted that FPE 31 December 2007 comprised operations for 18 months whilst Financial Year Ended 30 June 2006 comprised 12 months operations due to change of accounting year end.

TMX's GP decreased by 25.38% from RM2.60 million in the Financial Year Ended 30 June 2006 to RM3.26 million in the FPE 31 December 2007. This decrease was attributable to lower GP margins.

8.7.3 Other income

Our other income decreased marginally from RM0.70 million for the FYE 2006 to RM0.54 million for the FYE 2007. This decrease was mainly attributable to loss of rental income with the tenancy agreement not being renewed in the FYE 2007.

8.7.4 Total expenditure

(i) Administrative expenses

Our administrative expenses increased by 21.15% from RM4.54 million in the FYE 2006 to RM5.50 million in the FYE 2007. This increase was mainly attributable to the increase in staff costs due to more staff being employed to support the expansion of our Group.

(ii) Depreciation

Our depreciation increased by 235.71% from RM0.14 million for the FYE 2006 to RM0.47 million for the FYE 2007. The increase was mainly due to depreciation of additional office equipment amounting to RM0.72 million acquired during the FYE 2007.

(iii) Other operating expenses

Our other operating expenses increased from RM1,000 for the FYE 2006 to RM19,000 for the FYE 2007. This increase was mainly due to loss on disposal of fixed assets and bad debt written off.

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

8.7.5 Finance costs

Our finance costs increased marginally from RM0.16 million in the FYE 2006 to RM0.19 million in the FYE 2007. This increase was mainly due to additional interest for hire purchase facilities obtained during the FYE 2007.

8.7.6 PBT

As a result of the abovementioned factors, our PBT increased by 52.44% from RM4.31 million in the FYE 2006 to RM6.57 million in the FYE 2007.

8.7.7 Taxation

Even though our PBT has increased considerably, taxation decreased by 70.37% from RM0.27 million in the FYE 2006 to RM0.08 million in the FYE 2007. This decrease was mainly attributable to the following:-

- CSM was granted MSC Malaysia Status under the Promotion of Investments Act, 1986 on 17 August 2006 which qualifies CSM for the pioneer status incentive, allowing 100% of CSM's statutory income to be tax-exempt.
- The provision for taxation in the FYE 2007 relates to underprovision in the Year of Assessment 2006.

8.7.8 PAT

As a result of the abovementioned factors, our PAT increase by 62.41% from RM3.99 million in the FYE 2006 to RM6.48 million in the FYE 2007.

8.8 Impact of Foreign Exchange, Interest Rates and Commodity Prices

There was no direct material financial impact on our Group as a result of foreign exchange, and/or interest rates movements for the financial period/years under review.

8.9 Exceptional and/or Extraordinary Items

There were no exceptional and extraordinary items for the financial period/years under review.

8.10 Impact of Inflation

There was no material impact of inflation on our historical profits for the financial periods / years under review.

8.11 Government/ Economic/ Fiscal or Monetary Policies

Risks relating to Government, economic, fiscal or monetary policies or factors, which may materially affect our operations, is set out in Section 4 of this Prospectus.

There was no Government, economic, fiscal or monetary policies or factors that have materially impacted our historical profits for the past three (3) FYE 2009 and the 7-months FPE 31 July 2010.

8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

8.12 Material Changes in Sales/ Revenue

As set out in Sections 8.4, 8.5, 8.6 and 8.7 of this Prospectus, the reasons for the material changes in our revenue for the past three (3) FYE 2009 and the 7-months FPE 31 July 2010 have been explained.

8.13 Key Financial Ratios

	FYE			7-months FPE 31 July	
	2007	2008	2009	2009	2010
<u>Group</u>					
Trade receivables turnover period (months)	5	6	5	7	6
Trade payables turnover period (months)	4	5	2	1	2
<u>FMSS Division</u>					
Trade receivables turnover period (months)	6	7	6	8	7
Trade payables turnover period (months)	5	5	2	1	2
<u>Payment Aggregation Software Division</u>					
Trade receivables turnover period (months)	2	1	2	2	1
Trade payables turnover period (months)	1	1	3	1	2

Almost all of CSM's trade receivables are from Government agencies and despite the high trade receivables turnover period, CSM have not experienced any bad debts with these agencies.

The average credit period granted by suppliers ranges from 30 to 90 days. The higher trade payables turnover period of 5 months for FYE 2007 and FYE 2008 was mainly due to CSM having back to back arrangement with subcontractors.

As for TMX, its collection and payment for the past three financials years have consistently been within the credit period.

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8 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

Debtors' Ageing Analysis

An ageing analysis of the trade receivables of CSM as at 7-months FPE 31 July 2010 is set out as follows:-

Number of days	Within credit period	Exceeded credit period of 30 days				Total RM'000
	0-30 days RM'000	31-60 days RM'000	61-90 days RM'000	91-150 days RM'000	More than 150 Days RM'000	
Trade receivables	2,940	3,296	806	1,410	6,037	14,489
Subsequent collection up to 30 November 2010	630	1,174	651	858	3,061	6,374
% of subsequent collection to net trade receivables	21.43%	35.62%	80.77%	60.85%	50.70%	43.99%

As at 30 November 2010, 43.99% of trade receivables as 31 July 2010 have been collected. As at 31 July 2010, 20.29% of the trade receivables amounting to approximately RM2.94 million were within the credit period given. The remaining balances of approximately RM11.55 million of the trade receivables exceeded CSM's credit period.

Our Management is confident that the receivables exceeding credit period are collectible after taking into account the stable relationship between CSM's customers and CSM. Furthermore, almost all of CSM's trade debtors are Government agencies which are committed to settle the amount owing.

Notwithstanding the above, the management of CSM is in constant communication with its trade debtors to minimise delays in payments.

An ageing analysis of the trade receivables of TMX as at 7-months FPE 31 July 2010 is set out as follows:-

Number of days	Within credit period	Exceeded credit period of 30 days				Total RM'000
	0-30 days RM'000	31-60 days RM'000	61-90 days RM'000	91-150 days RM'000	More than 150 Days RM'000	
Trade receivables	485	130	36	14	48	713
Subsequent collection up to 30 November 2010	461	130	36	14	48	689
% of subsequent collection to net trade receivables	95.05%	100%	100%	100%	100%	96.63%

As at 30 November 2010, 96.63% of trade receivables as 31 July 2010 have been collected.

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT

9.1 INFORMATION ON PROMOTERS/SUBSTANTIAL SHAREHOLDERS

9.1.1 Shareholdings in CSHB

The promoters and substantial shareholders of CSHB and their respective shareholdings in CSHB before and after the Public Issue are as follows:-

Name	Nationality/ Incorporation	Designation	No. of CSHB Shares Held before IPO (%)		No. of CSHB Shares Held after IPO (%)	
			Direct	%	Direct	%
Promoters						
Censof ⁽¹⁾	Malaysia	-	106,794,347	71.63	-	-
Samsul bin Husin ⁽¹⁾	Malaysian	Deputy Executive Chairman	-	-	-	-
Ameer bin Shaik Mydin ⁽¹⁾	Malaysian	Executive Director	-	-	106,794,347 ⁽²⁾	71.63
Tamil Selvan A/L M. Durairaj	Malaysian	Managing Director	-	-	106,794,347 ⁽²⁾	71.63
Ang Hsin Hsien	Malaysian	Executive Director	-	-	-	-
Abdul Mushir bin Che Chik	Malaysian	Executive Director	5,138,342	3.45	-	-
Wong Kam Yin	Malaysian	-	5,024,986	3.37	-	-
Substantial Shareholders						
MAVCAP	Malaysia	-	12,116,054	8.13	7,035,699 ⁽³⁾	4.72
MOF	Malaysia	-	-	-	19,151,753 ⁽⁴⁾	12.84
					11,374,516	6.61
					-	-
					6,605,094 ⁽³⁾	3.84
					17,979,610 ⁽⁴⁾	10.45

Notes:

- (1) Substantial shareholders
- (2) Deemed interested by virtue of his shareholding in Censof
- (3) Deemed interested by virtue of its shareholding in Expedient
- (4) Deemed interested by virtue of its shareholding in MAVCAP
- (5) Based on issued and paid-up share capital of 149,100,000 Shares prior to the IPO
- (6) Based on enlarged issued and paid-up share capital of 172,100,000 Shares after the IPO

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

9.1.2 Profile of Promoters and Substantial Shareholders

Censof

Censof was incorporated in Malaysia on 19 April 2006 under the Companies Act as a private limited company. The authorised share capital of Censof is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each, of which RM783,798 comprising 783,798 ordinary shares are issued and fully paid-up. Censof's principal activity is that of investment holding.

The substantial shareholders of Censof and their respective shareholding are as follows:-

Name	Nationality	Direct		Indirect	
		No. of shares	%	No. of shares	%
Samsul bin Husin	Malaysian	391,899	50.00	-	-
Ameer bin Shaik Mydin	Malaysian	235,139	30.00	-	-
Tamil Selvan A/L M. Durairaj	Malaysian	78,380	10.00	-	-
Ang Hsin Hsien	Malaysian	78,380	10.00	-	-

The directors of Censof are Samsul bin Husin, Ameer bin Shaik Mydin, Tamil Selvan A/L M. Durairaj and Ang Hsin Hsien.

MAVCAP

MAVCAP was incorporated in Malaysia on 19 April 2001 under the Companies Act as a public company. MAVCAP venture capital firm which focuses on investments in ICT sector and was established to realise the Government's vision to develop the local venture capital industry and encourage entrepreneurship in the ICT sectors.

The directors of MAVCAP are Datuk Dr. Abdul Samad Bin Haji Alias, Dato' Redza Rafiq bin Abdul Razak, En. Mohd Husni Bin Mohamad Salleh, En. Mustafa bin Taib and Dato' Abdul Wahab bin Abdullah. MOF holds 99.99% direct equity in MAVCAP.

Samsul bin Husin, 48 yrs old Deputy Executive Chairman

En. Samsul bin Husin ("En. Samsul") was appointed as our Deputy Executive Chairman on 28 December 2010. He was appointed the Executive Director at CSM on 29 April 2002. He graduated with Bachelor of Accounting from Universiti Kebangsaan Malaysia. He is also a Chartered Accountant and Certified Financial Planner with over 20 years of experience in accounting and ICT.

En. Samsul specialises in financial systems, system planning and designing. He started his career in 1986 with the Housing Division, State Planning and Development unit, Selangor where he received hands-on experience in the planning, designing and the subsequent delivery of a billing system for low-cost housing development projects in the state. He was a lecturer in UITM (Malaysia Entrepreneurial Development Centre) for a period of six (6) months specialising in accounting for entrepreneurs.

In 1987, En. Samsul joined the Accountant General's office to hold various positions in spearheading projects such as the enforcement of accounting procedures to the designing of new systems for the enhancement of existing financial management reporting for the office. During his tenure with the Government, he was appointed as the head of the computer unit in the offices of Kota Kinabalu and Kuching. En. Samsul excelled in system computerisation, in particular the easing of decision support systems. He then joined the private sector to hold positions in financial cum portfolio management arena before joining CSM in 2002.

He brings his vast experience in managing Government projects into the organisation. He also plans, organises and assists in charting our Group's future direction.

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

**Ameer bin Shaik Mydin, 47 yrs old
Executive Director**

En. Ameer bin Shaik Mydin ("En. Ameer") was appointed as our Executive Director on 28 December 2010. He was appointed as an Executive Director of CSM on 27 March 2002 and brings with him over 20 years of experience. He graduated from the Universiti of Malaya with Bachelor of Science in Physics. He started his career in IT at PanGlobal Sistemaju Sdn Bhd upon graduation. He was involved in sales and marketing of Wang Banking System targeted at the Malaysian banking sector. Since then, he has continued his career in IT at Digital Equipment Corporation, as the Channels Account Manager, managing the value added resellers.

En. Ameer then started his Business Management career in IT at Applied Business Systems Sdn Bhd, a subsidiary of the then Formis Group, marketing Sun Hardware solution to the Government sector. He then joined the management team of Kumpulan Netband (MSC) Sdn. Bhd., managing both the Government and Commercial Business Sectors. Prior to the current appointment, En. Ameer was the Business Manager for the Network Business at Unisys (M) Sdn. Bhd., involved in business development for the Government Sector.

He oversees corporate business and manages business of CSM's large customers.

**Tamil Selvan A/L M. Durairaj, 49 yrs old
Managing Director**

Mr. Tamil Selvan A/L M. Durairaj was appointed as our Managing Director on 28 December 2010 with over 20 years of accounting experience. He was appointed as the CEO of CSM in 1997. He qualified as a member of the Chartered Institute of Management Accountants (CIMA) in 1984, whilst being employed as Accountant and Administrator in a large co-operative. He joined the Accountant General Office as a Treasury Accountant in 1987. In 1990, he was transferred to the Perak State Secretariat as a Local Government Accountant. He left the Government in 1990 to take up a position as a Consulting Manager in a subsidiary of a large public listed media and communications company. He joined KPMG Peat Marwick Consulting Sdn Bhd in 1993 before joining CSM in 1997.

He specialises in Financial Management, Cost Accounting for both public and private sectors. This specialisation is coupled with a strong financial analytical skill and vast experience in implementation of various financial management systems in medium to large agencies and corporation. He leads a team of financial consultants, IT professionals and accountants to deliver all projects in CSM. The team has many success stories in implementing and improving the processes of our customers. He also currently oversees our Group's accounting and financial reporting requirements as well as continuous listing obligations of our Group moving forward.

**Ang Hsin Hsien, 43 yrs old
Executive Director**

Ms. Ang Hsin Hsien was appointed as our Executive Director on 28 December 2010. She was appointed as the Director, Sales & Marketing of CSM in 1997. She graduated from Curtin University of Technology with a Bachelor of Business (Finance). She has acquired over 18 years of wide IT based experience. She joined CSM in 1997 as Director, Corporate Business and has been involved with securing projects for CSM.

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

As a key person in CSM's overall operations, she focuses on formulating the sales and marketing plan in business solutions for the e-Government initiatives as well as managing strategic accounts so as to maintain supplier-clientele confidence and to see to the creation of new business. She is also responsible for identifying potential markets as well as to develop sales plans for nurturing and keeping in sight the big picture of CSM's business in relation to customer agenda through a proactive approach in order to maintain sustainable competitive advantages including providing personalised ideas and cost-effective solutions to support client's business needs with an overall proposal and special package quotation according to customer requirement.

Abdul Mushir bin Che Chik, 49 yrs old
Executive Director

En. Abdul Mushir bin Che Chik ("En. Mushir") was appointed as our Executive Director on 28 December 2010. He is currently the CEO of TMX and was appointed as a Director of TMX on 24 September 2002. He graduated with Bachelor of Science from the Portland State University, Oregon, USA.

He has more than 20 years experience in ICT and financial services having worked for local companies as well as MNCs. En. Mushir started his career in 1985 as a trainee systems engineer at Mesiniaga Bhd. He ascended to a position of sales manager in 1990 and eventually became a senior marketing manager prior to leaving for Ericsson Telecommunication Malaysia in 1997, where he assumed the role of general manager of the service provider division. In 2000, he moved on to Ericsson Telecommunications China as the Director of Mobile Multimedia R&D Division. His long experience in ICT and strong command of Chinese language helped him to excel in his job earning him an advisory role for China Mobile, the leading cellular operator in China. In that capacity, he oversees the evaluation and launching of all mobile multimedia applications for the China market.

Ever since he founded TMX in 2002, En. Mushir was involved in the growth of TMX by focusing on the business development and R&D activities. As a CEO of TMX, he manages the day-to-day operations, formulate marketing strategies as well as setting of general directions of the company.

Wong Kam Yin, 41 yrs old

Mr Wong Kam Yin graduated in 1992 and holds a Bachelor of Economics (Accounting and Computer Science) degree from Monash University, Melbourne, Australia. He is currently the Executive Director of TMX and was appointed as the Director of TMX on 24 September 2002. He started off with Arthur Andersen (Tax Services) as a Tax Consultant before moving into the investment and stock broking industry, joining TA Securities Sdn Bhd ("TA") in 1994 as an investment analyst. During his tenure in TA, he covered research work in areas of banking, properties and IT stocks as well as futures and options/derivatives/warrants. He later moved into equity trading and sales and was handling local and foreign fund managers. In 1998, he moved on to join OSK Securities Sdn Bhd and was also involved in both equity and futures trading and sales.

In 2002, he was one of the pioneers in the set up of TMX, covering the areas of finance, sales and marketing as well as business development. Over the years in TMX, he has helped the company to grow by securing more projects for the company, identifying new potential projects, managing day-to-day operations of the company, bringing in new investors especially MAVCAP in 2005. His current main role is overseeing the finance, corporate services, HR, admin, business development, mergers and acquisitions and corporate finance areas of TMX.

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

9.1.3 Changes in Substantial Shareholders and/or Promoters

The changes in the shareholding of our substantial shareholders and/or Promoters since incorporation are as follows:-

Name	No. of CSHE Shares Held at incorporation			No. of CSHE Shares Held before IPO			No. of CSHE Shares Held after IPO		
	Direct	%	No. of CSHE Shares	Indirect	%	No. of CSHE Shares	Direct	%	Indirect No. of CSHE Shares
Initial substantial shareholders									
Sothy A/P Sundara Raju	10	50.00	-	-	-	-	30,000	0.02	-
Paremeswaran A/L Rajagopal	10	50.00	-	-	-	-	60,000	0.03	-
Promoters									
Censof ⁽¹⁾	-	-	-	106,794,347	71.63	-	98,335,377	57.14	-
Samsul bin Husin ⁽¹⁾	-	-	-	-	-	106,794,347 ⁽²⁾	-	-	98,335,377 ⁽²⁾
Ameer bin Shaik Mydin ⁽¹⁾	-	-	-	-	-	106,794,347 ⁽²⁾	-	-	98,335,377 ⁽²⁾
Tamil Selvan A/L M. Durairaj	-	-	-	-	-	-	-	-	-
Ang Hsin Hsien	-	-	-	-	-	-	-	-	-
Abdul Mushir bin Che Chik	-	-	-	5,138,342	3.45	-	4,823,860	2.80	-
Wong Kam Yin	-	-	-	5,024,986	3.37	-	4,717,442	2.74	-
Substantial Shareholders									
MAVCAP	-	-	-	12,116,054	8.13	7,035,699 ⁽³⁾	11,374,516	6.61	6,605,094 ⁽³⁾
MOF	-	-	-	-	-	19,157,753 ⁽⁴⁾	-	-	17,979,610 ⁽⁴⁾

Notes:-

- (1) Substantial shareholders
- (2) Deemed interested by virtue of his shareholding in Censof
- (3) Deemed interested by virtue of its shareholding in Expedient
- (4) Deemed interested by virtue of its shareholding in MAVCAP
- (5) Based on issued and paid-up share capital of 149,100,000 Shares prior to the IPO
- (6) Including their respective allocation of Public Issue Shares under the pink form allocation
- (7) Based on enlarged issued and paid-up share capital of 172,100,000 Shares after the IPO

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

9.2 INFORMATION ON DIRECTORS

9.2.1 Profiles of Directors

**Tan Sri Dato' Mohd Ibrahim bin Mohd Zain, 67 yrs old
Independent Non-Executive Chairman**

Tan Sri Dato' Mohd Ibrahim bin Mohd Zain ("Tan Sri Ibrahim") was appointed as our Independent Non-Executive Chairman on 28 December 2010. He is a graduate from the British Institute of Management and Institute of Marketing. He also has a Master in Business Administration from the University of Ohio, U.S.A.

Upon his graduation in 1965, he was attached to University Technology MARA as a lecturer where he was later appointed as a Council Member/Director, a position he held until October 2006.

His career in banking includes positions he had held as the Chief Executive Officer of Amanah International Finance Berhad, Amanah Chase Merchant Bank Berhad and Oriental Bank Berhad and the Chairman of Bank Kerjasama Rakyat (M) Berhad. He was also the former Chairman and Chief Executive Officer of Setron (Malaysia) Berhad, former Chairman of Pan Malaysia Industries Berhad, as well as former Director of Bescorp industries Berhad, Chemical Company of Malaysia Berhad, Pan Malaysia Holdings Berhad and Kawan Food Berhad.

Presently, Tan Sri Ibrahim is a Board Member of AMMB Holdings Berhad, Tamadam Bonded Warehouse Berhad and Yayasan Arshad Ayub.

**Samsul bin Husin, 48 yrs old
Deputy Executive Chairman**

Please refer to Section 9.1.2 above.

**Ameer bin Shaik Mydin, 47 yrs old
Executive Director**

Please refer to Section 9.1.2 above.

**Tamil Selvan A/L M. Durairaj, 49 yrs old
Managing Director**

Please refer to Section 9.1.2 above.

**Ang Hsin Hsien, 43 yrs old
Executive Director**

Please refer to Section 9.1.2 above.

**Abdul Mushir bin Che Chik, 49 yrs old
Executive Director**

Please refer to Section 9.1.2 above.

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

**Tuan Haji Ab. Gani Bin Haron, 59 yrs old
Independent Non-Executive Director**

Tuan Haji Ab. Gani Bin Haron ("Tuan Haji Gani") was appointed as our Independent Non-Executive Director on 28 December 2010. He is a Chartered Accountant of the Malaysian Institute of Accountants. He graduated with Bachelor of Economics from University of Malaya, Malaysia.

Tuan Haji Gani's broad-based experience and professional expertise spans over 30 years in senior positions, involving financial, management, audit and human resource management for Accountant General Department of Malaysia.

Since 2001, he has taken the role of Director of Accounting Development and Management Division and subsequently Deputy Accountant General of Malaysia. He has since been involved in human resource management for the accounting personnel of the Federal Government and the development of the accounting system for the Federal Government.

He is the Chairman of Amanah Raya Capital Sdn Bhd and a Director of Amanah Raya Investment Bank Berhad, Amanah Raya Trustees Bhd, Amanah Raya (Labuan) Limited and Export- Import Bank of Malaysia Berhad, as well as YLI Holdings Bhd, a company listed on the Main Market of Bursa Malaysia. Currently, he is also the Audit Committee Chairman for Amanah Raya Investment Bank Berhad, Amanah Raya Trustees Bhd, Export- Import Bank of Malaysia Berhad, and YLI Holdings Bhd.

**Boey Tak Kong, 56 yrs old
Independent Non-Executive Director**

Mr. Boey Tak Kong ("Mr. Boey") was appointed as our Independent Non-Executive Director on 28 December 2010. He is a Fellow member of the Chartered Association of Certified Accountants, United Kingdom, Associate member of the Institute of Chartered Secretaries & Administrators, United Kingdom, Chartered Accountant of the Malaysian Institute of Accountants, Member of the Malaysian Institute of Management and Associate member of the Institute of Marketing Malaysia.

Mr. Boey's broad-based experience and professional expertise spans over 23 years in senior positions involving financial management, internal audit, corporate affairs and overseas business development with six (6) listed public companies with listing in Malaysia, Singapore, United Kingdom, New Zealand and Australia. He has in-depth overseas working experience in developing and managing infrastructure projects in China, Vietnam, Cambodia, Philippines, Australia and New Zealand.

Since 1998, as the Managing Director of Terus Mesra Sdn Bhd, he is involved in the provision of strategic management and leadership development training. He is an approved trainer with Pembangunan Sumber Manusia Berhad and regular speaker for the Continuous Education Programme for the Malaysia Institute of Accountants, Association of Chartered Certified Accountants, the Chartered Institute of Management Accountants, the Institute of Internal Auditors Malaysia and Bursatra Sdn Bhd for Directors' Training and Orientation Programmes.

He is a Director of IJM Land Berhad, Dutch Lady Milk Industries Berhad, Green Packet Berhad, Gadang Holdings Berhad and Permaju Industries Berhad, all listed on Bursa Malaysia Securities Berhad. Currently, he is also the Audit Committee Chairman for IJM Land Berhad, Dutch Lady Milk Industries Berhad, Green Packet Berhad and Permaju Industries Berhad.

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)**9.2.2 Shareholding in CSHB**

The direct and indirect shareholding of our Directors before and after the IPO are as follows:-

Name	Nationality	Designation	No. of CSHB Shares Held before the IPO (%)		No. of CSHB Shares Held after the IPO (%)	
			Direct	Indirect	Direct	Indirect
Tan Sri Dato' Mohd Ibrahim bin Mohd Zain	Malaysian	Independent Non-Executive Chairman	-	-	800,000	0.46
Samsul bin Husin	Malaysian	Deputy Executive Chairman	-	106,794,347 ⁽¹⁾	-	98,335,377 ⁽¹⁾
Ameer bin Shaik Mydin	Malaysian	Executive Director	-	106,794,347 ⁽¹⁾	-	98,335,377 ⁽¹⁾
Tamil Selvan A/L M. Durairaj	Malaysian	Managing Director	-	-	-	-
Ang Hsin Hsien	Malaysian	Executive Director	-	-	-	-
Abdul Mushir bin Che Chik	Malaysian	Executive Director	5,138,342	3.45	4,823,860	2.80
Tuan Haji Ab. Gani Bin Haron	Malaysian	Independent Non-Executive Director	-	-	-	-
Boey Tak Kong	Malaysian	Independent Non-Executive Director	-	-	100,000	0.06

Notes:-

- (1) Deemed interested by virtue of his shareholding in Censof
(2) Based on issued and paid-up share capital of 149,100,000 Shares prior to the IPO
(3) Including their respective allocation of Public Issue Shares under the pink form allocation
(4) Based on enlarged issued and paid-up share capital of 172,100,000 Shares after the IPO

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

9.2.3 Directors' Directorships in Other Companies for the Past Five (5) Years

Save as disclosed below, none of our Directors hold or have any directorships in other companies for the past five (5) years preceding the LPD, details of which are as follows:-

Name of Director	Name of Company	Principal Activities	Directorship	
			Date of appointment	Date of resignation
Tan Sri Dato' Mohd Ibrahim bin Mohd Zain	Cafe Barbera (SEA) Sdn. Bhd.	Food restaurant and cafes	15.01.2009	-
	K & N Kenanga Holdings Berhad	Investment holdings and provision of management services	26.07.1996	14.05.2008
	Kawan Food Berhad	Investment holdings	01.06.2005	09.11.2009
	KG Pastry Marketing Sdn. Bhd.	Trading and distribution of frozen food products in the local market	01.06.2005	28.09.2009
	MME Fashion Sdn. Bhd. *	Dormant	07.06.1994	-
	Brahim's – LSG Sky Chef Holdings Sdn. Bhd.	Investment holding	12.07.2002	-
	Kilat Kaca Sdn. Bhd.	Investment holding	27.06.1997	-
	LSG Sky Chefs – Brahim's Sdn. Bhd.	Carry on catering and catering related services	01.12.2003	-
	Brahim's International Franchises Sdn. Bhd.	Investment holding	17.10.2002	-
	Favourmark Corporation Sdn. Bhd.	Investment holding	08.04.1993	15.06.2006
	Semantan Capital Sdn. Bhd.	Investment holding	22.07.1997	-
	K.G. Pastry Manufacturing Sdn Bhd.	Manufacturing, trading, distributing and exporting of pastries and other food products	22.11.2000	-
	PM Asset Management Sdn. Bhd.	Investment holding	18.07.2001	15.06.2006
	AMMB Holdings Berhad	Investment holding	16.04.2004	-
	Serveast Trading Sdn. Bhd.	Investment holding	05.07.1991	15.06.2006

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT
(Cont'd)

Name of Director	Name of Company	Principal Activities	Directorship	
			Date of appointment	Date of resignation
	Good Proffer Sdn. Bhd.	Investment holding	20.06.1991	15.06.2006
	Pan Malaysia Holdings Berhad	Investment, property holding and management	28.05.1998	20.06.2008
	Pan Malaysia Capital Berhad	Investment holding	28.05.1998	19.06.2008
	Team Accountants Sdn. Bhd.	Investment holding and letting of properties and provision of management and consultancy services	17.09.1984	-
	Metrojaya Berhad	Investment holding	20.11.1992	30.09.2008
	Pan Malaysian Industries Berhad	Investment holding	22.06.1991	20.06.2008
	Tamadam Bonded Warehouse Berhad	Bonded warehousing freight forwarding and transportation	15.05.2008	-
	Northern Pillar (M) Sdn. Bhd.	Investment holding	15.05.2006	-
	Web Power Sdn. Bhd.	Design, specification, functional, deliverables, implementation, testing and support of "e-police force solution" project with royal Malaysia police	17.04.2006	17.06.2009
	Strait Of Malacca Partners Sdn. Bhd.	Development of infrastructure and related activities	24.10.2005	-
	Kawan Food Manufacturing Sdn. Bhd.	Manufacturing, trading, distributing and exporting of frozen food products	24.11.2000	28.09.2009
	Kota Daerah Sdn. Bhd.	Investment holding	09.06.2009	-
	Lapisan Sejahtera Sdn. Bhd.	Dormant	01.08.2005	23.12.2008
	Lanaz Sdn. Bhd.	Dormant	10.04.2008	-
	Yayasan Arshad Ayub	To undertake programmers, projects and to establish centre or institution in human capital development and education, to promote and develop culture of excellence among the bumiputera, to render financial assistance and scholarships	18.03.2008	-
	Gabungan Mutiara Maju Sdn. Bhd.	Dormant	23.06.2006	-

**9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT
(Cont'd)**

Name of Director	Name of Company	Principal Activities	Directorship	
			Date of appointment	Date of resignation
	Jelas Unggul Sdn Bhd	Investment holding	20.12.2010	-
Samsul bin Husin	Censof Sdn Bhd	Business of an investment holding company business related to communication and information technology	24.12.2008	-
	CGYNet Sdn Bhd	Specialised in online multimedia and streaming business	19.04.2000	-
	CSA	Producing and distributing financial, retail, distribution and analytical software solutions and providing site maintenance services	30.05.2008	-
	Inventrix Sdn Bhd	Software solutions	06.01.2006	28.11.2008
	Access Micro Sdn Bhd*	General trading import/ export (dormant)	08.06.1993	-
	Local Innovations Sdn Bhd*	Dormant	22.10.2001	-
Ameer bin Shaik Mydin	Semantan Capital Sdn Bhd	Investment holding	16.06.1995	-
	Academy of Multimedia & information Technology Sdn Bhd	Investment holding	27.05.1999	-
	Strait of Malacca Partners Sdn Bhd	Development of infrastructure and related activities	18.06.2002	-
	All Elite Technologies Sdn Bhd	Provision of environmental consultation services	31.07.1999	06.05.2009
	Facimex Corporation Sdn Bhd	Dormant	15.11.2007	-
	Northern Pillar (M) Sdn Bhd	Investment holding	06.03.2002	02.05.2008
	Northern Pillar (M) Sdn Bhd	Investment holding	10.07.2008	-
	Team Accountants Sdn Bhd	Investment holding and letting of properties and provision of management and consultancy services	01.12.2007	-
	Lanaz Sdn Bhd	Dormant	01.09.1994	-
	Kilat Kaca Sdn Bhd	Investment holding	10.10.1996	-

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Name of Director	Name of Company	Principal Activities	Directorship	
			Date of appointment	Date of resignation
	Censof Sdn Bhd	Business of an investment holding company, business related to communication and information technology	24.12.2008	-
	Team Restaurants Sdn Bhd	Restaurant	30.10.2009	-
	Gunung-Ganang Corporation Sdn Bhd	Provision of independent environmental consultancy services and investment holding	15.05.2009	-
	Raspberry Well Sdn Bhd	Cultivation of tropical fruits and other edible crops	15.08.1999	02.05.2008
	Inventrix Sdn Bhd	Software solutions	06.01.2006	28.11.2008
	DTSP Consortium Sdn Bhd	Dormant	15.01.2004	26.03.2007
	IT System Implementors Sdn Bhd	Implementation and project management of financial systems, investment holdings	01.07.2001	05.12.2008
	Semuasli Sdn Bhd	Investment holding	15.08.1999	02.05.2008
	Semerbak Seludang Sdn Bhd	Investment holding	03.12.1993	02.05.2008
	Kota Daerah Sdn Bhd	Investment holding	03.12.1993	02.05.2008
	Mekar Sagaras Sdn Bhd *	Dormant	18.03.1997	-
	Sinad Trading Sdn Bhd *	General trading, shipping and forwarding agent, commission agent	26.08.2003	-
	Cheqrich Dagangan (M) Sdn Bhd*	Dissolved	21.03.1996	-
	Cheqrich Design (M) Sdn Bhd*	Dissolved	13.10.1995	-
	WP Environment Sdn Bhd*	Dormant	30.12.1997	-
Tamil Selvan A/L M. Durairaj	Primezen Digital Information Sdn Bhd*	General trading	30.03.1999	-
	Quenet Sdn Bhd*	Dissolved	15.09.2000	-
	CGYNet Sdn Bhd	Specialised in online multimedia and streaming business	08.02.2001	18.11.2009
	Interactive Reporting Sdn Bhd	Sales and services of reporting tools and other related products	04.09.2006	-

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT
(Cont'd)

Name of Director	Name of Company	Principal Activities	Directorship	
			Date of appointment	Date of resignation
	DSSB	Importing, developing and selling computer software applications	16.02.1994	-
	Four J's Asia Pacific Sdn Bhd	Sales and services of development tools and other related products	23.06.2005	-
	Censof Sdn Bhd [#]	Business of an investment holding company business related to communication and information technology	06.07.2009	-
	Censof Sdn Bhd	Business of an investment holding company business related to communication and information technology	09.10.2007	12.10.2007
	IT System Implementors Sdn Bhd	Implementation and project management of financial systems, investment holding	05.11.1997	05.12.2008
	M-Acct Solution Sdn Bhd	Marketing of software and related implementation services	04.09.2003	05.12.2008
	Inventrix Sdn Bhd	Software solutions	16.11.2005	09.01.2006
Ang Hsin Hsien	Business First Sdn Bhd	Retail postal and packaging services	28.05.2007	-
	Interactive Reporting Sdn Bhd	Sales and services of reporting tools and other related products	04.09.2006	-
	Four J's Asia Pacific Sdn Bhd	Sales and services of development tools and other related products	23.06.2005	-
	Business First (KL Sentral) Sdn Bhd	Retail postal and communication services, trading and business services, investment holding	11.08.2009	-
	DSSB	Importing, developing and selling computer software applications	10.07.1995	-
	CSA	Producing and distributing financial, retail, distribution and analytical software solutions and providing site maintenance services	30.05.2008	-
	Censof Sdn Bhd [#]	Business of an investment holding company business related to communication and information technology	06.07.2009	-
	Censof Sdn Bhd	Business of an investment holding company business related to communication and information technology	09.10.2007	12.10.2007
	CGYNet Sdn Bhd	Specialised in online multimedia and streaming business	08.02.2001	18.11.2009

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Name of Director	Name of Company	Principal Activities	Directorship	
			Date of appointment	Date of resignation
	M-Acct Solution Sdn Bhd	Marketing of software and related implementation services	04.09.2003	05.12.2008
	Inventrix Sdn Bhd	Software solutions	16.11.2005	19.01.2006
	JBit Sdn Bhd	Information technology	16.06.2008	10.12.2008
Abdul Mushir bin Che Chik	T-Melmax Global Sdn Bhd	Investment holdings	18.08.2005	-
	Asterix Systems Sdn Bhd	Providing consultancy services and marketing of computer hardware and software	29.05.2000	03.05.2010
	Techbitz (M) Sdn Bhd	General trading, general agent and commission for articles and products of all kinds, investment holding company	12.03.2010	01.06.2010
	Imagique (M) Sdn Bhd	Dormant	09.03.1994	-
	Balpe Gateway Sdn Bhd	Develop debt recovery and management system and offer the solution as software as a service, collection agency for financial and educational institutions	13.05.2008	-
	Al-Muzafar Resources Sdn Bhd	General trading	11.04.2001	-
	Al-Muzafar Ventures Sdn Bhd	Dormant	18.08.2000	-
	Al-Zahra Synergy Sdn Bhd	General trading and merchants, consultancy and management services, restaurant and cafe centre	04.11.2009	-
Tuan Haji Ab. Gani Bin Haron	Amanah Raya Capital Sdn Bhd	Financial planning for corporate level financial and monetary agents syariah financing, institutional trust, sales and cash management	01.03.2002	-
	Amanah Raya Berhad	Financial planning for corporate level financial and monetary agents syariah financing, institutional trust, sales and cash management	17.01.2002	18.12.2007
	Amanahraya Investment Bank Ltd	Investment banking	05.12.2007	-
	Amanahraya Trustees Bhd	Trustee for unit trust schemes	26.12.2007	-
	Amanah Raya (Labuan) Limited	Custodian and trust services	26.07.2005	-

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Name of Director	Name of Company	Principal Activities	Directorship	
			Date of appointment	Date of resignation
	Amanah Raya Capital Group Sdn Bhd	Financial planning for corporate level financial and monetary agents syariah financing, institutional trust, sales and cash management	01.11.2010	-
	Export-Import Bank of Malaysia Berhad	Promotion and support of export import and investment for the country's development by granting credit, issuing guarantees and providing other related services.	02.05.2008	-
	YLI Holdings Bhd	Investment holding	09.06.2008	-
Boey Tak Kong	IJM Land Berhad	Investment holdings	21.02.2000	-
	Dutch Lady Milk Industries Berhad	Manufacture of sweetened condensed milk, milk powder, dairy products and fruit juice drinks for distribution in the home market and for export	12.11.2001	-
	Sanbumi Holdings Berhad	Investment holding	13.12.2001	09.09.2010
	Green Packet Berhad	Research, development, manufacturing, marketing and distribution of wireless networking and telecommunication products and services, networking solution and other high technology products and services	11.03.2005	-
	Gadang Holdings Berhad	Provision of management services and investment holding	03.12.2007	-
	Permaisuri Industries Berhad	Provision of management services and investment holding	02.12.2008	-
	Terus Mesra Sdn Bhd	Providing management consulting and corporate advisory services	06.12.1994	-
	Global SME Sdn Bhd	Investment holding	26.05.2008	-
	Crystal Clear Technology Sdn Bhd	Manufacture, assemble, market and develop in the high resolution super twisted nematic liquid crystal displays	07.11.2006	-
	The Concilium Group Sdn Bhd	Providing systems and services to corporate clients in the areas of customer service, sales, human capital, business coaching and consulting	27.05.2008	05.01.2010
	Bun Seng Holdings Berhad	Investment holding	10.12.2010	-

Note:-

* Dissolved / Deregistered.

Reappointment after his/her resignation on 12 October 2007.

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

9.2.4 Directors' Remuneration and Benefits

The remuneration and benefit-in-kind of our Directors for services rendered in all capacities to our Group for the FYE 2010 and FYE 2011 are as follows:-

	FYE 2010 RM'000)	FYE 2011 RM'000)
Non-Executive Directors		
Tan Sri Dato' Mohd Ibrahim bin Mohd Zain	-	50-60
Tuan Haji Ab. Gani Bin Haron	-	40-50
Boey Tak Kong	-	40-50
Executive Directors		
Samsul bin Husin	250-300	250-300
Ameer bin Shaik Mydin	150-200	150-200
Tamil Selvan A/L M. Durairaj	250-300	250-300
Ang Hsin Hsien	250-300	250-300
Abdul Mushir bin Che Chik	50-100	150-200

The above includes benefits-in-kind in the form of a provision of motor vehicle for our Executive Directors and golf membership for Samsul bin Husin in the course of him carrying out marketing activities for CSM.

There is no contingent or deferred compensation accrued for the year.

- 9.2.5 All our Directors were appointed to the Board on 28 December 2010 and have served in their respective capacities since the date of appointment and are subject to retirement by rotation according to our Company's Articles of Association.

In accordance to our Articles and Association, our Directors shall retire after a maximum term of three (3) years but are eligible for re-election. Under our Articles and Association, one third (1/3) of our Directors are subject to retirement at each annual general meeting of shareholders but are eligible for re-election. The Directors to retire in each year are those who have been in office the longest.

9.3 AUDIT, REMUNERATION AND NOMINATION COMMITTEES

9.3.1 Audit Committee

The composition of our Audit Committee is as follows:-

Name	Designation	Directorship
Tuan Haji Ab. Gani Bin Haron	Chairman of the Committee	Independent Non-Executive Director
Tan Sri Dato' Mohd Ibrahim bin Mohd Zain	Member of the Committee	Independent Non-Executive Chairman
Boey Tak Kong	Member of the Committee	Independent Non-Executive Director

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Our Audit Committee comprises three (3) Independent Non-Executive Directors. The major terms of reference for our Audit Committee include reviewing the financial statements of our Group before submission to our Board, reviewing recommendations of the external auditors, reviewing the results and scope of the audit and other services provided by our external auditors and reviewing the allocation of ESOS Options, if any. In addition, our Audit Committee reviews and evaluates our Group's internal audit and control functions. Our Audit Committee is also responsible for the assessment of financial risks and matters relating to related party transactions and conflict of interests. Our Audit Committee may obtain advice from independent parties and other professionals in the performance of its duties.

9.3.2 Remuneration Committee

The composition of our Remuneration Committee is as follows:-

Name	Designation	Directorship
Boey Tak Kong	Chairman of the Committee	Independent Non-Executive Director
Tuan Haji Ab. Gani Bin Haron	Member of the Committee	Independent Non-Executive Director
Samsul bin Husin	Member of the Committee	Deputy Executive Chairman

Our Remuneration Committee reviews and proposes, subject to the approval of the Board, the remuneration policy and terms and conditions of service of each Director for his service as a member of the Board as well as Committees of the Board. Nevertheless, the remuneration of the non-executive Directors is a matter for the Board as a whole and the Directors are required to abstain from deliberating and voting on decisions in respect of his individual remuneration. The remuneration of Directors is generally based on market conditions, responsibilities held and the overall financial performance of our Group. Decisions and recommendations of our Remuneration Committee shall be reported back to our Board for approval and where required by rules and regulations governing our Group, for approval of shareholders at the annual general meeting.

9.3.3 Nomination Committee

The composition of our Nomination Committee is as follows:-

Name	Designation	Directorship
Boey Tak Kong	Chairman of the Committee	Independent Non-Executive Director
Tan Sri Dato' Mohd Ibrahim bin Mohd Zain	Member of the Committee	Independent Non-Executive Chairman
Tuan Haji Ab. Gani Bin Haron	Member of the Committee	Independent Non-Executive Director

Our Nomination Committee is responsible for identifying and recommending new nominees to our Board as well as committees of the Board. Our Nomination Committee will assess the effectiveness of our Board as a whole, our Board Committees and each individual Director on an annual basis. In developing such recommendations, our Nomination Committee will consult all Directors and reflect that consultation in any recommendation brought forward to our Board. Our Board makes all decisions on appointments after considering the recommendations of our Nomination Committee.

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

9.4 KEY MANAGEMENT OF OUR GROUP

9.4.1 Profiles of Key Management

In addition to our Executive Directors as set out in Section 9.2.1 above, the profile of our other Key Management personnel are as set out below.

(A) Our Group

Mark John Rees, 50 yrs old
Chief Technology Officer

Mr. Mark John Rees ("Mr. Rees") is currently our CTO and oversees the activities in our R&D department. Prior to joining us, he worked as an IT Manager for Eastern Equities Corporation, a New Zealand public company, where he was involved in the design, deployment and implementation of operational systems including both hardware and software. He has more than 30 years of experience in the IT/Telecommunications industry and more than 20 years in programming, implementing and managing diverse IT systems. His roles involved design, development, deployment and support of operational, data integration, business intelligence and financial software systems. Mr. Rees is also a full Member of the Gabungan Komputer Nasional Malaysia and Australian Computer Society, and Professional Member of the Association for Computing Machinery.

With key strengths in Strategic Technology Initiatives, System Integration & Administration, Strategic Corporate Planning, he is able to contribute a seasoned, broad-based perspective to create pragmatic IT strategies and implementation plans designed for maximum efficiency. He is also an avid contributor in the open-source community specializing in python scripting and has conducted several talks in conferences with the most recent during the Malaysian Open Source Conference 2010.

(B) FMSS Division

Paremeswaran A/L Rajagopal, 42 yrs old
Assistant General Manager, Operations

Mr. Paremeswaran A/L Rajagopal is our Assistant General Manager, Operations with more than 16 years of experience in the IT industry. He is a Chartered Management Accountant.

As Assistant General Manager, his will be overseeing the Project Management Office (PMO), consulting, implementation support and support departments within CSM. He is a certified Prince 2 practitioner on project management. He specializes in Financials Systems and Project Management. He has 6 years' working experience with Internal Audit with The New Straits Times Press (M) Bhd ("NSTP"). During the last 2 years with NSTP, he was involved with IT audit and also a member of the Distribution Department computerisation. Thereafter, he joined IFCA consulting group ("IFCA") in managing and implementing Resort Management software for the International division for 2 years. He left IFCA on September 1999 and joined CSM in October 1999.

His strong leadership skills have led to many successful implementations of CFg solutions and these projects include the Pepper Marketing Board, Klang Port Authority, Langkawi Development Authority, National Blood Bank and National Productivity Corporation. He was also actively involved in Statutory Bodies Business Re-engineering Process and User Transition Program.

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

**Sofian bin Shafie, 55 yrs old
Director, Consulting**

En. Sofian bin Shafie (**"En. Sofian"**) is our Director of the Consulting Division. He oversees and strategises Century Financial System implementation Program, develops ICT Strategic Plan and business performance improvement. He holds a Bachelor of Economics (Statistics) from Universiti Kebangsaan Malaysia and a post graduate diploma in Systems Analyst from University of MARA Technology (formerly known as Mara Institute Technology). With more than 20 years working experience, he specialises in project management, systems evaluation, systems implementation and ICT strategic planning within the public sector and banking industry.

Prior to joining us, En. Sofian has a total of 16 years of banking experience (6 years in loans processing and recovery and 10 years in IT management) at Sime Bank and was with KPMG Advisory Sdn Bhd (**"KPMG"**) for about seven (7) years. While in KPMG he was involved in a number of project management, business process improvement, change management and ICT strategic planning.

**Siti Safiah binti Yahaya, 47 yrs old
Senior Manager, Business Development**

Pn. Siti Safiah binti Yahaya is currently our Senior Manager, Business Development. She has more than 20 years in business consulting and project management where she was exposed to the art of implementation of financial system and played an active role in the development of financial system for government and semi-government agencies. She has worked with the various divisions of CSM such as in product development and the professional services division. She has held various project positions from consultant, project manager and also as a project director. She holds a Bachelor of Accountancy (Honours) from Universiti Kebangsaan Malaysia and did a post graduate study in Systems Analysis. Furthermore, she is also a Chartered Accountant and member of the Malaysian Institute of Accountants (MIA) and CPA (Australia).

She was an accountant with LKIN for 5 years where she was given the overall responsibility of the accountability of development fund of the agency. She was actively involved in the financial system computerization of this agency.

During her days as an accountant, she was in charge of the activity based accounting aspect of the statutory body from the receipts aspect through to the disbursements, reporting and monitoring of projects. She was also involved in the computerisation and implementation of a turnkey Financial System project where she played the user advisory role.

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9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

**Sothy A/P Sundara Raju, 39 yrs old
Senior Manager, R&D**

Ms. Sothy A/P Sundara Raju is our Senior Manager, R&D, where she specialises in implementation support, integration, data conversion, development and project management. She graduated from Universiti Utara Malaysia with a Bachelor of Computer Science and thereafter, she obtained her Masters in Computer Science from Universiti Kebangsaan Malaysia. Bringing 14 years of experience with her in the IT industry, she is strong technically and has a wide experience in data conversion activities, with expertise in software structure, data flows, integration and interfaces of the SAGA system.

She started her career in RHB Bank (formerly DCB Bank) in 1996 as an Analyst Programmer. In 1997 she left the bank and joined CSM. In RHB Bank, Ms. Sothy was attached to their Information System Department. She was maintaining the Fixed Deposit System, Multi Currency System and Signature Verification System. The scope of her work was developing and implementing new programs, new reports, enhancing existing program & reports based on user requirement and Bank Negara ruling. She also assists in the implementation of the online banking system. She was involved in the Disaster Recovery activity, whereby backups are restored in the CSA Data Centre.

She has vast experience in Data Conversion and Integration to the 3rd party system. She was involved in the data conversion during the initial stage of implementation whereby raw data are reconfigured using scripts and uploaded to Century Financials database.

**Aishah binti Mohd Ariffin, 45 yrs old
Senior Manager, Special Projects**

Pn. Aishah binti Mohd Ariffin is our Senior Manager of Special Projects. She graduated with a Bachelor in Computer Science (Honours) from Universiti Sains Malaysia. With over 18 years of experience in the IT industry, she brings a wealth of experience and expertise ranging from system development, system analysis, systems integration, technical support, customer training, and project management. She has demonstrated abilities in IT Operations & Planning, Project Management, as well as the knowledge to establish the "best practice" frameworks for clients. Puan Aishah has also operated Projects within a Prince 2 environment combined with proven change management skills and the ability to lead cross functional teams. She is a member of Project Management Institute (PMI) and a Prince 2 certification holder.

Prior to joining CSM, she gained exposure in Government accounting and financial systems for almost five (5) years, including designing, programming, implementation and training of the systems with hands-on experience in handling international accounting and financial systems such as Century Financial & Accounting System and Computron.

Some of her experiences with CSM include development of an integrated financial and operation system for local council ie. Perak State Secretary and Department Survey and Mapping Malaysia (JUPEM).

With her diverse expertise, she was chosen to be the Project Manager for the LHDN Project i.e. The Development of eRAS (Eletronic Revenue Accounting System) where it involved the accounting and system integration of over 10 systems in LHDN of different environment (mainframe, linux, unix and windows), data conversion of LHDN Legacy tax payer systems, portals for citizen as well as management dashboard that provides business intelligence reports to the top management for decision making.

**9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT
(Cont'd)**

(C) Payment Aggregation Software Division

**Wong Kam Yin, 41 yrs old
Executive Director of TMX**

Please refer to Section 9.1.2 above.

**Eugene Tan Hou Sin, 38 years old
Senior Business Consultant**

Mr. Eugene Tan Hou Sin is a graduate of Bachelor of Business Administration (Honours, Double Concentration in Marketing and International Business), Simon Fraser University in Canada with an MBA from HEC Paris in France, he has been involved in various areas in the banks with specialising in credit management, client management and transaction banking (cash management and trade finance). In TMX, he offers domain knowledge from his vast understanding of the banks and the payment system. His main duties include being overall responsible for business development and acquiring new clients, managing marketing partners as well as developing new solutions which meet client's need and based on current banking industry capabilities.

Prior to joining TMX, he served as a Vice President of the Sales Management and Cash Management division in CIMB Investment Bank, where he lead a sales team of 5 to drive target market segmentation and wallet sizing exercise to develop strategies to enhance market share of CIMB Bank. He was also a Vice President of Global Payments and Cash Management division in HSBC Bank Malaysia Berhad.

**Sujith Sharatchandran, 34 years old
Head of Application Development**

Mr Sujith Sharatchandran graduated in 1998 and holds a Bachelor of Economics degree from Andhra University, India and Systems Management Degree in 1999 from NIIT, India. He has over 10 years of diverse and extensive experience in software development and was involved in the life cycle of the software design process including requirement definition design, development, testing, maintenance and support. He joined TMX as a technical consultant in 2003. He was one of the pioneers in designing the core applications for TMX. Over the years in TMX, he has successfully implemented applications in Malaysia and overseas. His current main role is Head of Application Development which involves design, development and deployment of applications, leading a team of software engineers who are responsible for development and deployment.

Prior to joining TMX, he was a Project Leader with Axon Technologies Ptd. Ltd., Chennai India, where he was involved in the design and development of systems such as Internet Money Transfer, Web Strategy Development, etc.

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)**9.4.2 Shareholding in CSHB**

The direct and indirect shareholdings of the key management in CSHB before and after the IPO are as follows:-

	Nationality	Designation	No. of CSHB Shares Held before the IPO (1)		No. of CSHB Shares Held after the IPO (2)(3)	
			Direct	% Indirect	Direct	% Indirect
Group						
Mark John Rees	Australian	Chief Technical Officer	-	-	-	-
FMSS Division						
Parameswaran A/L Rajagopal	Malaysian	Assistant General Manager, Operations	-	-	60,000	0.03
Sofian bin Shafie	Malaysian	Director, Consulting	-	-	20,000	0.01
Siti Safiah binti Yahaya	Malaysian	Senior Manager, Business Development	-	-	10,000	0.01
Sothy A/P Sundara Raju	Malaysian	Senior Manager, R&D	-	-	30,000	0.02
Aishah binti Mohd Ariffin	Malaysian	Senior Manager, Special Projects	-	-	35,000	0.02
Payment Aggregation Software Division						
Wong Kam Yin	Malaysian	Executive Director of TMX	5,024,986	3.37	4,717,442	2.74
Eugene Tan Hou Sin	Malaysian	Senior Business Consultant	-	-	-	-
Sujith Sharatchandran	Indian	Head of Application Development	-	-	-	-

Note:-

- (1) Based on issued and paid-up share capital of 149,100,000 Shares prior to the IPO
 (2) Including their respective allocation of Shares from pink form share allocations.
 (3) Based on enlarged issued and paid-up share capital of 172,100,000 Shares after the IPO

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)**9.5 INVOLVEMENT OF EXECUTIVE DIRECTORS AND KEY MANAGEMENT IN OTHER BUSINESSES/CORPORATIONS**

Save as disclosed below, none of our Executive Directors or key management have any interests in other businesses or corporations:-

Name	Name of Company	Principal Activities	Designation	Shareholding (%)	
				Direct	Indirect
Samsul bin Husin	Censof Sdn Bhd	Business of an investment holding company business related to communication and information technology	Director	50.00	-
	CSA	Producing and distributing financial, retail, distribution and analytical software solutions and providing site maintenance services	Director	-	100.00
	DSSB	Importing, developing and selling computer software applications	-	-	100.00
	CGYNet Sdn Bhd	Specialised in online multimedia and streaming business	Director	-	22.00
Ameer bin Shaik Mydin	Censof Sdn Bhd	Business of an investment holding company business related to communication and information technology	Director	30.00	-
	CSA	Producing and distributing financial, retail, distribution and analytical software solutions and providing site maintenance services	-	-	100.00
	DSSB	Importing, developing and selling computer software applications	-	-	100.00
	Semantan Capital Sdn Bhd	Investment holding	Director	Neg	-

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Name	Name of Company	Principal Activities	Designation	Shareholding (%)	
				Direct	Indirect
Tamil Selvan A/L M. Durairaj	Academy Multimedia & information Technology Sdn Bhd	Investment holding	Director	Neg	-
	Strait of Malacca Partners Sdn Bhd	Development of infrastructure and related activities	Director	Neg	Neg
	Team Restaurants Sdn Bhd	Restaurant	Director	50.00	-
	Gunung-Ganang Corporation Sdn Bhd	Provision of independent environmental consultancy services and investment holding	Director	15.00	-
	Lanaz Sdn Bhd	Dormant	Director	Neg	-
Ang Hsin Hsien	Interactive Reporting Sdn Bhd	Sales and services of reporting tools and other related products	Director	50.00	-
	Censof Sdn Bhd	Business of investment holding company business related to communication and information technology	Director	10.00	-
	Business First Sdn Bhd	Retail postal and packaging services	Director	25.00	-
	Business First (KL Sentral) Sdn Bhd	Retail postal and communication services, trading and business services, Investment Holding	Director	-	50.99
	Censof Sdn Bhd	Business of investment holding company business related to communication and information technology	Director	10.00	-
	Interactive Reporting Sdn Bhd	Sales and services of reporting tools and other related products	Director	50.00	-

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Name	Name of Company	Principal Activities	Designation	Shareholding (%)	
				Direct	Indirect
Sofian bin Shafie	Corp-Excel Technology Sdn Bhd	Dormant	Director	35.00	-
Siti Safiah binti Yahaya	All Elite Technologies Sdn Bhd	Provision of environmental consultation services	Director	11.00	-
Abdul Mushir bin Che Chik	T-Melmax Global Sdn Bhd	Investment holding	Director	31.92	-
	TechBitz (M) Sdn Bhd	General trading; general agent and commission for articles and products of all kinds; investment holding company	-	20.00	-
	Balpe Gateway Sdn Bhd	Develop debt recovery and management system and offer the solution as software as a service, collection agency for the financial and educational institutions	Director	35.00	-
	Imagique (M) Sdn Bhd	Dormant	Director	20.00	-
	Al-Muzafar Resources Sdn Bhd	General trading	Director	66.12	-
	Al-Muzafar Ventures Sdn Bhd	Dormant	Director	60.00	-
	Al-Zahra Synergy Sdn Bhd	General trading and merchants; Consultancy and management services; Restaurants and café centre	Director	25.00	-
	Howtraffic (M) Sdn Bhd	General merchants, developer, investment	-	0.02	-
	Mindaware Sdn Bhd	To carry on all kinds of research (both general and particular) in the subject of economics, mathematics, science, education and culture and to collect and prepare all kinds of statistics and data relating to the said subjects and to publish the results etc.	-	35.00	-

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Name	Name of Company	Principal Activities	Designation	Shareholding (%)	
				Direct	Indirect
Wong Kam Yin	T-Melmax Global Sdn Bhd	Investment holding	Director	31.21	-
	Balpe Gateway Sdn Bhd	Develop debt recovery and management system and offer the solution as software as a service, collection agency for the financial and educational institutions	Director	35.00	-
	Techbitz (M) Sdn Bhd	General trading; general agent and commission for articles and products of all kinds; investment holding company	Director	20.00	-
	Pivotal Times Sdn Bhd	Event management, training workshops, seminar and consultancy services	Director	99.99	-
	Daiichi Seiun K. K. (Japan)	Corporate building maintenance business	-	71.70	-
Eugene Tan Hou Sin	Ehstan Sdn Bhd	To provide marketing and consultancy services and act as agent for manufacturer and distributor of any product and business related thereto; General trading and investment holding	Director	50.00	-
	Makesimple Marketing Sdn Bhd	To provide marketing and consultancy services and act as agent for manufacturer and distributor of any product and business related thereto; General trading and investment holding	Director	49.00	-

Note:-

Neg

Negligible

9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

All of the above Executive Directors and key management allocate a substantial portion of their time to the affairs of the Group. They are not involved in the day-to-day management of the above companies. Qualified and experienced managers run the day-to-day operations of these companies. As such, they do not spend a substantial amount of time in these companies save for attending necessary board meetings. Their involvements in these other businesses do not negatively impact their ability to act as our Executive Directors and key management.

9.6 DECLARATION OF PROMOTERS, DIRECTORS AND KEY MANAGEMENT

None of our Promoters, Directors and key management personnel are or were involved in the following events, whether in or outside Malaysia:-

- (a) a petition under any bankruptcy or insolvency laws filed (and not struck out) against such person or any partnership in which he was a partner or any corporation in which he was a director or key personnel;
- (b) was disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (c) was charged and/or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (d) judgement was entered against such a person involving a breach of any law or regulatory requirement that relates to the securities or futures industry; or
- (e) the subject of any order, judgement or ruling of any court, government, or regulatory authority or body temporarily enjoining him from engaging in any type of business practice or activity.

9.7 RELATIONSHIPS AND ASSOCIATES

There are no family relationships or association amongst the substantial shareholders, Promoters, Directors and key management personnel.

9.8 SERVICE AGREEMENT

All our employees have standard employment contracts. There are no existing or proposed service agreements between our Group or any company within our Group and our Directors or key management personnel, which is not terminable by notice without payment or compensation other than statutory compensation.

9.9 BENEFITS PAID OR INTENDED TO BE PAID OR GIVEN TO ANY PROMOTER, DIRECTOR OR SUBSTANTIAL SHAREHOLDER

Save as disclosed below, there is no other amount or benefit paid or intended to be paid or given to any of our Promoters, Directors or substantial shareholders within the two (2) years preceding the date of this Prospectus:-

- (i) our ordinary shares allocated to our Directors pursuant to pink form allocations as part of the 5,800,000 Issue Shares as disclosed in Section 3.4.1 of this Prospectus.
- (ii) amount to be paid to Censof, our substantial shareholder pursuant to the license of case tools as disclosed in Section 11.1(c) of this Prospectus.

**9 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT
(Cont'd)**

- (iii) amount to be paid to Interactive Reporting Sdn Bhd, which is wholly owned by certain of our Promoters and Directors, namely Tamil Selvan A/L M. Durairaj and Ang Hsin Hsien, pursuant to purchase of licenses as disclosed in Section 11.1(a) of this Prospectus.

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10 APPROVALS AND CONDITIONS

10.1 CONDITIONS TO THE APPROVALS AND COMPLIANCE THEREOF

In conjunction with, and as an integral part of our IPO, we proposed the Listing Scheme which was approved by the SC, pursuant to Section 212(5) of the CMA and the equity requirement for public companies, via its letter dated 21 October 2010 which the terms and conditions are stated there ("**SC Approval Letter**"). Further the SC had approved, via its letter dated 23 November 2010, a variation to the Listing Scheme. The condition as stipulated in the SC Approval Letter is set out as follows:-

SC's Conditions	Status of compliance
(a) Kenanga / CHSB to fully comply with the requirements of the Main IPO Guidelines and SC Prospectus Guidelines pertaining to the implementation of the IPO; and	Noted
(b) Kenanga / CSHB is to inform the SC upon completion of the IPO.	Noted

(A) CSM

Our subsidiary company, namely CSM was granted MSC Malaysia Status by the MDeC and MITI vide its letter dated 17 August 2006. To maintain its preferential status, CSM is expected to operate according to certain conditions as follows:-

Conditions	Status of compliance
CSM hereby agrees to:-	
1.1 complete business registration of the proposed entity as a locally incorporated company under the Act within one (1) month from the date of this letter, commence operations of the proposed entity within six (6) months from the date of this letter, and undertake such activities specified in the company's business plan as approved by MDeC below (" MSC-Qualifying Activities ") within six (6) months from the date of this letter or by such date(s) as may be specified in the company's business plan as approved, which date(s) may be extended or modified with the written consent of MDeC, and thereafter continue with such business and activities unless otherwise approved by MDeC. The MSC Qualifying Activities are as follows:-	Complied
<ul style="list-style-type: none"> a. Research, development and commercialisation of the Century Financial Management System Version 7.0 onwards – An Integrated Financial Management Application; and b. Provision of technical support and services related to Century Financial Management System Version 7.0 onwards. <p>Any changes proposed to the above MSC Qualifying Activities as detailed in the Business Plan must receive the prior written consent of MDeC;</p>	
1.2 locate the implementation and operation of the MSC Qualifying Activities in a Designated Cybercity/ Cybercentre in a minimum office of 8,000 sq. ft., at all times. CSM shall seek MDeC's prior written approval in the event of any changes in the location or address of the company;	Complied #
1.3 ensure that at all times at least 15% of the total number of employees (excluding support staff) of CSM shall be "knowledge workers" (as defined by MDeC). Knowledge workers shall be recruited, employed and/or appointed solely for the purpose of undertaking the MSC Qualifying Activities. The recruitment, employment and/or appointment of foreign knowledge workers (if any) shall be sole responsibility of CSM and MDeC shall not be held responsible for any liability arising from such recruitment, employment and/or appointment;	Complied
1.4 ensure that any products produced pursuant to the MSC-Qualifying Activities are original, and that no part or portion of such Product is an infringement or violation of any intellectual property or any property rights of any third party, or constituted a misappropriation of know-how belonging to any third-party;	Complied

10 APPROVALS AND CONDITIONS (Cont'd)

Conditions CSM hereby agrees to:-		Status of compliance
1.5	submit to MDeC a copy of the Company's Annual Report and Audited Statements in parallel with submission to the Companies Commission of Malaysia;	Complied
1.6	ensure that all information and/or documents furnished by CSM to MDeC or any other authority or agency do not contain any false, untrue or inaccurate statements or omit to state any facts, the omission of which would make any statements made therein in the light of the circumstances under which they are made, misleading;	Complied
1.7	inform and obtain the prior approval of MDeC for an proposed change in the name of CSM;	N/A
1.8	inform MDeC of any change in the equity structure or shareholding structure of CSM, or such other changes that may affect the direction or operation of CSM. MDeC must be informed of any change before steps are taken to effect such change; and	Complied
1.9	comply with all such statutory, regulatory and/or licensing requirements as may be applicable, including but not limited to the Transfer Pricing Guidelines issued by the Inland Revenue Board of Malaysia on 2 July 2003, and such other amendments as may be applicable from time to time.	Complied

Notes:-

Prior to the sale of CSM's property located in KL Sentral in December 2008, CSM has always been in compliant with Condition 1.2 as KL Sentral is an MDeC designated cyber centre. Subsequent to the sale, CSM is currently occupying an MDeC designated cyber centre office suite including shared area of 13,228 sq ft of shared services.

CSM had on 9 September 2008 obtained a renewal for its Bumiputera Contractor License and Contractor License from the MOF vide its certificates both dated 9 September 2008. To maintain its status, CSM is expected to operate according to certain conditions as follows:-

(i) Bumiputera Contractor License

Conditions CSM hereby agrees to:-		Status of compliance
1.	CSM is to ensure that that it exerts best efforts at all material times to:-	Complied
1.1.	maintain a Bumiputera majority exceeding 51% with regards to its equity structure, composition of its board of directors, management and employees of the company; and	
1.2.	maintain that Bumiputera, as a majority, play an important role in the management of the company, control and scrutiny of operations of the company, financial management of the company, major decision making processes, and representation of the company in meetings and official ceremonies.	
2.	In the event that there are any changes to the position of CSM with relation to the conditions set out in para 1 above, CSM is to notify the MOF immediately in order for the necessary amendments to be made in the registration records. The MOF may raise doubt on the authenticity of CSM's Bumiputera status if CSM fails to notify the MOF of the above.	Complied

10 APPROVALS AND CONDITIONS (Cont'd)

Conditions	Status of compliance
3. The MOF may revoke the registration of CSM as a Bumiputera company in the event that the MOF discovers non-compliance with the conditions set out in para 1 above, or that CSM handovers management of the Company and contracts secured to other parties.	Noted
4. The MOF is entitled to withdraw the Certificate of Registration if:-	Noted
4.1 The Bumiputera status of the Company is annulled or withdrawn;	
4.2 The registration of the Company is suspended or revoked; and	
4.3 There are any changes made to this Certificate of Registration with the intention to defraud or whatsoever intention.	

(ii) Contractor License

Conditions	Status of compliance
CSM hereby agrees to:-	
1. CSM is to notify any changes to the information provided by CSM to the MOF via the online portal 10 days from the date of occurrence of such change.	Noted
2. CSM is to provide the MOF all information requested within the timeframe stipulated by the Ministry. Failure to comply may result in the Ministry taking action as set out in paragraph 4 below.	Noted
3. CSM is to ensure that there is no duplicity in the grant of registration for the categories of services under this certificate to such companies which have common owners, board of directors, and management with CSM.	Complied
4. The MOF may revoke or suspend the registration of CSM without notice if it is discovered that the information provided to the Ministry is false.	Noted
5. Suspension or Revocation of Registration	Noted
The registration of CSM may be suspended or revoked if:-	
5.1 CSM/ its owners/ its shareholders/ partners/ directors are convicted and found guilty of any illegal or criminal offences by the Courts of Malaysia or any other foreign jurisdictions;	
5.2 CSM withdraws its tender applications before the tender is considered or CSM rejects tenders awarded to it;	
5.3 CSM fails to perform any contracts entered into with the Government;	
5.4 CSM makes any changes to this approval letter with the intention to defraud or whatsoever intention;	
5.5 CSM allows the Registration Certificate to be misused by other individuals or companies;	
5.6 CSM is discovered to enter into price locking arrangements with other companies when submitting government tenders;	
6. Application for renewal of the registration certificate has to be submitted 3 months before expiry of the certificate.	Noted

10 APPROVALS AND CONDITIONS (Cont'd)**(B) TMX**

Our subsidiary company, namely TMX was granted MSC Malaysia Status by the MDeC and MITI vide its letter dated 16 October 2002. To maintain its preferential status, TMX is expected to operate according to certain conditions as follows:-

Conditions	Status of compliance
TMX hereby agrees to:-	
<p>1 complete business registration of the proposed entity as a locally incorporated company under the Act within one (1) month from the date of this letter, commence operations of the proposed entity within six (6) months from the date of this letter, and undertake such activities specified in the company's business plan as approved by MDeC below ("MSC-Qualifying Activities") within six (6) months from the date of this letter or by such date(s) as may be specified in the company's business plan as approved, which date(s) may be extended or modified with the written consent of MDeC, and thereafter continue with such business and activities unless otherwise approved by MDeC. The MSC Qualifying Activities are as follows:-</p> <p>a) The development of the following TMX suite of electronic banking software solutions:</p> <ul style="list-style-type: none"> ❖ T Melmax Bank Now ❖ T Melmax Loan Now ❖ T Melmax Customer Now ❖ T Melmax Deposit Now ❖ T Melmax Tell Now ❖ T Melmax Collect Now ❖ T Melmax Originate Now ❖ T Melmax Trade Now ❖ T Melmax Pay Bill Now ❖ T Melmax e-Now <p>b) The development of mobile banking applications such as:</p> <ul style="list-style-type: none"> ❖ T Melmax Wap Now ❖ T Melmax Alert Now <p>c) The development of an electronic payment gateway and an e HR Portal for an integrated employee payroll management system.</p> <p>d) The development of related modules and applications.</p> <p>Any changes proposed to the above MSC Qualifying Activities as detailed in the Business Plan must receive the prior written consent of MDeC:</p>	Complied
2 locate TMX's headquarters and the implementation and operation of the MSC Qualifying Activities in Cyberjaya within 6 months from the date of the approval letter (16.10.2002);	Complied
3 ensure that at all times at least 15% of the total number of employees (excluding support staff) of TMX shall be "knowledge workers" (as defined by MDeC);	Complied
4 Continuously comply with the MSC's environmental guidelines as determined by MDeC from time to time;	Complied
5 Submit to MDeC a copy of the Company's Annual Report and Audited Statements in parallel with submission to the Registrar of Companies; and	Complied
6 Comply with all such statutory, regulatory and/or licensing requirements as may be applicable.	Complied

Please refer to Section 5.4.11 for more information on the validity of this license.

10 APPROVALS AND CONDITIONS (Cont'd)

TMX was also granted Bumiputera Contractor License and Contractor License by the MOF vide its certificates dated 11 August 2009 and 26 December 2007 respectively. To maintain its status, TMX is expected to operate according to certain conditions as follows:-

(i) Bumiputera Contractor License

Conditions	Status of compliance
TMX hereby agrees to:-	
1. TMX is to ensure that that it exerts best efforts at all material times to:-	Complied
1.1. maintain a Bumiputera majority exceeding 51% with regards to its equity structure, composition of its board of directors, management and employees of the company; and	
1.2. maintain that Bumiputera, as a majority, play an important role in the management of the company, control and scrutiny of operations of the company, financial management of the company, major decision making processes, and representation of the company in meetings and official ceremonies	
2. In the event that there are any changes to the position of TMX with relation to the conditions set out in para 1 above, TMX is to notify the MOF immediately in order for the necessary amendments to be made in the registration records. The MOF may raise doubt on the authenticity of TMX's Bumiputera status if TMX fails to notify the MOF of the above.	Complied
3. In the event that the MOF discovers any deviation or non-compliance with the conditions above, or that the management of the company and contracts have been handed over or assigned to other parties, the Bumiputera status registration may be withdrawn.	Noted
4. The MOF is entitled to withdraw the Certificate of Registration if:	Noted
4.1 The Bumiputera status of TMX is annulled or withdrawn.	
4.2 The registration of TMX is suspended or revoked.	
4.3 There are any changes made to this Certificate of Registration with the intention to defraud or whatsoever intention.	

Please refer to Section 5.4.11 for more information on the validity of this license.

(ii) Contractor License

Conditions	Status of compliance
TMX hereby agrees to:-	
1. TMX is to notify any changes to the information provided by TMX to the MOF via the online portal 10 days from the date of occurrence of such change.	Noted
2. TMX is to provide the MOF all information requested within the timeframe stipulated by the Ministry. Failure to comply may result in the Ministry taking action as set out in para 4 below.	Noted
3. TMX is to ensure that there is no duplicity in the grant of registration for the categories of services under this certificate to such companies which have common owners, board of directors, and management with TMX.	Complied
The MOF may revoke or suspend the registration of CSM without notice if it is discovered that the information provided to the Ministry is false.	Noted

10 APPROVALS AND CONDITIONS (Cont'd)

Conditions	Status of compliance
TMX is not permitted to make any changes to its shareholders and directors within 6 months from the date of registration with the MOF.	Complied
4. Suspension or Revocation of Registration	Noted
The registration of TMX may be suspended or revoked if:-	
4.1 TMX / its owners/ its shareholders / partners/ directors are convicted and found guilty of any illegal or criminal offences by the Courts of Malaysia or any other foreign jurisdictions.	
4.2 TMX withdraws its tender applications before the tender is considered or TMX rejects tenders awarded to it;	
4.3 TMX fails to perform any contracts entered into with the Government;	
4.4 TMX makes any changes to this approval letter with the intention to defraud or whatsoever intention;	
4.5 TMX allows the Registration Certificate to be misused by other individuals or companies;	
4.6 TMX is discovered to enter into price locking arrangements with other companies when submitting government tenders.	

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10 APPROVALS AND CONDITIONS (Cont'd)**10.2 MORATORIUM ON PROMOTERS' SHARES**

In compliance with the Equity Guidelines, all Shares held by our Promoters amounting to 107,876,679 CSHB Shares representing 62.68% of our enlarged issued and paid-up share capital ("**Moratorium Shares**") at the date of admission of our Company to the Official List of the Main Market are to be placed under moratorium. The details of Promoters' shares subject to moratorium are as follows:-

Name	No. of CSHB Shares held after the Listing			
	Direct	%	Indirect	%
Censof	98,335,377	57.14	-	-
Samsul bin Husin	-	-	98,335,377*	57.14
Ameer bin Shaik Mydin	-	-	98,335,377*	57.14
Abdul Mushir Bin Che Chik	4,823,860	2.80	-	-
Wong Kam Yin	4,717,442	2.74	-	-
Total	107,876,679	62.68		

Note:-

* Deemed interested by virtue of his shareholding in Censof

Our Promoters are fully aware and acknowledge the moratorium. They have provided a written undertaking that they will not sell, transfer or assign their respective shareholdings for a period of six (6) months from the date of Listing. Thereafter, the moratorium will be lifted immediately.

In accordance to Chapter 5.30 of the Main IPO Guidelines, the ultimate individual shareholders of Censof had given an undertaking that they will not sell, transfer or assign any of their securities in Censof for the period of six (6) months from the date of Listing.

The moratorium, which is fully accepted by the aforesaid shareholders, is specifically endorsed on the share certificates of CSHB representing the holdings of the aforesaid shareholders, to ensure that our Company's Share Registrars will not register any transfer not in compliance with the moratorium restrictions. In compliance with the restrictions, Bursa Depository will, on our Share Registrars' instructions in the prescribed forms, ensure that trading of these shares are not permitted during the moratorium period.

The endorsement affixed on the share certificates is as follows:-

"The shares comprised herein are not capable of being sold, transferred or assigned for a period determined by the Securities Commission ("Moratorium Period"). Accordingly, the shares comprised herein will not constitute good delivery pursuant to the Securities Commission's Equity Guidelines during the Moratorium Period. No share certificate or certificates will be issued to replace this certificate during the Moratorium Period unless the same shall be endorsed with this restriction."

11 RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS

Save as disclosed in 10.1 and 10.2, there has been no related party transactions (as defined below) existing or proposed and/or conflict of interests, which involve the interest, direct or indirect, of a Director, substantial shareholder, key management, persons connected with such Director, substantial shareholder or key management in respect of the past three (3) FYE 2007 to FYE 2009 and 7-months FPE 31 July 2010.

"Related party transactions" are defined in the Listing Requirements as transactions entered into by a listed issuer or its subsidiaries that involve the interest, direct or indirect, of a related party. A "related party" means a director, major shareholder or person connected with such director or major shareholder. "Director" shall have the meaning given in Section 4 of the Act and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a director of the listed issuer or any other company which is its subsidiary or holding company or a chief executive officer of the listed issuer, its subsidiary or holding company. "Major shareholder" includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed issuer or any other company which is its subsidiary or holding company.

"Major shareholder" means a person who has an interest or interests in one or more voting shares in a company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is:-

- (a) equal to or more than 10% of the aggregate of the nominal amounts of all the voting shares in the company; or
- (b) equal to or more than 5% of the aggregate of the nominal amounts of all the voting shares in the company where such person is the largest shareholder of the company.

Chapter 10 of the Listing Requirements sets out the requirements that must be complied with in respect of transactions entered into by a listed issuer or its subsidiaries including related party transactions.

11 RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (Cont'd)

11.1 EXISTING AND PROPOSED RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS

	Name of Company	Transacting/ Interested Parties	Nature of Transaction	Audited FYE2007 RM	Audited FYE2008 RM	Audited FYE2009 RM	Audited 7 month FYE31 July 2010 RM	Estimate FYE2010 RM
(a)	CSM	Interactive Reporting Sdn Bhd ("IRSB") Ang Hsin Hsien and Tamil Selvan A/L M. Durairaj are both directors and shareholders of IRSB. <u>CSHB Level</u> They are also the promoters and proposed directors of CSHB. <u>CSM Level</u> They are members of the key management of CSM. IRSB is the distributor for Interactive Reporting solution in Malaysia. CSM has the rights to OEM this product as part of its solution and has named it CFa. CSM has the sole rights to market CFa to its current and future customers as part of its solution suite. Hence, there is no potential conflict of interest.	1. Outsourcing of human resource by CSM to IRSB 2. Purchase of Interactive Reporting licenses by CSM from IRSB and maintenance services provided by IRSB to CSM.	52,721	108,541	-	-	-
				192,845	46,980	-	39,247	-

11 RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (Cont'd)

	Name of Company	Transacting/Interested Parties	Nature of Transaction	Audited FYE2007 RM	Audited FYE2008 RM	Audited FYE2009 RM	Audited 7th month FPE31 July 2010 RM	Estimate FYE2010 RM
(b)	CSM	DSSB Ang Hsin Hsien and Tamil Selvan A/L M. Durairaj are both directors of DSSB. CSHB Level They are also the promoters and proposed directors of CSHB. CSM Level They are members of the key management of CSM.	Software implementation services carried out by DSSB for CSM	5,483,884	-	-	-	-
(c)	CSM	Censof Censof is a shareholder of CSM. CSHB Level Ameer bin Shaik Mydin and Samsul bin Husin, Ang Hsin Hsien and Tamil Selvan A/L M. Durairaj are all promoters and proposed directors of CSHB. CSM and Censof Level Ameer bin Shaik Mydin and Samsul bin Husin are common directors of CSM and Censof. They are also shareholders of Censof.	License of Case Tools from Censof Case Tools is a framework used to generate source codes in a particular style for purposes of building new modules and/or software applications. CSM has an exclusive licence in perpetuity to use the Case Tools. There is no restriction under the licence in the territory of use.	-	-	-	-	200,000

11 RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (Cont'd)

Name of Company	Transacting/Interested Parties	Nature of transaction	Audited FYE 2007 RM	Audited FYE 2008 RM	Audited FYE 2009 RM	Audited 7-month FPE 31 July 2010 RM	Estimate FYE 2010 RM
	Ang Hsin Hsien and Tamil Selvan A/L M. Durairaj are shareholders of Censof and members of the key management of CSM.	Case Tools allows CSM to fast track the development of proprietary software as it automates methods for designing, documenting and producing structured computer codes in the desired programming language. It also helps to streamline the source codes and expedites the generation of certain standard parts of a programme.					
(d) TMX	Wong Kam Yin Wong Kam Yin is a director and shareholder of TMX	Tenancy of TMX's previous office premises at 3B-2-7, Block 3B, Level 2, Plaza Sentral, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur	30,000	50,000	-	-	-

The Directors of our Company are of the opinion that all business transactions set out above between our Group and the Directors, substantial shareholders and key management of our Company and/or persons connected to them are on arm's length basis and on terms not more favourable to the related parties than those generally available to the public. The Audit Committee will supervise the terms of related party transactions, and the Directors of our Company will report related party transactions, if any, annually in our Group's annual report.

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11 RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (Cont'd)

11.2 RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Our Group, in the ordinary course of business, may enter into transactions that are of revenue or trading in nature with related parties ("**Recurrent Transactions**"), which are necessary for our day-to-day operations. Our Directors confirm that such Recurrent Transactions are carried out and will be carried out (if any) on an arm's length basis and on commercial terms which are not more favourable to the related parties than those generally available to third parties and which will not be detrimental to our minority shareholders.

Under Chapter 10 of the Listing Requirements, a listed company may seek a shareholders' mandate for recurrent transactions of a revenue or trading nature or those necessary for its day to day operations such as supplies and materials, which may be carried out with the listed company's interested persons.

Transactions, which do not fall within the ambit of the shareholders' mandate, shall be subject to the relevant provisions of the Listing Requirements.

We will make disclosures in our annual report of the aggregate value of transactions conducted based on the nature of Recurrent Transactions made, names of the related parties involved and their relationship with our Group during the financial year and in the annual reports for the subsequent financial years.

Save as disclosed in Sections 11.1 (a) and (c) above, there are no other recurrent related party transactions involving Recurrent Transactions involving our Company or our Group for the past three (3) FYE 2007 to 2009, the 7-months FPE 31 July 2010 and estimated for FYE 2010.

11.3 MITIGATING FACTORS AND STEPS FOR CONFLICTS OF INTERESTS

CSM is the proprietor of Century Financials, comprising CFg, CFc and SAGA Century software which are distributed under our "Century Software" brand. An application for trademark registration of the "Century Software" brand has been filed by CSM at the TM Registry on 1 April 2009 (Trademark Application No. 09005268, Class 16). For further details, please refer to Section 5.4.12 of this Prospectus.

CSA principally carries on the business of marketing and distributing financial, retail, distribution and analytical software solutions and provide maintenance services solely in Australia and New Zealand. It carries the "Century Software" name because it had been incorporated in 1986 prior to the incorporation of CSM on 3 September 1997. It does not market or distribute products under the "Century Software" brand.

11.3.1 Mitigating Factors

11.3.1.1 The appointment of Independent Non-Executive Directors to our Board and disclosure in accordance with the requirements of Bursa Securities and good corporate governance will ensure that corporate transactions are conducted at an arms-length basis. Further in relation to matters arising from or to do with related party transactions, the substantial shareholders would be required to abstain from voting.

11.3.1.2 In relation to transactions with Censof specifically:-

- (i) To mitigate against conflict of interest situations, we had on 3 April 2009 entered into a non-competition deed ("**NCD**") with Censof, where Censof has agreed to regulate its relationship with CSM so as to avoid any competing or conflict of interest arising between the interests of Censof on the one hand and those of CSM on the other on the terms set out in the NCD;

11 RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (Cont'd)

- (ii) Censof also undertakes to and with CSM that during the relevant period:-
- (a) it will, and will procure each member of the Censof Group to, provide services only through the Group to its clients in all territories other than Australia and New Zealand;
 - (b) it will not, and will procure each member of the Censof Group not to, in all territories other than Australia and New Zealand either on its own account or in conjunction with or on behalf of any person carry on or be engaged, concerned or interested directly or indirectly whether as shareholder, director, partner, agent or otherwise in carrying on any business other than the holding of securities in the Company or the provision of services through the Group to its clients situated in all territories other than Australia and New Zealand pursuant to direct instructions given by such clients; and
 - (c) while it is a shareholder of CSM or any of the companies in the Censof Group and for the period of 12 months after the Relevant Period, solicit or entice away or endeavour to solicit or entice away from CSM or any company within the Group any person employed by CSM or any of the companies within the Group in an executive, technical or sales capacity at termination date with a view to inducing that person to leave such employment and to act for another person in the same or similar capacity.
- Relevant Period means the period commencing on the date on which the Shares are listed on the Stock Exchange and ending on the earliest of the following:
- the date on which Censof ceases to be a controlling shareholder (as defined in the the Listing Requirements) of the Company;
 - the date on which the Company becomes a wholly owned subsidiary of Censof; or
 - the date on which the securities of the Company cease to be listed on the Stock Exchange.
- (iii) If the Group confirms with Censof that it is unable to undertake any particular business in any part of all territories other than Australia and New Zealand, then Censof may, in conjunction with the Group to the extent permitted by the regulatory authorities or, failing which, on its own account or in conjunction with other parties, carry on or be engaged, concerned or interested directly or indirectly whether as shareholder, director, partner or agent in such business in such part of the all territories other than Australia and New Zealand.

The NCD is a legally binding agreement between Censof and CSHB which is enforceable under law.

Under law, regardless of whether there is an express termination clause, where there is a breach of any material term of an agreement, the non-defaulting party has the right to specific legal recourse for such material breach. The legal recourse available include (a) a remedy for damages for loss suffered as a result of a breach of the contract, or (b) an equitable remedy for specific performance, in which the person who entered into the deed of non-compete is required to specifically perform his obligations and/or the actions they have reneged upon under the NCD. At the same time, an injunction may also be requested for by the non-defaulting party to prohibit the other party from performing the act restrained under the contract.

11 RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (Cont'd)

11.3.2 Monitoring Of Related Party Transactions And Conflict Of Interest Situations

Audit Committee Review

An audit committee has been constituted by our Board which will review any related party transactions and conflict of interest situations that may arise within our Group (including any future related party transactions and conflict of interest situations). The Audit Committee periodically reviews the procedures set by us to monitor related party transactions to ensure that these transactions are carried out on normal commercial terms not more favourable to the related party than those generally available to the third parties, at arm's length with our Group and are not to the detriment of our minority shareholders. All reviews by our Audit Committee are reported to our Board for its further action. Please refer to Section 9.3.1 of this Prospectus for details of our Audit Committee.

11.4 TRANSACTIONS WHICH ARE UNUSUAL IN THEIR NATURE OR CONDITIONS

There are no unusual transactions in their nature or conditions, involving goods, services, tangible or intangible assets, to which our Group was a party in respect of the past three (3) FYE 2009, the 7-months FPE 31 July 2010 and up to LPD, immediately preceding the date of this Prospectus.

11.5 OUTSTANDING LOANS MADE TO OR FOR THE BENEFIT OF RELATED PARTIES

There are no outstanding loans (including guarantees of any kind) made by our Group to or for the benefit of related parties in respect of the past three (3) FYE 2009, the 7-months FPE 31 July 2010 and up to LPD, immediately preceding the date of this Prospectus.

11.6 INTEREST IN SIMILAR BUSINESS

Save as disclosed in Section 11.1, 11.2 and 11.3 of this Prospectus, none of our Directors and/or substantial shareholders has any interest, direct or indirect, in any other businesses and corporations carrying on a similar trade as that of our Group.

11.7 PROMOTION OF ANY MATERIAL ASSETS ACQUIRED, DISPOSED OF OR LEASED

Save as disclosed in Sections 14.8(c) and 14.8(d) of this Prospectus, none of our Directors and/or substantial shareholders have any interest, direct or indirect, in the promotion of, or in any material assets which have, within the past three (3) FYE 2009, the 7-months FPE 31 July 2010 and up to LPD, immediately preceding the date of this Prospectus, been acquired or disposed off by or leased to our Group, or are proposed to be acquired or disposed off by or leased to our Group.

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11 RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (Cont'd)

11.8 DECLARATION OF ADVISERS

- (a) Save for the following, Kenanga hereby confirms that there are no existing or potential conflicts of interest in its capacity as the Adviser, Underwriter and Placement Agent for the Public Issue.

CSM had on 11 March 2008, obtained a term loan facility from Kenanga amounting to RM4,000,000. The terms of the facility are in the ordinary course of Kenanga's business transactions undertaken at an arm's length basis and are not more favourable to CSM than those generally available to similar facilities granted by Kenanga. We are of the opinion that Kenanga's position as a lender to CSM is not significant, as at 31 May 2010, the facility represents an insignificant outstanding amount vis-à-vis Kenanga's total loan portfolio. In addition, there is a distinct and separate business unit within Kenanga providing corporate advisory and corporate banking services. It should be noted that negotiation for the terms of the facility was undertaken by the Corporate Banking Department in accordance to Credit Operations Guidelines, independent from the Corporate Finance Department.

Further, the credit evaluation is also subject to independent credit review by Kenanga's Risk Management Department and approval of the facility is at the discretion of Kenanga's Credit Committee. Kenanga's Corporate Finance Department has no representation in the aforementioned Risk Management Department and Credit Committee of Kenanga. As such, the provision of the facility was subject to clear internal banking procedures independent from Kenanga's Corporate Finance Department's advisory role in respect of the IPO, hence there is no conflict of interest situation arising from the facility.

- (b) Messrs. Cheang & Ariff has given its confirmation that there are no existing or potential conflicts of interest in its capacity as the Corporate and Due Diligence Solicitors for the Public Issue.
- (c) Messrs. Crowe Horwath (formerly known as Horwath) has given its confirmation that there are no existing or potential conflicts of interest in its capacity as Reporting Accountants and Auditors for the Public Issue.
- (d) Messrs. D&B Malaysia has given its confirmation that there are no existing or potential conflicts of interest in its capacity as Independent Market Researcher for the Public Issue.

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CENTURY SOFTWARE HOLDINGS BERHAD

(Co No. 828269-A)

13 0 DEC 2010

Century Software Holdings Berhad
Level 18, The Gardens,
North Tower, Mid Valley City,
Lingkaran Syed Putra,
59200 Kuala Lumpur

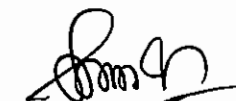
The Shareholders of Century Software Holdings Berhad

Dear Sir/ Madam,

On behalf of the Board of Directors of Century Software Holdings Berhad ("CSHB"), I report after due enquiry that during the period from 31 July 2010 (being the date of the last audited financial statements of CSHB and its subsidiary companies were made) to **13 0 DEC 2010** (being a date not earlier than fourteen (14) days before the issuance of this Prospectus):-

- (a) the business of our Company and its subsidiary companies ("Group") have, in the opinion of our Directors, been satisfactorily maintained;
- (b) in the opinion of our Directors, no circumstances have arisen subsequent to the last audited financial statements of our Group which have adversely affected the trading or the value of the assets of our Group;
- (c) the current assets of our Group appear in the books at values, which are believed to be realisable in the ordinary course of business;
- (d) no contingent liabilities have arisen by reason of any guarantees or indemnities given by our Group;
- (e) in the opinion of our Directors, we are not aware of any default or any known event that could give rise to a default situation, in respect of payments of either interest and/or principal sums in relation to any borrowings since the last audited financial statements of our Group; and
- (f) save as disclosed in the Accountants' Report and proforma financial information in this Prospectus, there have been no material changes in the published reserves nor any unusual factor affecting the profits of our Group.

Yours faithfully
For and on behalf of the Board of Directors
Century Software Holdings Berhad



Samsul bin Husin
Deputy Executive Chairman

C-17-07 Level 7, Block C, 3 Two Square, No. 2, Jalan 19/1,
46300 Petaling Jaya, Selangor D.E.
Tel 603-79627888 Fax: 603-79627800



29 December 2010

The Board of Directors
Century Software Holdings Berhad
Level 18, The Gardens,
North Tower, Mid Valley City,
Lingkaran Syed Putra,
59200 Kuala Lumpur

Crowe Horwath AF 1018
Chartered Accountants
Member Crowe Horwath International

Kuala Lumpur Office
Level 16 Tower C, Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur, Malaysia
Main +6 03 2166 0000
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Dear Sirs

**CENTURY SOFTWARE HOLDINGS BERHAD ("CSHB")
ACCOUNTANTS' REPORT**

1. PURPOSE OF REPORT

This report has been prepared by Messrs Crowe Horwath (formerly known as Messrs Horwath), an approved company auditor and a firm of chartered accountants registered in Malaysia, for inclusion in the Prospectus of CSHB in connection with the listing of CSHB on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). The details of the listing scheme are disclosed in paragraph 2.2 of this report.

2. DETAILS OF THE LISTING SCHEME

2.1 THE COMPANY

CSHB was incorporated in Malaysia on 8 August 2008 under the Companies Act, 1965 as a public limited company. CSHB is principally engaged in the business of investment holding.

2.2 LISTING SCHEME

In conjunction with and as an integral part of the listing of CSHB on the Main Market of Bursa Malaysia Securities Berhad, the Company has undertaken the following transactions:-

- (a) CSHB increased its authorised share capital from RM100,000 comprising 1,000,000 ordinary shares of RM0.10 each to RM25,000,000 comprising 250,000,000 ordinary shares of RM0.10 each ("CSHB Shares").



2.2 LISTING SCHEME (CONT'D)

(b) Acquisition of Century Software (Malaysia) Sdn. Bhd. ("CSM") by CSHB

CSHB acquired the entire equity interest in CSM of RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each for a total purchase consideration of RM13,299,998 which was satisfied entirely by the issuance of 132,999,980 CSHB Shares at an issue price of RM0.10 per CSHB Share.

Pursuant to a Sale and Purchase Agreement dated 29 June 2010 and its completion on 15 December 2010, CSHB had acquired 100% of CSM shares from the shareholders of CSM as follows:-

Shareholders of CSM	No. of CSM Shares previously held	%	No. of new CSHB Shares issued
Censof Sdn. Bhd.	802,965	80.30	106,794,327
Ramlee bin Mohd. Shariff	30,600	3.06	4,069,800
Malaysia Venture Capital Management Bhd	60,835	6.08	8,091,054
Expedient Equity Ventures Sdn. Bhd.	52,900	5.29	7,035,699
Hafiz Mursjidi Bin Suhaimi	1,876	0.19	249,508
YM Raja Mohd Nazri Bin Raja Abd Malek	7,504	0.75	998,032
Khalek Bin Awang	18,796	1.88	2,499,868
Rosdin Bin Hanafiah	18,796	1.88	2,499,868
Mohd Akob Bin Ahmad	5,728	0.57	761,824
Total	1,000,000	100.00	132,999,980

The purchase consideration was arrived at on a willing buyer-willing seller basis and represents approximately 1.31 times of the profit after taxation of CSM for the financial year ended 31 December 2009 amounting to approximately RM10,144,099.

Upon completion of the Acquisition of CSM, the issued and paid-up share capital of CSHB increased from RM2 comprising 20 CSHB Shares to RM13,300,000 comprising 133,000,000 CSHB Shares, credited as fully paid-up.



2.2 LISTING SCHEME (CONT'D)

(c) Acquisition of T-Melmax Sdn. Bhd. ("TMX") by CSHB

TMX is a wholly owned subsidiary of T-Melmax Global Sdn. Bhd. ("T-Global"). As part of the terms of the Acquisition of TMX, T-Global had renounced its rights to CSHB Shares to its shareholders.

CSHB acquired the entire equity interest in TMX of RM5,146,759 comprising 5,146,759 ordinary shares of RM1.00 each for a total purchase consideration of RM1,610,000 which was satisfied entirely by the issuance of 16,100,000 CSHB Shares at an issue price of RM0.10 per CSHB Share.

Pursuant to a Sale and Purchase Agreement dated 29 June 2010 and its completion on 20 December 2010, CSHB had acquired 100% of TMX shares from the shareholders of T-Global as follows:-

Shareholders of T-Global	Based on their shareholdings at T-Global %*	No. of new CSHB Shares issued
Abdul Mushir Bin Che Chik	31.91	5,138,342
Wong Kam Yin	31.21	5,024,986
Malaysia Venture Capital Management Bhd	25.00	4,025,000
Chung Soon Nam	5.74	924,108
Legion Capital Advisory Sdn Bhd	2.68	431,250
Syed Naqiz Shahabuddin bin Syed Abdul Jabbar	1.73	278,157
Tengku Ab. Malek Bin Tengku Mohamed	1.73	278,157
Total	100.00	16,100,000

Note:-

* Represents their respective shareholdings in T-Global. This is the basis upon which the CSHB Shares are distributed to existing shareholders of T-Global pursuant to the renouncement as described above.

The purchase consideration was arrived at on a willing buyer-willing seller basis and represents approximately 0.31 times of the audited net assets of TMX for the financial year ended 31 December 2009 of RM5,225,880.

Upon completion of the Acquisition of TMX, the issued and paid-up share capital of CSHB increased from RM13,300,000 comprising 133,000,000 CSHB Shares to RM14,910,000 comprising 149,100,000 CSHB Shares, credited as fully paid-up.



2.2 LISTING SCHEME (CONT'D)

(d) Proposed Public Issue

In conjunction with the listing of CSHB on the Main Market of Bursa Malaysia Securities Berhad, CSHB proposes to issue 23,000,000 new CSHB Shares at an issue price of RM0.93 per ordinary share to the public as follows:-

Public Issue	No. of Issue Shares to be allotted	% of the Enlarged Share Capital
(i) made available to eligible directors, employees and business associates who have contributed to the success of CSHB Group	5,800,000	3.37
(ii) by way of private placement to selected investors	8,550,000	4.97
(iii) by way of balloting to the Malaysian public	8,650,000	5.03
Total	23,000,000	6.68

Upon completion of the Proposed Public Issue, the issued and paid-up share capital of CSHB will increase from RM14,910,000 comprising 149,100,000 CSHB Shares, to RM17,210,000 comprising 172,100,000 CSHB Shares credited as fully paid-up.

The estimated gross proceeds of RM21,390,000 will be accrued entirely to CSHB Group and to be utilised as follows:-

Proposed Utilisation	RM'000	%	Expected time frame for utilisation
Research and development expenditure	6,000	28.05	Within three (3) years from the date of receipt.
Business expansion and capital expenditure	4,890	22.86	Within three (3) years from the date of receipt.
Working capital	4,000	18.70	Within three (3) years from the date of receipt.
Repayment of bank borrowings	4,000	18.70	Within six (6) years from the date of receipt.
Estimated listing expenses	2,500	11.69	Within six (6) years from the date of receipt.
	21,390	100.00	



2.2 LISTING SCHEME (CONT'D)

(e) Offer for Sale

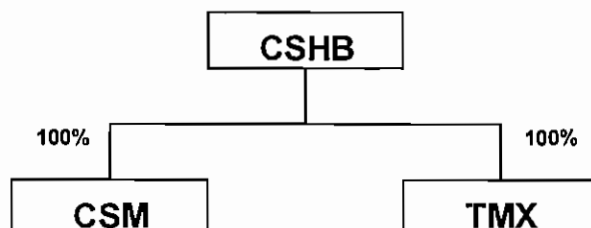
A total of 10,931,200 CSHB Shares, representing approximately 6.35% of CSHB's enlarged issued and paid-up share capital (after the Proposed Public Issue) at an issue price of RM0.93 is made available for sale by the offerors referred to in the prospectus by way of private placement to identified investors. The Offer for Sale will raise a total gross proceeds of RM10,166,016, before deducting their share of the estimated expenses which includes management, placement and transfer fees relating to their respective portion of the Offer for Sale. All the proceeds from the Offer for Sale will be credited to the offerors and CSHB will not receive any part of the proceeds.

(f) Proposed Listing and Quotation on Main Market

After the Offer for Sale, the entire issued and paid-up share capital of RM17,210,000 comprising 172,100,000 CSHB Shares, will be listed and quoted on the Main Market of Bursa Malaysia Securities Berhad.

3 GROUP STRUCTURE

The Group structure of CSHB as at the date of this report is as follows:-



CSHB is an investment holding company to facilitate the listing exercise. Details of the subsidiaries are as follows:-

Name of Company	Date of Incorporation	Country of Incorporation	Issued Paid-up Capital	Effective Equity Interest	Principal Activities
CSM	3 September 1997	Malaysia	RM1,000,000	100%	Design, development, implementation and marketing of financial and related software and services.
TMX	24 September 2002	Malaysia	RM5,146,759	100%	Providing service for software applications, electronic payments and collection solutions, essentially offering Software as a Service ("Saas").



4. RELEVANT FINANCIAL PERIODS AND AUDITORS

The relevant financial periods of the audited financial statements provided in this report ("Relevant Financial Period") and the auditors of the respective companies for the Relevant Financial Periods are as follows:-

Company	Relevant Financial Period	Auditors	Auditors' Report
Century Software Holdings Berhad	Audited financial period ("FP") from 8 August 2008 (date of incorporation) to 31 December 2008 ("FPE 2008"), audited financial year ended 31 December ("FYE") 2009, unaudited FP from 1 January 2009 to 31 July 2009 ("FPE 2009") and audited FP from 1 January 2010 to 31 July 2010 ("FPE 2010").	Messrs. Crowe Horwath (formerly known as Messrs. Horwath)	Appendix I
Century Software (Malaysia) Sdn. Bhd.	Audited FYE 2007, FYE 2008 and FYE 2009, unaudited FPE 2009 and audited FPE 2010.	Messrs. Crowe Horwath (formerly known as Messrs. Horwath)	Appendix II
T-Melmax Sdn. Bhd.	Audited FP from 1 July 2006 to 31 December 2007 ("FYE 2007"), audited FYE 2008 and FYE 2009, unaudited FPE 2009 and audited FPE 2010	Messrs. Crowe Horwath (formerly known as Messrs. Horwath)	Appendix III

CSHB was incorporated on 8 August 2008, and hence, no audited financial statements have been prepared for the FYE 2007.

No consolidated financial statements were presented as the CSHB Group did not exist throughout the Relevant Financial Period. This is because the listing scheme which involves the acquisition of CSM and TMX as mentioned in Notes 2.2(b) and 2.2(c) were completed on 15 December 2010 and 20 December 2010 respectively.

The audited financial statements of CSHB, CSM and TMX for the Relevant Financial Periods under review were not subject to any audit qualification.



5. ACCOUNTING STANDARDS AND POLICIES

5.1 BASIS OF PREPARATION

This report covers the financial information derived from the audited financial statements of CSHB, CSM and TMX ("Relevant Companies") for the Relevant Financial Period. The financial statements of the Relevant Companies are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Financial Reporting Standards ("FRS") and the Companies Act 1965 in Malaysia.

- (a) During the current financial period, the Relevant Companies have adopted the following new accounting standards and interpretations (including the consequential amendments):

FRSs and IC Interpretations (including the Consequential Amendments)

FRS 4 Insurance Contracts

FRS 7 Financial Instruments: Disclosures

FRS 8 Operating Segments

FRS 101 (Revised) Presentation of Financial Statements

FRS 123 (Revised) Borrowing Costs

FRS 139 Financial Instruments: Recognition and Measurement

Amendments to FRS 1 and FRS 127: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate

Amendments to FRS 2: Vesting Conditions and Cancellations

Amendments to FRS 7, FRS 139 and IC Interpretation 9

Amendments to FRS 101 and FRS 132: Puttable Financial Instruments and Obligations Arising on Liquidation

Amendments to FRS 132: Classification of Rights Issues and the Transitional Provision in Relation to Compound Instruments



5. ACCOUNTING STANDARDS AND POLICIES (CONT'D)

5.1 BASIS OF PREPARATION (CONT'D)

- (a) During the current financial period, the Relevant Companies have adopted the following new accounting standards and interpretations (including the consequential amendments) (Cont'd):

FRSs and IC Interpretations (including the Consequential Amendments)

IC Interpretation 9 Reassessment of Embedded Derivatives

IC Interpretation 10 Interim Financial Reporting and Impairment

IC Interpretation 11: FRS 2 – Group and Treasury Share Transactions

IC Interpretation 13 Customer Loyalty Programmes

IC Interpretation 14: FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Annual Improvements to FRSs (2009)

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Relevant Companies' financial statements, other than the following:

- (i) FRS 7 requires additional disclosures about the Relevant Companies' financial instruments. Prior to 1 January 2010, information about financial statements was disclosed in accordance with the requirements of FRS 132 Financial Instruments: Disclosures and Presentation. FRS 7 requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Relevant Companies have applied FRS 7 prospectively in accordance with the transitional provisions. Accordingly, the new disclosures have not been applied to the comparatives and are included throughout the Relevant Companies' financial statements for the financial period ended 31 July 2010.

- (ii) The adoption of FRS 139 (including the consequential amendments) has resulted in several changes to accounting policies relating to recognition and measurement of financial instruments. There is no material financial impact to CSHB Group's financial statements.



5. ACCOUNTING STANDARDS AND POLICIES (CONT'D)

5.1 BASIS OF PREPARATION (CONT'D)

(a) During the current financial period, the Relevant Companies have adopted the following new accounting standards and interpretations (including the consequential amendments) (Cont'd):

- (iii) FRS 101 (Revised) introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Relevant Companies has elected to present this statement as one single statement.

The revised standard also separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented in the statement of comprehensive income as other comprehensive income.

FRS 101 also requires the Relevant Companies to make new disclosures to enable users of financial statements to evaluate the Relevant Companies' objectives, policies and processes for managing capital. This new disclosures is made in Notes 6.1.9, 6.2.28(b) and 6.3.24(b) to this report.



5. ACCOUNTING STANDARDS AND POLICIES (CONT'D)

5.1 BASIS OF PREPARATION (CONT'D)

- (b) The Relevant Companies have not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:-

FRSs and IC Interpretations (including the Consequential Amendments)	Effective date
FRS 1 (Revised) First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 (Revised) Business Combinations	1 July 2010
FRS 127 (Revised) Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 1 (Revised): Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 1: Additional Exemptions for First-time Adopters	1 January 2011
Amendments to FRS 2: Scope of FRS 2 and Revised FRS 3 (2010)	1 July 2010
Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 5: Plan to Sell the Controlling Interest in a Subsidiary	1 July 2010



5. ACCOUNTING STANDARDS AND POLICIES (CONT'D)

5.1 BASIS OF PREPARATION (CONT'D)

- (b) The Relevant Companies have not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period (Cont'd):-

FRSs and IC Interpretations (including the Consequential Amendments)	Effective date
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 138: Consequential Amendments Arising from Revised FRS 3 (2010)	1 July 2010
IC Interpretation 4 Determining Whether An Arrangement Contains a Lease	1 January 2011
IC Interpretation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 15 Agreements for the Construction of Real Estate	1 January 2012
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
IC Interpretation 18 Transfers of Assets from Customers	1 January 2011
Amendments to IC Interpretation 9: Scope of IC Interpretation 9 and FRS 3 (Revised)	1 July 2010

The above accounting standards and interpretations (including the consequential amendments) are not relevant to the Relevant Companies operations.

5.2 CONSISTENCY OF APPLICATION OF ACCOUNTING POLICIES

This report is prepared on the basis consistent with the accounting policies adopted by the Relevant Companies as disclosed in paragraph 5.3 below. There were no changes in the significant accounting policies adopted by the Relevant Companies during the Relevant Financial Periods other than the adoption of all the new and revised FRSs issued by the Malaysian Accounting Standards Board which are relevant to their operations.

**5. ACCOUNTING STANDARDS AND POLICIES (CONT'D)****5.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(a) Critical Accounting Estimates And Judgements**

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Relevant Companies' accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:-

(i) Depreciation of Property and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Relevant Companies anticipate that the residual values of its property and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(ii) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Relevant Companies recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

(iii) Impairment of Non-financial Assets

When the recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.



5. ACCOUNTING STANDARDS AND POLICIES (CONT'D)

5.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Critical Accounting Estimates And Judgements (Cont'd)

(iv) *Amortisation of Development Expenditure*

Changes in the expected level of usage and technological development could impact the economic useful lives therefore future amortisation charges could be revised.

(v) *Impairment of Available-for-sale Financial Assets*

The Relevant Companies review its available-for-sale financial assets at the end of each reporting period to assess whether they are impaired. The Relevant Companies also records impairment loss on available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below their cost. The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Relevant Companies evaluate, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost.

(vi) *Impairment of Trade and Other Receivables*

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. Management specifically reviews its loan and receivables financial assets and analyses historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when making a judgment to evaluate the adequacy of the allowance for impairment loss. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. If the expectation is different from the estimation, such difference will impact the carrying value of receivables.



5. ACCOUNTING STANDARDS AND POLICIES (CONT'D)

5.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Financial Instruments

Financial instruments are recognised in the statement of financial position when the Relevant Companies have become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Relevant Companies have a legally enforceable right to offset and intend to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

Financial instruments recognised in the statement of financial position are disclosed in the individual policy statement associated with each item.

(c) Financial Assets at Fair Value Through Profit or Loss

Financial assets are classified as financial assets at fair value through profit or loss when the financial asset is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Dividend income from this category of financial assets is recognised in profit or loss as part of the other operating income when the Relevant Companies' right to receive payment is established.

(d) Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management has the positive intention and ability to hold to maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment loss, with revenue recognised on an effective yield basis.



5. ACCOUNTING STANDARDS AND POLICIES (CONT'D)

5.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Loans and Receivables Financial Assets

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables financial assets. Loans and receivables financial assets are measured at amortised cost using the effective interest method, less any impairment loss. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

(f) Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are designated in this category or are not classified in any of the other categories.

After initial recognition, available-for-sale financial assets are remeasured to their fair values at the end of each reporting period. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the fair value reserve, with the exception of impairment losses. On derecognition, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity into profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss as part of the other operating income when the Relevant Companies' right to receive payments is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss, if any.

(g) Impairment of Financial Assets

All financial assets (other than those categorised at fair value through profit or loss), are assessed at the end of each reporting period whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. For an equity instrument, a significant or prolonged decline in the fair value below its cost is considered to be objective evidence of impairment.

An impairment loss in respect of held-to-maturity investments and loans and receivables financial assets is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.



5. ACCOUNTING STANDARDS AND POLICIES (CONT'D)

5.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Impairment of Financial Assets (Cont'd)

An impairment loss in respect of available-for-sale financial assets is recognised in the profit or loss and is measured as the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the fair value reserve. In addition, the cumulative loss recognised in the fair value reserve is reclassified from equity to profit or loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. In respect of available-for-sale equity instruments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income.

(h) Financial Liabilities

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges. Liabilities in this category are classified as current liabilities.

(i) Functional and Foreign Currencies

(i) *Functional and Presentation Currency*

The functional currency of each of the Relevant Companies' entity is the currency of the primary economic environment in which that entity operates.

The consolidated financial statements are presented in Ringgit Malaysia ("RM") which is the Relevant Companies' functional and presentation currency.



5. ACCOUNTING STANDARDS AND POLICIES (CONT'D)

5.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Functional and Foreign Currencies (Cont'd)

(ii) Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are taken to the statement of comprehensive income.

(j) Research and Development Expenditure

Research expenditure is recognised as an expense when it is incurred.

Development expenditure is recognised as an expense except that costs incurred on development projects are capitalised as long-term assets to the extent that such expenditure is expected to generate future economic benefits.

Development expenditure is capitalised if, and only if an entity can demonstrate all of the following:-

- (i) its ability to measure reliably the expenditure attributable to the asset under development;
- (ii) the product or process is technically and commercially feasible;
- (iii) its future economic benefits are probable;
- (iv) its ability to use or sell the developed asset; and
- (v) the availability of adequate technical, financial and other resources to complete the asset under development.

Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses, if any. Development expenditure initially recognised as an expense are not recognised as assets in the subsequent period.

The development expenditure is amortised on a straight-line method over a period of five years when the products are ready for sale or use. In the event that the expected future economic benefits are no longer probable of being recovered, the development expenditure is written down to its recoverable amount.



5. ACCOUNTING STANDARDS AND POLICIES (CONT'D)

5.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Property and Equipment

Property and equipment, other than freehold commercial unit, are stated at cost less accumulated depreciation or amortisation and impairment losses, if any. Freehold commercial unit is stated at cost less impairment loss, if any and is not depreciated.

Depreciation is calculated under the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Motor vehicles	16% - 20%
Apartment equipment	10%
Projector	10%
Office equipment, furniture and fittings	10% - 33.33%
Computers	20% - 33.33%
Renovation	10% - 33.33%

The depreciation method, useful life and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property and equipment.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset is included in the statement of comprehensive income in the year the asset is derecognised.

(l) Impairment of Non-Financial Assets

The carrying values of assets, other than those to which FRS 136 - Impairment of Non-financial Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' net selling price and their value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is charged to the statement of comprehensive income immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset.



5. ACCOUNTING STANDARDS AND POLICIES (CONT'D)

5.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Impairment of Non-Financial Assets (Cont'd)

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the statement of comprehensive income immediately, unless the asset is carried at its revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to the revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the statement of comprehensive income, a reversal of that impairment loss is recognised as income in the statement of comprehensive income.

(m) Assets Under Hire Purchase

Equipment acquired under hire purchase are capitalised in the financial statements and are depreciated in accordance with the policy set out in Note 5.3(k). Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. Finance charges are allocated to the income statement over the periods of the respective hire purchase agreements.

(n) Income Taxes

Income taxes for the year comprise current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences, other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.



5. ACCOUNTING STANDARDS AND POLICIES (CONT'D)

5.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Income Taxes (Cont'd)

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs. The carrying amounts of deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

(o) Equity Instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(p) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, deposits pledged with financial institutions, bank overdrafts and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



5. ACCOUNTING STANDARDS AND POLICIES (CONT'D)

5.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Employee Benefits

(i) Short-term Benefits

Wages, salaries, paid annual leave, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Relevant Companies.

(ii) Defined Contribution Plans

The Relevant Companies' contributions to defined contribution plans are charged to the statement of comprehensive income in the period to which they relate. Once the contributions have been paid, the Relevant Companies have no further liabilities in respect of the defined contribution plans.

(r) Related Parties

A party is related to an entity if:-

- (i) directly, or indirectly through one or more intermediaries, the party:-
 - a. controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
 - b. has an interest in the entity that gives it significant influence over the entity; or
 - c. has joint control over the entity;
- (ii) the party is an associate of the entity;
- (iii) the party is a joint venture in which the entity is a venturer;
- (iv) the party is a member of the key management personnel of the entity or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

Close members of the family of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.



5. ACCOUNTING STANDARDS AND POLICIES (CONT'D)

5.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Revenue Recognition

(i) *Sale of Goods*

Revenue is recognised upon delivery of goods and customer's acceptance and where applicable, net of returns and trade discounts.

(ii) *Services*

Revenue is recognised upon the rendering of services and when the outcome of the transaction can be estimated reliably. In the event the outcome of the transaction could not be estimated reliably, revenue is recognised to the extent of the expenses incurred that are recoverable.

(iii) *Interest Income*

Interest income is recognised on an accrual basis.

(iv) *Rental Income*

Rental income is recognised on an accrual basis.

6. AUDITED FINANCIAL STATEMENTS

FINANCIAL INFORMATION

The financial information of CSHB, CSM and TMX as presented in Notes 6.1 to 6.3 has been prepared based on the audited financial statements, modified as appropriate, for the purpose of this report. The scope of work involved in the preparation of this report does not constitute an audit in accordance with approved standards on auditing in Malaysia.

All information are extracted from the audited financial statements except for those in italics which are prepared based on calculations, representations and/or explanations provided by the management of the Relevant Companies.

For presentation purpose, certain comparative figures in FYE 2008 have been reclassified to conform with FYE 2009 and FPE 2010's presentation. The details are disclosed in Note 6.2.29 to the report.

13 ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.1 CENTURY SOFTWARE HOLDINGS BERHAD

6.1.1 STATEMENTS OF COMPREHENSIVE INCOME

	Note	Audited		Unaudited	Audited
		FPE 2008	FYE 2009	FPE 2009	FPE 2010
		RM'000	RM'000	RM'000	RM'000
Revenue		-	-	-	-
Administrative expenses		(6)	(2)	(2)	(47)
Loss for the financial period/year	6.1.5	(6)	(2)	(2)	(47)
Other comprehensive expenses		-	-	-	-
Total comprehensive expenses		(6)	(2)	(2)	(47)
Loss for the financial period/year/ Total comprehensive expenses attributable to:-					
Owners of the Company		(6)	(2)	(2)	(47)
<i>Number of ordinary shares in issue of RM0.10 each</i>		20	20	20	20
<i>Gross loss per share ("LPS") (RM)</i>		<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>
<i>Net LPS (RM)</i>		<i>(720.0) *</i>	<i>(100.0)</i>	<i>(171.4) *</i>	<i>(4,028.6) *</i>

Note:-

- * - The Net LPS was computed by dividing the annualised loss for the FPE 2008, FPE 2009 and FPE 2010 respectively by the number of ordinary shares in issue during those periods. The Net LPS computed was annualised.



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.1 CENTURY SOFTWARE HOLDINGS BERHAD

6.1.2 STATEMENTS OF FINANCIAL POSITION

		Audited		
	Note	FPE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
ASSET				
CURRENT ASSET				
Cash in hand		#	#	#
EQUITY AND LIABILITY				
EQUITY				
Share capital	6.1.7	#	#	#
Accumulated losses		(6)	(8)	(55)
		(6)	(8)	(55)
CURRENT LIABILITY				
Other payables and accruals	6.1.8	6	8	55
TOTAL EQUITY AND LIABILITY		#	#	#

Note:-

- RM2



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.1 CENTURY SOFTWARE HOLDINGS BERHAD

6.1.3 STATEMENTS OF CASH FLOW

	Audited		Unaudited	Audited
	FPE 2008	FYE 2009	FPE 2009	FPE 2010
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FOR OPERATING ACTMITY				
Loss for the financial period/year	(6)	(2)	(2)	(47)
Increase in other payables	6	2	2	47
NET CASH FOR OPERATING ACTMITY	-	-	-	-
NET CASH FROM INVESTING ACTMITY				
Proceeds from issuance of shares	#	-	-	-
CASH IN HAND AT BEGINNING OF THE FINANCIAL PERIOD/YEAR	-	#	#	#
CASH IN HAND AT END OF THE FINANCIAL PERIOD/YEAR	#	#	#	#

Note:-

- RM2



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.1 CENTURY SOFTWARE HOLDINGS BERHAD

6.1.4 STATEMENTS OF CHANGES IN EQUITY

Audited	Share capital RM'000	Accumulated Losses RM'000	Total RM'000
At 8.8.2008 (date of incorporation)	#	-	#
Total comprehensive expenses for the financial period	-	(6)	(6)
Balance as at 31.12.2008	#	(6)	(6)
Balance as at 1.1.2009	#	(6)	(6)
Total comprehensive expenses for the financial year	-	(2)	(2)
Balance at 31.12.2009	#	(8)	(8)
Balance as at 1.1.2010	#	(8)	(8)
Total comprehensive expenses for the financial period	-	(47)	(47)
Balance at 31.7.2010	#	(55)	(55)
Unaudited			
Balance at 1.1.2009	#	(6)	(6)
Total comprehensive expenses for the financial period	-	(2)	(2)
Balance at 31.7.2009	#	(8)	(8)

Note:-

- RM2



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.1 CENTURY SOFTWARE HOLDINGS BERHAD

6.1.5 LOSS FOR THE FINANCIAL PERIOD/YEAR

	Audited		Unaudited	Audited
	FPE 2008	FYE 2009	FPE 2009	FPE 2010
	RM'000	RM'000	RM'000	RM'000
Loss for the financial period/year is arrived at after charging:-				
Audit fee	1	1	1	2
Incorporation fee	4	-	-	-
Listing expenses	-	-	-	35

6.1.6 INCOME TAX EXPENSE

CSHB was not subject to tax as there was no taxable income.

The statutory tax rates for FPE 2008 and FYE 2009 was reduced from 27% to 26% and 25% respectively, as announced in the Malaysian Budget 2007 and 2008 respectively.

The corporate tax rate on the first RM500,000 of chargeable income is 20%. The tax rates applicable to the balance of the chargeable income for FPE2008, FYE 2009 and FPE 2010 was 26% and 25% respectively.

A reconciliation of income tax expense applicable to the loss for the financial period/year at the statutory tax rates to income tax expense at the effective tax rates of CSHB is as follows:-

	Audited		Unaudited	Audited
	FPE 2008	FYE 2009	FPE 2009	FPE 2010
	RM'000	RM'000	RM'000	RM'000
Loss for the financial period/year	(6)	(2)	(2)	(47)
Tax at Malaysian statutory tax rate of:				
- 26%	(2)	-	-	-
- 25%	-	(1)	*	(12)
Tax effect of:-				
Non-deductible expenses	2	1	*	12
Tax for the financial period/year	-	-	-	-

Note:-

* - Less than RM500.

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Offices in Malaysia:

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



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.1 CENTURY SOFTWARE HOLDINGS BERHAD

6.1.7 SHARE CAPITAL

	FPE 2008	FYE 2009	FPE 2010	FPE 2008	FYE 2009	FPE 2010
	Number of shares					
Audited	('000)	('000)	('000)	RM'000	RM'000	RM'000
Ordinary shares of RM0.10 each:-						
Authorised	1,000	1,000	1,000	100	100	100
Issued and fully paid-up	^	^	^	#	#	#

Note:-

- RM2
^ - 20

6.1.8 OTHER PAYABLES AND ACCRUALS

	Audited		
	FPE 2008	FYE 2009	FPE 2010
	RM'000	RM'000	RM'000
Other payables	6	7	53
Accrual	-	1	2
	6	8	55

Included in other payables and accruals for the FPE 2010 was legal and secretarial fees amounting to RM35,000 incurred in relation to the listing exercise of CSHB.

**6. AUDITED FINANCIAL STATEMENTS (CONT'D)****6.1 CENTURY SOFTWARE HOLDINGS BERHAD****6.1.9 CAPITAL MANAGEMENT POLICIES**

The primary objective of CSHB's capital management is 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 commensurate with the level of risk. The management sets the amount of capital in proportion to risk. There were no changes in the approach to capital management during the financial period. The management manages the capital structure and makes adjustments to it where necessary or possible 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 management may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

6.1.10 FAIR VALUES OF FINANCIAL INSTRUMENTS

The carrying amounts of the financial instruments reported in the financial statements approximated their fair values.



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.1 STATEMENTS OF COMPREHENSIVE INCOME OF CSM

	Note	Audited			Unaudited	Audited
		FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2009 RM'000	FPE 2010 RM'000
Revenue	6.2.5	18,246	24,272	25,544	11,856	14,462
Cost of sales		(9,308)	(12,157)	(10,989)	(5,840)	(6,703)
Gross profit ("GP")		8,938	12,115	14,555	6,016	7,759
Other income		529	4,280	330	167	34
		9,467	16,395	14,885	6,183	7,793
Administrative expenses		(3,512)	(5,135)	(3,894)	(2,228)	(3,131)
Other expenses		(253)	(424)	(506)	(242)	(263)
		5,702	10,836	10,485	3,713	4,399
Finance costs		(181)	(420)	(319)	(187)	(192)
Profit before taxation ("PBT")		5,521	10,416	10,166	3,526	4,207
Amortisation		-	156	401	234	529
Depreciation		253	423	419	242	263
Interest expense		181	421	319	187	192
Interest income		(59)	(75)	(81)	(64)	(18)
Earning before interest, amortisation, depreciation and taxation		5,896	11,341	11,224	4,125	5,173
Amortisation		-	(156)	(401)	(234)	(529)
Depreciation		(253)	(423)	(419)	(242)	(263)
Interest expense		(181)	(421)	(319)	(187)	(192)
Interest income		59	75	81	64	18
PBT	6.2.6	5,521	10,416	10,166	3,526	4,207
Income tax expense	6.2.7	(83)	(78)	(22)	(17)	(5)
Profit after taxation ("PAT")		5,438	10,338	10,144	3,509	4,202
Other comprehensive income		-	-	-	-	-
Total comprehensive income		5,438	10,338	10,144	3,509	4,202
Profit after taxation/Total comprehensive income attributable to:-						
Owners of the Company		5,438	10,338	10,144	3,509	4,202
GP margin (%)		49.0	49.9	57.0	50.7	53.7
PBT margin (%)		30.3	42.9	39.8	29.7	29.1
PAT margin (%)		29.8	42.6	39.7	29.6	29.1
Effective tax rate (%)		1.5	0.7	0.2	0.5	0.1
Interest coverage (times)		31.5	25.7	32.9	19.9	22.9
Number of ordinary shares in issue of RM1.00 each ('000)		1,000	1,000	1,000	1,000	1,000
Gross earnings per share ("EPS") (RM)		5.5	10.4	10.2	6.0	7.2
Net EPS (RM)		5.4	10.3	10.1	6.0	7.2

Note:-

* - These computation were annualised.



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.2 STATEMENTS OF FINANCIAL POSITION OF CSM

		Audited			
	Note	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2009 RM'000
ASSETS					
NON-CURRENT ASSETS					
Property and equipment	6.2.8	4,696	1,571	1,604	1,397
Development expenditure	6.2.9	780	1,849	3,982	4,987
Other investments, at cost	6.2.10	100	100	100	100
		5,576	3,520	5,686	6,484
CURRENT ASSETS					
Trade receivables	6.2.11	8,380	14,074	11,806	14,489
Other receivables, deposits and and prepayments	6.2.12	1,370	3,554	3,124	4,547
Tax refundable		269	93	93	93
Fixed deposits with a licensed bank	6.2.13	1,807	2,544	1,691	317
Cash and bank balances		1,079	2,698	4,345	91
		12,905	22,963	21,059	19,537
TOTAL ASSETS		18,481	26,483	26,745	26,021



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.2 STATEMENTS OF FINANCIAL POSITION OF CSM (CONT'D)

		Audited			
	Note	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2009 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	6.2.14	1,000	1,000	1,000	1,000
Retained profits	6.2.15	1,378	3,587	13,731	17,933
TOTAL EQUITY		2,378	4,587	14,731	18,933
NON-CURRENT LIABILITY					
Long-term borrowings	6.2.16	1,975	305	595	543
CURRENT LIABILITIES					
Trade payables	6.2.17	3,620	4,866	1,372	1,967
Other payables and accruals	6.2.18	3,217	1,701	1,189	472
Amount owing to shareholders	6.2.19	6,080	10,282	4,792	-
Short-term borrowings	6.2.20	166	4,742	4,066	4,070
Bank overdrafts	6.2.21	1,045	-	-	36
		14,128	21,591	11,419	6,545
TOTAL LIABILITIES		16,103	21,896	12,014	7,088
TOTAL EQUITY AND LIABILITIES		18,481	26,483	26,745	26,021
Number of ordinary shares in issue of RM1.00 each ('000)					
		1,000	1,000	1,000	1,000
Net assets ("NA") (RM'000)					
		2,378	4,587	14,731	18,933
NA per ordinary share (RM)					
		2.4	4.6	14.7	18.9
Trade receivables turnover ratio (times)					
		2.2	1.7	2.2	1.7
Trade payables turnover ratio (times)					
		2.6	2.5	8.0	5.8
Gearing ratio (times)					
		1.3	1.1	0.3	0.2

Note:-

* - These computation were annualised.

13 ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.3 STATEMENTS OF CASH FLOW OF CSM

		Audited			Unaudited	Audited
	Note	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2009 RM'000	FPE 2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit before taxation		5,521	10,416	10,166	3,526	4,207
Adjustments for:-						
Amortisation of development expenditure		-	156	401	234	529
Depreciation of equipment		253	423	419	242	263
Equipment written off		-	-	87	-	-
Interest expense		181	421	319	187	192
Interest income		(59)	(75)	(81)	(64)	(18)
(Gain)/Loss on disposal of property and equipment		-	(3,181)	1	-	-
		5,896	8,160	11,312	4,125	5,173
Working capital:-						
(Increase)/Decrease in trade and other receivables		(5,294)	(7,135)	2,698	918	(4,106)
Increase/(Decrease) in trade and other payables		2,409	(269)	(4,006)	(3,971)	(121)
CASH FROM OPERATIONS		3,011	756	10,004	1,072	946
Tax (paid)/refunded		(441)	98	(22)	(17)	(5)
Interest paid		(181)	(421)	(319)	(187)	(192)
Interest income		59	75	81	64	18
NET CASH FROM OPERATING ACTIVITIES		2,448	508	9,744	932	767
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES						
Repayment from a director		20	-	-	-	-
Development expenditure		(780)	(1,225)	(2,534)	(782)	(1,534)
Purchase of equipment	6.2.25	(721)	(1,323)	(108)	-	(56)
Proceeds from disposal of property		-	8,641	135	4	-
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(1,481)	4,093	(2,507)	(778)	(1,590)
CASH FLOWS FOR FINANCING ACTIVITIES						
Drawdown/(Repayment) of bank borrowings		(206)	2,768	(692)	(892)	-
Dividend paid		(1,020)	(3,928)	(5,490)	-	(4,792)
Repayment of hire purchase obligations		(29)	(40)	(261)	(30)	(49)
NET CASH FOR FINANCING ACTIVITIES		(1,255)	(1,200)	(6,443)	(722)	(4,841)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(288)	3,401	794	(568)	(5,664)
CASH AND CASH EQUIVALENTS AT OF THE FINANCIAL YEAR/PERIOD		2,129	1,841	5,242	5,242	8,038
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR/PERIOD	6.2.26	1,841	5,242	6,036	4,674	372



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.4 STATEMENTS OF CHANGES IN EQUITY OF CSM

Audited	Note	Share capital RM'000	Retained profits RM'000	Total RM'000
Balance at 1.1.2007		1,000	3,040	4,040
Total comprehensive income for the financial year		-	5,438	5,438
Dividend	6.2.24	-	(7,100)	(7,100)
Balance at 31.12.2007		1,000	1,378	2,378
Balance at 1.1.2008		1,000	1,378	2,378
Total comprehensive income for the financial year		-	10,338	10,338
Dividend	6.2.24	-	(8,129)	(8,129)
Balance at 31.12.2008		1,000	3,587	4,587
Balance at 1.1.2009		1,000	3,587	4,587
Total comprehensive income for the financial year		-	10,144	10,144
Balance at 31.12.2009		1,000	13,731	14,731
Balance at 1.1.2010		1,000	13,731	14,731
Total comprehensive income for the financial period		-	4,202	4,202
Balance at 31.7.2010		1,000	17,933	18,933
Unaudited				
Balance at 1.1.2009		1,000	3,587	4,587
Total comprehensive income for the financial period		-	3,509	3,509
Balance at 31.7.2009		1,000	7,096	8,096



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.5 REVENUE

	Audited			Unaudited	Audited
	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2009 RM'000	FPE 2010 RM'000
(a) Software, implementation and training	9,593	13,716	10,763	4,930	4,724
(b) Hardware	4,330	6,104	4,248	1,628	2,607
(c) Maintenance	4,323	4,452	10,533	5,298	7,131
Total	18,246	24,272	25,544	11,856	14,462

6.2.6 PROFIT BEFORE TAXATION

	Audited			Unaudited	Audited
	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2009 RM'000	FPE 2010 RM'000
Profit before taxation is arrived at after charging/(crediting):-					
Audit fee	13	15	18	11	18
Amortisation of development expenditure	-	156	401	234	529
Depreciation of property and equipment	253	423	419	242	263
Directors' remuneration	437	423	356	198	227
Equipment written off	-	-	87	-	-
Interest expense					
- hire purchase	15	18	22	12	16
- overdraft	80	73	2	2	1
- term loan	86	330	295	173	175
Listing expenses	-	-	-	-	959
Staff costs	4,694	5,411	5,082	2,899	2,685
Fixed deposit interest	(59)	(75)	(81)	(64)	(18)
(Gain)/Loss on disposal of property and equipment	-	(3,181)	1	-	-
Rental income	-	(226)	-	-	-



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.7 INCOME TAX EXPENSE

	Audited			Unaudited	Audited
	FYE 2007	FYE 2008	FYE 2009	FPE 2009	FPE 2010
	RM'000	RM'000	RM'000	RM'000	RM'000
Income tax expense					
- for the financial year	-	78	22	17	5
- underprovision in the previous financial year	83	-	-	-	-
	83	78	22	17	5

The statutory tax rate for FYE 2008 and FYE 2009 was reduced from 27% to 26% and 25% respectively, as announced in the Malaysian Budget 2007 and 2008 respectively.

The corporate tax rate on the first RM500,000 of chargeable income is 20%. The tax rate applicable to the balance of the chargeable income for FYE 2007, FYE 2008 and FYE 2009 is 27%, 26% and 25% respectively.

CSM was granted the MSC Malaysia status which qualifies the Company for Pioneer Status incentive under the Promotion of Investments Act, 1986 for the period from 13 October 2006 to 12 October 2011 whereby the statutory income from pioneer activities is exempted from tax.



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.7 INCOME TAX EXPENSE (CONT'D)

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

	Audited			Unaudited	Audited
	FYE 2007	FYE 2008	FYE 2009	FPE 2009	FPE 2010
	RM'000	RM'000	RM'000	RM'000	RM'000
Profit before taxation	5,521	10,416	10,166	3,526	4,207
Tax at Malaysian statutory tax rate of:					
- 27%	1,491	-	-	-	-
- 26%	-	2,708	-	-	-
- 25%	-	-	2,541	881	1,052
Tax effects of:-					
Differential in tax rates	(35)	(30)	(25)	(25)	(25)
Non-deductible expenses	94	93	156	142	132
Non-taxable gain	-	(863)	-	-	-
Underprovision of current tax in the previous financial year	83	-	-	-	-
Temporary differences not recognised due to pioneer status	(159)	(257)	(495)	(837)	(245)
Tax-exempt income	(1,391)	(1,573)	(2,155)	(144)	(909)
Tax for the financial year/period	83	78	22	17	5



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.8 PROPERTY AND EQUIPMENT

Audited Net Book Value	Freehold commercial unit RM'000	Office equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Total RM'000
At 1.1.2007	3,962	13	253	-	4,228
Addition	-	721	-	-	721
Depreciation charge	-	(211)	(42)	-	(253)
At 31.12.2007/1.1.2008	3,962	523	211	-	4,696
Addition	-	298	200	1,003	1,501
Disposal	(3,962)	(241)	-	-	(4,203)
Depreciation charge	-	(243)	(60)	(120)	(423)
At 31.12.2008/1.1.2009	-	337	351	883	1,571
Addition	-	42	567	66	675
Disposal	-	-	(136)	-	(136)
Written off	-	(87)	-	-	(87)
Depreciation charge	-	(121)	(89)	(209)	(419)
At 31.12.2009/1.1.2010	-	171	693	740	1,604
Addition	-	56	-	-	56
Depreciation charge	-	(67)	(71)	(125)	(263)
At 31.12.2010	-	160	622	615	1,397
Audited					
At 31.12.2007					
Cost	3,962	762	262	-	4,986
Accumulated depreciation	-	(239)	(51)	-	(290)
Net book value	3,962	523	211	-	4,696
At 31.12.2008					
Cost	-	672	462	1,003	2,137
Accumulated depreciation	-	(335)	(111)	(120)	(566)
Net book value	-	337	351	883	1,571
At 31.12.2009					
Cost	-	713	768	1,069	2,550
Accumulated depreciation	-	(542)	(75)	(329)	(946)
Net book value	-	171	693	740	1,604
At 31.7.2010					
Cost	-	769	768	1,069	2,606
Accumulated depreciation	-	(609)	(146)	(454)	(1,209)
Net book value	-	160	622	615	1,397

All the motor vehicles were acquired under hire purchase terms.

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6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.9 DEVELOPMENT EXPENDITURE

	Audited			
	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
At Cost:-				
Development expenditure				
At 1 January	-	780	2,005	4,539
Additions for the financial year	780	1,225	2,534	1,534
At 31 December	780	2,005	4,539	6,073
Accumulated amortisation				
At 1 January	-	-	(156)	(557)
Amortisation charge for the financial year	-	(156)	(401)	(529)
At 31 December	-	(156)	(557)	(1,086)
	780	1,849	3,982	4,987

The development expenditure relates to the development of Century Financials software.

The following item has been capitalised under development expenditure during the financial year/period:-

	Audited			
	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Staff costs	780	1,225	2,534	1,534



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.10 OTHER INVESTMENTS

At Cost:-
Club memberships
Investment in unquoted shares

Audited			
FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
100	100	100	100
#	#	#	#
100	100	100	100

Note:-
- RM2

6.2.11 TRADE RECEIVABLES

Trade receivables

Audited			
FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
8,380	14,074	11,806	14,489

The normal credit terms granted to customers range from 30 to 45 days.

The ageing analysis of CSM's trade receivables is as follows:-

	Carrying Amounts				Total
	Not past due	Past due 31 - 60 days	Past due 61 - 90 days	Past due more than 90 days	
Audited 31.7.2010 Trade receivables (RM'000)	2,940	3,296	806	7,447	14,489
Percentage over total trade receivables (%)	20	23	6	51	100
Subsequent collection up to 30 November 2010 analysed by aged bracket (RM'000)	630	1,174	651	3,919	6,374
Percentage of subsequent collection over trade receivables of each aged bracket (%)	21	36	81	53	44



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.11 TRADE RECEIVABLES (CONT'D)

	Carrying Amounts				Total
	Not past due	Past due 31 - 60 days	Past due 61 - 90 days	Past due more than 90 days	
Audited 31.12.2009					
Trade receivables	4,311	827	1,259	5,409	11,806
Percentage over total trade receivables (%)	36	7	11	46	100

Trade receivables that are past due but not impaired

A significant portion of trade receivables that are past due and not impaired are regular customers that have been transacting with CSM. CSM uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 150 days, which are deemed to have higher credit risks, are monitored individually.

As at the end of the reporting period, there was no indication that the trade receivables which are either individually or collectively impaired.

6.2.12 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Audited			
	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Other receivables	196	788	15	37
Deposits	159	327	315	296
Prepayments	1,015	2,439	2,794	4,214
	1,370	3,554	3,124	4,547

As at the end of the reporting period, there was no indication that the advances are not recoverable. Nevertheless, certain advances have been outstanding for more than 1 year. CSM does not specifically monitor the ageing of the advances granted.



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.13 FIXED DEPOSITS WITH A LICENSED BANK

	Audited			
	FYE 2007	FYE 2008	FYE 2009	FPE 2010
Effective interest rate (%)	3.5	3.0	2.0	1.85
Maturity period (days)	30 - 365	30 - 365	14 - 365	7 - 31

The fixed deposits for the FYE 2007, FYE 2008 and FYE 2009 were pledged to a licensed bank for banking facilities granted to CSM.

The fixed deposits for FPE 2010 of RM136,961 was pledged to a licensed bank for banking facilities granted to CSM.

6.2.14 SHARE CAPITAL

	FYE 2007	FYE 2008	FYE 2009	FPE 2010	FYE 2007	FYE 2008	FYE 2009	FPE 2010
	Number of shares							
Audited	('000)	('000)	('000)	('000)	RM'000	RM'000	RM'000	RM'000
Ordinary shares of RM1 each:-								
Authorised	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Issued and fully paid-up	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000

6.2.15 RETAINED PROFITS

Subject to the agreement of the tax authorities, at the end of the reporting period, CSM has tax credits under Section 108 of the Income Tax Act, 1967 and tax-exempt income to distribute its entire retained profits by way of dividends without CSM incurring additional tax liabilities.

At the end of the reporting period, CSM has not elected for the single tier tax system. When the tax credit balance is fully utilised, or by 31 December 2013 at the latest, CSM will automatically move to the single tier tax system. Under the single tier tax system, tax on the CSM's profit is a final tax, and dividends distributed to shareholders will be exempted from tax.



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.16 LONG-TERM BORROWINGS

	Audited			
	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Hire purchase payables (Note 6.2.22)	187	305	595	543
Term loan (Note 6.2.23)	1,788	-	-	-
	1,975	305	595	543

6.2.17 TRADE PAYABLES

	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Trade payables	3,620	4,866	1,372	1,967

The normal trade credit terms granted to CSM range from 30 to 60 days.

Included in trade payables for the FYE 2007 and FYE 2008 was an amount of RM2,173,666 and RM1,033,869 respectively owing to a related party.

	Carrying Amounts				
	Not past due	Past due 31 - 60 days	Past due 61 - 90 days	Past due more than 90 days	Total
Audited					
31.7.2010					
Trade payables (RM'000)	360	479	16	1,112	1,967
Percentage over total trade payables (%)	18	24	1	57	100
Subsequent payment up to 30 November 2010 analysed by aged bracket (RM'000)	285	277	16	861	1,439
Percentage of subsequent payment over trade receivables of each aged bracket (%)	79	58	100	77	73

13 ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.17 TRADE PAYABLES (CONT'D)

	Carrying Amounts				Total
	Not past due	Past due 31 - 60 days	Past due 61 - 90 days	Past due more than 90 days	
<i>Audited</i> 31.12.2009 Trade payables	288	24	280	780	1,372
Percentage over total trade receivables (%)	21	2	20	57	100

6.2.18 OTHER PAYABLES AND ACCRUALS

	Audited			
	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Other payables	1,277	844	151	110
Accruals	1,940	857	1,038	362
	3,217	1,701	1,189	472

6.2.19 AMOUNT OWING TO SHAREHOLDERS

	Audited			
	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Amount owing to shareholders	6,080	10,282	4,792	-

The amount owing was in respect of the balance of dividend payable in respect of dividend declared as disclosed in Note 6.2.24. The amount owing was unsecured, interest-free, repayable on demand, and was settled in cash during the FPE 2010.

6.2.20 SHORT-TERM BORROWINGS

	Audited			
	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Hire purchase payables (Note 6.2.22)	31	50	66	70
Revolving credit	-	692	-	-
Term loan (Note 6.2.23)	135	4,000	4,000	4,000
	166	4,742	4,066	4,070



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.21 BANK OVERDRAFTS

	Audited			
	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Bank overdrafts	1,045	-	-	36
Effective interest rate (%)	7.06	-	-	6.30

The bank overdrafts were secured by:-

- (i) a legal charge over the freehold commercial property;
- (ii) a lien over certain fixed deposits of CSM;
- (iii) a lien over the fixed deposit of CSM's holding company;
- (iv) a sinking fund in the form of fixed deposit based on contract payment up to a maximum of RM1,500,000;
- (v) a deed of assignment of the benefits of all contracts to be financed by the licensed bank; and
- (vi) a joint and several guarantee of the directors and key management personnel of CSM.



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.22 HIRE PURCHASE PAYABLES

	Audited			
	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Minimum hire purchase payments:				
- not later than one year	44	68	110	110
- not later than one year and not later than five years	154	276	439	441
- later than five years	64	75	333	266
	262	419	882	817
Future finance charges	(44)	(64)	(221)	(204)
Present value of hire purchase payables	218	355	661	613
The net hire purchase payables are repayable as follows:-				
Current:				
- not later than one year (Note 6.2.20)	31	50	66	70
Non-current (Note 6.2.16):				
- later than one year and not later than five years	127	232	322	337
- later than five years	60	73	273	206
	187	305	595	543
	218	355	661	613
Effective interest rate (%)	5.33 - 7.51	4.33 - 7.51	4.33 - 7.17	4.33 - 7.17



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.23 TERM LOAN

	Audited			
	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2009 RM'000
Current portion:				
- repayable within one year (Note 6.2.20)	135	4,000	4,000	4,000
Non-current (Note 6.2.16):				
- repayable between one and two years	168	-	-	-
- repayable between two and five years	642	-	-	-
- repayable more than five years	978	-	-	-
Total non-current portion	1,788	-	-	-
	1,923	4,000	4,000	4,000
Effective interest rate (%)	8.25	7.25	7.25	7.91

The term loan is repayable on demand and is secured by:-

- (i) an irrevocable letter of undertaking by CSM to assign proceeds from the proposed Initial Public Offering issue exercise for its repayment;
- (ii) a debenture of RM4,000,000 incorporating fixed and floating charges over all the assets of CSM, both present and future;
- (iii) a joint and several guarantee of the directors of CSM; and
- (iv) a memorandum of deposit executed by CSM's holding company in favour of the licensed bank.

6.2.24 DIVIDEND

	Audited			
	FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Declared:				
Tax-exempt interim dividend				
- RM7.10 per ordinary share	7,100	-	-	-
- RM8.13 per ordinary share	-	8,129	-	-



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.25 PURCHASE OF EQUIPMENT

	Audited			Unaudited	Audited
	FYE 2007	FYE 2008	FYE 2009	FPE 2009	FPE 2010
	RM'000	RM'000	RM'000	RM'000	RM'000
Cost of equipment purchased	721	1,501	675	-	56
Amount financed through hire purchase	-	(178)	(567)	-	-
Cash disbursed for purchase of equipment	721	1,323	108	-	56

6.2.26 CASH AND CASH EQUIVALENTS

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

	Audited			Unaudited	Audited
	FYE 2007	FYE 2008	FYE 2009	FPE 2010	FPE 2010
	RM'000	RM'000	RM'000	RM'000	RM'000
Fixed deposits with a licensed bank	1,807	2,544	1,691	4,608	317
Cash and bank balances	1,079	2,698	4,345	66	91
Bank overdrafts	(1,045)	-	-	-	(36)
	1,841	5,242	6,036	4,674	372

6.2.27 RELATED PARTY DISCLOSURES

(a) Identities of related parties

- (i) entities controlled by certain key management personnel; and
- (ii) the directors and certain members of senior management of CSM who are key management personnel.

(b) Other than the information detailed elsewhere in the financial statements, CSM carried out the following transactions with related parties:-

	Audited			Unaudited	Audited
	FYE 2007	FYE 2008	FYE 2009	FPE 2010	FPE 2010
	RM'000	RM'000	RM'000	RM'000	RM'000
(i) Entities controlled by key management personnel					
Consultation and implementation fees paid/payable to a related party	5,484	-	-	-	-
Outsourcing of human resource to a related party	53	109	-	-	-
Purchases of interactive reporting licenses and maintenance services from a related party	193	47	-	-	39
(ii) Key management personnel					
Short-term employee benefits	926	956	913	433	553



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.28 FINANCIAL INSTRUMENTS

CSM activities are exposed to a variety of market risks (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. CSM's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on CSM's financial performance.

(a) Financial Risk Management Policies

CSM's financial risk management policy seeks to ensure that adequate financial resources are available for the development of CSM's business whilst managing its market, credit and liquidity risks. The policies in respect of the major areas of treasury activity are as follows:-

(i) Foreign Currency Risk

CSM does not have material foreign currency transactions, assets or liabilities and hence is not exposed to any significant or material currency risks.

(ii) Interest Rate Risk

CSM obtains financing through bank borrowings and hire purchase facilities. Its policy is to obtain the most favourable interest rates available.

Surplus funds are placed with licensed financial institutions at the most favourable interest rates.

Sensitivity analysis for interest rate risk

As at the end of the FPE 2010, a change of one basis points (bp) would have a financial impact on CSM's profit after taxation and equity by the amounts shown below, with all other variables held constant:-

Audited	Effect on Profit After Taxation RM'000	Effect on Equity RM'000
Increase of one bp	(185)	(185)
Decrease of one bp	184	184



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.28 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(iii) *Equity Price Risk*

CSM does not have any quoted investments and hence is not exposed to equity price risks.

(iv) *Credit Risk*

CSM's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from receivables. The maximum exposure to credit risks is represented by the carrying amounts of these financial assets in the statement of financial position reduced by the effects of any netting arrangements with counterparties.

CSM's major concentration of credit risk is in respect of the amount owing by a major customer which made up approximately 19% of its total receivables as at the end of the reporting period.

CSM manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis.

(v) *Liquidity Risk*

CSM's exposure to liquidity risk arises mainly from general funding and business activities.

It practises prudent liquidity risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.28 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(v) Liquidity Risk (Cont'd)

The following table summarises the maturity profile of the CSM's financial liabilities as at the end of FYE 2009 and FPE 2010 based on undiscounted contractual payments:-

	Carrying amount RM'000	Contractual cash flows RM'000	Within 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
Audited FPE 2010						
Trade payables	1,967	1,967	1,967	-	-	-
Other payables and accruals	472	472	472	-	-	-
Hire purchase payables	613	817	110	110	331	266
Term loan	4,000	4,000	4,000	-	-	-
Bank overdraft	36	36	36	-	-	-
	7,088	7,292	6,585	110	331	266
Audited FYE 2009						
Trade payables	1,372	1,372	1,372	-	-	-
Other payables and accruals	1,189	1,189	1,189	-	-	-
Amount owing to shareholders	4,792	4,792	4,792	-	-	-
Hire purchase payables	661	882	110	110	331	331
Term loan	4,000	4,000	4,000	-	-	-
	12,014	12,235	11,463	110	331	331

(b) Capital Management Policies

The primary objective of CSM's capital management is 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 to commensurate with the level of risk. There were changes in the approach to capital management during the financial year/period. The management manages the capital structure and makes adjustments to it where necessary or possible 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 management may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debts.



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.28 FINANCIAL INSTRUMENTS (CONT'D)

(c) Classification of Financial Instruments

	Audited FPE 2010 RM'000
Financial assets	
<u>Loans and receivables financial assets</u>	
Trade receivables	14,489
Other receivables, deposits and prepayments	4,547
Tax refundable	93
Fixed deposits with a licensed bank	317
Cash and bank balances	91
	<u>19,537</u>
<u>Available for-sale financial assets</u>	
Unquoted investments	<u>100</u>
Financial Liabilities	
<u>Financial Liabilities at amortised cost</u>	
Trade payables	1,967
Other payables	472
Hire purchase payables	613
Term loan	4,000
Bank overdraft	36
	<u>7,088</u>

(d) Fair Values Estimation

All financial instruments are carried at amounts not materially different from their fair values as at the end of the Relevant Financial Period.

Fair value estimates are made at a specific point in time and based on relevant market information and information about the financial instruments. These estimates are subjective in nature, involved uncertainties and matters of significant judgement and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.28 FINANCIAL INSTRUMENTS (CONT'D)

(e) Fair Values of Financial Instruments

The carrying amounts of the financial assets and financial liabilities reported in the financial statements approximated their values except for the following:

	Carrying amount RM'000	Fair value RM'000
Audited		
FPE 2010		
Hire purchase payables	613	649
Audited		
FYE 2009		
Hire purchase payables	661	690

The following summarised the methods used in determining the fair value of the financial instruments:-

- (i) The financial assets and financial liabilities maturing within the next 12 months approximated their fair values due to the relatively short-term maturity of the financial instruments.
- (ii) The carrying amounts of borrowings approximated their fair values as they are floating rate instruments that are repriced to market interest rates on or near the end of the reporting period.

The interest rates used to discount estimated cash flows, when applicable, are as follows:-

	Audited	
	FPE 2010	FYE2009
	%	%
Hire purchase payables	2.8 - 3.0	2.8 - 3.0



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.2 CENTURY SOFTWARE (MALAYSIA) SDN. BHD. ("CSM")

6.2.29 RECLASSIFICATIONS IN THE AUDITED FINANCIAL STATEMENTS

During the preparation of this report, no material restatement has been made to the audited financial statements of CSM for the Relevant Financial Periods other than certain reclassifications made to ensure consistency of presentation of information for comparison purposes. The details of the reclassifications made are set out as follows:-

	Note	Audited FYE 2008 RM'000
STATEMENTS OF COMPREHENSIVE INCOME (EXTRACT)		
Cost of sales		
As reported in the audited financial statements		12,001
Reclassified from other expenses	(a)	156
As restated in Accountants' Report		12,157
Other expenses		
As reported in the audited financial statements		580
Reclassified to cost of sales	(b)	(156)
As restated in Accountants' Report		424

Notes:-

- (a) Being reclassification of amortisation of development expenditure from other expenses.
 (b) Being reclassification of amortisation of development expenditure to cost of sales.

13 ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.1 STATEMENTS OF COMPREHENSIVE INCOME OF TMX

	Note	Audited			Unaudited	Audited
		FYE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FYE 2009 RM'000	FYE 2010 RM'000
Revenue	6.3.5	6,373	5,187	4,578	2,664	3,980
Cost of sales		(3,110)	(1,956)	(2,480)	(1,162)	(2,768)
Gross profit ("GP")		3,263	3,231	2,098	1,502	1,212
Other income		14	11	18	16	2
		3,277	3,242	2,118	1,518	1,214
Administrative expenses		(1,992)	(1,617)	(1,339)	(823)	(743)
Other expenses		(231)	(168)	(1,671)	(67)	(94)
		1,054	1,457	(894)	628	377
Finance costs		(10)	(6)	(7)	(2)	(3)
Profit/(Loss) before taxation ("PBT/(LBT)")		1,044	1,451	(901)	626	374
Amortisation		748	408	408	238	155
Depreciation		213	116	127	66	93
Interest expense		6	5	3	2	3
Interest income		(12)	(8)	(5)	(3)	(2)
Earning before Interest, depreciation and taxation		1,999	1,972	(368)	929	823
Amortisation		(748)	(408)	(408)	(238)	(155)
Depreciation		(213)	(116)	(127)	(66)	(93)
Interest expense		(6)	(5)	(3)	(2)	(3)
Interest income		12	8	5	3	2
PBT/(LBT)	6.3.6	1,044	1,451	(901)	626	374
Income tax expense	6.3.7	(1)	19	30	-	(1)
Profit/(Loss) after taxation ("PAT/(LAT)")		1,043	1,470	(871)	626	373
Other comprehensive Income		-	-	-	-	-
Total comprehensive income/(expenses)		1,043	1,470	(871)	626	373
Profit/(Loss) after taxation/Total comprehensive income/(expenses) attributable to:-						
Owners of the Company		1,043	1,470	(871)	626	373
GP margin (%)		51.2	62.3	45.8	56.4	30.5
PBT/(LBT) margin (%)		16.4	28.0	(19.7)	23.5	9.4
PAT/(LAT) margin (%)		16.4	28.3	(19.0)	23.5	9.4
Effective tax rate (%)		0.1	(1.3)	(3.3)	Nil	0.3
Interest coverage (times)		175.0	291.2	Not applicable	314.0	125.7
Number of ordinary shares in issue of RM1.00 each/						
Weighted average number of ordinary shares in issue of RM1.00 each ('000)		1,422	1,422	1,432	1,422	5,147
Gross earnings/(loss) per share ("EPS/(LSP)") (RM)		0.7	1.0	(0.6)	0.8 *	0.1 *
Net EPS/(LPS) (RM)		0.7	1.0	(0.6)	0.8 *	0.1 *

Note:-

* - These computations were annualised.

13 ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.2 STATEMENTS OF FINANCIAL POSITION OF TMX

		Audited			
	Note	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
ASSETS					
NON-CURRENT ASSETS					
Equipment	6.3.8	247	364	448	368
Development expenditure	6.3.9	4,921	5,408	4,443	4,698
		<u>5,168</u>	<u>5,772</u>	<u>4,891</u>	<u>5,066</u>
CURRENT ASSETS					
Trade receivables	6.3.10	1,015	618	691	713
Other receivables, deposits and prepayments	6.3.11	91	427	434	248
Tax refundable		-	5	7	8
Fixed deposits with licensed banks	6.3.12	360	106	337	136
Cash and bank balances		596	1,040	730	371
		<u>2,062</u>	<u>2,196</u>	<u>2,199</u>	<u>1,476</u>
TOTAL ASSETS		7,230	7,968	7,090	6,542



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.2 STATEMENTS OF FINANCIAL POSITION OF TMX (CONT'D)

		Audited			
	Note	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	6.3.13	1,422	1,422	5,147	5,147
Retained profits	6.3.14	1,587	2,077	79	452
TOTAL EQUITY		3,009	3,499	5,226	5,599
NON-CURRENT LIABILITIES					
Hire purchase payable	6.3.15	56	44	31	24
Deferred tax liability	6.3.16	34	34	-	-
		90	78	31	24
CURRENT LIABILITIES					
Trade payables	6.3.17	229	231	539	630
Other payables and accruals	6.3.18	143	424	1,281	276
Amount owing to holding company	6.3.19	3,724	3,724	-	-
Provision for taxation		24	-	-	-
Hire purchase payable	6.3.15	11	12	13	13
		4,131	4,391	1,833	919
TOTAL LIABILITIES		4,221	4,469	1,864	943
TOTAL EQUITY AND LIABILITIES		7,230	7,968	7,090	6,542
Number of ordinary shares in issue of RM1.00 each ('000)		1,422	1,422	5,147	5,147
Net assets ("NA") (RM'000)		3,009	3,499	5,226	5,599
NA per ordinary share (RM)		2.1	2.5	1.0	1.1
Trade receivables turnover ratio (times)		6.3	8.4	6.6	9.6
Trade payables turnover ratio (times)		13.6	8.5	4.6	7.5
Gearing ratio (times)		0.02	0.02	0.01	0.01

Note:-

* - These computation were annualised.

13 ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.3 STATEMENTS OF CASH FLOW OF TMX

		Audited			Unaudited	Audited
	Note	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2009 RM'000	FPE 2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit/(Loss) before taxation		1,044	1,451	(901)	626	374
Adjustments for:-						
Amortisation of development expenditure		748	408	408	238	155
Bad debts written off		8	20	200	-	-
Depreciation of equipment		213	116	127	66	93
Development expenditure written off		-	-	1,342	-	-
Equipment written off		-	25	-	-	-
Loss on disposal of equipment		11	1	2	1	-
Interest expense		6	5	4	2	2
Interest income		(12)	(7)	(5)	(3)	(2)
		2,018	2,019	1,177	930	622
Working capital:-						
Decrease/(Increase) in trade and other receivables		391	41	(281)	277	165
Decrease in trade and other payables		(29)	283	366	(343)	(115)
		2,380	2,343	1,262	864	672
CASH FROM OPERATIONS						
Income tax paid		(1)	(10)	(5)	(6)	(2)
Interest paid		(6)	(5)	(4)	(2)	(2)
		2,373	2,328	1,253	856	668
NET CASH FROM OPERATING ACTIVITIES						
CASH FLOWS FOR INVESTING ACTIVITIES						
Development expenditure incurred	6.3.21	(1,876)	(895)	(785)	(832)	(410)
Purchase of equipment		(155)	(259)	(213)	(11)	(13)
Proceeds from disposal of equipment		32	-	-	-	-
Interest received		12	7	5	3	2
		(1,987)	(1,147)	(993)	(840)	(421)
NET CASH FOR INVESTING ACTIVITIES						
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES						
Dividend paid		-	(980)	(327)	(327)	(800)
Repayment of hire purchase obligations		(40)	(11)	(12)	(7)	(7)
Advances from holding company		550	-	-	-	-
		510	(991)	(339)	(334)	(807)
NET CASH FROM/(FOR) FINANCING ACTIVITIES						
NET INCREASE IN CASH AND CASH EQUIVALENTS						
		896	190	(79)	(318)	(560)
CASH AND CASH EQUIVALENTS AT OF THE FINANCIAL PERIOD/YEAR						
		60	956	1,146	1,146	1,067
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD/YEAR						
	6.3.22	956	1,146	1,067	828	507



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.4 STATEMENTS OF CHANGES IN EQUITY OF TMX

Audited	Note	Share capital RM'000	Retained profits RM'000	Total RM'000
Balance at 1.7.2006		1,422	544	1,966
Total comprehensive income for the financial period		-	1,043	1,043
Balance at 31.12.2007		1,422	1,587	3,009
Balance at 1.1.2008		1,422	1,587	3,009
Total comprehensive income for the financial year		-	1,470	1,470
Dividend paid	6.3.20	-	(980)	(980)
Balance at 31.12.2008		1,422	2,077	3,499
Balance at 1.1.2009		1,422	2,077	3,499
Allotment of shares		3,725	-	3,725
Total comprehensive expenses for the financial year		-	(871)	(871)
Dividend:				
- paid	6.3.20	-	(327)	(327)
- declared	6.3.20	-	(800)	(800)
Balance at 31.12.2009		5,147	79	5,226
Balance at 1.1.2010		5,147	79	5,226
Total comprehensive income for the financial period		-	373	373
Balance at 31.7.2010		5,147	452	5,599
Unaudited				
Balance at 1.1.2009		1,422	2,077	3,499
Issuance of shares		3,725	-	3,725
Dividend paid		-	(327)	(327)
Total comprehensive income for the financial period		-	626	626
Balance at 31.7.2009		5,147	2,376	7,523

13 ACCOUNTANTS' REPORT (Cont'd)**6. AUDITED FINANCIAL STATEMENTS (CONT'D)****6.3 T-MELMAX SDN. BHD. ("TMX")****6.3.5 REVENUE**

	Audited			Unaudited	Audited
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2009 RM'000	FPE 2010 RM'000
(a) Software, implementation and training	6,041	4,895	4,025	2,290	3,720
(b) Hardware	22	-	83	83	1
(c) Maintenance	310	292	470	291	259
Total	6,373	5,187	4,578	2,664	3,980

6.3.6 PROFIT/(LOSS) BEFORE TAXATION

	Audited			Unaudited	Audited
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2009 RM'000	FPE 2010 RM'000
Profit before taxation is arrived at after charging/(crediting):-					
Amortisation of development expenditure	748	408	408	238	155
Audit fee	21	10	15	9	15
Bad debts written off	8	20	200	-	-
Depreciation of equipment	213	116	127	66	93
Development expenditure written off	-	-	1,342	-	-
Directors' non-fee emoluments	287	162	142	83	3
Equipment written off	-	25	-	-	-
Hire purchase interest	6	5	4	2	2
Lease rental	90	20	-	-	-
Listing expenses	-	-	-	-	93
Loss on disposal of equipment	11	1	2	1	-
Realised loss on foreign exchange	-	6	-	-	1
Rental of apartment	29	6	-	-	-
Rental of office	180	100	111	68	50
Staff costs	628	823	796	449	385
Fixed deposit interest income	(12)	(7)	(5)	(3)	(2)

13 ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.7 INCOME TAX EXPENSE

	Audited			Unaudited	Audited
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2009 RM'000	FPE 2010 RM'000
Current tax expense:					
- for the financial year	1	2	4	-	1
- overprovision in prior years	-	(21)	-	-	-
	1	(19)	4	-	1
Deferred tax expense:					
- reversal of temporary differences	-	-	(34)	-	-
	1	(19)	(30)	-	1

The statutory tax rate for FYE 2008 and FYE 2009 was reduced from 27% to 26% and 25% respectively, as announced in the Malaysian Budget 2007 and 2008 respectively.

The corporate tax rate on the first RM500,000 of chargeable income is 20%. The tax rate applicable to the balance of the chargeable income for FPE 2007, FYE 2008 and FYE 2009 is 27%, 26% and 25% respectively.

TMX has been granted the MSC Malaysia ("MSC") status which qualifies the Company for the pioneer status incentive with full tax exemption on the Company's business income from pioneer activities. The pioneer status was for a period of five years from 23 September 2002 to 23 September 2006. This incentive was extended for another 5 years to 23 September 2012.

A reconciliation of income tax expense applicable to the profit/(loss) before taxation at the statutory tax rate to income tax expense at the effective rate of the Company is as follows:-

	Audited			Unaudited	Audited
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2009 RM'000	FPE 2010 RM'000
Profit/(Loss) before taxation	1,044	1,451	(901)	626	374
Tax at Malaysian statutory tax rate of:					
- 27%	282	-	-	-	-
- 26%	-	377	-	-	-
- 25%	-	-	(225)	157	94
Tax effects of:-					
Income exempted from tax under pioneer status	(565)	(546)	(68)	-	(30)
Non-deductible expenses	284	171	63	2	12
Relating to origination and reversal of temporary differences	-	-	200	(159)	(75)
Overprovision in prior years	-	(21)	-	-	-
Tax for the financial period/year	1	(19)	(30)	-	1

13 ACCOUNTANTS' REPORT (Cont'd)**6. AUDITED FINANCIAL STATEMENTS (CONT'D)****6.3 T-MELMAX SDN. BHD. ("TMX")****6.3.8 EQUIPMENT**

Audited Net Book Value	Motor vehicle RM'000	Apartment equipment RM'000	Projector RM'000	Office equipment RM'000	Computers RM'000	Renovation RM'000	Total RM'000
At 1.7.2006	36	8	4	45	172	8	273
Addition	89	-	-	37	94	10	230
Disposal	(32)	-	-	(5)	(6)	-	(43)
Depreciation charge	(19)	(2)	(3)	(39)	(141)	(9)	(213)
At 31.12.2007	74	6	1	38	119	9	247
At 1.1.2008	74	6	1	38	119	9	247
Addition	-	-	-	40	59	160	259
Disposal	-	-	-	-	(1)	-	(1)
Written off	-	(3)	-	(14)	(1)	(7)	(25)
Depreciation charge	(18)	(1)	(1)	(3)	(53)	(40)	(116)
At 31.12.2008	56	2	-	61	123	122	364
At 1.1.2009	56	2	-	61	123	122	364
Addition	-	-	-	13	164	36	213
Disposal	-	(2)	-	-	-	-	(2)
Depreciation charge	(18)	-	-	(8)	(47)	(54)	(127)
At 31.12.2009	36	-	-	66	240	104	448
At 1.1.2010	36	-	-	66	240	104	448
Addition	-	-	-	1	12	-	13
Depreciation charge	(10)	-	-	(5)	(41)	(37)	(93)
At 31.7.2010	28	-	-	62	211	67	368
Audited							
At 31.12.2007							
Cost	69	11	7	102	364	19	592
Accumulated depreciation	(15)	(5)	(6)	(64)	(245)	(10)	(345)
Net book value	74	6	1	38	119	9	247
At 31.12.2008							
Cost	89	4	7	104	403	160	767
Accumulated depreciation	(33)	(2)	(7)	(43)	(280)	(38)	(403)
Net book value	56	2	-	61	123	122	364
At 31.12.2009							
Cost	89	-	7	117	567	196	976
Accumulated depreciation	(51)	-	(7)	(51)	(327)	(92)	(528)
Net book value	36	-	-	66	240	104	448
At 31.7.2010							
Cost	89	-	7	118	579	196	989
Accumulated depreciation	(61)	-	(7)	(56)	(368)	(129)	(621)
Net book value	28	-	-	62	211	67	368

The motor vehicles were acquired under hire purchase terms.

13 ACCOUNTANTS' REPORT (Cont'd)**6. AUDITED FINANCIAL STATEMENTS (CONT'D)****6.3 T-MELMAX SDN. BHD. ("TMX")****6.3.9 DEVELOPMENT EXPENDITURE**

	Audited			
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
At Cost:-				
At 1 January	4,082	5,958	6,853	5,157
Addition for the financial year	1,876	895	785	410
Written off during the financial year	-	-	(2,481)	-
At 31 December	5,958	6,853	5,157	5,567
Accumulated amortisation				
At 1 January	(289)	(1,037)	(1,445)	(714)
Amortisation for the financial year	(748)	(408)	(408)	(155)
Written off during the financial year	-	-	1,139	-
At 31 December	(1,037)	(1,445)	(714)	(869)
Development expenditure	4,921	5,408	4,443	4,698

Included in development expenditure are direct expenditure and related overheads pertaining to the development of the Merchant Payment System, Payroll Payment System and e-Collection System, currently undertaken by TMX for commercial use.

The following items have been capitalised under development expenditure during the financial year:-

	Audited			
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Directors' emoluments	232	154	142	-
Staff costs	1,299	559	503	350
Rental of apartment	-	5	-	-
Rental of equipment	-	107	59	-
Rental of office	-	68	78	60



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.10 TRADE RECEIVABLES

	Audited			
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Trade receivables	1,015	618	691	713

The normal credit term granted to customers is 30 days. Other credit terms are assessed and approved on a case-by-case basis.

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

	Audited			
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
United States Dollar	68	-	62	-

The ageing analysis of TMX's trade receivables is as follows:-

	Carrying Amount				Total
	Not past due	Past due 31 - 60 days	Past due 61 - 90 days	Past due more than 90 days	
Audited 31.7.2010					
Trade receivables (RM'000)	485	130	36	62	713
<i>Percentage over total trade receivables (%)</i>	68	18	5	9	100
<i>Subsequent collection up to 30 November 2010 analysed by aged bracket (RM'000)</i>	461	130	36	62	689
<i>Percentage of subsequent collection over trade receivables of each aged bracket (%)</i>	95	100	100	100	97
Audited 31.12.2009					
Trade receivables	345	219	27	100	691
<i>Percentage over total trade receivables (%)</i>	50	32	4	14	100



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.10 TRADE RECEIVABLES (CONT'D)

Trade receivables that are past due but not impaired

A significant portion of trade receivables that are past due and not impaired are regular customers that have been transacting with TMX. TMX uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 90 days, which are deemed to have higher credit risks, are monitored individually.

As at the end of the reporting period, there was no indication that the trade receivables which are either individually or collectively impaired.

6.3.11 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Audited			
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Other receivables	3	98	7	7
Deposits	46	73	68	69
Prepayments	42	256	359	172
	91	427	434	248

As at the end of the reporting period, there was no indication that the advances are not recoverable. Nevertheless, certain advances have been outstanding for more than 1 year. TMX does not specifically monitor the ageing of the advances granted.

6.3.12 FIXED DEPOSITS WITH LICENSED BANKS

	Audited			
	FPE 2007	FYE 2008	FYE 2009	FPE 2010
Effective interest rates (%)	3.1	3.0	2.2	2.5
Maturity period (days)	30	30	30	30



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.13 SHARE CAPITAL

	FPE 2007	FYE 2008	FYE 2009	FPE 2010	FPE 2007	FYE 2008	FYE 2009	FPE 2010
	Number of shares							
Audited	('000)	('000)	('000)	('000)	RM'000	RM'000	RM'000	RM'000
Ordinary shares of RM1 each:-								
Authorised								
At 1 January	5,000	5,000	5,000	10,000	5,000	5,000	5,000	10,000
Increase during the financial period/year	-	-	5,000		-	-	5,000	
At 31 December	5,000	5,000	10,000	10,000	5,000	5,000	10,000	10,000
Issued and fully paid-up								
At 1 January	1,422	1,422	1,422	5,147	1,422	1,422	1,422	5,147
Allotment during the financial period/year	-	-	3,725	-	-	-	3,725	-
At 31 December	1,422	1,422	5,147	5,147	1,422	1,422	5,147	5,147

6.3.14 RETAINED PROFITS

Subject to the agreement of the tax authorities, at the end of the reporting period, TMX has tax credits under Section 108 of the Income Tax Act, 1967 and tax-exempt income to distribute its entire retained profits by way of dividends without TMX incurring additional tax liabilities.

At the end of the reporting period, TMX has not elected for the single tier tax system. When the tax credit balance is fully utilised, or by 31 December 2013 at the latest, TMX will automatically move to the single tier tax system. Under the single tier tax system, tax on TMX's profit is a final tax, and dividends distributed to shareholders will be exempted from tax.

13 ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.15 HIRE PURCHASE PAYABLE

	Audited			
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Minimum hire purchase payments:				
- not later than one year	16	16	16	16
- later than two years and not later than five years	65	49	34	24
	81	65	50	40
Future finance charges	(14)	(9)	(6)	(3)
Present value of hire purchase payable	67	56	44	37
The net hire purchase payable is repayable as follows:-				
Current:				
- not later than one year	11	12	13	13
Non-current:				
- later than one year and not later than five years	56	44	31	24
	67	56	44	37
Effective interest rate (%)	7.79	7.79	7.79	7.79

6.3.16 DEFERRED TAX LIABILITY

	Audited			
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
At 1 January	34	34	34	-
Recognised in income statements	-	-	(34)	-
At 31 December	34	34	-	-

The deferred tax liability related to temporary differences between depreciation and capital allowances on qualifying cost of equipment.



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.17 TRADE PAYABLES

	Audited			
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Trade payables	229	231	539	630

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

	Carrying Amount				Total
	Not past due	Past due 31 - 60 days	Past due 61 - 90 days	Past due more than 90 days	
Audited 31.7.2010					
Trade payables (RM'000)	281	109	55	185	630
Percentage over total trade payables (%)	45	17	9	29	100
Subsequent payment up to 30 November 2010 analysed by aged bracket (RM'000)	281	30	-	160	471
Percentage of subsequent payment over trade payables of each aged bracket (%)	100	28	-	86	75
Audited 31.12.2009					
Trade payables (RM'000)	208	207	101	23	539
Percentage over total trade payables (%)	39	38	19	4	100

6.3.18 OTHER PAYABLES AND ACCRUALS

	Audited			
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Other payables	80	11	28	11
Accruals and provisions	63	413	1,253	265
	143	424	1,281	276

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13 ACCOUNTANTS' REPORT (Cont'd)



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.19 AMOUNT OWING TO HOLDING COMPANY

	Audited			
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Amount owing to holding company	3,724	3,724	-	-

The amount owing was non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing was settled via the allotment of 3,724,670 new ordinary shares of RM1 each at par in TMX.

6.3.20 DIVIDEND

	Audited			
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2010 RM'000
Paid:				
Tax-exempt interim dividend				
- 68.91 sen per ordinary share	-	980	-	-
- 22.97 sen per ordinary share	-	-	327	-
Declared:				
Tax-exempt interim dividend of				
56.25 sen per ordinary share	-	-	800	-

6.3.21 PURCHASE OF EQUIPMENT

	Audited			Unaudited	Audited
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2009 RM'000	FPE 2010 RM'000
Cost of equipment purchased	230	259	213	11	13
Amount financed through hire purchase	(75)	-	-	-	-
Cash disbursed for purchase of equipment	155	259	213	11	13

6.3.22 CASH AND CASH EQUIVALENTS

	Audited			Unaudited	Audited
	FPE 2007 RM'000	FYE 2008 RM'000	FYE 2009 RM'000	FPE 2009 RM'000	FPE 2010 RM'000
Fixed deposits with a licensed bank	360	106	337	-	136
Cash and bank balances	596	1,040	730	828	371
	956	1,146	1,067	828	507



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.23 RELATED PARTY DISCLOSURES

TMX has related party relationships with the directors who are the key management personnel. Details of the transactions with the directors are as follows:-

	Audited			Unaudited	Audited
	FYE 2007	FYE 2008	FYE 2009	FYE 2010	FYE 2010
	RM'000	RM'000	RM'000	RM'000	RM'000
Rental paid to a director	30	50	-	-	-
Salaries and other emoluments paid to directors	519	316	283	82	3

6.3.24 FINANCIAL INSTRUMENTS

TMX's activities are exposed to a variety of market risks (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. TMX's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on TMX's financial performance.

(a) Financial Risk Management Policies

TMX's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the TMX's business whilst managing its market, credit and liquidity risks. The policies in respect of the major areas of treasury activity are as follows:-

(i) Foreign Currency Risk

TMX does not have material foreign currency transactions, assets or liabilities and hence is not exposed to any significant or material currency risks.

(ii) Interest Rate Risk

TMX obtains financing through bank borrowings and hire purchase facilities. Its policy is to obtain the most favourable interest rates available.

Surplus funds are placed with licensed financial institutions at the most favourable interest rates.

(iii) Equity Price Risk

TMX does not have any quoted investments and hence is not exposed to equity price risks.

**6. AUDITED FINANCIAL STATEMENTS (CONT'D)****6.3 T-MELMAX SDN. BHD. ("TMX")****6.3.24 FINANCIAL INSTRUMENTS (CONT'D)****(a) Financial Risk Management Policies (Cont'd)****(iv) Credit Risk**

TMX's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from receivables. The maximum exposure to credit risk is represented by the carrying amounts of these financial assets in the statement of financial position reduced by the effects of any netting arrangements with counterparties.

TMX's major concentration of credit risk is in respect of the amounts owing by two major customers which made up approximately 50% of its total receivables as at the end of the reporting period.

TMX manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis.

(v) Liquidity Risk

TMX's exposure to liquidity risk arises mainly from general funding and business activities.

It practises prudent liquidity risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.24 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(v) Liquidity Risk (Cont'd)

The following table summarises the maturity profile of TMX's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:-

	Carrying amount RM'000	Contractual cash flows RM'000	Within 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
Audited FPE 2010						
Trade payables	630	630	630	-	-	-
Other payables and accruals	276	276	276	-	-	-
Hire purchase payable	37	41	16	16	9	-
	943	947	922	16	9	-
Audited FYE 2009						
Trade payables	539	539	539	-	-	-
Other payables and accruals	1,281	1,281	1,281	-	-	-
Hire purchase payable	44	50	16	16	18	-
	1,864	1,870	1,836	16	18	-

(b) Capital Management Policies

The primary objective of TMX's capital management is 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 to commensurate with the level of risk. There were changes in the approach to capital management during the financial year/period. The management manages the capital structure and makes adjustments to it where necessary or possible 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 management may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debts.



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.24 FINANCIAL INSTRUMENTS (CONT'D)

(c) Classification of Financial Instruments

	Audited FPE 2010 RM'000
Financial assets	
<u>Loans and receivables financial assets</u>	
Trade receivables	713
Other receivables, deposits and prepayments	248
Cash and bank balances	371
Tax refundable	8
Fixed deposits with a licensed bank	136
	1,476
Financial Liabilities	
<u>Financial Liabilities at amortised cost</u>	
Trade payables	630
Other payables and accruals	276
Hire purchase payable	37
	943

(d) Fair Value Estimation

All financial instruments are carried at amounts not materially different from their fair values as at the end of the Relevant Financial Period.

Fair value estimates are made at a specific point in time and based on relevant market information and information about the financial instruments. These estimates are subjective in nature, involved uncertainties and matters of significant judgement and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.



6. AUDITED FINANCIAL STATEMENTS (CONT'D)

6.3 T-MELMAX SDN. BHD. ("TMX")

6.3.24 FINANCIAL INSTRUMENTS (CONT'D)

(e) Fair Values Of Financial Instruments

The carrying amounts of the financial assets and financial liabilities reported in the financial statements approximated their values except for the following:

	Carrying amount RM'000	Fair value RM'000
Audited		
FPE 2010		
Hire purchase payable	37	39
Audited		
FYE 2009		
Hire purchase payable	44	47

Methods used in determining the fair value of the financial instruments

The financial assets and financial liabilities maturing within the next 12 months approximated their fair values due to the relatively short-term maturity of the financial instruments.

The interest rates used to discount estimated cash flows, when applicable, are as follows:-

	Audited	
	FPE 2010	FYE 2009
	%	%
Hire purchase payable	3.0	3.0



7. SUBSEQUENT EVENTS

Subsequent to the end of the reporting period:-

- (i) on 21 October 2010, CSHB has obtained approval from the Securities Commission of Malaysia for its listing on the Main Market of Bursa Malaysia Securities Berhad; and
- (ii) completed the acquisition of CSM and TMX as disclosed in Notes 2.2(b) and 2.2(c) on 15 December 2010 and 20 December 2010 respectively in conjunction with and as an integral part of the listing exercise.

8. AUDITED FINANCIAL STATEMENTS

As at the date of this report, no audited financial statements of CSHB, CSM and TMX have been prepared in respect of any period subsequent to 31 July 2010.

Yours faithfully

A stylized signature in black ink, likely belonging to a representative of Crowe Horwath.

Crowe Horwath
Firm No : AF 1018
Chartered Accountants

A stylized signature in black ink, likely belonging to Lee Kok Wai.

Lee Kok Wai
Approval No.: 2760/06/12 (J)
Chartered Accountant



APPENDIX I

Crowe Horwath AF 1018
Chartered Accountants
Member Crowe Horwath International

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**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF
CENTURY SOFTWARE HOLDINGS BERHAD**

(Incorporated in Malaysia)
Company No: 828269 - A

Report on the Financial Statements

We have audited the financial statements of Century Software Holdings Berhad, which comprise the statement of financial position as at 31 July 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flow of the Company for the financial period then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 4 to 23.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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



**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF
CENTURY SOFTWARE HOLDINGS BERHAD (CONT'D)**

(Incorporated in Malaysia)
Company No: 828269 - A

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 July 2010 and of its financial performance and cash flows for the financial period then ended.

Other Matters

The statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial period ended 31 July 2009 as well as the related notes have not been audited.

Other Matters

This report is made solely to the board of directors of the Company, as a body, for the purpose of its proposed listing on the Main Market of Bursa Malaysia Securities Berhad and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to be "N.L.", written over the Crowe Horwath logo.

Crowe Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur

29 DEC 2010



Crowe Horwath AF 1018
Chartered Accountants
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CENTURY SOFTWARE HOLDINGS BERHAD

(Incorporated in Malaysia)
Company No: 828269 - A

Report on the Financial Statements

We have audited the financial statements of Century Software Holdings Berhad, which comprise the balance sheet as at 31 December 2009, and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 9 to 21.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CENTURY SOFTWARE HOLDINGS BERHAD (CONT'D)**

(Incorporated in Malaysia)
Company No: 828269 - A

Opinion


In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 December 2009 and of its financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

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

Other Matters

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


Crowe Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur
08 JUN 2010


Lee Kok Wai
Approval No: 2760/06/10 (J)
Chartered Accountant



Horwath AF No 1018
Kuala Lumpur Office
Chartered Accountants

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CENTURY SOFTWARE HOLDINGS BERHAD

(Incorporated in Malaysia)
Company No: 828269 - A

Report on the Financial Statements

We have audited the financial statements of Century Software Holdings Berhad, which comprise the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the financial period then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 9 to 19.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CENTURY SOFTWARE HOLDINGS BERHAD (CONT'D)**

(Incorporated in Malaysia)
Company No: 828269 - A

Opinion

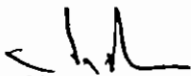
In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 December 2008 and of its financial performance and cash flows for the financial period then ended.

Report on Other Legal and Regulatory Requirements

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


Other Matters

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


Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur

05 JUN 2009


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



APPENDIX II

Crowe Horwath AF 1018
Chartered Accountants
Member Crowe Horwath International

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**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF
CENTURY SOFTWARE (MALAYSIA) SDN. BHD.**

(Incorporated in Malaysia)
Company No: 445590 - U

Report on the Financial Statements

We have audited the financial statements of Century Software (Malaysia) Sdn. Bhd., which comprise the statement of financial position as at 31 July 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial period then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 4 to 43.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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



**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF
CENTURY SOFTWARE (MALAYSIA) SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 445590 - U

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards, FRS 134: Interim Financial Reporting so as to give a true and fair view of the financial position of the Company as of 31 July 2010 and of its financial performance and cash flows for the financial period then ended.

Other Matters

The statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial period ended 31 July 2009 as well as the related notes have not been audited nor reviewed.

Other Matters

This report is made solely to the board of directors of the Company, as a body, for the purpose of Century Software Holdings Berhad's proposed listing on the Main Market of Bursa Malaysia Securities Berhad and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to be 'N/L' or similar, written over a horizontal line.

Crowe Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur

29 DEC 2010



Crowe Horwath AF 1018
Chartered Accountants
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CENTURY SOFTWARE (MALAYSIA) SDN. BHD.

(Incorporated in Malaysia)
Company No: 445590 - U

Report on the Financial Statements

We have audited the financial statements of Century Software (Malaysia) Sdn. Bhd., which comprise the balance sheet as at 31 December 2009 of the Company, and the income statement, statement of changes in equity and cash flow statement of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 40.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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Offices in Malaysia:

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**REPORT OF THE AUDITORS' TO THE MEMBERS OF
CENTURY SOFTWARE (MALAYSIA) SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 445590 - U

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 December 2009 and of its financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

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

Other Matters

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

A handwritten signature in black ink, appearing to read 'C. Mohd. Yusoff'.

Crowe Horwath
Firm No: AF 1018
Chartered Accountants
Kuala Lumpur

31 MAR 2010

A handwritten signature in black ink, appearing to read 'Lee Kok Wai'.

Lee Kok Wai
Approval No: 2760/06/10(J)
Chartered Accountant



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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CENTURY SOFTWARE (MALAYSIA) SDN. BHD.

(Incorporated in Malaysia)
Company No: 445590 - U

Report on the Financial Statements

We have audited the financial statements of Century Software (Malaysia) Sdn. Bhd., which comprise the balance sheet as at 31 December 2008 of the Company, and the income statement, statements of changes in equity and cash flow statement of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 9 to 41.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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**REPORT OF THE AUDITORS' TO THE MEMBERS OF
CENTURY SOFTWARE (MALAYSIA) SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 445590 - U

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 December 2008 and of its financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

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

Other Matters

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

A stylized signature in black ink, consisting of a series of loops and a horizontal line.

Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur

A stylized signature in black ink, with the letters 'K' and 'W' being prominent.

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

25 JUN 2009



Horwath AF No 1018
Kuala Lumpur Office
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REPORT OF THE AUDITORS TO THE MEMBERS OF CENTURY SOFTWARE (MALAYSIA) SDN. BHD.

(Incorporated in Malaysia)
Company No: 445590 - U

We have audited the financial statements set out on pages 9 to 38. The preparation of the financial statements is the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report. The financial statements of the Company for the preceding year were audited by another firm of auditors whose report dated 12 June 2007, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. Our audit included examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. Our audit also included an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion,

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved Financial Reporting Standards in Malaysia so as to give a true and fair view of:-
 - (i) the state of affairs of the Company at 31 December 2007 and its results and cash flows for the financial year ended on that date; and
 - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and



**REPORT OF THE AUDITORS TO THE MEMBERS OF
CENTURY SOFTWARE (MALAYSIA) SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 445590 - U

- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.

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

Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur

12 JUN 2008

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

Lee Kok Wai
Approval No: 2760/06/08 (J)
Partner



APPENDIX III

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**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF
T-MELMAX SDN. BHD.**

(Incorporated in Malaysia)
Company No: 593550 - D

Report on the Financial Statements

We have audited the financial statements of T-Melmax Sdn. Bhd., which comprise the statement of financial position as at 31 July 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial period then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 4 to 42.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Page 2

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**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF
T-MELMAX SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 593550 - D

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards, FRS 134: Interim Financial Reporting so as to give a true and fair view of the financial position of the Company as of 31 July 2010 and of its financial performance and cash flows for the financial period then ended.

Other Matters

The statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial period ended 31 July 2009 as well as the related notes have not been audited.

Other Matters

This report is made solely to the board of directors of the Company, as a body, for the purpose of Century Software Holdings Berhad's proposed listing on the Main Market of Bursa Malaysia Securities Berhad and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to be 'A. L.' or similar, written over a horizontal line.

Crowe Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur

29 DEC 2010



Crowe Horwath AF 1018
Chartered Accountants
Member Crowe Horwath International

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T-MELMAX SDN. BHD.

(Incorporated in Malaysia)
Company No: 593550 - D

Report on the Financial Statements

We have audited the financial statements of T-Melmax Sdn. Bhd., which comprise the balance sheet as at 31 December 2009, and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 41.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
T-MELMAX SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 593550 - D

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 December 2009 and of its financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

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

Other Matters

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

A handwritten signature in black ink, appearing to read 'C. Mohd. Yusoff'.

Crowe Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur

21 APR 2010

A handwritten signature in black ink, appearing to read 'Lee Kok Wai'.

Lee Kok Wai
Approval No: 2760/06/10 (J)
Chartered Accountant

APPENDIX III



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Kuala Lumpur Office
Chartered Accountants

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
T-MELMAX SDN. BHD.**

(Incorporated in Malaysia)
Company No: 593550 - D

Report on the Financial Statements

We have audited the financial statements of T-Melmax Sdn. Bhd., which comprise the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 40.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
T-MELMAX SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 593550 - D

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 December 2008 and of its financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

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

Other Matters

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

A handwritten signature in black ink, appearing to be 'H.L.' or similar, written over the Horwath logo.

Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur

16 JUN 2009

A handwritten signature in black ink, appearing to be 'K.W.' or similar, written over the name 'Lee Kok Wai'.

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



REPORT OF THE AUDITORS TO THE MEMBERS OF T-MELMAX SDN. BHD.

(Incorporated in Malaysia)
Company No: 593550 - D

APPENDIX III

Horwath AF No 1018
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Chartered Accountants

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info@horwathkl.com

We have audited the financial statements set out on pages 8 to 38. The preparation of the financial statements is the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report. The financial statements of the Company for the preceding year were audited by another firm of auditors whose report dated 6 December 2006, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. Our audit included examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. Our audit also included an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion,

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved Financial Reporting Standards in Malaysia so as to give a true and fair view of:-
 - (i) the state of affairs of the Company at 31 December 2007 and its results and cash flows for the financial period ended on that date; and
 - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.

Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur

21 APR 2008

Lee Kok Wai
Approval No: 2760/06/08 (J)
Partner

14 OTHER GENERAL INFORMATION

14.1 SHARE CAPITAL

- (a) Save as disclosed in Section 5.3(c) of this Prospectus, no securities will be allotted or issued on the basis of this Prospectus later than twelve (12) months after the date of the issue of this Prospectus.
- (b) We have no founder, management or deferred shares. As at the date of this Prospectus, there is only one (1) class of shares in our Company, namely ordinary shares of RM0.10 each, all of which rank pari passu with one another.
- (c) Save for the Issue Shares reserved for the eligible employees, directors and business associates of our Group (as disclosed in Sections 3.4.1 of this Prospectus) as at the date of this Prospectus:-
 - (i) no person or Director or employee of our Group has been or is entitled to be given an option to purchase or subscribe for any Shares, stocks or debentures of our Company or our subsidiaries; and
 - (ii) there is currently no other scheme for or involving the Directors or employees of our Company or our subsidiaries.
- (d) Save as disclosed in Sections 3.4 and 5.3 of this Prospectus, no shares, debentures, outstanding options, convertible debt securities or uncalled capital of ours' and/or our subsidiaries have been or are proposed to be issued as partly or fully paid-up for cash or otherwise than for cash, within the two (2) years preceding the date of this Prospectus.

14.2 ARTICLES OF ASSOCIATION

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

(i) Transfer of Listed Security

Article 29

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

Article 34

Where :-

- (a) the securities of the Company are listed on another stock exchange; and
- (b) the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998, as the case may be, under the Rules in respect of such securities,

14 OTHER GENERAL INFORMATION (Cont'd)

the Company shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the Registrar of the Company in the jurisdiction of the other stock exchange, to the register of holders maintained by the Registrar of the Company in Malaysia and vice versa provided that there shall be no change in the ownership of such securities.

(ii) Modification of Class Rights**Article 9**

Notwithstanding Article 10 hereof, the repayment of preference share capital other than redeemable preference shares, or any alteration of preference shareholders' rights shall only be made pursuant to a special resolution of the preference shareholders concerned, provided always that where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing, if obtained from the holders of three-fourths (3/4) of the preference capital concerned within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.

Article 10

Subject to the provisions of Section 55 and Section 65 of the Act, all or any of the rights, privileges or conditions for the time being attached or belonging to any class of shares for the time being forming part of the share capital of the Company may from time to time be modified, affected, varied, extended or surrendered in any manner with the consent in writing of the holders of not less than three-fourths (3/4) of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the Members of that class. To every such separate meeting all the provisions of these Articles as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be two (2) Members of the class holding or representing by proxy, one-third (1/3) of the share capital paid or credited as paid on the issued shares of the class, and every holder of shares of the class in question shall be entitled on a poll to one (1) vote for every such share held by him. To every such special resolution the provisions of Section 152 of the Act shall with such adaptation as are necessary apply.

Article 48

The Company may by ordinary resolution:-

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; or
- (b) sub-divide its share capital or any part thereof into shares of smaller amount than is fixed by the Memorandum of Association and the Act; provided that in the sub-division the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived and so that as between the resulting shares one or more of such share may, by the resolution by which such sub-division is effected, be given any preference or advantage as regards dividend, return of capital, voting or otherwise over the others or any other of such shares; or
- (c) cancel any shares not taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

14 OTHER GENERAL INFORMATION (Cont'd)

(iii) Remuneration of Directors

Article 86

The fees payable to the Directors shall from time to time be determined by the Company in general meeting, and such fees shall be divided among the Directors in such proportions and manner as the Directors may determine provided always that:-

- (a) fees payable to Directors who hold a non executive office in the Company shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover;
- (b) salaries payable to Directors who hold an executive office in the Company may not include a commission on or percentage of turnover;
- (c) fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting;
- (d) any fee paid to an Alternate Director shall be such amount as shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

The Directors may also be paid all travelling, hotel, and other expenses properly incurred by them in attending and returning from meeting of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company. Any Director who is appointed to any executive office including the office of Chairman or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary percentage of profits or otherwise as the Directors may determine but not a commission on or percentage of turnover. Any such extra remuneration payable to a non-executive Director shall not include a commission on or a percentage of profits or turnover.

(iv) Voting and Borrowing Powers of Directors

Article 92

The Directors may exercise all the powers of the Company to borrow or raise money for the purpose of the Company's or any of its related corporations' businesses on such terms as they think fit and may secure the repayment of the same by mortgage or charge upon the whole or any part of the Company's undertaking and property (both present and future) including its uncalled or unissued capital and may issue bonds, debentures and other securities whether charged upon the whole or part of the assets of the Company or otherwise but the Directors shall not borrow any money or mortgage or charge any of the Company's or any of the subsidiary companies' undertaking, property or any uncalled capital or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

Article 103

The Directors shall duly comply with the provisions of the Act and in particular the provisions in regard to keeping a Register of Directors and Secretaries, a Register of Members, a Register of Charges, a Register of Directors' Shareholdings, Register of Debenture Holders, Register of Substantial Shareholders and Register of Option Holders and in regard to the production and furnishing of copies of such Registers.

14 OTHER GENERAL INFORMATION (Cont'd)

Article 107

Subject to these Articles, any question arising at any meeting of Directors shall be decided by a majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes subject to Article 110, the Chairman of the meeting shall have a second or casting vote. Where two (2) Directors form a quorum, the Chairman of the meeting at which only such a quorum is present, or at which only two (2) Directors are competent to vote on the question at issue, shall not have a second or casting vote.

Article 108

A Director shall not vote participate in any discussion or vote in respect of any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest and if he shall do so his vote shall not be counted. A Director shall, notwithstanding his interest, be counted in the quorum for any meeting where a discussion is to be taken upon any contract or proposed contract or arrangement in which he is in any way interested.

14.3 DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- (a) The names, addresses and occupations of our Directors are set out in the Section 1 of this Prospectus.
- (b) A Director is not required to hold any qualification shares in our Company.
- (c) Save as disclosed in Section 9.2.4 and 9.9 of this Prospectus, no amount or benefit has been paid or given within the two (2) years immediately preceding the date of this Prospectus, nor is it intended to be so paid or given, to any of our promoters, Directors or substantial shareholders.
- (d) Save for the risk factors which are described in Section 4 of this Prospectus, our Board is not aware of any material information including trading factors or risks which are unlikely to be known or anticipated by the general public and which could materially affect the profits of our Group.
- (e) None of our Directors and/or substantial shareholders and/or person(s) connected with them are interested in any contract or arrangement subsisting at the LPD, which is significant in relation to the business of our Company taken as a whole.
- (f) Save as disclosed in Sections 4.3(b), 9.1.1 and 9.2.2 of this Prospectus, there are no other persons who are able, directly or indirectly, jointly or severally, to exercise control over our Company and its subsidiaries.

14.4 GENERAL

- (a) The nature of our Group's business and the names of all corporations, which are deemed to be related to us by virtue of Section 6 of the Act are set out in Section 5 of this Prospectus.
- (b) The manner in which copies of this Prospectus together with the Application Forms and envelopes may be obtained is set out in Section 15 of this Prospectus.
- (c) The time of the opening of the Application of the IPO is set out in Section 15.1 of this Prospectus.
- (d) The amount payable in full on application is RM0.93 per IPO Share.

14 OTHER GENERAL INFORMATION (Cont'd)

- (e) As at the LPD, our Group does not have any outstanding convertible debt securities.
- (f) Save as disclosed in Sections 4, 5, 7 and 8 of this Prospectus, the financial conditions and operations of our Company are not affected by any of the following:-
 - (i) known trends, demands, commitments, events, uncertainties that have had or that our Group reasonably expects to have a material favourable or unfavourable impact on the financial performance, position and operations of our Group;
 - (ii) unusual, infrequent events or transactions or any significant economic changes that materially affected the financial performance, position and operations of our Group;
 - (iii) known events, circumstances, trends, uncertainties and commitments that are reasonably likely to make the historical financial statements not indicative of the future financial information and position; and
 - (iv) pending and threatened litigation and arbitration proceedings having an impact on the financial position of our Group.
- (g) Our Promoters will collectively exercise control over our Company and will hold approximately 62.68% of our enlarged issued and paid-up share capital upon listing.
- (h) The name and address of our Auditors and Reporting Accountants are set out in Section 13 of this Prospectus.

14.5 EXPENSES AND COMMISSIONS

- (a) We will bear the expenses of the Public Issue relating to the underwriting fees, placement fees and other expenses and fees incidental to the listing of and quotation for our entire issued and paid-up share capital on the Main Market estimated to be approximately RM2.5 million.
- (b) Brokerage fee relating to the Issue Shares is payable by us at the rate of 1.0% of the IPO Price in respect of successful applications, which bear the stamps of Kenanga, or the Issuing House, a participating organisation of Bursa Securities, members of the Association of Banks in Malaysia or members of the Malaysian Investment Banking Association.
- (c) Kenanga has arranged for the placement of the Issue Shares at a rate of 2.0% of the value of IPO Shares that have been successfully placed by Kenanga based on the IPO Price. A management fee is payable by us to Kenanga at a rate of 0.5% of the aggregate value of IPO Shares under the private placement based on the IPO Price.
- (d) The Underwriter has agreed to underwrite 14,450,000 of the Issue Shares, which will be made available for application by our eligible employees, directors and business associates, and for application under the public offer. Underwriting commission is payable by us to Kenanga at the rate of two point five percent (2.5%) of the IPO Price.

14 OTHER GENERAL INFORMATION (Cont'd)

- (e) Save as disclosed above, no commissions, discounts, brokerage or other special terms have, within the two (2) preceding years prior to the date of this Prospectus, been paid or granted or is payable to any Director, promoter or expert or proposed Director for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions for any shares in or debentures of our Company in connection with the issue or sale of any capital of our Company.

14.6 PUBLIC TAKE-OVERS

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

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

14.7 MATERIAL LITIGATION

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

14.8 MATERIAL CONTRACTS

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

- (a) A Software Licence Agreement dated 3 April 2009 entered into between Censof and CSM wherein Censof, the proprietary owner of the software known as Century CASE Tools, had granted to CSM an exclusive and perpetual licence to use Century CASE Tools for a one-off lump sum licence fee of RM200,000 payable by CSM to Censof;
- (b) A Deed of Non-Competition dated 3 April 2009 entered into between Censof and CSHB wherein Censof agreed to regulate its relationship with CSHB so as to avoid any competing or conflict of interest arising between the interests of Censof and the interests of CSHB;
- (c) A Share Sale and Purchase Agreement dated 29 June 2010 between CSHB and Censof Sdn. Bhd., Ramlee bin Mohd. Shariff, Malaysia Venture Capital Management Berhad, Expedient Equity Ventures Sdn. Bhd., Hafiz Mursjidi Bin Suhaimi, YM Raja Mohd Nazri Bin Raja Abd Malek, Khalek Bin Awang, Rosdin Bin Hanafiah, Mohd Akob bin Ahmad (the "CSM Vendors") wherein CSHB agreed to acquire and the CSM Vendors agreed to sell 1,000,000 CSM Shares for a total purchase consideration of RM13,299,998 which was satisfied entirely by the issuance of 132,999,980 CSHB Shares to the respective CSM Vendors in proportion to their shareholdings as set out in Section 5.3(a) of this Prospectus;

14 OTHER GENERAL INFORMATION (Cont'd)

- (d) A Share Sale and Purchase Agreement dated 29 June 2010 between CSHB and T-Global wherein CSHB agreed to acquire and T-Global agreed to sell 5,146,759 ordinary shares of RM1.00 each in TMX for a total purchase consideration of RM1.61 million which was satisfied entirely by the issuance of 16,100,000 CSHB Shares. T-Global has vide its letter of renunciation dated 29 June 2010 renounced all its rights, title and benefits to the 16,100,000 CSHB Shares to T-Global's shareholders in proportion to their shareholdings in T-Global as set out in Section 5.3(b) of this Prospectus;
- (e) Underwriting Agreement dated 29 December 2010 between us and the Underwriter, for the underwriting of 5,800,000 CSHB Shares made available for application by the public and by our eligible employees, directors and business associates pursuant to the Public Issue for an underwriting commission of two point five percent (2.5%) of the IPO Price; and
- (f) Placement Agreement dated 29 December 2010 between us and Kenanga for the placement of 8,550,000 Issue Shares for a placement fee of two percent (2.0%) of the IPO Price.

14.9 LETTERS OF CONSENT

- (a) The written consents of the Corporate and Due Diligence Solicitors, Registrar, Adviser, Underwriter and Placement Agent, Principal Bankers, Issuing House and Company Secretaries to the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- (b) The written consent of the Independent Market Researcher to the inclusion in this Prospectus of its name, extractions of the Independent Market Research Report and its Executive Summary Research Report and the letter thereon in the manner and form and context in which they appear in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- (c) The written consent of the Auditors and Reporting Accountants to the inclusion of their name, Accountants' Report and their letters relating to the Proforma Consolidated Financial Information of CSHB in the form and context in which they appear in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.

14.10 RESPONSIBILITY STATEMENTS

- (a) This Prospectus has been seen and approved by the Directors, Promoters and Offerors of CSHB and we collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement herein false or misleading.
- (b) Kenanga, being the Adviser, Underwriter and Placement Agent acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the Public Issue.

14 OTHER GENERAL INFORMATION (Cont'd)

14.11 DOCUMENTS AVAILABLE FOR INSPECTION

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

- (a) Memorandum and Articles of Association of CSHB, CSM and TMX;
- (b) The Directors' Report and Accountants' Report, referred to in Sections 12 and 13 respectively of this Prospectus;
- (c) The material contracts referred to in Section 14.8 and 5.4.8 of this Prospectus;
- (d) The Reporting Accountants' Letter relating to the Proforma Consolidated Financial Information of CSHB as included in Section 7.2 of this Prospectus;
- (e) The letters of consent referred to in Section 14.9 of this Prospectus;
- (f) The audited financial statements of CSHB for the 5-months FPE 31 December 2008, FYE 2009 and the 7-months FPE 31 July 2010;
- (g) The audited financial statements of CSM for the past three (3) FYE 2007 to 2009 and the 7-months FPE 31 July 2010;
- (h) The audited financial statements of TMX for the 18-months FPE 31 December 2007, past two (2) FYE 2008 and FYE 2009 and the 7-months FPE 31 July 2010; and
- (i) IMR Reports on the FMSS industry and the payment aggregation software industry by D&B dated 31 March 2009 (updated up to 15 November 2010) and 31 May 2010 (updated up to 15 November 2010), respectively, as well as the Executive Summaries of the IMR Reports as included in Section 6 of this Prospectus.

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15 PROCEDURE FOR APPLICATION AND ACCEPTANCE

15.1 OPENING AND CLOSING OF APPLICATION

Opening of the application : 10.00 a.m. on 12 January 2011

Closing of the application : 5.00 p.m. on 19 January 2011

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

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

15.2 ELIGIBILITY

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

- (a) You must have a CDS account. If you do not have a CDS account, you may open one (1) by contacting any of the ADAs listed in Section 15.12 of this Prospectus;
- (b) You must be **one (1)** of the following:-
 - (i) A Malaysian citizen who is at least eighteen (18) years old as at the closing date of the application with a Malaysian address; or
 - (ii) A corporation / institution incorporated in Malaysia where, there is a majority of Malaysian citizens on your board of directors/trustee and if you have a share capital, more than half of your issued share capital, excluding preferred share capital is held by Malaysian citizens; or
 - (iii) A superannuation, co-operative, foundation, provident or pension fund established or operating in Malaysia.

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

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

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15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**15.3 METHODS OF APPLICATION**

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

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

Notes:-

- (a) *A surcharge of RM2.50 per Electronic Share Application will be charged by the Participating Financial Institution.*
- (b) *The following processing fee per Internet Share Application will be charged by the respective Internet Participating Financial Institution:-*
- (i) *Affin Bank Berhad (www.affinOnline.com) - No fee will be charged for application by their account holders;*
 - (ii) *CIMB Investment Bank Berhad (www.eipocimb.com) – RM2.00 per Internet Share Application via CIMB Bank Berhad or via Malayan Banking Berhad;*
 - (iii) *CIMB Bank Berhad (www.cimbclicks.com.my) – RM2.00 per Internet Share Application for applicants with CDS account held with CIMB Investment Bank Berhad and RM2.50 for applicants with CDS accounts with other ADAs;*
 - (iv) *Malayan Banking Berhad (www.maybank2u.com.my) – RM1.00 per Internet Share Application;*
 - (v) *RHB Bank Berhad (www.rhbbank.com.my) - RM2.50; and*
 - (vi) *Public Bank Berhad (www.pbepbank.com) – RM2.00.*

15.4 PROCEDURES FOR APPLICATION**15.4.1 Procedures For Application by Way of an Application Form**

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

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

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**Step 1: Obtain application documents**

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

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

Step 2: Read the Prospectus

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

Step 3: Complete the Application Form

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

(a) Personal particulars

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

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

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

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

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

(b) CDS account number

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

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

(c) Details of payment

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

(d) Number of Shares applied

Your application must be for 100 Shares or multiples thereof.

Step 4: Prepare appropriate form of payment

Prepare the correct form of payment in RM for the FULL amount payable for the Issue Shares based on the Issue Price of RM0.93 per Issue Share.

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

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

and must be made out in favour of **"MIH SHARE ISSUE ACCOUNT NUMBER: 508"** and crossed **"A/C PAYEE ONLY"** (excluding ATM statements) and endorsed on the reverse side with your name and address.

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

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Step 5: Finalise application

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

Step 6: Submit application

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

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

Malaysian Issuing House Sdn Bhd

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 Petling Jaya

OR

- (b) **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 19 January 2011.

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

15.4.2 Procedures for Application by way of an Electronic Share Application

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

- (a) **Steps for Electronic Share Application through a Participating Financial Institution's ATM**
- (i) You must have an account with a Participating Financial Institution (as detailed in Section 15.4.2 (b) below) and an ATM card issued by that Participating Financial Institution to access the account;

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (ii) You must have a CDS account; and
- (iii) You may apply for the Issue Shares via the ATM of the Participating Financial Institution by choosing the Electronic Share Application option. Mandatory statements required in the application are set out in Section 15.4.2 (c) of the terms and conditions for Electronic Share Applications. You will have to enter at least the following information through the ATM where the instructions on the ATM screen at which you enter your Electronic Share Application requires you to do so:-
 - Personal Identification Number (PIN);
 - MIH Share Issue Account Number 508;
 - CDS account number;
 - Number of Issue Shares applied for and/or the RM amount to be debited from the account; and
 - Confirmation of several mandatory statements.

(b) Participating Financial Institutions

Electronic Share Applications may be made through an ATM of the following Participating Financial Institutions 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
- Public Bank Berhad; or
- RHB Bank Berhad; or
- Standard Chartered Bank Malaysia Berhad (at selected branches only).

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(c) Terms and Conditions of Electronic Share Applications

The procedures for Electronic Share Applications at ATMs of the Participating Financial Institutions are set forth on the ATM screens of the relevant Participating Financial Institutions ("**Steps**"). For illustration purposes, the procedures for Electronic Share Applications at ATMs are set forth in "**Steps for Electronic Share Application through a Participating Financial Institution's ATM**" in Section 15.4.2 (a) above. You must complete all the steps and follow the instructions set out on the ATM screen to complete an Electronic Share Application. You are advised to read and understand the terms of this Prospectus, the Steps and the terms and conditions for Electronic Share Applications set out below before making an Electronic Share Application. Any reference to "applicant/you" in the terms and conditions for Electronic Share Applications and the Steps shall mean the applicant who applies for the Issue Shares through an ATM of any of the Participating Financial Institutions.

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

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

Upon the closing of the offer for the application for the Issue Shares on 19 January 2011 at 5.00 p.m. ("**Closing Date and Time**"), the Participating Financial Institution shall submit a magnetic tape containing its respective customers' applications for the Issue Shares to MIH as soon as practicable but not later than 12.00 p.m. of the second (2nd) business day after the Closing Date and Time.

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

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

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

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

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

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

- (c) You confirm that you are not applying for the Issue Shares as a nominee of any other persons and that any Electronic Share Application that you make is made by you as the beneficial owner. You shall only make one (1) Electronic Share Application and shall not make any other application for the Issue Shares, whether at the ATMs of any Participating Financial Institutions, on the prescribed Application Forms or via Internet Share Application.
- (d) You must have sufficient funds in your bank account with the relevant Participating Financial Institution at the time you make your Electronic Share Application, failing which your Electronic Share Application will not be completed. Any Electronic Share Application, which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Share Application is being made, will be rejected.

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (e) You irrevocably agree and undertake to subscribe for or purchase and to accept the number of Issue Shares applied for as stated on the Transaction Record or any lesser number of Issue Shares that may be allotted or allocated to you in respect of your Electronic Share Application. In the event that we decide to allot any lesser number of the Issue Shares or not to allot or allocate any Issue Shares to you, you agree to accept any such decision as final. If your Electronic Share Application is successful, your confirmation (by your action of pressing the designated key (or button) on the ATM) of the number of Issue Shares applied for shall signify, and shall be treated as, your acceptance of the number of Issue Shares that may be allotted to you and to be bound by our Memorandum and Articles of Association.
- (f) We reserve the right to reject or accept any Electronic Share Application in whole or in part only without giving any reason therefor. Due consideration will be given to the desirability of allotting or allocating the Issue Shares to a reasonable number of applicants with a view to establishing an adequate market for our Shares.
- (g) If your Electronic Share Application is not successful or successful in part only, the relevant Participating Financial Institution will be informed of the non-successful or partially successful applications within two (2) Market Days after the balloting date. If your Electronic Share Application is not successful, the relevant Participating Financial Institution will credit the full amount of the application monies without interest in RM into your account with that Participating Financial Institution within two (2) Market Days after the receipt of confirmation from MIH. You may check your accounts on the fifth (5th) Market Day from the balloting date.

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

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

- (h) You request and authorise us:-
 - (i) to credit the Issue Shares allotted or allocated to you into your CDS account; and
 - (ii) to issue share certificate(s) representing such Issue Shares allotted or allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (i) You, acknowledge that your Electronic Share Application is subject to the risks of electrical, electronic, technical, transmission, communications and computer-related faults and breakdowns, fires and other events which are beyond our control, and the control of MIH, the Participating Financial Institutions or Bursa Depository, irrevocably agrees that if:-
 - (i) we or MIH do/does not receive your Electronic Share Application; or
 - (ii) data relating to your Electronic Share Application is wholly or partially lost, corrupted or not otherwise accessible, or not transmitted or communicated to us or MIH,

you shall be deemed not to have made an Electronic Share Application and you shall not claim whatsoever against us, MIH or the Participating Financial Institutions or Bursa Depository for the Issue Shares applied for or for any compensation, loss or damage arising from it.
- (j) All of your particulars in the records of the relevant Participating Financial Institution at the time you make your Electronic Share Application shall be deemed to be true and correct; and we, MIH and the relevant Participating Financial Institution shall be entitled to rely on the accuracy thereof.
- (k) You shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institution are correct and identical. Otherwise, your Electronic Share Application is liable to be rejected. You must inform Bursa Depository promptly of any change in address, failing which the notification letter of successful allocation will be sent to your registered address last maintained with Bursa Depository.
- (l) By making and completing an Electronic Share Application, you agree that:-
 - (i) in consideration of our Company making available the Electronic Share Application facility to you, through the Participating Financial Institutions at their respective ATMs, your Electronic Share Application is irrevocable;
 - (ii) we, MIH, the Participating Financial Institutions and Bursa Depository shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Share Application to us due to a breakdown or failure of transmission or communication facilities or to any cause beyond our/ their control;
 - (iii) notwithstanding the receipt of any payment by on our behalf, the acceptance of your offer to subscribe for and purchase the Issue Shares for which your Electronic Share Application has been successfully completed shall be constituted by the issue of notices of successful allocation by on our behalf for prescribed securities, in respect of the said Issue Shares;

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iv) you irrevocably authorise Bursa Depository to complete and sign on your behalf as transferee or renounee any instrument of transfer and/or other documents required for the issue or transfer of the Issue Shares allotted or allocated to you; and
- (v) you agree that in the event of any legal disputes arising from the use of Electronic Share Application, our mutual rights, obligations and liabilities shall be determined under the laws of Malaysia and be bound by the decisions of the Courts of Malaysia.
- (m) If you are successful in your Electronic Share Application, our Directors reserve the right to require you to appear in person at the registered office of MIH within fourteen (14) days of the date of the notice issued to you to ascertain your application is genuine and valid. Our Directors shall not be responsible for any loss or non-receipt of the said notice nor shall they be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.
- (n) MIH, on the authority of our Directors, reserves the right to reject applications which do not conform to these instructions.

15.4.3 Procedures for Application by Way of an Internet Share Application

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

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

Step 1: Set up of account

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

- (a) an existing account with access to Internet financial services facilities with the following Internet Participating Financial Institutions:-
 - Affin Bank Berhad at www.affinOnline.com; or
 - CIMB Investment Bank Berhad at www.eipocimb.com; or
 - CIMB Bank Berhad at www.cimbclicks.com.my; or
 - Malayan Banking Berhad at www.maybank2u.com.my (via hyperlink to Bursa Securities' website at www.bursamalaysia.com); or
 - RHB Bank Berhad at www.rhbbank.com.my (via hyperlink to Bursa Securities' website at www.bursamalaysia.com); or
 - Public Bank Berhad at www.pbebank.com.my (via hyperlink to Bursa Securities' website at www.bursamalaysia.com)

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (b) an individual CDS account registered in your name (and not in a nominee's name).

Step 2: Read the Prospectus

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

Step 3: Apply through Internet

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

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

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

- (a) Connect to the Internet financial services website of the Internet Participating Financial Institution with which you have an account. You are advised not to apply for the Issue Shares through any website other than the Internet financial services website of the Internet Participating Financial Institution.
- (b) Login to the Internet financial services facility by entering your user identification and PIN/ password.
- (c) Navigate to the section of the website on the applications in respect of initial public offerings.
- (d) Select the counter in respect of the Issue Shares to launch the Electronic Prospectus and the terms and conditions of the Internet Share Application.
- (e) Select the designated hyperlink on the screen to accept the abovementioned terms and conditions, having read and understood such terms and conditions.
- (f) At the next screen, complete the online application form.
- (g) Check that the information contained in the online application form such as the share counter, NRIC number, CDS account number, number of Issue Shares applied for and the account number to debit are correct, and select the designated hyperlink on the screen to confirm and submit the online application form.
- (h) After selecting the designated hyperlink on the screen, you will have to confirm and undertake that the following mandatory statements are true and correct:-
 - (i) You are at least eighteen (18) years of age as at the Closing Date of the application for the Issue Shares;
 - (ii) You are a Malaysian citizen residing in Malaysia;

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iii) You have, prior to making the Internet Share Application, received and/or have had access to a printed/electronic copy of this Prospectus, the contents of which you have read and understood;
 - (iv) You agree to all the terms and conditions of the Internet Share Application as set out in this Prospectus and have carefully considered the risk factors set out in this Prospectus, in addition to all other information contained in this Prospectus, before making the Internet Share Application;
 - (v) The Internet Share Application is the only application that you are submitting for the Issue Shares;
 - (vi) You authorise the Internet Participating Financial Institution to deduct the full amount payable for the Issue Shares from your account with the Internet Participating Financial Institution;
 - (vii) You give express consent in accordance with the relevant laws of Malaysia (including but not limited to Section 99 of the Banking and Financial Institutions Act, 1989 and Section 45 of the Securities Industry (Central Depositories) Act, 1991) to the disclosure by the Internet Participating Financial Institution and/or Bursa Depository, as the case may be, of information pertaining to you, the Internet Share Application made by you or your account with the Internet Participating Financial Institution, to MIH and the SC and any other relevant authority;
 - (viii) You are not applying for the Issue Shares as a nominee of any other person and the application is made in your own name as the beneficial owner and subject to the risks referred to in this Prospectus; and
 - (ix) You authorise the Internet Participating Financial Institution to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, us, Bursa Securities or other relevant parties in connection with the IPO, all information relating to you if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institution, necessary for the provision of the Internet Share Applications services or if such disclosure is requested or required in connection with the IPO. Further, the Internet Participating Financial Institution will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institution in connection with the use of the Internet Share Applications services.
-
- (i) Upon submission of the online application form, you will be linked to the website of the Internet Participating Financial Institution to effect the online payment of your application for the IPO.
 - (j) You must pay for the Issue Shares through the website of the Internet Participating Financial Institution, failing which the Internet Share Application is **not completed**, despite the display of the Confirmation Screen. **"Confirmation Screen"** refers to the screen which appears or is displayed on the Internet financial services website, which confirms that the Internet Share Application has been completed and states the details of your Internet Share Application, including the number of Issue Shares applied for, which can be printed out by you for your records.

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

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

Terms and Conditions for Internet Share Applications

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

- (a) Your application will not be successfully completed and cannot be recorded as a completed application unless you have completed all relevant application steps and procedures for the Internet Share Application which would result in the Internet financial services website displaying the Confirmation Screen. You are required to complete your Internet Share Application by the close of the IPO on the Closing Date and Time mentioned in Section 15.1 of this Prospectus.
- (b) You irrevocably agree and undertake to subscribe for or purchase and to accept the number of Issue Shares applied for as stated on the Confirmation Screen or any lesser number of Issue Shares that may be allotted or allocated to you in respect of your Internet Share Application. Your confirmation by clicking the designated hyperlink on the relevant screen of the website shall be treated as your acceptance of the number of Issue Shares allotted or allocated to you.
- (c) You request and authorise us:-
 - (i) to credit the Issue Shares allotted or allocated to you into your CDS account; and
 - (ii) to issue share certificate(s) representing such Issue Shares allotted or allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.
- (d) You acknowledge that your Internet Share Application is subject to the risks of electrical, electronic, technical, transmission, communications and computer-related faults and breakdowns, faults with computer software, problem occurring during data transmission, computer security threats such as viruses, hackers and crackers, fires and other events which are beyond our control, and the control of the Internet Participating Financial Institution, and irrevocably agrees that if:-
 - (i) we, MIH or the Internet Participating Financial Institution do/does not receive your Internet Share Application and/or payment; or

- (ii) data relating to your Internet Share Application or the tape or any other devices containing such data is wholly or partially lost, corrupted or not otherwise accessible, or not transmitted or communicated to us or MIH,

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

- (e) You irrevocably authorise Bursa Depository to complete and sign on your behalf as transferee or renounce any instrument of transfer and/or other documents required for the issue or transfer of the Issue Shares allocated to you.
- (f) You agree that in the event of any legal disputes arising from the use of Internet Share Application, our mutual rights, obligations and liabilities shall be determined under the laws of Malaysia and be bound by the decisions of the Courts of Malaysia.
- (g) You shall hold the Internet Participating Financial Institution harmless from any damages, claims or losses whatsoever, as a consequence of or arising from any rejection of your Internet Share Application by us, MIH and/or the Internet Participating Financial Institutions for reasons of multiple application, suspected multiple application, inaccurate and/or incomplete details provided by you, or any other cause beyond the control of the Internet Participating Financial Institutions.
- (h) You are not entitled to exercise any remedy of rescission for misrepresentation at any time after we have accepted your Internet Share Application.
- (i) In making the Internet Share Application, you have relied solely on the information contained in this Prospectus. We, our Underwriter, our Adviser and any other person involved in the IPO shall not be liable for any information not contained in this Prospectus which may have been relied by you in making the Internet Share Application.

15.5 OTHER TERMS AND CONDITIONS

- (a) You are required to pay the Issue Price of RM0.93 for each Issue Share you have applied for.
- (b) You can submit only one (1) application for the Issue Shares offered to the public. For example, if you submit an application using a White Application Form, you cannot submit an Electronic Share Application or Internet Share Application.

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

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

- (c) Your application must be for at least 100 Shares or multiples thereof.

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

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

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

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

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

- (j) Additional terms and conditions for Electronic Share Applications are set out in Section 15.4.2 (c) above.
- (k) Additional terms and conditions for Internet Share Applications are set out in Section 15.4.3 above.

15.6 AUTHORITY OF OUR DIRECTORS AND MIH

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

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

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

- (a) reject applications which do not conform to the instructions in this Prospectus or are illegible, incomplete and inaccurate;

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (b) reject or accept any application, in whole or in part, on a non-discriminatory basis without giving any reason; and
- (c) bank in all application monies from unsuccessful / partially successful applicants which would subsequently be refunded without interest by registered post.

15.7 OVER / UNDER-SUBSCRIPTION

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

Pursuant to the Listing Requirements, we are required to have at least 25% of our enlarged issued and paid-up capital to be held by a minimum number of 1,000 public shareholders holding not less than 100 Shares each upon Listing and completion of this IPO. We expect to achieve this at the point of Listing. However, in the event that this requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all applications will be returned without interest.

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

15.8 UNSUCCESSFUL / PARTIALLY SUCCESSFUL APPLICANTS

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

15.8.1 For Applications by Way of White Application Form

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

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

15.8.2 For Applications by Way of Electronic Share Application and Internet Share Application

- (a) MIH shall inform the Participating Financial Institutions of the non-successful or partially successful application within two (2) Market Days after the balloting date. The application monies or the balance of it will be credited into your account with the Participating Financial Institution without interest within two (2) Market Days after the receipt of confirmation from MIH.
- (b) You may check your account on the fifth (5th) Market Day from the balloting date.

A number of applications will be reserved to replace any balloted applications which are rejected. The application monies relating to these applications which are subsequently rejected will be refunded without interest by MIH by way of cheques by registered post or ordinary post. The cheques will be issued not later than ten (10) Market Days from the date of the final ballot. For applications that are held in reserve and are subsequently unsuccessful, the Participating Financial Institution will arrange for a refund of the application money without interest within ten (10) Market Days from the date of the final ballot except where MIH is required to refund any part thereof.

15.9 SUCCESSFUL APPLICANTS

If you are successful in your application:-

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

15.10 CDS ACCOUNTS

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991, Bursa Securities has prescribed our Shares as "Prescribed Securities". Therefore, the Issue Shares offered through this Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the aforesaid Act and Rules of Bursa Depository.

Following the above, in accordance with Section 29 of the Securities Industry (Central Depositories) Act, 1991, all dealings in our securities including the Issue Shares will be by book entries through CDS accounts. No share certificate will be issued but notices of allotment or transfer shall be despatched.

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 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 should open a CDS account at an ADA prior to make an application for our Shares.

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

In the case of an application by way of Electronic Share Application, only a Malaysian 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 a Malaysian 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-Issue 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 CDS account number, MIH, on the authority of our Directors, 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 Institution 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.

15.11 ENQUIRIES

You may contact MIH if you have any queries on the White Application Form at 03 – 7841 8000 or 03- 7841 8289. If you have any enquiry with regards to your Electronic Share Application, you may refer to the relevant Participating Financial Institution. If you have any enquiry with regards to your Internet Share Application, you may refer to the relevant Internet Participating Financial Institution.

If you are applying for the Issue Share as a Malaysian public, you may check the status of your application by logging into MIH's website at www.mih.com.my, or by calling MIH at 03 – 7841 8000 or 7841 8289 or your ADA at the telephone number as stated in Section 15.12 of this Prospectus between five (5) to ten (10) Market Days (during office hours only) after the balloting date.

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15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**15.12 List of ADAs**

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

Name	Address and telephone number	Broker code
KUALA LUMPUR		
A.A. ANTHONY SECURITIES SDN BHD	N3, Plaza Damas 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Tel No : 03-6201 1155	078-004
AFFIN INVESTMENT BANK BERHAD	Ground Mezzanine & 3rd Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No : 03-2143 8668	028-001
ALLIANCE INVESTMENT BANK BERHAD	17 th Floor, Menara Multi-Purpose Capital Square 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Tel No : 03-2697 6333	076-001
AMINVESTMENT BANK BERHAD	15th Floor, Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel No : 03-2078 2788	086-001
BIMB SECURITIES SDN BHD	32nd Floor, Menara Multi-Purpose Capital Square No.8, Jalan Munshi Abdullah 50100 Kuala Lumpur Tel No: 03-26918887	024-001
CIMB INVESTMENT BANK BERHAD	9th Floor, Commerce Square Jalan Semantan, Damansara Heights 50490 Kuala Lumpur Tel No : 03-2084 9999	065-001
ECM LIBRA INVESTMENT BANK BERHAD	1st Floor, Wisma Genting Jalan Sultan Ismail 50250 Kuala Lumpur Tel No : 03-2178 1133	052-009
ECM LIBRA INVESTMENT BANK BERHAD	Bangunan ECM Libra 8, Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur Tel No : 03-2089 1888	052-001
HONG LEONG INVESTMENT BANK BERHAD	Level 8, Menara HLA No. 3, Jalan Kia Peng 50450 Kuala Lumpur Tel No : 03-2168 1168	066-001

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
HWANGDBS INVESTMENT BANK BERHAD	2nd Floor, Bangunan AHP No. 2, Jalan Tun Mohd Fuad 3 Taman Tun Dr. Ismail 60000 Kuala Lumpur Tel No : 03-7710 6688	068-009
HWANGDBS INVESTMENT BANK BERHAD	Nos. 34-5, 36-5, 38-5, 40-5, 42-5 & 44-5 5th Floor, Cheras Commercial Centre Jalan 5/101C Off Jalan Kaskas, 5th Mile Cheras 56100 Kuala Lumpur Tel No : 03-9130 3399	068-012
HWANGDBS INVESTMENT BANK BERHAD	7th, 22nd, 23rd & 23A Floor Menara Keck Seng 203 Jalan Bukit Bintang 55100 Kuala Lumpur Tel No : 03-2711 6888	068-014
INTER-PACIFIC SECURITIES SDN BHD	West Wing, Level 13 Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Tel No : 03-2117 1888	054-001
INTER-PACIFIC SECURITIES SDN BHD	Ground Floor, 7-0-8 Jalan 3/109F Danau Business Centre, Danau Desa 58100 Kuala Lumpur Tel No : 03-7984 7796	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 : 03-7981 8811	054-005
JUPITER SECURITIES SDN BHD	7th-9th Floor, Menara Olympia 8, Jalan Raja Chulan 50200 Kuala Lumpur Tel No : 03-2034 1888	055-001
KAF-SEAGROATT & CAMPBELL SECURITIES SDN BHD	11th-14th Floor, Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No : 03-2168 8800	053-001
KENANGA INVESTMENT BANK BERHAD	No. 57-10, Level 10 The Boulevard, Mid Valley City Lingkaran Syed Putra 59000 Kuala Lumpur Tel No : 03-2287 1799	073-015

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker 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 : 03-2282 1820	057-002
MAYBANK INVESTMENT BANK BERHAD	5-13 Floor, MaybanLife Tower Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No : 03-2297 8888	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	11th & 12th Floor, Menara MIDF 82 Jalan Raja Chulan 50200 Kuala Lumpur Tel No : 03-2173 8888	026-001
MIMB INVESTMENT BANK BERHAD	Level 18, Menara EON Bank 288, Jalan Raja Laut 50350 Kuala Lumpur Tel No : 03-2691 0200	061-001
OSK INVESTMENT BANK BERHAD	20 th Floor, Plaza OSK Jalan Ampang 50450 Kuala Lumpur Tel No : 03-2333 8333	056-001
OSK INVESTMENT BANK BERHAD	No. 62 & 64, Vista Magna Jalan Prima, Metro Prima 52100 Kuala Lumpur Tel No : 03-6257 5869	056-028
OSK INVESTMENT BANK BERHAD	Ground Floor, No. M3-A-7 & M3-A-8 Jalan Pandan Indah 4/3A Pandan Indah 55100 Kuala Lumpur Tel No : 03-4280 4798	056-054
OSK INVESTMENT BANK BERHAD	Ground, 1st, 2nd & 3rd Floor No. 55, Zone J4 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel No : 03-9058 7222	056-058

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
PM SECURITIES SDN BHD	Ground, Mezzanine, 1st & 10th Floor Menara PMI No. 2, Jalan Changkat Ceylon 50200 Kuala Lumpur Tel No : 03-2146 3000	064-001
PUBLIC INVESTMENT BANK BERHAD	27th Floor, Public Bank Building No. 6, Jalan Sultan Sulaiman 50000 Kuala Lumpur Tel No : 03-2031 3011	051-001
RHB INVESTMENT BANK BERHAD	Level 9, Tower One RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No : 03-9287 3888	087-001
TA SECURITIES HOLDINGS BERHAD	Floor 13-16, 23, 28-30, 34 & 35 Menara TA One No. 22, Jalan P. Ramlee 50250 Kuala Lumpur Tel No : 03-2072 1277	058-003
SELANGOR DARUL EHSAN		
AFFIN INVESTMENT BANK BERHAD	2nd, 3rd & 4th Floor Wisma Amsteel Securities No. 1, Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No : 03-3343 9999	028-002
AFFIN INVESTMENT BANK BERHAD	Lot 229, 2nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiar Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No : 03-7729 8016	028-003
AMINVESTMENT BANK BERHAD	4th Floor, Plaza Damansara Utama No. 2, Jalan SS21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel No : 03-7710 6613	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: 03-7717 3319	065-009

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
HONG LEONG INVESTMENT BANK BERHAD	Level 10 1 First Avenue Bandar Utama 47800 Petaling Jaya Tel No : 03-7724 6888	066-002
HWANGDBS INVESTMENT BANK BERHAD	16th, 18th-20th Floor, Plaza Masalam No. 2, Jalan Tengku Ampuan Zabedah E9/E Section 9 40100 Shah Alam Selangor Darul Ehsan Tel No : 03-5513 3288	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 : 03-5635 6688	068-010
JF APEX SECURITIES BERHAD	6th Floor, Menara Apex Off Jalan Semenyih, Bukit Mewah 43000 Kajang Selangor Darul Ehsan Tel No : 03-8736 1118	079-001
JF APEX SECURITIES BERHAD	15th & 16th Floor Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel No : 03-7620 1118	079-002
KENANGA INVESTMENT BANK BERHAD	13th Floor, Menara Yayasan Selangor No. 18A, Jalan Persiaran Barat Off Jalan Timur 46000 Petaling Jaya Selangor Darul Ehsan Tel No : 03-7956 2169	073-005
KENANGA INVESTMENT BANK BERHAD	1st Floor, Wisma UEP Pusat Perniagaan USJ 10 Jalan USJ 10/1A 47620 Subang Jaya Selangor Darul Ehsan Tel No : 03-8024 1682	073-006
KENANGA INVESTMENT BANK BERHAD	Suite 7.02, Level 7, Menara ING Intan Millenium Square No. 68, Jalan Batai Laut 4 Taman Intan 41300 Klang Selangor Darul Ehsan Tel No : 03-3005 7550	073-007

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
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 : 03-7725 9095	073-016
OSK INVESTMENT BANK BERHAD	24, 24M, 24A, 26M, 28M, 28A & 30 Jalan SS2/63 47300 Petaling Jaya Selangor Darul Ehsan Tel No : 03-7873 6366	056-011
OSK INVESTMENT BANK BERHAD	No. 37, Jalan Semenyih 43000 Kajang Selangor Darul Ehsan Tel No : 03-8736 3378	056-045
OSK INVESTMENT BANK BERHAD	Ground & 1st Floor No. 15, Jalan Bandar Rawang 4 48000 Rawang Selangor Darul Ehsan Tel No : 03-6092 8916	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 : 03-3343 9180	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 : 03-8023 6518	056-063
PM SECURITIES SDN BHD	No. 157 & 159, Jalan Kenari 23/A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No : 03-8070 0773	064-003
PM SECURITIES SDN BHD	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No : 03-3341 5300	064-007

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
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 : 03-5192 0202	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 : 03-8025 1880	058-005
TA SECURITIES HOLDINGS BERHAD	Damansara Utama Branch 2 nd Floor Wisma TA 47400 Petaling Jaya Selangor Darul Ehsan Tel No: 03-7729 5713	058-007
MELAKA		
CIMB INVESTMENT BANK BERHAD	Ground, 1 st & 2 nd Floor No. 191, Taman Melaka Raya Off Jalan Parameswara 75000 Melaka Tel No : 06-289 8800	065-006
ECM LIBRA INVESTMENT BANK BERHAD	71A & 73A, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No : 06-288 1720	052-008
ECM LIBRA INVESTMENT BANK BERHAD	22A & 22A – 1 and 26 & 26 – 1 Jalan MP 10 Taman Merdeka Permai 75350 Batu Berendam Melaka Tel No: 06-337 2550	052-016
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM9 Plaza Pandan Malim (Business Park) Balai Panjang, P. O. Box 248 75250 Melaka Tel No : 06-337 1533	012-001
MERCURY SECURITIES SDN BHD	No. 81-B & 83-B, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No : 06-292 1898	093-003
OSK INVESTMENT BANK BERHAD	579, 580 & 581 Taman Melaka Raya 75000 Melaka Tel No : 06-282 5211	056-003

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
PM SECURITIES SDN BHD	No. 11 & 13, Jalan PM2 Plaza Mahkota 75000 Melaka Tel No : 06-286 6008	064-006
RHB INVESTMENT BANK BERHAD	Lot 7-13 & 15, 1st Floor Tabung Haji Building Jalan Bandar Kaba 75000 Melaka Tel No : 06-283 3622	087-002
PERAK DARUL RIDZUAN		
A.A. ANTHONY SECURITIES SDN BHD	29G, Jalan Intan 2 Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel No : 05-623 2328	078-009
CIMB INVESTMENT BANK BERHAD	Ground, No. 8, 8A-C Persiaran Greentown 4C Greentown Busines Centre 30450 Ipoh Perak Darul Ridzuan Tel No: 05-208 2688	065-010
ECM LIBRA INVESTMENT BANK BERHAD	No. 63 Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No : 05-242 2828	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 : 05-622 2828	052-006
HWANGDBS INVESTMENT BANK BERHAD	Ground, Level 1,2 &3 21, Jalan Stesen 34000 Taiping Perak Darul Ridzuan Tel No : 05-806 6688	068-003
HWANGDBS INVESTMENT BANK BERHAD	Ground, 1 st & 2nd Floor No. 22, Persiaran Greentown 1 Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel No : 05-255 9988	068-015
M & A SECURITIES SDN BHD	M & A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel No : 05-241 9800	057-001

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

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

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

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

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
HWANGDBS INVESTMENT BANK BERHAD	No. 2 & 4, Jalan Perda Barat Bandar Perda 14000 Bukit Mertajam Pulau Pinang Tel No : 04-537 2882	068-006
INTER-PACIFIC SECURITIES SDN BHD	Ground, Mezzanine & 8th Floor Bangunan Mayban Trust No. 3, Penang Street 10200 Pulau Pinang Tel No : 04-269 0888	054-002
KENANGA INVESTMENT BANK BERHAD	Lot 1.02, Level 1, Menara KWSP 38, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No : 04-210 6666	073-013
MERCURY SECURITIES SDN BHD	Ground, 1st, 2nd & 3rd Floor Wisma UMNO, Lorong Bagan Luar Dua 12000 Butterworth Pulau Pinang Tel No : 04-332 2123	093-001
MERCURY SECURITIES SDN BHD	2nd Floor, Standard Chartered Bank Chambers 2 Lebuhr Pantai 10300 Pulau Pinang Tel No : 04-263 9118	093-004
OSK INVESTMENT BANK BERHAD	64, Bishop Street 20E, 20F & 20G, Penang Street 10200 Pulau Pinang Tel No : 04-263 4222	056-004
OSK INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Prai Pulau Pinang Tel No : 04-390 0022	056-005
OSK INVESTMENT BANK BERHAD	Ground & Upper Floor No. 11A, Jalan Keranji Off Jalan Padang Lallang 14000 Bukit Mertajam Pulau Pinang Tel No : 04-540 2888	056-015
OSK INVESTMENT BANK BERHAD	834, Jalan Besar, Sungai Bakap 14200 Sungai Jawi Seberang Perai Selatan, Pulau Pinang Tel No : 04-583 1888	056-032

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
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 : 04-640 4888	056-042
PM SECURITIES SDN BHD	Level 25, Menara BHL 51, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No : 04-227 3000	064-004
PERLIS INDRA KAYANGAN		
ALLIANCE INVESTMENT BANK BERHAD	2nd Floor, Podium Block KWSP Building 01000 Kangar Perlis Indra Kayangan Tel No : 04-976 5200	076-003
OSK INVESTMENT BANK BERHAD	Ground & 1st Floor No. 39, Taman Suriani Persiaran Jubli Emas 01000 Kangar Perlis Indra Kayangan Tel No : 04-979 3888	056-061
KEDAH DARUL AMAN		
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 : 04-732 2111	078-007
ALLIANCE INVESTMENT BANK BERHAD	2nd Floor, Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel No : 04-731 7088	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 : 04-425 6666	068-011
OSK INVESTMENT BANK BERHAD	No. 112, Jalan Pengkalan Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No : 04-420 4888	056-017

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

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

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
OSK INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 346 & 347 Batu ½ , Jalan Pantai 71000 Port Dickson Negeri Sembilan Darul Khusus Tel No : 06-646 1234	056-046
PM SECURITIES SDN BHD	1st, 2nd & 3rd Floor 19-21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel No : 06-762 3131	064-002
JOHOR DARUL TAKZIM		
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 : 07-333 2000	078-001
A.A. ANTHONY SECURITIES SDN BHD	42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Tel No : 07-663 7398	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 : 07-351 3218	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 : 07-512 1633	078-008
ALLIANCE INVESTMENT BANK BERHAD	No. 73, Ground & 1 st Floor Jalan Rambutan 86000 Kluang Johor Darul Takzim Tel No : 07-771 7922	076-006
AMINVESTMENT BANK BERHAD	2nd & 3rd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel No : 07-434 2282	086-002

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
AMINVESTMENT BANK BERHAD	18 th & 31 st Floor, Selesa Tower Jalan Dato' Abdullah Tahir 80300 Johor Bahru Johor Darul Takzim Tel No : 07-334 3855	086-006
ECM LIBRA INVESTMENT BANK BERHAD	No. 57, 59 & 61, Jalan Ali 84000 Muar Johor Darul Takzim Tel No : 06-953 2222	052-004
ECM LIBRA INVESTMENT BANK BERHAD	Ground Floor No. 234, Jalan Besar Taman Semberong Baru 83700 Yong Peng Johor Darul Takzim Tel No : 07-467 8885	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 : 07-222 2692	068-004
INTER-PACIFIC SECURITIES SDN BHD	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel No : 07-223 1211	054-004
KENANGA INVESTMENT BANK BERHAD	Level 2, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No : 07-333 3600	073-004
KENANGA INVESTMENT BANK BERHAD	No. 31, Lorong Dato' Ahmad Jalan Khalidi 84000 Muar Johor Darul Takzim Tel No : 06-954 2711	073-008
KENANGA INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 34 Jalan Genuang 85000 Segamat Johor Darul Takzim Tel No : 07-933 3515	073-009
KENANGA INVESTMENT BANK BERHAD	No. 33 & 35 (Ground & 1st Floor A&B) Jalan Syed Abdul Hamid Sagaff 86000 Kluang Johor Darul Takzim Tel No : 07-777 1161	073-010

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
KENANGA INVESTMENT BANK BERHAD	Ground Floor, No. 4, Jalan Dataran 1 Taman Bandar Tangkak 84900 Tangkak Johor Darul Takzim Tel No : 06-978 2292	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 : 07-222 7388	061-002
OSK INVESTMENT BANK BERHAD	6th Floor, Wisma Tiong-Hua 8, Jalan Keris, Taman Sri Tebrau 80050 Johor Bahru Johor Darul Takzim Tel No : 07-278 8821	056-006
OSK INVESTMENT BANK BERHAD	53, 53-A & 53-B Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel No : 07-438 0288	056-009
OSK INVESTMENT BANK BERHAD	No. 33-1, 1st & 2nd Floor Jalan Ali 84000 Muar Johor Darul Takzim Tel No : 06-953 8262	056-025
OSK INVESTMENT BANK BERHAD	Ground & 1st Floor No. 119 & 121 Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Tel No : 07-557 7628	056-029
OSK INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Tel No : 07-932 1543	056-030

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
OSK INVESTMENT BANK BERHAD	Ground, 1 st & 2 nd Floor No.17, Jalan Manggis 86000 Kluang Johor Darul Takzim Tel No : 07-776 9655	056-031
OSK INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 10, Jalan Anggerik 1 Taman Kulai Utama 81000 Kulai Johor Darul Takzim Tel No : 07-662 6288	056-035
OSK INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 343, Jalan Muar 84900 Tangkak Johor Darul Takzim Tel No : 06-978 7180	056-038
OSK INVESTMENT BANK BERHAD	1st Floor, No. 2 & 4, Jalan Makmur Taman Sri Aman 85300 Labis Johor Darul Takzim Tel No : 07-925 6881	056-039
OSK INVESTMENT BANK BERHAD	Ground & 1st Floor No. 1 & 1-01 Jalan Rosmerah 2/11 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No : 07-352 2293	056-043
PM SECURITIES SDN BHD	No. 41, Jalan Molek 2/4 Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No : 07-351 3232	064-005
PM SECURITIES SDN BHD	Ground & 1st Floor No. 43 & 43A, Jalan Penjaja 3 Taman Kim's Park, Business Centre 83000 Batu Pahat Johor Darul Takzim Tel No : 07-433 3608	064-008
PAHANG DARUL MAKMUR		
ALLIANCE INVESTMENT BANK BERHAD	A-397, A-399 & A-401 Taman Sri Kuantan III, Jalan Beserah 25300 Kuantan Pahang Darul Makmur Tel No : 09-566 0800	076-002

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
CIMB INVESTMENT BANK BERHAD	Ground 1st & 2nd No. A-27 (Aras G, 1 & 2) Jalan Dato' Lim Hoe Lek 25200 Kuantan Pahang Darul Makmur Tel No: 09-505 7800	065-007
ECM LIBRA INVESTMENT BANK BERHAD	A15, A17 & A19, Ground Floor Jalan Tun Ismail 2 Sri Dagangan 2 Pahang Darul Makmur Tel No : 09-517 1698	052-007
OSK INVESTMENT BANK BERHAD	B2 & B34 Lorong Tun Ismail 8 Seri Dagangan II 25000 Kuantan Pahang Darul Makmur Tel No : 09-517 3811	056-007
OSK INVESTMENT BANK BERHAD	Ground Floor 98 Jalan Pasdec 28700 Bentong Pahang Darul Makmur Tel No : 09-223 4943	056-022
OSK INVESTMENT BANK BERHAD	Ground Floor No. 76-A, Persiaran Camelia 4 Tanah Rata 39000 Cameron Highlands Pahang Darul Makmur Tel No : 05-491 4913	056-041
KELANTAN DARUL NAIM		
OSK INVESTMENT BANK BERHAD	Ground & 1 st Floor No. 3953-H, Jalan Kebun Sultan 15350 Kota Bharu Kelantan Darul Naim Tel No : 09-743 0077	056-020
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No : 09-743 2288	058-004
TERENGGANU DARUL IMAN		
ALLIANCE INVESTMENT BANK BERHAD	No. 1D, Ground & Mezzanine No. 1E, Ground, Mezzanine 1st & 2nd Floor, Jalan Air Jerneh 20300 Kuala Terengganu Terengganu Darul Iman Tel No : 09-631 7922	076-009

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
FA SECURITIES SDN BHD	No. 51 & 51A Ground, Mezzanine & 1st Floor Jalan Tok Lam 20100 Kuala Terengganu Terengganu Darul Iman Tel No : 09-623 8128	021-001
OSK INVESTMENT BANK BERHAD	Ground & 1st Floor 9651, Cukai Utama Jalan Kubang Kurus 24000 Kemaman Terengganu Darul Iman Tel No : 09-858 3109	056-027
OSK INVESTMENT BANK BERHAD	31A, Ground Floor 31A & 31B, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No : 09-626 1816	056-055
SARAWAK		
AMINVESTMENT BANK BERHAD	No. 164, 166 & 168 1st, 2nd & 3rd Floor Jalan Abell 93100 Kuching Sarawak Tel No : 082-244 791	086-005
CIMB INVESTMENT BANK BERHAD	Level 1, Wisma STA 26 Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Tel No : 082-358 606	065-004
CIMB INVESTMENT BANK BERHAD	No. 6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibul Sarawak Tel No : 084-367 700	065-008
HWANGDBS INVESTMENT BANK BERHAD	Lot 328, Jalan Abell 93100 Kuching Sarawak Tel No : 082-236 999	068-005
HWANGDBS INVESTMENT BANK BERHAD	No. 282, 1st Floor Park City Commercial Centre Phase 4, Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel No : 086-330 008	068-016

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
KENANGA INVESTMENT BANK BERHAD	Lot 2465, Jalan Boulevard Utama Boulevard Commercial Centre 98000 Miri Sarawak Tel No : 085-435 577	073-002
KENANGA INVESTMENT BANK BERHAD	Level 5, Wisma Mahmud Jalan Sungai Sarawak 93100 Kuching Sarawak Tel No : 082-338 000	073-003
KENANGA INVESTMENT BANK BERHAD	No. 11-12 (Ground & 1st Floor) Lorong Kampung Datu 3 96000 Sibu Sarawak Tel No : 084-313 855	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 : 082-422 252	056-008
OSK INVESTMENT BANK BERHAD	Lot 1268, 1 st & 2 nd Floor, Lot 1269, 2 nd Floor Centre Point Commercial Centre Jalan Melayu 98000 Miri Sarawak Tel No : 085-422 788	056-012
OSK INVESTMENT BANK BERHAD	101 & 102, Pusat Pedada Jalan Pedada 96000 Sibu Sarawak Tel No : 084-329 100	056-013
OSK INVESTMENT BANK BERHAD	Ground & 1st Floor No. 10, Jalan Bersatu 96100 Sarikei Sarawak Tel No : 084-654 100	056-050
OSK INVESTMENT BANK BERHAD	Ground Floor No. 177, Taman Sri Dagang 97000 Bintulu Sarawak Tel No : 086-311 770	056-053

15 PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibu Sarawak Tel No : 084-319 998	058-002
TA SECURITIES HOLDINGS BERHAD	2nd Floor, (Bahagian Hadapan) Bangunan Binamas, Lot 138 Section 54, Jalan Pandung 93100 Kuching Sarawak Tel No : 082-236 333	058-006
SABAH		
CIMB INVESTMENT BANK BERHAD	1 st & 2 nd Floor Central Building No. 28, Jalan Sagunting 88000 Kota Kinabalu Sabah Tel No : 088-328 878	065-005
ECM LIBRA INVESTMENT BANK BERHAD	Aras 8, Wisma Great Eastern 68, Jalan Gaya 88000 Kota Kinabalu Sabah Tel No : 088-236 188	052-012
HWANGDBS INVESTMENT BANK BERHAD	Suite 1-9-E1, 9th Floor CPS Tower, Centre Point Sabah No. 1, Jalan Centre Point 88000 Kota Kinabalu Sabah Tel No : 088-311 688	068-008
INNOSABAH SECURITIES BERHAD	11, Equity House, Block K Sadong Jaya, Karamunsing 88100 Kota Kinabalu Sabah Tel No : 088-234090	020-001
OSK INVESTMENT BANK BERHAD	5th Floor, Wisma BSN Sabah Jalan Kemajuan, Karamunsing 88000 Kota Kinabalu Sabah Tel No : 088-269788	056-010
OSK INVESTMENT BANK BERHAD	Ground Floor, Block 2 Lot 4 & Lot 5, Bandar Indah Mile 4, North Road 91000 Sandakan Sabah Tel No : 089-229286	056-057