

8. FINANCIAL INFORMATION (Cont'd)**8.5 Reporting Accountants' letters on the proforma consolidated financial information and the proforma consolidated statements of financial position***(Prepared for inclusion in this Prospectus)*

KPMG (Firm No. AF 0758)
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Strictly private and confidential

The Board of Directors
 Globaltec Formation Berhad
 (formerly known as Temasek Formation Berhad)
 802, 8th Floor, Block C, Kelana Square
 17 Jalan SS7/26
 47301 Petaling Jaya
 Selangor DarulEhsan

Our ref: G/CBH/SLKOO/cco

Date: 10 May 2012

Dear Sirs

Globaltec Formation Berhad (hereafter referred to as "GFB")
(formerly known as Temasek Formation Berhad)

Reporting accountants' letter on the proforma consolidated financial information as at 31 December 2010 on the:

- (I) Proposed acquisitions by GFB of the entire business and undertakings including all the assets and liabilities of AIC Corporation Berhad ("AIC"), Jotech Holdings Berhad ("Jotech") and AutoV Corporation Berhad ("AutoV") ("Proposed Acquisitions"); and**
- (II) Proposed listing of GFB on the Main Market of Bursa Malaysia Securities Berhad ("Proposed Listing")**

The Proposed Acquisitions and the Proposed Listing are collectively referred to as "the Proposals"

We have reviewed the presentation of the proforma consolidated financial information of GFB at 31 December 2010 which have been prepared for illustrative purposes only, for which the Directors of GFB are solely responsible, as set out in Appendix I (which we have stamped for the purpose of identification) for inclusion in the prospectus of GFB to be dated 25 May 2012 ("Prospectus") in connection with the Proposals and should not be relied upon for any other purposes.

The proforma consolidated financial information are prepared based on the notes set out in Appendix II.

The proforma consolidated financial information, because of their nature, do not give a true picture of the effects of the Proposals on GFB's actual financial position had the transactions or events occurred as at 31 December 2010. Further, such financial information from the proforma consolidated financial information does not purport to predict GFB's financial position.

Proposed acquisitions of AIC, Jotech and AutoV

GFB has made offers on substantially the same terms and conditions to acquire the entire business and undertakings, including all the assets and liabilities, of AIC, Jotech and AutoV. These offers shall constitute a single consolidated offer for the purposes of achieving the merger of the business and undertakings, including all assets and liabilities of AIC, Jotech and AutoV.

8. FINANCIAL INFORMATION (Cont'd)

*Globaltec Formation Berhad
Reporting accountants' letter on the proforma consolidated
financial information as at 31 December 2010*

Directors' Responsibilities

It is the responsibility solely of the Directors of GFB to prepare the proforma consolidated financial information in respect of the Proposals.

Reporting Accountants' Responsibilities

Our responsibility is to form an opinion as to the proper compilation of the proforma consolidated financial information of GFB and to report our opinion to you based on our work.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the proforma consolidated financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

We conducted our work in accordance with International Standard on Assurance Engagements 3000, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of considering the evidence supporting the adjustments and discussing the proforma consolidated financial information with the Directors of GFB. We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the proforma consolidated financial information have been properly compiled on the basis stated and that such basis is consistent with the accounting policies adopted by GFB and materially in compliance with Financial Reporting Standards ("FRS") issued by the Malaysian Accounting Standards Board.

Opinion

In our opinion,

- the proforma consolidated financial information have been properly compiled in accordance with the basis of preparation stated in the Notes to the proforma consolidated financial information (Appendix II) and should be read in conjunction with the Reporting Accountants' letter on the proforma consolidated statements of financial position as at 31 December 2010 dated 10 May 2012;
- the basis of preparation of the proforma consolidated financial information is in accordance with FRSs in Malaysia and in a manner consistent with both the format of the audited financial statements and the accounting policies of AIC, Jotech and AutoV, which policies are those adopted by GFB;
- each material adjustment made to the information used in the preparation of the proforma consolidated financial information is appropriate for the purpose of preparing the proforma consolidated financial information; and

8. FINANCIAL INFORMATION (Cont'd)



*Globaltec Formation Berhad
Reporting accountants' letter on the proforma consolidated
financial information as at 31 December 2010*

Other Matters

The proforma consolidated financial information have been prepared for inclusion in the Prospectus in connection with the Proposals and should not be relied upon for any other purposes.

Yours faithfully

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

KPMG
Firm No. AF 0758
Chartered Accountants

A handwritten signature in black ink, appearing to be 'Chew Beng Hong'.

Chew Beng Hong
Approval Number: 2920/02/12(J)
Chartered Accountant

8. FINANCIAL INFORMATION (Cont'd)

Appendix I

GLOBALTEC FORMATION BERHAD ("GFB")

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended 31 December 2008 RM'000	Year ended 31 December 2009 RM'000	Year ended 31 December 2010 RM'000
Continuing operations:			
Revenue	339,209	331,798	394,839
Cost of sales	(288,716)	(278,181)	(326,157)
Gross profit	50,493	53,617	68,682
Administrative expenses	(28,182)	(28,933)	(35,086)
Distribution costs	(3,284)	(3,454)	(3,285)
Other operating expenses	(8,079)	(3,560)	(5,223)
Other operating income	8,007	5,458	8,804
Results from operating activities	18,955	23,128	33,892
Finance income	1,159	856	742
Finance costs	(5,870)	(5,172)	(3,975)
Operating profit	14,244	18,812	30,659
Share of results of associates	-	30	(6)
Profit before taxation	14,244	18,842	30,653
Taxation	(4,806)	(2,294)	(3,328)
Profit for the year from continuing operations	9,438	16,548	27,325
Loss from discontinued operations and loss on disposal of subsidiaries	(9,660)	-	-
Profit/(Loss) for the year	(222)	16,548	27,325
Other comprehensive expense, net of tax			
Foreign currency translation differences for foreign operations	(103)	(94)	(2,143)
Total comprehensive income/(loss) for the year	(325)	16,454	25,182
Profit/(Loss) attributable to:			
Owners of the Company	(762)	15,408	25,991
Minority interests	540	1,140	1,334
Profit/(Loss) for the year	(222)	16,548	27,325
Total comprehensive income/(loss) attributable to:			
Owners of the Company	(936)	15,351	24,292
Minority interests	611	1,103	890
Total comprehensive income/(loss) for the year	(325)	16,454	25,182



8. FINANCIAL INFORMATION (Cont'd)

Appendix I

GLOBALTEC FORMATION BERHAD ("GFB")
PROFORMA CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended 31 December 2010 <i>RM'000</i>
Net cash flow generated from operating activities	52,122
Net cash flow used in investing activities	(28,026)
Net cash flow used in financing activities	<u>(14,646)</u>
Net increase in cash and cash equivalents	9,450
Effect of exchange rate changes	(1,371)
Cash and cash equivalents at the beginning of the year	54,414
Cash and cash equivalents at the end of the year	<u><u>62,493</u></u>
Cash and cash equivalents at the end of the year comprise the following:	
(a) Cash and bank balances	23,986
(b) Deposits	41,038
Total cash and cash equivalents	<u>65,024</u>
Less: Deposits pledged	<u>(2,531)</u>
Net cash and cash equivalents	<u><u>62,493</u></u>



8. FINANCIAL INFORMATION (Cont'd)*Appendix II***GLOBALTEC FORMATION BERHAD (“GFB”)****Notes to the proforma consolidated financial information as at 31 December 2010****Basis of preparation**

GFB was incorporated on 15 July 2011 and at the date of incorporation, the paid-up share capital of GFB is RM2.00 comprising 2 ordinary shares of RM1.00 each. GFB has not been audited since its date of incorporation.

The proforma consolidated financial information consists of the following:

- a) The proforma consolidated statements of comprehensive income of GFB for the years ended 31 December 2010, 31 December 2009 and 31 December 2008;
- b) The proforma consolidated statement of cash flows of GFB for the year ended 31 December 2010.

The above proforma consolidated financial information of GFB have been prepared based on audited financial statements of AIC, Jotech and AutoV, using accounting principles and bases consistent with those previously adopted in the preparation of these audited financial statements, which policies are those adopted by GFB.

For the purposes of the proforma consolidated statements of comprehensive income for the years ended 31 December 2008, 2009 and 2010 and the proforma consolidated statement of cash flows for the year ended 31 December 2010, the GFB group of companies (comprising of AIC group of companies, Jotech group of companies and AutoV group of companies) is assumed to have been in existence throughout the periods under review.

The acquisitions of Malgreen Progress Sdn Bhd (“MPSB”) and Cergas Fortune Sdn Bhd (“CFSB”) by Jotech, the acquisition of JP Metal Sdn Bhd by AutoV from Jotech and the acquisition of Proreka (M) Sdn Bhd by AutoV have been reflected as part of the movement in the Proforma Consolidated Statements of Financial Position and excluded from the Proforma Consolidated Financial Information.



8. FINANCIAL INFORMATION (Cont'd)

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The Board of Directors
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Our ref: G/CBH/SLKOO/cco

Date: 10 May 2012

Dear Sirs

Globaltec Formation Berhad (hereafter referred to as "GFB")
(formerly known as Temasek Formation Berhad)
Reporting accountants' letter on the proforma consolidated statements of financial position as at 31 December 2010 on the:

- (I) **Proposed acquisitions by GFB of the entire business and undertakings including all the assets and liabilities of AIC Corporation Berhad ("AIC"), Jotech Holdings Berhad ("Jotech") and AutoV Corporation Berhad ("AutoV") ("Proposed Acquisitions"); and**
- (II) **Proposed listing of GFB on the Main Market of Bursa Malaysia Securities Berhad ("Proposed Listing")**

The Proposed Acquisitions and the Proposed Listing are collectively referred to as "the Proposals"

We have reviewed the presentation of the proforma consolidated statements of financial position of GFB at 31 December 2010 which have been prepared for illustrative purposes only, for which the Directors of GFB are solely responsible, as set out in Appendix I (which we have stamped for the purpose of identification) for inclusion in the prospectus of GFB to be dated 25 May 2012 ("Prospectus") in connection with the Proposals and should not be relied upon for any other purposes.

The proforma consolidated statements of financial position, together with the notes thereon incorporate the Proposals as disclosed in Note 2 of the Appendix II.

The proforma consolidated statements of financial position, because of their nature, do not give a true picture of the effects of the Proposals on GFB's actual financial position had the transactions or events occurred as at 31 December 2010. Further, such financial information from the proforma consolidated statements of financial position does not purport to predict GFB's financial position.

Proposed acquisitions of AIC, Jotech and AutoV

GFB has made offers on substantially the same terms and conditions to acquire the entire business and undertakings, including all the assets and liabilities, of AIC, Jotech and AutoV. These offers shall constitute a single consolidated offer for the purposes of achieving the merger of the business and undertakings, including all assets and liabilities of AIC, Jotech and AutoV.

KPMG, a partnership established under Malaysian law and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity

8. FINANCIAL INFORMATION (Cont'd)



Globaltec Formation Berhad
Reporting accountants' letter on the proforma consolidated
statements of financial position as at 31 December 2010

Proposed acquisitions of AIC, Jotech and AutoV (continued)

To AIC, the Proposed Acquisition would involve the acquisition of the entire business and undertakings, including all assets and liabilities of AIC at an aggregate offer consideration ("AIC Aggregate Offer Consideration") equivalent to:

- (i) RM1.80 per ordinary share of RM1.00 each in AIC ("AIC Share"), being 20.00% above the volume weighted average market price ("VWAMP") of AIC Shares for the five (5) market days up to and including 26 July 2011 of RM1.50, multiplied by the total outstanding AIC Shares; and
- (ii) RM1.00 per warrant of AIC ("AIC Warrant"), being 17.37% above the VWAMP of AIC Warrants for the five (5) market days up to and including 26 July 2011 of RM0.852, multiplied by the total outstanding number of AIC Warrants.

The proforma consolidated statements of financial position as at 31 December 2010 of GFB will be prepared based on the existing securities in issue at 30 April 2012 the latest practicable date ("LPD"), the AIC Aggregate Offer Consideration is approximately RM339.20 million, to be satisfied via the issuance of about 2,826.69 million GFB Shares at an issue price of RM0.12 each.

To Jotech, the Proposed Acquisition would involve the acquisition of the entire business and undertakings, including all assets and liabilities of Jotech at an aggregate offer consideration ("Jotech Aggregate Offer Consideration") equivalent to:

- (i) RM0.18 per ordinary share of RM0.10 each in Jotech ("Jotech Share"), being 20.00% above the VWAMP of Jotech Shares for the five (5) market days up to and including 26 July 2011 of RM0.15, multiplied by the total outstanding Jotech Shares; and
- (ii) RM0.09 per warrant of Jotech ("Jotech Warrant"), being 16.88% above the VWAMP of Jotech Warrants for the five (5) market days up to and including 26 July 2011 of RM0.077, multiplied by the total outstanding number of Jotech Warrants.

The proforma consolidated statements of financial position as at 31 December 2010 of GFB will be prepared based on the existing securities in issue at the LPD, the Jotech Aggregate Offer Consideration is approximately RM217.26 million, to be satisfied via the issuance of about 1,810.50 million GFB Shares at an issue price of RM0.12 each.

To AutoV, the Proposed Acquisition would involve the acquisition of the entire business and undertakings, including all assets and liabilities of AutoV at an offer consideration ("AutoV Offer Consideration") of RM2.38 per ordinary share in AutoV ("AutoV Share"), being 20.20% above the VWAMP of AutoV Shares for the five (5) market days up to and including 26 July 2011 of RM1.98, multiplied by the total outstanding AutoV Shares.

The proforma consolidated statements of financial position as at 31 December 2010 of GFB will be prepared based on the existing securities in issue at the LPD, the AutoV Offer Consideration is approximately RM154.43 million, to be satisfied via the issuance of about 1,286.88 million GFB Shares at an issue price of RM0.12 each.

8. FINANCIAL INFORMATION (Cont'd)

*Globaltec Formation Berhad
Reporting accountants' letter on the proforma consolidated
statements of financial position as at 31 December 2010*

Proposed acquisitions of AIC, Jotech and AutoV (continued)

To GFB, based on the above, the total offer consideration (net of capital repayments from AIC and AutoV) is RM632.84 million.

Upon completion of the Proposed Acquisitions, AIC, Jotech and AutoV will separately apply to Bursa Malaysia Securities Berhad ("Bursa Securities") to be delisted from the Main Market of Bursa Securities and subsequently, GFB shall assume the listing status of any one of Jotech, AIC or AutoV and be admitted to the Official List of Bursa Securities.

Directors' Responsibilities

It is the responsibility solely of the Directors of GFB to prepare the proforma consolidated statements of financial position of GFB in respect of the Proposals.

Reporting Accountants' Responsibilities

Our responsibility is to form an opinion, on the proforma consolidated statements of financial position of GFB and to report our opinion to you based on our work.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the proforma consolidated statements of financial position, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

We conducted our work in accordance with International Standard on Assurance Engagements 3000, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of considering the evidence supporting the proforma adjustments and discussing the proforma statements of financial position with the Directors of GFB. We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the proforma statements of financial position have been properly compiled on the basis stated and that such basis is consistent with the accounting policies adopted by GFB and materially in compliance with Financial Reporting Standards ("FRS") issued by the Malaysian Accounting Standards Board.

Basis of Opinion**GFB**

As mentioned in Note 1 (i) of the proforma consolidated statements of financial position of GFB as at 31 December 2010, the identifiable assets, liabilities and contingent liabilities of Jotech and its subsidiaries ("Jotech Group") and AutoV and its subsidiaries ("AutoV Group") to be acquired by GFB in relation to the Proposed Acquisitions were measured and accounted for based on the carrying values of the proforma consolidated statements of financial position of Jotech Group and AutoV Group as at 31 December 2010 and not at their fair values at the date of completion of the acquisitions.

The Directors of GFB will be ascertaining the fair values of the assets, liabilities and contingent liabilities of Jotech Group and AutoV Group at the date of completion of the acquisitions. Any adjustment to the fair values of the assets, liabilities and contingent liabilities of Jotech Group and AutoV Group will have a corresponding effect on the goodwill and net assets of GFB.

8. FINANCIAL INFORMATION (Cont'd)



*Globaltec Formation Berhad
Reporting accountants' letter on the proforma consolidated
statements of financial position as at 31 December 2010*

Basis of Opinion (continued)**Jotech Group**

As mentioned in Note 1 (iv) of the proforma consolidated statements of financial position of GFB as at 31 December 2010, the audited financial statements of Malgreen Progress Sdn Bhd ("MPSB") and Cergas Fortune Sdn Bhd ("CFSB") as at 31 December 2010 have not been restated to comply with the accounting policies of Jotech Group in the preparation of the proforma consolidated statements of financial position of Jotech Group as at 31 December 2010. No adjustments have been made to reflect the financial effects, if any, which may arise from:

- (a) the restatements of the audited financial statements of MPSB and CFSB as at 31 December 2010 in accordance with the accounting policies of Jotech Group; and
- (b) the tax consequences of these adjustments.

As mentioned in Note 1 (v) of the proforma consolidated statements of financial position of GFB as at 31 December 2010, the identifiable assets, liabilities and contingent liabilities of MPSB and CFSB acquired by Jotech were measured and accounted for based on the audited financial statements of MPSB and CFSB as at 31 December 2010 and not at their fair values at the date of completion of the acquisitions except for the land and plantation development expenditures of MPSB and CFSB where fair values were determined by the Directors of Jotech. Any adjustments to the fair values of the identifiable assets, liabilities and contingent liabilities including land and plantation development expenditures of MPSB and CFSB will have a corresponding effect on the goodwill and net assets of the combined Jotech Group and consequently to the goodwill and net assets of GFB.

AutoV Group

As mentioned in Note 1 (viii) of the proforma consolidated statements of financial position of GFB as at 31 December 2010, the identifiable assets, liabilities and contingent liabilities of JP Metal Sdn Bhd ("JP Metal") and Proreka (M) Sdn Bhd and its subsidiaries ("Proreka Group") acquired by AutoV Group in 2011 were measured and accounted for based on the audited financial statements of JP Metal and the carrying amounts of the Proforma Consolidation Statement of Financial Position of Proreka Group as at 31 December 2010 and not at their fair values at the date of completion of the acquisitions. Any adjustment to the fair values of the assets, liabilities and contingent liabilities of JP Metal and Proreka Group will have a corresponding effect on the goodwill and net assets of the combined AutoV Group and consequently to the goodwill and net assets of GFB.

8. FINANCIAL INFORMATION (Cont'd)

*Globaltec Formation Berhad
Reporting accountants' letter on the proforma consolidated
statements of financial position as at 31 December 2010*

Opinion

Except for the effects of the matters mentioned in the preceding paragraphs, if any, in our opinion,

- the proforma consolidated statements of financial position have been properly compiled in accordance with the basis of preparation stated in Note 1 of the proforma consolidated statements of financial position and should be read in conjunction with the Reporting Accountants' letter on the proforma consolidated financial information as at 31 December 2010 dated 10 May 2012;
- the basis of preparation of the proforma consolidated statement of financial position is in accordance with FRSs in Malaysia and in a manner consistent with both the format of the audited financial statements and the accounting policies of AIC, Jotech and AutoV, which policies are those adopted by GFB; and
- each material adjustment made to the information used in the preparation of the proforma consolidated statements of financial position is appropriate for the purpose of preparing the proforma consolidated statements of financial position.

Other Matters

The proforma consolidated statements of financial position have been prepared for inclusion in the Prospectus in connection with the Proposals and should not be relied upon for any other purposes.

Yours faithfully

KPMG
Firm No. AF 0758
Chartered Accountants

Chew Beng Hong
Approval Number: 2920/02/12(J)
Chartered Accountant

8. FINANCIAL INFORMATION (Cont'd)

GLOBALTEC FORMATION BERHAD ("GFB")

Appendix I

PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2010

The proforma consolidated statements of financial position of GFB as at 31 December 2010 as set out below are provided for illustrative purposes only to show the effects had the Proposals been in place at 31 December 2010 based on outstanding securities at the LPD.



Assets	Note	Unaudited statement of financial position at 31 December 2010 RM'000	Proforma I After drawdown of borrowings RM'000	Proforma II After Proforma I and Proposed Acquisitions RM'000	Proforma III After Proforma II and estimated listing expenses of GFB RM'000	Proforma IV After Proforma III and drawdown of post merger borrowings RM'000
Property, plant and equipment		-	-	252,594	252,594	252,594
Intangible asset		-	-	4,001	4,001	4,001
Goodwill		-	-	176,179	176,179	176,179
Investment properties		-	-	11,033	11,033	11,033
Trade and other receivables		-	-	707	707	707
Other investments		-	-	7,303	7,303	7,303
Deferred tax assets		-	-	1,001	1,001	1,001
Total non-current assets		-	-	452,818	452,818	452,818
Trade and other receivables		-	-	94,237	94,237	94,237
Other investments		-	-	1,740	1,740	1,740
Prepayments		-	-	2,838	2,838	2,838
Inventories		-	-	47,232	47,232	47,232
Current tax assets		-	-	981	981	981
Cash and cash equivalents		-	4,000	55,946	54,466	204,466
Total current assets	3a	-	4,000	202,974	201,494	351,494
Total assets		-	4,000	655,792	654,312	804,312
Equity						
Share capital	3b	(i)*	(i)*	527,365	527,365	527,365
Share premium	3c	-	-	105,473	103,993	103,993
Business combination deficit	3d	-	-	(192,093)	(192,093)	(192,093)
Total equity attributable to equity holders of the Company		-	-	440,745	439,265	439,265
Minority interest		-	-	35,959	35,959	35,959
Total equity		-	-	476,704	475,224	475,224

8. FINANCIAL INFORMATION (Cont'd)

GLOBALTEC FORMATION BERHAD ("GFB")

Appendix I

PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2010

	Unaudited statement of financial position at 31 December 2010 RM'000	Proforma I After drawdown of borrowings RM'000	Proforma II After Proforma I and Proposed Acquisitions RM'000	Proforma III After Proforma II and estimated listing expenses of GFB RM'000	Proforma IV After Proforma III and drawdown of post merger borrowings RM'000
Liabilities					
Loans and borrowings	-	-	56,901	56,901	206,901
Government grant	-	-	253	253	253
Deferred tax liabilities	-	-	12,865	12,865	12,865
Total non-current liabilities	-	-	70,019	70,019	220,019
Provision for warranties	-	-	406	406	406
Government grant	-	-	69	69	69
Trade and other payables	-	-	68,706	68,706	68,706
Current tax liabilities	-	-	2,554	2,554	2,554
Loans and borrowings	-	4,000	37,334	37,334	37,334
Total current liabilities	-	4,000	109,069	109,069	109,069
Total liabilities	-	4,000	179,088	179,088	329,088
Total equity and liabilities	*	4,000	655,792	654,312	804,312
Net assets	*	*	440,745	439,265	439,265
Net asset per share (RM)	0.10	0.10	0.08	0.08	0.08
Total loans and borrowings	-	4,000	94,235	94,235	244,235
Gearing ratio (times)	-	2,000	0.21	0.21	0.56

* - Negligible

(*) - RM2.00 comprising twenty (20) GFB Shares and assuming the share split exercise involving the sub-division of every one(1) existing ordinary share of RM1.00 each in GFB into ten (10) GFB Shares was completed.

8. FINANCIAL INFORMATION (Cont'd)

Appendix II

GLOBALTEC FORMATION BERHAD ("GFB")

Notes to the proforma consolidated statements of financial position
as at 31 December 2010

1. Basis of preparation

GFB was incorporated on 15 July 2011 and at the date of incorporation, the paid-up share capital of GFB is RM2.00 comprising 2 ordinary shares of RM1.00 each. GFB has not been audited since its date of incorporation.

The proforma consolidated statements of financial position of GFB have been prepared using accounting principles and bases consistent with those previously adopted in the preparation of audited financial statements of the AIC, Jotech and AutoV which policies are those adopted by GFB, and based on the following assumptions:

GFB

- i) The identifiable assets, liabilities and contingent liabilities of Jotech and AutoV to be acquired by GFB in relation to the Proposed Acquisitions were measured and accounted for based on the carrying values of the proforma consolidated statements of financial position of Jotech and AutoV as at 31 December 2010 and not at their fair values at the date of completion of the acquisitions.

The Directors of GFB will be ascertaining the fair values of the assets, liabilities and contingent liabilities of Jotech and AutoV at the date of completion of the acquisitions. Any adjustment to the fair values of the assets, liabilities and contingent liabilities of Jotech and AutoV will have a corresponding effect on the goodwill and net assets of GFB.

- ii) The identifiable assets, liabilities and contingent liabilities of AIC to be acquired by GFB in relation to the Proposed AIC Acquisition were accounted for using the reverse acquisition accounting method, with GFB being the accounting acquiree and AIC being the accounting acquirer and is based on the carrying values of the proforma consolidated statements of financial position of AIC as at 31 December 2010.
- iii) The proforma consolidated statements of financial position of GFB as at 31 December 2010 have been prepared based on the proforma consolidated statements of financial position of AIC, Jotech and AutoV as at 31 December 2010.

Jotech

- iv) The audited financial statements of MPSB and CFSB as at 31 December 2010 have not been restated to comply with the accounting policies of Jotech Group in the preparation of the proforma consolidated statements of financial position of Jotech Group as at 31 December 2010. No adjustments have been made to reflect the financial effects, if any, which may arise from:

- (a) the restatements of the audited financial statements of MPSB and CFSB as at 31 December 2010 in accordance with the accounting policies of Jotech Group; and
- (b) the tax consequences of these adjustments.



8. FINANCIAL INFORMATION (Cont'd)

Appendix II

GLOBALTEC FORMATION BERHAD ("GFB")

Notes to the proforma consolidated statements of financial position
as at 31 December 2010 (continued)

1. Basis of preparation (continued)

Jotech (continued)

- v) The identifiable assets, liabilities and contingent liabilities of MPSB and CFSB acquired by Jotech were measured and accounted for based on the audited financial statements of MPSB and CFSB as at 31 December 2010 and not at their fair values at the date of completion of the acquisitions except for the land and plantation development expenditures of MPSB and CFSB where fair values were determined by the Directors of Jotech. Any adjustments to the fair values of the identifiable assets, liabilities and contingent liabilities including land and plantation development expenditures of MPSB and CFSB will have a corresponding effect on the goodwill of the combined and net assets of Jotech Group and consequently to the goodwill and net assets of GFB.
- vi) The fair value of the purchase consideration for MPSB is RM27.28 million satisfied by RM8.10 million cash and issuance of 150 million new Jotech Shares of RM0.1279 each being the market value of the Jotech shares at the date of completion of the transaction.
- vii) The fair value of the purchase consideration for CFSB is RM4.90 million satisfied by RM1.06 million cash and issuance of 30.00 million new Jotech Shares of RM0.1279 each being the market value of the Jotech Shares at the date of completion of the transaction.

AutoV

- viii) The identifiable assets, liabilities and contingent liabilities of JP Metal and Proreka Group acquired by AutoV Group in were measured and accounted for based on the audited financial statements of JP Metal and the carrying amounts of the Proforma Consolidation Statement of Financial Position of Proreka Group as at 31 December 2010 and not at their fair values at the date of completion of the acquisitions. Any adjustment to the fair values of the assets, liabilities and contingent liabilities of JP Metal and Proreka Group will have a corresponding effect on the goodwill and net assets of the combined AutoV Group and consequently to the combined goodwill and net assets of GFB.



8. FINANCIAL INFORMATION (Cont'd)

Appendix II

GLOBALTEC FORMATION BERHAD ("GFB")

Notes to the proforma consolidated statements of financial position
as at 31 December 2010 (continued)

2. Notes to the proforma consolidated statements of financial position

The foregoing paragraphs are explanatory notes for the effects of the proposal. The effects are illustrated as stages of the proforma consolidated statements of financial position.

Proforma I – After drawdown of borrowings

The proposal is implemented after taking into account the loan obtained by GFB of RM4.00 million to finance the Proposals.

Proforma II – After Proforma I and the Proposed Acquisitions

Proforma II incorporates the cumulative effects of Proforma I and the Proposed Acquisitions which incorporates the following:

(i) **AIC*****Proposed AIC Acquisition***

The Proposed AIC Acquisition at the AIC Aggregate Offer Consideration of RM339.20 million.

(ii) **Jotech*****Disposal of JP Metal and acquisition of MPSB and CFSB by Jotech***

In March 2011, Jotech Group completed the following transactions:

- a) disposal of a wholly owned subsidiary, JP Metal to AutoV for a cash consideration of RM7.00 million;
- b) acquisition of the entire equity interest in MPSB for a purchase consideration of RM23.10 million satisfied by RM8.10 million cash and issuance of 150.00 million new Jotech Shares; and
- c) acquisition of the entire equity interest in CFSB for a purchase consideration of RM4.06 million satisfied by RM1.06 million cash and issuance of 30.00 million new Jotech Shares.

Proposed Jotech Acquisition

The Proposed Jotech Acquisition at the Jotech Aggregate Offer Consideration of RM217.26 million.



8. FINANCIAL INFORMATION (Cont'd)

Appendix II

GLOBALTEC FORMATION BERHAD ("GFB")

Notes to the proforma consolidated statements of financial position
as at 31 December 2010 (continued)

2. Notes to the proforma consolidated statements of financial position (continued)

(iii) AutoV*After acquisition of JP Metal and Proreka Group by AutoV Group*

In March 2011, AutoV Group completed the acquisition of JP Metal from Jotech for a cash consideration of RM7.00 million.

In November 2011, AutoV Group completed the acquisition of Proreka Group for a purchase consideration of RM27,880,000 which was satisfied by the following:

- a) Cash payment of RM2,788,000;
- b) The issuance of 6,525,000 new AutoV Shares at an issue price of RM1.44 each; and
- c) The issuance of 10,900,000 redeemable convertible preference shares ("RCPS") of RM0.01 each in AutoV at an issue price of RM1.44 each

On 22 December 2011 a Supplemental Agreement was signed between the Proreka Vendors and AutoV whereby both parties agree to vary and modify the terms of the Sales and Purchase Agreement with Proreka Vendors ("Proreka SPA") to replace the RCPS of AutoV with the RCPS of AutoV Systems Sdn Bhd ("ASSB"), a wholly owned subsidiary of AutoV. The RCPS of ASSB is of the same form, value and denomination as the RCPS of AutoV. The RCPS of ASSB will be accorded the same rights as the RCPS of AutoV pursuant to the Proposed Acquisition.

Proposed AutoV Acquisition

The Proposed AutoV Acquisition at the AutoV Offer Consideration of RM154.43 million.

- (iv) The merger of AIC and GFB will be accounted for as a reverse takeover by AIC with GFB being the accounting acquiree and AIC being the accounting acquirer.

The Jotech Aggregate Offer Consideration, AIC Aggregate Offer Consideration and AutoV Offer Consideration are computed based on outstanding Jotech Shares, Jotech Warrants, AIC Shares, AIC Warrants and AutoV Shares as at the LPD.

Proforma III –After Proforma II and estimated listing expenses of GFB

Proforma III incorporates the cumulative effects of Proforma II and the estimated listing expenses as described below:

Estimated listing expenses:	RM'000
Professional fees	780
Fees to authorities pursuant to the Proposed Listing	502
Other fees and expenses and contingencies	198
Total	1,480

Proforma IV –After Proforma III and drawdown of borrowings post merger

Proforma IV incorporates the cumulative effects of Proforma III and after taking into account a loan obtained by GFB of RM150.00 million post merger for working capital purposes.



8. FINANCIAL INFORMATION (Cont'd)

Appendix II

GLOBALTEC FORMATION BERHAD ("GFB")

Notes to the proforma consolidated statements of financial position
as at 31 December 2010 (continued)

3. Effect on the proforma consolidated statements of financial position

a. Movement in cash and cash equivalents

	RM'000
Balance at 31 December 2010	(i)
Drawdown of borrowings	4,000
Balance after Proforma I	4,000
Cash and cash equivalents of AIC, Jotech and AutoV deemed acquired	65,024
Net cash effect for acquisition of MPSB, CFSB and Proreka Group	(9,559)
Estimated expenses of AIC, Jotech and AutoV relating to the Proposed Acquisitions	(3,519)
Balance after Proforma II	55,946
Estimated listing expenses of GFB	(1,480)
Balance after Proforma III	54,466
Drawdown of borrowings post merger	150,000
Balance after Proforma IV	204,466
(i) – RM2.00	

b. Movement in share capital

	RM'000
Balance at 31 December 2010 and Proforma I	(ii)
Issuance of shares pursuant to AIC's and Jotech's Aggregate Offer Consideration and AutoV's Offer Consideration	527,365
Balance after Proforma II, III and IV	527,365
(ii) – RM2.00 comprising twenty (20) GFB shares	



8. FINANCIAL INFORMATION (Cont'd)

Appendix II

GLOBALTEC FORMATION BERHAD ("GFB")

Notes to the proforma consolidated statements of financial position
as at 31 December 2010 (continued)

3. Effect on the proforma consolidated statements of financial position (continued)

c. Movement in share premium

	RM'000
Balance at 31 December 2010 and Proforma I	-
Arising pursuant to the AIC's and Jotech's Aggregate Offer Consideration and AutoV's Offer Consideration	105,473
Balance after Proforma II	<u>105,473</u>
Set off of the estimated listing expenses of GFB	(1,480)
Balance after Proforma III and IV	<u><u>103,993</u></u>

d. Movement in business combination deficit reserve

	RM'000
Balance at 31 December 2010 and Proforma I	-
Business combination deficit arising from the Proposed Acquisitions	(192,093)
Balance after Proforma II, III and IV	<u><u>(192,093)</u></u>



9. INFORMATION ON OUR GROUP

9.1 History and background

9.1.1 Our Company

We were set up as a special purpose company to facilitate the Acquisitions.

We were incorporated in Malaysia under the Act on 15 July 2011 as a private limited company under the name of Temasek Formation Sdn Bhd. On 18 October 2011, we were converted into a public limited company and we assumed our present name on 4 April 2012. Following Completion, our Group will consist of two (2) business divisions, namely, the IMS division and the resources division. As at the LPD, our principal activity is investment holding.

Prior to Completion, we undertook a share split exercise involving the sub-division of every one (1) ordinary share of RM1.00 each in our Company to ten (10) Shares. We also increased our authorised and paid-up share capital to accommodate the Issuance.

9.1.2 History and background of Jotech, AIC and AutoV

(i) Jotech

Jotech was incorporated as a private limited company in Malaysia under the Act on 24 February 1995 as A-Z Interstate Marketing (M) Sdn Bhd. On 19 June 1995, it changed its name to Jotech Holdings Sdn Bhd and on 28 September 1999, it was converted to a public limited company and assumed its present name. Jotech was listed on the Second Board of the then Kuala Lumpur Stock Exchange ("KLSE") (which was subsequently amalgamated with the Main Board and now known as the Main Market of Bursa Securities) on 9 August 2000.

Jotech is principally involved in investment holding whilst the principal activities of its subsidiaries and associated company is set out in Section 9.2 of this Prospectus.

(ii) AIC

AIC was incorporated as a private limited company in Malaysia under the Act on 6 March 1990 as Autoindustries Corporation Sdn Bhd. Subsequently on 26 February 1994, it was converted into a public limited company and changed its name to Autoindustries Corporation Berhad. Autoindustries Corporation Berhad was listed on the Second Board of the then KLSE (which was then subsequently amalgamated with the Main Board and now known as the Main Market of Bursa Securities) on 14 December 1994. On 28 April 1997, Autoindustries Corporation Berhad changed its name to AIC and was transferred to the Main Board of the then KLSE (which was subsequently amalgamated with the Second Board and now known as the Main Market of Bursa Securities) on 31 July 2000.

AIC is principally involved in investment holding, whilst the principal activities of its subsidiaries are as set out in Section 9.2 of this Prospectus.

9. INFORMATION ON OUR GROUP (Cont'd)

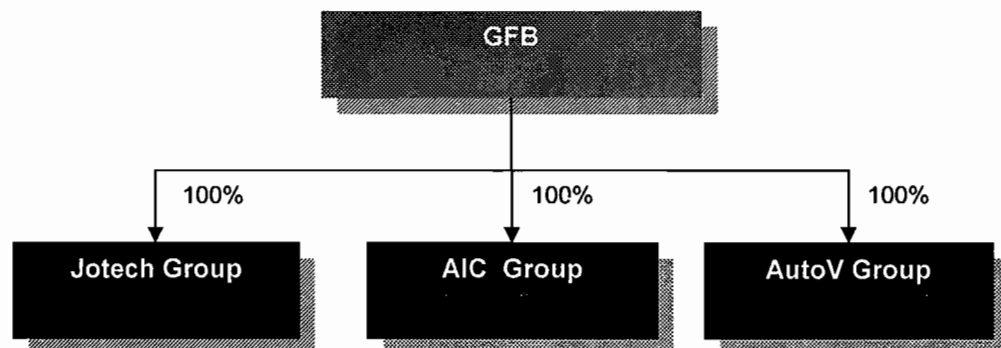
(iii) AutoV

AutoV was incorporated as a private limited company in Malaysia under the Act on 18 October 1983 under the name of Exkonas Sdn Bhd. On 8 January 1988, Exkonas Sdn Bhd changed its name to Konas Trade Sdn Bhd and subsequently to Autoindustries Ventures Sdn Bhd on 18 October 1990. On 24 May 1996, Autoindustries Ventures Sdn Bhd was converted to a public limited company and assumed the name, Autoindustries Ventures Bhd which was listed on the Second Board of the then KLSE (which was subsequently amalgamated with the Main Board and now known as the Main Market of Bursa Securities) on 6 August 1997. On 15 July 2004, Autoindustries Ventures Bhd changed its name to AV Ventures Corporation Berhad on 15 July 2004 and subsequently assumed its current name on 3 June 2010.

AutoV is principally involved in investment holding whilst the principal activities of its subsidiaries and associated company is as set out in Section 9.2 of this Prospectus.

9.1.3 Group structure

As at the date of this Prospectus, our Group structure is as follows:



Please refer to Section 9.2 of this Prospectus for further details of the subsidiaries and associated companies of the Jotech Group, the AIC Group and the AutoV Group.

9.1.4 Share capital and changes in share capital

As at the LPD, our authorised share capital is RM1,000,000,000.00 comprising 10,000,000,000 Shares and our issued and paid-up share capital is RM2 comprising twenty (20) Shares. Our issued and paid-up share capital upon Completion is RM527,364,625 comprising 5,273,646,248 Shares.

Neither our Company nor our subsidiaries have any outstanding warrants, options, convertible securities or uncalled capital, save for the following:

- (a) 1,400,000 cumulative RCPS of Jotech Metal Fabrication Industries Sdn Bhd as set out in Section 9.2 of this Prospectus;
- (b) 28,000,000 RCPS of AIC Semiconductor Sdn Bhd as set out in Section 9.2 of this Prospectus; and
- (c) 10,900,000 RCPS of ASSB as set out in Sections 9.2 and 14.1(v) of this Prospectus.

9. INFORMATION ON OUR GROUP (Cont'd)

The changes in our issued and paid-up share capital since our incorporation are as follows:

Date of allotment	No. of shares allotted	Par value	Consideration	Cumulative issued and paid-up share capital
		RM		RM
15 July 2011	2	1.00	Subscribers' shares	2
28 March 2012	-	0.10	Share split of one (1) ordinary share of RM1.00 each to ten (10) Shares	2
25 May 2012	5,273,646,228	0.10	Acquisitions	527,364,625

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9. INFORMATION ON OUR GROUP (Cont'd)

9.2 Subsidiaries and associated companies

The details of our subsidiaries and associated companies as at the LPD, are set out in the table below:

Name of companies	Company no.	Date and country of incorporation	Authorised share capital (⁽¹⁾) RM	Issued and paid-up share capital (⁽¹⁾) RM	Equity interest held %	Principal activities
Subsidiaries of our Company						
Jotech	334818-P	24.02.1995/ Malaysia	250,000,000	2	100	Investment holding
AIC	194514-M	06.03.1990/ Malaysia	500,000,000	2	100	Investment holding
AutoV	108253-W	18.10.1983/ Malaysia	200,000,000 (including 100,000,000 RCPS)	2	100	Investment holding
Subsidiaries of Jotech						
CFSB	738406-U	21.06.2006/ Malaysia	500,000	300,000	100	Cultivation and sales of oil palm fruit bunches
MPSB	245268-T	24.07.1992/ Malaysia	5,000,000	2,000,000	100	Cultivation and sales of oil palm fruit bunches
Jotech Metal Fabrication Industries Sdn Bhd	187741-P	06.10.1989/ Malaysia	5,000,000 (including 1,400,000 cumulative RCPS)	3,800,000 (including 1,400,000 cumulative RCPS)	100	Manufacturing and fabrication of tools and dies and stamped metal components for electrical and consumer electronics industries
Associated company of Jotech						
Rockhill	1514776	02.01.2009/ British Virgin Islands	USD50,000	USD10,000	40	Coal mining and marketing business

9. INFORMATION ON OUR GROUP (Cont'd)

Name of companies	Company no.	Date and country of incorporation	Authorised share capital (¹) RM	Issued and paid-up share capital (¹) RM	Equity interest held %	Principal activities
Subsidiaries of Jotech Metal Fabrication Industries Sdn Bhd						
GuangDong Jotech Kong Yue Precision Industries Ltd	440700400001100	12.12.2003/ PRC	(²) USD4,000,000	(²) USD4,000,000	60	Manufacturing and fabrication of tools and dies and stamped metal components for electronics and electrical industries
PT Indotech Metal Nusantara	032/BH/10.08/VI197	05.07.1996/ Indonesia	USD1,000,000	USD1,000,000	100	Manufacturing and fabrication of tools and dies and stamped metal components for electronics and automotive industries
Yee Heng Precision Stamping Sdn Bhd	230667-P	12.12.1991/ Malaysia	500,000	50,000	100	Fabrication of tools, dies and precision metal stamping
Subsidiaries of AIC						
AIC Technology Sdn Bhd	377385-K	13.02.1996/ Malaysia	25,000,000 (including 10,000,000 cumulative redeemable preference shares)	12,950,713 (including 4,950,713 cumulative redeemable preference shares)	100	Investment holding
AIC Inspirasi Sdn Bhd	291304-V	04.03.1994/ Malaysia	100,000	100,000	100	Investment holding
AIC Properties Sdn Bhd (³)	278799-H	19.10.1993/ Malaysia	5,000,000	2,013,917	100	Dormant

9. INFORMATION ON OUR GROUP (Cont'd)

Name of companies	Company no.	Date and country of incorporation	Authorised share capital (⁽¹⁾) RM	Issued and paid-up share capital (⁽¹⁾) RM	Equity interest held		Principal activities
					%		
Subsidiaries of AIC (Cont'd)							
AIC-Toptek Communications Sdn Bhd ⁽⁴⁾	610037-V	26.03.2003/ Malaysia	100,000	2	100		Dormant
Custom Tooling Engineering (Malaysia) Sdn Bhd ⁽⁴⁾	303270-W	08.06.1994/ Malaysia	500,000	200,000	100		Dormant
Custom Tooling (Malaysia) Sdn Bhd	284936-D	23.12.1993/ Malaysia	1,000,000	500,005	100		Dormant
Integral CAD Technologies Sdn Bhd	241479-W	29.05.1992/ Malaysia	5,000,000	2,000,000	100		Dormant
Prodelcon	130535-A	10.11.1984/ Malaysia	1,300,000	1,249,000	100		Manufacturing of high precision tooling, die-sets, semiconductor moulds and parts and high precision components, jigs and fixtures and the design and manufacture of turnkey automation systems
Subsidiary of AIC Technology Sdn Bhd							
AIC Semiconductor Sdn Bhd ⁽⁵⁾	355409-P	15.08.1995/ Malaysia	100,000,000 (including 28,000,000 RCPS)	66,885,000 (including 28,000,000 RCPS)	94		Design, procurement, sales, assembly and test of IC chips and other ancillary activities
Subsidiary of Prodelcon							
Isotrax Engineering Sdn Bhd	665198-D	08.09.2004/ Malaysia	100,000	2	100		Has not commenced operations

9. INFORMATION ON OUR GROUP (Cont'd)

Name of companies	Company no.	Date and country of incorporation	Authorised share capital (⁽¹⁾) RM	Issued and paid-up share capital (⁽¹⁾) RM	Equity interest held %	Principal activities
Subsidiary of Integral CAD Technologies Sdn Bhd						
Alpha Mediatech Sdn Bhd (⁽⁶⁾ , (⁽⁷⁾)	443664-D	19.08.1997/ Malaysia	500,000	100,000	100	Dormant
Subsidiaries of AutoV AutoV Sdn Bhd (⁽³⁾)	298423-H	03.05.1994/ Malaysia	500,000	500,000	100	Dormant
AutoV Mando Sdn Bhd	330518-K	13.01.1995/ Malaysia	6,500,000	5,800,002	70	Manufacture of automotive steering columns and related vehicle components
ASSB (⁽³⁾)	318982-W	06.10.1994/ Malaysia	1,000,000 (including 15,000,000 RCPS)	709,000 (including 10,900,000 RCPS)	100	Marketing of automotive starter motor
Automako Sdn Bhd	142107-H	13.07.1985/ Malaysia	1,600,000	1,050,000	100	Manufacture and sale of automotive wiper arms and blades and other related components
Autoventure Coat Sdn Bhd	219219-T	19.06.1991/ Malaysia	1,000,000	800,040	100	Dormant
Autoventure Corporation Sdn Bhd (⁽³⁾)	452232-K	07.11.1997/ Malaysia	5,000,000	3,000,000	100	Investment holding
Autovisor Plastics Sdn Bhd	193724-X	20.02.1990/ Malaysia	5,000,000	3,500,000	100	Manufacturing of sunvisors and interior car lamps

9. INFORMATION ON OUR GROUP (Cont'd)

Name of companies	Company no.	Date and country of incorporation	Authorised share capital		Equity Interest held	Principal activities
			(⁽¹⁾) RM	Issued and paid-up share capital (⁽²⁾) RM		
Subsidiaries of AutoV (Cont'd)						
Aventur Door System Sdn Bhd	203879-K	06.09.1990/ Malaysia	10,000,000	6,000,000	100	Manufacture of car window regulators and other automotive components
Brimal Holdings Sdn Bhd	24451-W	10.09.1975/ Malaysia	25,000,000 (including 3,000,000 redeemable preference shares)	8,000,000	100	Design, manufacturing and assembly of automotive components and electronic products
JP Metal Sdn Bhd	281843-D	17.11.1993/ Malaysia	1,000,000	1,000,000	100	Manufacture and fabrication of tools and dies and stamped metal components for electronics and automotive industries
Nobel Decree Sdn Bhd ⁽³⁾	261297-V	12.04.1993/ Malaysia	1,000,000	800,004	83.75	Manufacture and supply of automotive electric horns
Nuwizard Technologies Sdn Bhd ⁽³⁾	428768-W	24.04.1997/ Malaysia	10,000,000 (including 100,000 redeemable preference shares)	6,005,600 (including 5,600 redeemable preference shares)	100	Dormant
Proreka	512454-M	25.04.2000/ Malaysia	5,000,000	1,831,000	100	Manufacturing and sourcing of parts for the automotive industry

9. INFORMATION ON OUR GROUP (Cont'd)

Name of companies	Company no.	Date and country of incorporation	Authorised share capital (⁽¹⁾) RM	Issued and paid-up share capital (⁽¹⁾) RM	Equity interest held %	Principal activities
Associated company of AutoV						
Proreka Sprintex Sdn Bhd	610952-H	02.04.2003/ Malaysia	5,000,000	2,000,000	50	Manufacturing and trading of automotive superchargers
Subsidiaries of Autoventure Corporation Sdn Bhd						
Bryte-DY Sdn Bhd ⁽²⁾	453829-X	26.11.1997/ Malaysia	5,000,000	2,500,000	100	Dormant
Direct Past Sdn Bhd ⁽²⁾	444962-A	27.08.1997/ Malaysia	500,000	300,000	100	Dormant
HKR Manufacturing Sdn Bhd ⁽²⁾	407229-D	24.10.1996/ Malaysia	500,000	300,000	100	Marketing of plastic injection, moulding products and related components
Subsidiaries of Proreka						
Proreka Automotive Parts Sdn Bhd	685308-P	22.03.2005/ Malaysia	500,000	2	100	Product design services and trading in automotive parts and accessories
Proreka Plastic Sdn Bhd	542274-D	19.03.2011/ Malaysia	500,000	350,000	100	Dormant
Proreka Tech Sdn Bhd	562468-W	24.10.2001/ Malaysia	5,000,000	3,000,000	85.33	Manufacturing and trading in automotive parts and accessories
Senko Sekei Sdn Bhd	597509-X	31.10.2002/ Malaysia	100,000	50,000	100	Dormant

9. INFORMATION ON OUR GROUP (Cont'd)**Notes:**

- (1) In RM unless otherwise stated.
- (2) The company was incorporated as a limited liability company in PRC and does not have an issued and paid-up share capital.
- (3) The auditors' report on the financial statements of the subsidiary contains an emphasis of matter on going concern. The ability of the subsidiary to continue as a going concern is dependent on the continuing financial support from the then holding company, AIC.
- (4) On 9 April 2012, CCM has issued the second notice under Section 308(2) of the Act, which provides that on the expiration of the three (3) months from the date of the second notice, the name of the subsidiary will be struck off the register and the subsidiary will be dissolved.
- (5) Inclusive of AIC's direct ordinary shareholdings of 19.09% in AIC Semiconductor Sdn Bhd.
- (6) Application has been made to the CCM on 7 September 2011 to deregister this subsidiary.
- (7) Inclusive of AIC's direct ordinary shareholdings of 30% in Alpha Mediatech Sdn Bhd.

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10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES

10.1 Board of Directors

Within the limits set by our Articles, our Board is responsible for our governance and management. To ensure the effective discharge of their functions, our Board endeavours to follow our corporate governance guidelines, which sets out the following responsibilities:

- (i) setting our objectives, goals and strategic plans with a view to maximising shareholders' value;
- (ii) adopting and monitoring progress of our strategies, budgets, plans and policies;
- (iii) overseeing the conduct of our businesses to evaluate whether our businesses are properly managed;
- (iv) identifying our principal risks and ensuring the implementation of appropriate systems to mitigate and manage these risks. Our Board sets, where appropriate, objectives, performance targets and policies to manage the key risks faced by us;
- (v) considering our management's recommendations on key issues including acquisitions, divestments, restructuring, funding and significant capital expenditure;
- (vi) human resources planning and development; and
- (vii) reviewing the adequacy and integrity of our internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

In accordance with Article 76 of our Articles, we must have at least two (2) Directors.

At least two (2) of our Directors or one-third (1/3) of our Board, whichever is higher, must also at all times be independent directors. As at the date of this Prospectus, our Board consists of nine (9) Directors, four (4) of whom are independent directors.

In accordance with Article 77 of our Articles, at the first annual general meeting, all our Directors shall retire from office and at the annual general meeting in every subsequent year, one-third (1/3) of our Directors or, if the number of Directors is not three (3) or a multiple of three (3), the number nearest to one-third (1/3) shall retire from office and be eligible for re-election provided always that all our Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. The Directors to retire in each year shall be those who have been longest in office since their last election.

The members of our Board as at the date of this Prospectus are set out below:

Name	Age	Date of appointment	Designation
Datuk Dr. Goh Tian Chuan	51	20.07.2011	Group Executive Chairman/CEO of our resources division
Kong Kok Keong	58	28.03.2012	Group Deputy Executive Chairman/CEO of our automotive division
Ooi Boon Pin	54	28.03.2012	Executive Director/CEO of our medical devices division and semiconductor division
Lim Siok Hui	63	28.03.2012	Executive Director/CEO of our E&E division
Chen Heng Mun	42	28.03.2012	Executive Director/Group Chief Financial Officer

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

Name (cont'd)	Age	Date of appointment	Designation
Ash'ari bin Ayub	70	28.03.2012	Independent Non-Executive Director
Ng Kok Hok	51	28.03.2012	Independent Non-Executive Director
Wong Zee Shin	37	28.03.2012	Independent Non-Executive Director
Hon Poh Chow	55	28.03.2012	Independent Non-Executive Director

Our management and operations are led by Datuk Dr. Goh Tian Chuan, our Group Executive Chairman.

The details of the date of expiration of the current term of office for each of our Directors and the period that each of our Directors has served in that office as at the LPD are as follows:

Director	Date of appointment	Date of expiration of the current term of office	No. of years in office
Datuk Dr. Goh Tian Chuan	20.07.2011	*	Less than one (1) year
Kong Kok Keong	28.03.2012	*	Less than one (1) year
Ooi Boon Pin	28.03.2012	*	Less than one (1) year
Lim Siok Hui	28.03.2012	*	Less than one (1) year
Chen Heng Mun	28.03.2012	*	Less than one (1) year
Ash'ari bin Ayub	28.03.2012	^	Less than one (1) year
Ng Kok Hok	28.03.2012	*	Less than one (1) year
Wong Zee Shin	28.03.2012	*	Less than one (1) year
Hon Poh Chow	28.03.2012	*	Less than one (1) year

Notes:

- * *In accordance with Article 77 of our Articles, all of our Directors shall retire from office at the forthcoming annual general meeting in 2012 and be eligible for re-election.*
- ^ *In accordance with Section 129(6) of the Act, director of seventy (70) years of age shall retire from office at every annual general meeting and be eligible for re-appointment.*

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10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

10.1.1 Profiles of our Directors**(i) Datuk Dr. Goh Tian Chuan**

Datuk Dr. Goh Tian Chuan, aged 51, is our founder, our Group Executive Chairman and the CEO of our Group's resources division. He was appointed to our Board on 20 July 2011.

Datuk Dr. Goh Tian Chuan graduated from the Royal Malaysia Police College in 1982 and was a Senior Police Officer attached to the police headquarters in Kepyau, Kota Kinabalu, Sabah for thirteen (13) years. He started his own business after leaving the police force in 1994. His businesses at present, apart from his investments in several public listed companies covers a multitude of industries from investment holding (earning rental) to plantation and property development and gaming businesses. He joined Everise Ventures Sdn Bhd, a subsidiary of Repco Holdings Berhad, in October 1995 as President. In September 2000, he was appointed by Danaharta Berhad as Non-Executive and Non-Independent Director of Repco Holdings Berhad and resigned on 27 August 2004.

On 8 November 2004, he was appointed as a Non-Independent and Non-Executive Director of Cepatwawasan Group Berhad. Subsequently, he was redesignated as CEO on 8 April 2005 and as Executive Chairman from 25 July 2005 to 31 October 2005.

Datuk Dr. Goh Tian Chuan was the Executive Chairman of AIC and Jotech. He was appointed to the board of directors of AIC on 15 June 2006. He was also appointed as a member of the Remuneration Committee of AIC on 31 July 2006. He was redesignated as Executive Chairman of AIC on 2 July 2007. Datuk Dr. Goh Tian Chuan was appointed to the board of directors of Jotech on 1 June 2006 and was also the Chairman of the Remuneration Committee of Jotech.

As for Nakamichi Corporation Berhad, Datuk Dr. Goh Tian Chuan was appointed to the board of directors on 8 July 2008 and was later redesignated as Executive Chairman on 3 February 2009. He was redesignated back as Non-Executive Chairman of Nakamichi Corporation Berhad on 1 November 2011 and resigned on 2 December 2011. Nakamichi Corporation Berhad and its group of companies are involved in the timber extraction industry.

He was also an Executive Director of Nucleus Electronics Ltd from 1 June 2006 to 6 March 2007. Nucleus Electronics Ltd is listed on the Main Board of the Stock Exchange of Singapore.

On 7 April 2012, he was conferred Honorary Doctorate of Civil Laws by European University Switzerland.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

(ii) Kong Kok Keong

Kong Kok Keong, aged 58, was the Chairman and CEO of AutoV since 15 April 2006. He was appointed to our Board on 28 March 2012 as the Group Deputy Executive Chairman and is the CEO of our automotive division.

Kong Kok Keong obtained his B.A (Honours) in Business Studies from Leicester Polytechnic, United Kingdom in July 1979. He started his career with Binder Hamlyn (Chartered Accountants) in United Kingdom as an electronic data processing supervisor from September 1979 to January 1983. He then returned to Malaysia and joined Rashid Hussain Securities Sdn Bhd as a Finance Manager from April 1983 to August 1984. He moved on to Larut Tin Fields Bhd as an accountant from September 1984 to August 1985. From September 1985 to October 1987, he was the Financial Controller of Kimara Securities Sdn Bhd before joining Fountain Industries Sdn Bhd as an accountant from January 1988 to December 1988. Subsequently, he was a Director of Visionplan Systems (M) Sdn Bhd from January 1989 to April 1990. From May 1990 to March 1992, he was a commissioned dealer's representative for Arab-Malaysian Securities Sdn Bhd. He later joined Innosabah Securities Sdn Bhd and served as an Executive Director from April 1992 to December 2001. During that period, in September 1993, he was appointed as a Director of Sititrust & Administrator Ltd, a Labuan offshore company to which he still serve as a director until today.

(iii) Ooi Boon Pin

Ooi Boon Pin, aged 54, was the Executive Director and Group CEO of AIC and also the Non-Independent Non-Executive Director of Jotech since 20 August 2008. He was appointed to our Board on 28 March 2012 as an Executive Director and he is the CEO of our medical devices division and semiconductor division.

He graduated with an Honours Degree in Manufacturing Technology from the National Institute for Higher Education (University of Limerick), Ireland in 1981. While studying for his degree, he joined Analog Devices B.V., Ireland, in 1978, a company involved in design and wafer fabrication, assembly and test of semiconductors, as a Product Development Engineer and later as a Process Engineer in the assembly department. Upon his return to Malaysia in 1981, he joined Micro-Machining Sdn Bhd, as a Quality Assurance Engineer where he was in charge of quality assurance in tool room and lead frame stamping facility. He later assumed the position of Project Engineering Manager and was responsible for the development of new tool designs and end-of-line assembly equipment from design to manufacturing. He later set up Prodelcon in 1985 and is its Managing Director from 1996 till now. He was an Executive Director of Jotech since 30 April 1997 but was redesignated as a Non-Independent Non-Executive Director on 20 August 2008. He is also a member of the Audit and Nominating Committees of Jotech, Chairman of the Technical Advisory Committee for Applied Engineering and council member of the Penang Skills Development Centre.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

(iv) Lim Siok Hui

Lim Siok Hui, aged 63, was the CEO of Jotech and was a member of Jotech's Executive Committee. He was appointed to the Board of Directors of Jotech since 7 August 1995 and was appointed to our Board on 28 March 2012 as an Executive Director. He is the CEO of our E&E division. He has been the Managing Director of Jotech Metal Fabrication since 1994, a position he still holds today.

Lim Siok Hui obtained his O-Levels in 1966 and he served in the national service of Singapore from 1966 to 1970. He commenced his career in 1970 as a supervisor in Alloy Industries (S) Pte Ltd, a company involved in the trading of and manufacturing of aluminium cans. He was promoted to factory manager in 1972 and was appointed as its director in 1974. From 1989 to 1994, he was appointed as the Managing Director of Intergrate (S) Pte Ltd, a company specialising in tools and dies.

He has more than 35 years of experience in the metal stamping industry, having worked with Japanese and Hong Kong metal stamping companies.

(v) Chen Heng Mun

Chen Heng Mun, aged 42, was appointed to the Board of AIC and AutoV on 1 August 2007 and 26 May 2008 respectively as Executive Director and Non-Independent Non-Executive Director respectively. He was appointed to our Board on 28 March 2012 as an Executive Director and he is also our Group Chief Financial Officer.

Prior to passing the professional exams conducted by the then Malaysian Association of Certified Public Accountants in 1995, Chen Heng Mun worked for KPMG, an international accounting firm from January 1991 to February 1996. He started as an Audit Assistant in KPMG and left as an Audit Supervisor. Subsequently, he joined AIC as Group Accountant in February 1996 and was appointed to the board of AIC on 1 August 2007 as an Executive Director/Chief Financial Officer. He was an Independent Non-Executive Director of Jotech from 3 January 2007 to 2 July 2007. Previously, from 17 January 2005 to 1 June 2006, he was the Non-Executive Director of Nucleus Electronics Ltd and an Executive Director of NCB from 23 June 2008 to 2 December 2011.

He is a member of the Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants and Certified Public Accountants, Australia.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (*Cont'd*)

(vi) **Ash'ari bin Ayub**

Ash'ari bin Ayub, aged 70, is our Independent Non-Executive Director and he was appointed to our Board on 28 March 2012. He has been the Independent Non-Executive Director of AutoV since 20 February 2001. He was also a Chairman of the Audit Committee and Remuneration Committee of AutoV and was a member of the Nominating Committee of AutoV.

He passed the professional examination of the then Malaysian Association of Certified Public Accountants on 24 June 1967. He is a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants. He started his career with Coopers Brothers & Co as an articled clerk in 1961 and was later promoted to a qualified audit assistant. He served in Coopers Brothers & Co until 1970. Thereafter, he worked in the Accountant General's Office as a Treasury Accountant from 1970 to 1972. He moved on to be a Chief Internal Auditor for Bank Bumiputera Malaysia Berhad from 1972 to 1973. He joined Universiti Kebangsaan Malaysia as a Bursar (equivalent to the designation of Chief Financial Officer) from 1973 to 1974. Thereafter, he was a senior partner in Coopers & Lybrand for about 20 years from 1974 until 1994. From 1995 to 1996, he served as a General Manager of Finance & Administration in Ranhill Bersekutu Sdn Bhd.

(vii) **Ng Kok Hok**

Ng Kok Hok, aged 51, is our Independent Non-Executive Director and he was appointed to our Board on 28 March 2012. Ng Kok Hok was appointed to the board of directors of AIC on 1 September 2007 as an Independent Non-Executive Director. On the same date, he was appointed as Chairman of the Audit Committee and Remuneration Committee and was a member of the Nominating Committee of AIC.

He graduated with an Honours Degree in Accounting from the Institute of Cost and Management Accountants, now known as the Chartered Institute of Management Accountants ("**CIMA**") in 1985. He is a Chartered Accountant with the Malaysian Institute of Accountants, an Associate Member of CIMA, a Chartered Global Management Accountant and a Member of the Financial Planning Association of Malaysia. He started his career as an Accountant with CMRS Sdn Bhd from 1986 to 1988. From 1988 to 1990, he moved on to become an Accountant for Kong Long Huat Chemicals Sdn Bhd. Thereafter, in 1990 he joined Kuala Lumpur Mutual Fund Berhad (*now known as Public Mutual Berhad*) as an Accountant. In 1992, he was promoted to the position of Finance Manager cum Company Secretary and in 1994, he assumed the position of Financial Controller. He then joined TA Unit Trust Management Berhad as General Manager in 1996 and subsequently progressed to the position of a CEO in 1997 where he continued to serve until 1999. From 1999 to 2003, he was the Corporate General Manager of CY Multimedia Sdn Bhd and from 2000 to 2004, he was the General Manager of Allday Best Sdn Bhd. He is the founder and is currently the Executive Director of Alpha Outlook Sdn Bhd, a company principally involved in power quality products and energy management systems. He founded Alpha Outlook Sdn Bhd on 17 March 2004. He is also an Independent Non-Executive Director of 1 Utopia Berhad (*formerly known as Tejari Technologies Berhad*) and Ingenuity Solutions Berhad, both of which are listed on the ACE Market of Bursa Securities.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

(viii) Wong Zee Shin

Wong Zee Shin, aged 37, is our Independent Non-Executive Director and he was appointed to our Board on 28 March 2012. He was appointed to the Board of Jotech on 2 July 2007. He was the Independent Non-Executive Director of Jotech and was also the Chairman of the Audit and Nominating Committees and was a member of the Remuneration Committee.

He graduated with a Bachelor Degree in Finance and Accounting from the University Technology of Sydney, Australia in July 1999. He is a member of the Malaysian Institute of Accountants and Certified Public Accountants, Australia. He started his career in Ernst & Young, an international public accounting firm in Sandakan, Sabah from December 1999 to 2004. In August 2004, he joined Cepatwawasan Group Berhad as an Accountant and later joined Sogomax Sdn Bhd as an Accountant in June 2006. Subsequently in December 2009 to present, he joined Malbumi Estate Sdn Bhd as their Group Accountant.

(ix) Hon Poh Chow

Hon Poh Chow, aged 55, is our Independent Non-Executive Director and he was appointed to our Board on 28 March 2012.

He obtained his Diploma in Higher Accounting in June 1977 from the London Chamber of Commerce and Industry. He commenced his career with Texas Instruments (M) Sdn Bhd as a cost/financial analyst from June 1977 to January 1983. He then joined Ford Malaysia Sdn Bhd as a Senior Financial Analyst from February 1983 to May 1985. From June 1985 to June 1995, he was the Finance Manager of Mattel (KL) Sdn Bhd and from July 1995 to November 1998, he was the Head of Finance and Administration of IRIS Technologies (M) Sdn Bhd. Subsequently, he was the Regional Financial Controller, Asean for TRW Automotive – Lucas Varsity (M) Sdn Bhd (“TRW”) from December 1998 to December 2000. He was then made the Regional Profitability/Commercial Management Manager, Asia Pacific of TRW and held the position from January 2001 to December 2003 before being promoted to Managing Director from January 2004 to June 2007. Subsequently, from October 2007 to January 2010 he was the Finance and Operations Controller of Forward Freight Services Sdn Bhd. After leaving Forward Freight Services Sdn Bhd, he was the Group Operations Director of Takasima Industries (M) Sdn Bhd from February 2010 to June 2011. He is currently the After Sales Business Advisor of Bermaz Motor Trading Sdn Bhd after joining them in October 2010. He is also the General Manager of Jaymart Sdn Bhd with effect from 16 January 2012.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

10.1.2 Our Directors' shareholdings

The direct and indirect shareholdings of our Directors as at the LPD and after the Issuance are as follows:

Directors	As at the LPD			After the Issuance		
	Direct	Indirect		Direct	Indirect	
	No. of Shares	No. of Shares	%	No. of Shares	No. of Shares	%
	'000	'000		'000	'000	
Datuk Dr. Goh Tian Chuan	* 50.00	*	⁽¹⁾ 50.00	725,952	⁽²⁾ 156,604	13.77
Kong Kok Keong	-	-	-	536,278	⁽³⁾ 89,953	10.17
Ooi Boon Pin	-	-	-	78,431	⁽³⁾ 19,286	1.49
Lim Siok Hui	-	-	-	58,006	-	1.10
Chen Heng Mun	-	-	-	1,862	⁽³⁾ 2,005	0.04
Ash'ari bin Ayub	-	-	-	-	-	-
Ng Kok Hok	-	-	-	11	⁽³⁾ 11	^
Wong Zee Shin	-	-	-	19	-	^
Hon Poh Chow	-	-	-	-	-	-

Notes:

^ Negligible.

* Representing ten (10) Shares.

⁽¹⁾ Deemed interest by virtue of Section 6A of the Act held through his son, Goh See Yen.

⁽²⁾ Deemed interest by virtue of Section 6A of the Act held through Cara Kaya Sdn Bhd and his son, Goh See Yen.

⁽³⁾ Deemed interest by virtue of Section 134(12) of the Act held through his spouse.

None of our Directors represent any corporate shareholders.

None of our Directors owns, directly or indirectly, any option to purchase any of our Shares.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

10.1.3 Other principal business activities performed outside our Group and other principal directorships in the past five (5) years

Save as disclosed below, none of our Directors has performed any principal business activities outside our Group and/or have other principal directorships at present and in the last five (5) years preceding the LPD:

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
Datuk Dr. Goh Tian Chuan	Begajuta Sdn Bhd	Collection of FFB and oil palm plantation	30.12.2005	-	Director and substantial shareholder
	Begajuta Plantations Sdn Bhd	Dormant	09.09.1999	-	Director and substantial shareholder
	Bonus River Sdn Bhd	Dormant	02.03.2006	-	Director and substantial shareholder
	Cabletron (Sabah) Sdn Bhd	Dormant	13.07.2006	26.07.2007	Director
	Cara Kaya Sdn Bhd	Property holding and management, investment holding and oil palm plantation	05.12.2006	-	Director and substantial shareholder
	Citrasaba Sdn Bhd	Dormant	19.11.2007	-	Director and substantial shareholder
	Everise Ventures Sdn Bhd *	Management of number forecast operations	30.04.1997	-	Director and substantial shareholder
	Genap Mega Sdn Bhd	Investment holding	22.04.2003	-	Director and substantial shareholder
	Hasil Pelangi Sdn Bhd	Real property investment	22.01.2007	-	Director and shareholder
	Isti Bestari Sdn Bhd	Dormant	19.07.2010	-	Director and substantial shareholder

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
Datuk Dr. Goh Tian Chuan (cont'd)	IT Collection Sdn Bhd	Dormant	01.11.2007	01.08.2011	Director
	K.K. Point Sdn Bhd	Real property investment	23.07.2007	-	Director and substantial shareholder
	Mobile Starhill (M) Sdn Bhd	Dormant	12.04.2005	-	Director and substantial shareholder
	Nakamichi Corporation Berhad group of companies	Investment holding whilst its subsidiary is principally involved in the extraction and sale of timber logs	08.07.2008	02.12.2011	Non-Executive Chairman and substantial shareholder
	Pimpinan Ceria Sdn Bhd	Investment holding	22.07.2004	17.02.2010	Director
	Pimpinan Jujur Sdn Bhd	Investment holding	22.07.2004	17.02.2010	Director
	Realton Development Sdn Bhd	Real property development and investment holding	06.10.1997	-	Director and substantial shareholder
	Silabumi Sdn Bhd	Dormant	18.10.2010	-	Director
	Siri Kurnia Sdn Bhd	Dormant	01.03.2007	04.05.2009	Director
	Tacaraya Sdn Bhd	Dormant	21.07.2004	-	Director and substantial shareholder
	Toupos Palm Oil Mill Sdn Bhd	Dormant	29.10.2010	-	Director and substantial shareholder
	Unique Glory Sdn Bhd	Money lending	13.07.1996	-	Director and substantial shareholder
	Valiant Properties Sdn Bhd	Dormant	06.04.2010	-	Director and substantial shareholder

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
Kong Kok Keong	Begajuta Sdn Bhd	Collection of FFB and oil palm plantation	13.12.2006	01.11.2011	Director and substantial shareholder
	Begajuta Plantations Sdn Bhd	Dormant	18.09.2006	01.11.2011	Director and substantial shareholder
	Binary Beat Sdn Bhd	Dormant	16.05.2006	-	Director and substantial shareholder
	Citrasaba Sdn Bhd	Dormant	19.11.2007	01.11.2011	Director and substantial shareholder
	Compact Legend Sdn Bhd	Investment holding	26.11.2007	-	Director and substantial shareholder
	Genap Mega Sdn Bhd	Investment holding	17.04.2006	01.11.2011	Director and substantial shareholder
	Pimpinan Ceria Sdn Bhd	Investment holding	22.07.2004	17.02.2010	Director
	Pimpinan Jujur Sdn Bhd	Investment holding	22.07.2004	17.02.2010	Director
	Realton Development Sdn Bhd	Real property development and investment holding	01.04.2006	01.11.2011	Director
	Sititrust & Administrator	Labuan trust company licenced to carry on the work of a trustee, custodian, administrator of assets, provision of director and corporate secretary services, share registry and accounting services	30.09.1993	-	Director
Chen Heng Mun	Nakamichi Corporation Berhad group of companies	Investment holding whilst its subsidiary is principally involved in the extraction and sale of timber logs	23.06.2008	02.12.2011	Executive Director

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
Ash'ari bin Ayub	AC Taxation Sdn Bhd (formerly known as Ash'ari Cheong Taxation Sdn Bhd)	Tax consultancy	12.02.2007	-	Non-Executive and substantial shareholder
	Ash'ari & Yew Consulting Sdn Bhd	Dormant	16.08.2000	-	Non-Executive and substantial shareholder
	BCB Berhad	Property development	16.05.2001	-	Independent Executive Director
	Metrod (Malaysia) Sdn Bhd	Copper wire and rod manufacturer	28.12.2001	25.10.2011	Independent Executive Director
	Metrod Holdings Berhad	Investment holding whilst its subsidiaries are principally involved in the procurement of raw materials, manufacturing and marketing of electrical conductivity grade copper wires, rods, strips and high-quality flat copper winding wire systems	25.08.2011	-	Independent Executive Director
	Ranhill Utilities Sdn Bhd	Investment holding	12.04.2001	-	Non-Executive Director
	SAJ Holdings Sdn Bhd	Integrated water supply services	13.04.2012	-	Non-Executive Director
Ng Kok Hok	1 Utopia Berhad (formerly known as Tejari Technologies Berhad)	Investment holding, research, design and development of application specific electronic controller system for electronic hydraulic systems for various industrial automation, trading and servicing of computer hardware and parts, trading of telecommunication products and event management	16.12.2009	-	Independent Executive Director

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
Ng Kok Hok (cont'd)	Alpha Outlook Sdn Bhd	Supply and installation of voltage sag mitigation solutions and other electrical products	17.03.2004	-	Director and substantial shareholder
	Ingenuity Solutions Berhad	Investment holding	01.12.2010	-	Independent Executive Director
	M & N Birdnest Enterprise Sdn Bhd	Ranching of bird's nest inclusive of rearing, harvesting, distribution and trading of bird's nest	14.04.2006	-	Director and substantial shareholder
Wong Zee Shin	Billion Aura Hotel Sdn Bhd	Dormant	18.02.2010	19.02.2010	Director
	Billion Aura Management Sdn Bhd	Dormant	18.02.2010	19.02.2010	Director
	CXR Vacation Sdn Bhd	Hotel operations	11.12.2007	28.03.2011	Director
	Di Bawah Pokok Sdn Bhd	Construction contract	09.06.2008	03.11.2010	Director
	Global Expedition (Malaysia) Sdn Bhd	Investment holding	01.08.2007	-	Director and substantial shareholder
	Lotus Masterpiece Sdn Bhd	Dormant	07.04.2008	31.07.2008	Director
	LWV Alliance Sdn Bhd	Dormant	08.10.2009	-	Director and substantial shareholder
	LWV Logistic Sdn Bhd	Transportation services	01.12.2004	-	Director and substantial shareholder
	LWV Prosper Group Sdn Bhd	Share and property investment	29.03.2004	-	Director and substantial shareholder
	Sukau (FFB) Sdn Bhd	Dormant	03.01.2012	-	Alternate Director

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
Wong Zee (cont'd)	Shin Sukau Palm Oil Mill Sdn Bhd	Dormant	17.08.2011	-	Alternate Director
	Top Inworld Sdn Bhd	Dormant	04.06.2009	-	Director and substantial shareholder
Hon Poh Chow	Lucas Automotive Sdn Bhd	Automotive components manufacturing	03.03.2005	28.03.2007	Director

Note:

* Inclusive of 33 other companies which are agents of Everrise Ventures Sdn Bhd's numbers forecasting operations in which Datuk Dr. Goh Tian Chuan is also a director.

The involvement of our Group Executive Chairman and Executive Directors in other businesses set out above does not preclude them from allocating most of their time to our Group because the daily operations in those businesses are managed by the respective companies' personnel. Their role in those other companies are limited to administrative duties such as the signing of cheques and attending board meetings in order to discharge their principal areas of responsibility as directors of those companies. They have been and have ensured that they would be able to fulfil and discharge their duties and responsibilities effectively as our Directors. As such, our Group Executive Chairman and Executive Directors' involvements in other businesses and operations outside of our Group are not expected to have any material effect on their contribution to our Group.

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10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (*Cont'd*)

10.1.4 Audit Committee

Our Audit Committee was established on 28 March 2012 and its members are appointed by our Board. Our Audit Committee shall comprise not less than three (3) members. All members of the Audit Committee must be non-executive Directors, a majority of whom shall be independent Directors. In the event a member of our Audit Committee resigns, dies or for any reason ceases to be a member resulting in non-compliance with the membership of our Audit Committee, our Board must fill the vacancy within three (3) months. The terms of office and performance of our Audit Committee and each of its members shall be reviewed by our Board no less than once every three (3) years. However, the appointment terminates when a member ceases to be a Director.

Our Audit Committee is authorised to:

- (i) investigate any matter within its terms of reference;
- (ii) to request the resources required to perform its duties; and
- (iii) to request and be granted full and unrestricted access to any information it determines as relevant to its activities from any employee of our Company or our Group and all employees are directed to co-operate with any request made by our Audit Committee.

The primary functions and duties of our Audit Committee include reviewing, appraising and reporting to the Board on, among others:

- (i) the discussion with the external auditors on the audit plan which states the nature and scope of the audit and ensure co-ordination of audit where more than one audit firm is involved;
- (ii) the review with the external auditors, their evaluation of the system of internal controls and the statement on internal control, together with the management letters and the management's response;
- (iii) the discussion of issues and reservations arising from the external audits, the audit report and any matters the external auditors may wish to discuss;
- (iv) the assistance given by employees of the Group to the external and internal auditors;
- (v) the review of, among others, the following in respect of the internal audit:
 - (a) the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work;
 - (b) the internal audit programme;
 - (c) the major findings of the internal audit investigations and the management's responses, ensuring that appropriate actions are taken on the recommendations of the internal auditors;
 - (d) co-ordination of external audit with internal audit;
 - (e) approval of any appointment or termination of the internal auditors, and appraisal of the performance of the group internal audit function; and

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

- (f) resignations of internal auditors, together with providing the resigning internal auditors an opportunity to submit the reasons for resignation,
- (vi) the review of the quarterly reporting to Bursa Securities and the year-end financial statements of the Group before the submission to the Board focussing particularly on:
 - (a) changes in or implementation of major accounting policies;
 - (b) significant and unusual events;
 - (c) compliance with accounting and financial reporting standards and other legal requirements; and
 - (d) any commentary on the future outlook for our Group,
- (vii) the review of any related party transaction and conflict of interest situation that may arise within our Group, including any transaction, procedure or course of conduct that raises questions of management integrity;
- (viii) the review of any letter of resignation from the external auditors together with the reason for the resignation;
- (ix) the review of the re-appointment of our Group's external auditors, including the examination of the independence of the external auditors and, where appropriate, the reasons (supported by grounds) why it is not suitable to re-appoint the external auditors;
- (x) the recommendation for the nomination and appointment of external auditors, as well as approval of the audit fee;
- (xi) prompt reporting to Bursa Securities on any matter reported by our Audit Committee to our Board which has not been satisfactorily resolved, resulting in a breach by our Group of the Listing Requirements; and
- (xii) any other function that may be mutually agreed upon by our Audit Committee and our Board from time to time, which would be beneficial to our Group and ensure the effective discharge of our Audit Committee's duties and responsibilities.

Our Audit Committee currently comprises the following members:

Name	Position	Date of appointment	Directorship
Ash'ari bin Ayub	Chairman	28.03.2012	Independent Non-Executive Director
Ng Kok Hok	Member	28.03.2012	Independent Non-Executive Director
Wong Zee Shin	Member	28.03.2012	Independent Non-Executive Director
Hon Poh Chow	Member	28.03.2012	Independent Non-Executive Director

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

10.1.5 Nominating Committee

Our Nominating Committee was established on 28 March 2012 and its members are appointed by our Board. Our Nominating Committee shall comprise not less than three (3) members. The majority of its members shall be independent non-executive Directors. The members of our Nominating Committee shall elect a Chairman from among their number who is not our Executive Director. In the event of any vacancy in our Nominating Committee resulting in the number of members being reduced to below three (3), our Board shall, within three (3) months fill the vacancy.

Our Nominating Committee is tasked with evaluating the suitability of candidates and make recommendations to our Board on all new Board appointments. Our Remuneration Committee is also empowered to assess the performance of our Directors, effectiveness of the Board and the board committee as a whole.

As an integral element in the process of appointing new directors, our Nominating Committee ensures that there is appropriate orientation and education programme for new Board members, supplemented by visits to key locations and meetings with key senior executives.

Our Nominating Committee currently comprises the following members:

Name	Position	Date of appointment	Directorship
Ng Kok Hok	Chairman	28.03.2012	Independent Non-Executive Director
Ash'ari bin Ayub	Member	28.03.2012	Independent Non-Executive Director
Wong Zee Shin	Member	28.03.2012	Independent Non-Executive Director

10.1.6 Remuneration Committee

Our Remuneration Committee was established on 28 March 2012 and its members are appointed by our Board. Our Remuneration Committee shall comprise not less than three (3) members. The majority of its members shall be our Non-Executive Directors or any person not having a relationship which, in the opinion of our Board, would interfere with the exercise of independent judgment in carrying out the functions of our Remuneration Committee. The members of our Remuneration Committee shall elect a Chairman from among their number who is not our Executive Director. In the event of any vacancy in our Remuneration Committee resulting in the number of members being reduced to below three (3), our Board shall, within three (3) months fill the vacancy.

The primary responsibilities of our Remuneration Committee include recommending to our Board a remuneration framework for Directors with the objective to ensure that our Company continues to attract and retain Directors needed to run the Group successfully.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

Our Remuneration Committee currently comprises the following members:

<u>Name</u>	<u>Position</u>	<u>Date of appointment</u>	<u>Directorship</u>	
Ash'ari bin Ayub	Chairman	28.03.2012	Independent Director	Non-Executive Director
Datuk Dr. Goh Tian Chuan	Member	28.03.2012	Group Executive Chairman/CEO of our resources division	
Ng Kok Hok	Member	28.03.2012	Independent Director	Non-Executive Director
Wong Zee Shin	Member	28.03.2012	Independent Director	Non-Executive Director

10.1.7 Service contracts with Directors

As at the date of this Prospectus, there are no existing or proposed service contracts entered into between our Directors and us, save for the standard employment contracts containing the normal terms of employment.

10.1.8 Remuneration and material benefits-in-kind of our Directors

The aggregate remuneration and benefits-in-kind paid or proposed to be paid to our Directors for services rendered or to be rendered to us in all capacities was RM4.1 million for the year ended 31 December 2010 and is forecasted to be between RM6.0 million to RM6.1 million for the eighteen (18)-month period ending 30 June 2012.

The remuneration of our Directors, which includes Directors' salaries, bonus, fees and allowances as well as other benefits, must be considered and recommended by the Remuneration Committee and subsequently approved by our Board. The payment of our Directors' fees must be further approved and endorsed by our shareholders at a general meeting.

The remuneration and benefits-in-kind paid or forecasted to be paid to our Directors are as follows:

<u>Directors</u>	<u>Remuneration band of our Directors</u>	
	<u>For the year ended 31 December 2010</u>	<u>For the eighteen (18)-month period ending 30 June 2012 (Forecast)</u>
	<u>RM'000</u>	<u>RM'000</u>
Datuk Dr. Goh Tian Chuan	1,600 – 1,650	2,400 – 2,450
Kong Kok Keong	300 - 350	850 - 900
Ooi Boon Pin	700 - 750	1,100 – 1,150
Lim Siok Hui	750 - 800	850 - 900
Chen Heng Mun	450 - 500	550 - 600
Ash'ari bin Ayub	<50	<50
Ng Kok Hok	<50	<50
Wong Zee Shin	<50	<50
Hon Poh Chow	-	-

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

10.1.9 Amounts or benefits paid or intended to be paid or given to our Promoter, Directors and substantial shareholders

Save as disclosed in Section 10.1.8 of this Prospectus and dividends paid (if any) to our shareholders, there are no other amounts or benefits paid or intended to be paid or given to any of our Promoter, Directors or substantial shareholders within the two (2) years preceding the date of this Prospectus.

10.2 Key management

Our key management consists of experienced personnel and is responsible for our day-to-day management and operations.

Our key management, as at the date of this Prospectus, comprises Datuk Dr. Goh Tian Chuan, Kong Kok Keong, Ooi Boon Pin, Lim Siok Hui and Chen Heng Mun.

10.2.1 Profiles of our key management**(i) Datuk Dr. Goh Tian Chuan**

Please refer to Section 10.1.1(i) of this Prospectus for the profile of Datuk Dr. Goh Tian Chuan.

(ii) Kong Kok Keong

Please refer to Section 10.1.1(ii) of this Prospectus for the profile of Kong Kok Keong.

(iii) Ooi Boon Pin

Please refer to Section 10.1.1(iii) of this Prospectus for the profile of Ooi Boon Pin.

(iv) Lim Siok Hui

Please refer to Section 10.1.1(iv) of this Prospectus for the profile of Lim Siok Hui.

(v) Chen Heng Mun

Please refer to Section 10.1.1(v) of this Prospectus for the profile of Chen Heng Mun.

10.2.2 Our key management's shareholding

As our key management are also our Directors, please refer to Section 10.1.2 of this Prospectus for the shareholdings of our key management as at the LPD and after the Issuance.

10.2.3 Service contracts with our key management

As at the date of this Prospectus, there are no existing or proposed service contracts between our key management personnel and us save for the standard employment contracts containing the normal terms of employment.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

10.2.4 Involvement of our key management in other businesses/corporations

As our key management are also our Directors, please refer to Section 10.1.3 of this Prospectus for further details on the involvement of our key management in other businesses/corporation.

10.3 Promoter**10.3.1 Promoter**

Our Promoter is Datuk Dr. Goh Tian Chuan.

Please refer to Section 10.1.1(i) of this Prospectus for the profile of Datuk Dr. Goh Tian Chuan.

10.3.2 Our Promoter's shareholdings

As our Promoter is also our Director, please refer to Section 10.1.2 of this Prospectus for the shareholdings of Datuk Dr. Goh Tian Chuan.

10.4 Substantial shareholders**10.4.1 Substantial shareholders****(i) Datuk Dr. Goh Tian Chuan**

Please refer to Section 10.1.1(i) of this Prospectus for the profile of Datuk Dr. Goh Tian Chuan.

(ii) Kong Kok Keong

Please refer to Section 10.1.1(ii) of this Prospectus for the profile of Kong Kok Keong.

(iii) LTAT

LTAT was established on 1 August 1972 in Malaysia by Act of Parliament (Act 101, 1973) and it has no share capital. The principal activities of LTAT are the provision of superannuation and other benefits to the members of the other ranks in the Armed Forces and to enable officers in the service to participate in a savings scheme and also to promote socio-economic development and to provide welfare and other benefits for the retiring and retired personnel of the Armed Forces of Malaysia. LTAT is not listed on any stock exchange.

On 21 March 2012, LTAT acquired 11.50% equity interest in AIC.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

10.4.2 Substantial shareholders' shareholdings

Our substantial shareholders' shareholdings since incorporation and after the Issuance is set out below:

	As at incorporation on 15 July 2011				As at the LPD				After the Issuance				
	Direct		Indirect		Direct		Indirect		Direct		Indirect		
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	
	'000		'000		'000		'000		'000		'000		
Promoter and substantial shareholder													
Datuk Dr. Goh Tian Chuan	*	50.00	*	(1) 50.00	*	50.00	*	(1) 50.00		725,952	13.77	(2) 156,604	2.97
Substantial shareholders													
Goh See Yen	*	50.00	-	-	*	50.00	-	-	-	*	^	-	-
Kong Kok Keong	-	-	-	-	-	-	-	-	-	536,278	10.17	-	-
LTAT	-	-	-	-	-	-	-	-	-	300,000	5.69	-	-

Notes:

* Representing ten (10) Shares.

^ Negligible. Goh See Yen will cease to be our substantial shareholder upon the Issuance.

(1) Deemed interest by virtue of Section 6A of the Act held through his son, Goh See Yen.

(2) Deemed interest by virtue of Section 6A of the Act held through Cara Kaya Sdn Bhd and his son, Goh See Yen.

Save as set out in Sections 10.1.2, 10.2.2 and 10.4.2 of this Prospectus, we are not aware of any other person who directly or indirectly, jointly or severally, exercises control over us.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

10.5 Changes in our Promoter's and substantial shareholders' shareholdings in our Company since incorporation and up to the Issuance

Please refer to Section 10.4.2 of this Prospectus for the changes in the shareholdings of our Promoter and substantial shareholders since our incorporation and up to the Issuance.

10.6 Relationships or associations between our Directors, key management, substantial shareholders and Promoter

There are no family relationships or associations between our Directors, key management, substantial shareholders and Promoter.

10.7 Declaration by our Directors, key management and Promoter

As at the LPD, none of our Directors, key management or Promoter is or has been involved in the following events (whether in or outside Malaysia):

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

10.8 Employees

Our total workforce for the past three (3) years ended 31 December 2008, 31 December 2009 and 31 December 2010 and as at the LPD is as follows:

Business divisions	Year ended 31 December 2008	Year ended 31 December 2009	Year ended 31 December 2010	As at the LPD
IMS division	1,884	1,938	2,027	2,088
Resources division	-	-	-	106
Total	1,884	1,938	2,027	2,194

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

As at the LPD, the total number of our employees broken down by their job scope, years in service and whether they are employed as a full time or contractual staff are as follows:

Category of employees	No. of employees			Total
	Less than 1 year	1 to 5 years	More than 5 years	
Directors	-	-	5	5
Management	15	20	57	92
Engineering and R&D	29	70	47	146
Sales and marketing	7	15	15	37
Technician and supervisory	44	89	134	267
Administration and clerical	57	96	130	283
Production				
- Skilled	147	405	392	944
- Unskilled	84	134	40	258
General workers	92	63	7	162
Total	475	892	827	2,194

Category of employees	No. of employees		Total
	Contractual	Non-Contractual	
Directors	-	5	5
Management	7	85	92
Engineering and R&D	9	137	146
Sales and marketing	-	37	37
Technician and supervisory	-	267	267
Administration and clerical	6	277	283
Production			
- Skilled	284	660	944
- Unskilled	131	127	258
General workers	9	153	162
Total	446	1,748	2,194

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

As at the LPD, we have employees in the following countries:

Country	No. of employees
Indonesia	106
Malaysia	1,900
PRC	185
Taiwan	3
Total	2,194

Based on the table above, 21.65% have less than one (1) year tenure with our Group, 40.66% of our employees have been with our Group for an average of between one (1) and five (5) years, while 37.69% of our employees have more than five (5) years of services with us. Non-contractual employees represent 79.67% of our total workforce with the remaining 20.33% being contractual employees.

The majority of our Group's employees are involved in our Group's IMS division and they account for approximately 95.17% of our total workforce. As at the LPD we have 2,194 employees of which 1,900 are based in Malaysia, 185 are based in PRC, 106 are based in Indonesia and 3 are based in Taiwan. Of the total workforce based in Malaysia, 636 are foreign employees, representing approximately 33.47% of our total workforce in Malaysia. Of these 636 foreign employees, 539 are for our Group's IMS division and 97 are for our Group's resources division.

Our foreign workers are hired from Bangladesh, Indonesia, Myanmar, Nepal and Vietnam. All of our foreign workers have the necessary and valid work permits. Save for the employees of PT Indotech Metal Nusantara, our subsidiary in Indonesia, whom are represented by Serikat Pekerja Metal Indonesia, none of our other employees are members of any union and there has not been any industrial disputes with Serikat Pekerja Metal Indonesia since the inception of PT Indotech Metal Nusantara.

We recognise the importance of staff training as it allows our staff to be updated on the latest technology, industry standards and product innovations. We provide on-the-job training to our employees from time to time. Most of the training programmes are conducted in-house, throughout the year. Technical staff also attended technical training courses and production training from in-house experts. The main objectives of our Group's training and development programmes are to ensure that employees are familiar with the latest developments in production machinery and to promote higher productivity and work efficiency.

Throughout 2010 to and up to the LPD, our employees have completed various training and development programmes organised in-house and/or by external consultants. The selected external training and development programmes completed by the relevant employees of our Group are set out below:

Calendar year	Programme	Organiser
2012	Budget Seminar and Updates on Recent Tax Developments	Ernst & Young Tax Consultants Sdn Bhd
	Advanced Semiconductor Failure And Yield Analysis	Image Transforms (M) Sdn Bhd

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND EMPLOYEES (Cont'd)

Calendar year	Programme	Organiser
	Eagle Test Systems –ETS 364/600 Basic Programming	Teradyne Malaysia Ltd (Melaka)
	Creo User Interface & The Basic Creo Concept	PD Solutions Sdn Bhd
	Chemical Spillage & PPE (Personal Protective Equipment)	Safetyware Sdn Bhd
2011	CCCF (Completely Check Completely Find) Study Visit To Toyota Thailand	Toyota Sports Centre
	Increased Productivity with MES (Manufacturing Execution System) HYDRA Value-Add without Wastage Seminar	SIRIM Berhad
	The Power of Supply Chain	Penang Skills Development Centre
	Surfcam Wirecut Training	Rapid Team Solution Sdn Bhd
	Effective warehouse/ inventory management and Incoterms (International Commercial Terms) 2010	GDP Training and Resources Sdn Bhd
	Safety in workplace	In house training
2010	MAJAICO (Malaysia Japan Automotive Industries Co-operation) TRAINING	Small and Medium Industries Development Corporation
	Internal Quality Audit Training ISO14001:2004	Sheffield Consulting Groups
	Atmel RF Testing	Atmel Corporation , USA
	JMP (JUMP- STATISTICAL SOFTWARE) - Statistical Data Exploration	SAS Institute Sdn Bhd
	AutoCAD (Computer-Aided-Design)	I-Gentech Sdn Bhd
	Inside Innovation	Selangor Human Resource Development Centre

In addition, we have also conducted internal trainings which include, among others, programmes on mould troubleshooting techniques, maintenance of and method of using calipers and micrometers, fire drill training, health and safety awareness training.

Being an OEM, we observe stringent internal quality management system. This is because our ability to continue attracting new customers is attributed to the quality of our Group's products. Therefore, we have also provided our employees with ISO training from external experts. This allows our employees to familiarise themselves with ISO standards and requirements and increase their understanding of quality control.

11. APPROVALS AND CONDITIONS

11.1 Approvals and conditions

The shareholders of Jotech, AIC and AutoV have, at their EGMs held on 20 March 2012, 21 March 2012 and 22 March 2012 respectively approved the disposal of the Jotech Business, the disposal of the AIC Business, the disposal of the AutoV Business and the Distributions. The holders of the Jotech Warrants and the AIC Warrants have at their respective warrant holders meetings held on 20 March 2012 and 21 March 2012 respectively approved their respective Warrant Schemes.

In addition, the relevant authorities or bodies have given their approval for the Acquisitions (including the Share Issue), the Distributions, the Warrant Schemes, the Issuance and our Listing which are subject to the conditions set out below and the status of compliance with these conditions are also set out below as follows:

11.1.1 SC

- (i) The SC had, via its letter dated 25 January 2012, approved, among others, the:
- (a) Acquisitions, resulting in a significant change in business directions or policy of Jotech, AIC and AutoV under Section 212(2)(f) of the CMSA;
 - (b) distribution by Jotech, AIC and AutoV of their respective assets other than cash to their members, under Section 212(2)(e) of the CMSA;
 - (c) Share Issue under Section 212(2)(a) of the CMSA; and
 - (d) transfer of the listing status of any one of Jotech, AIC or AutoV to our Company,

subject to compliance with the following conditions:

Details of conditions imposed	Status of compliance
(i) The Principal Adviser to our Company, Jotech, AIC and AutoV to fully comply with the relevant requirement under the SC's Equity Guidelines and the Prospectus Guidelines - Equity and Debt pertaining to the implementation of the proposals, which includes, among others, the Acquisitions, the Capital Reduction and Capital Repayment, the Warrant Scheme and the Share Issue ("Proposals");	Complied.
(ii) The Principal Adviser, Alliance Investment Bank Berhad, OSK Investment Bank Berhad, KAF Investment Bank Berhad, our Company, Jotech, AIC and AutoV to fully comply with the Listing Requirements pertaining to the implementation of the Proposals and the issuance of the circulars (which include the independent advice letters) to the Entitled Shareholders and the issuance of the explanatory statements to the Entitled Warrant Holders; and	Complied.
(iii) The Principal Adviser and our Company to inform the SC of the completion of the Proposals immediately upon such completion.	To be complied.

11. APPROVALS AND CONDITIONS (Cont'd)

- (ii) The SC had, via its letter dated 18 October 2011, approved our request for waivers from complying with certain requirements of the Prospectus Guidelines, as set out below:

Reference to the Prospectus Guidelines	Details of waivers and conditions of approval	Status of compliance and reference
Prospectus Guidelines - Equity and Debt		
Paragraph 1.10		
Relief from the requirement to publish a summary advertisement of our Prospectus in a Bahasa Malaysia newspaper which is widely circulated.	Approved.	Not applicable.
Paragraph 8.01(a) to (d)		
Relief from disclosing the required information under the above paragraphs in respect of all subsidiaries and associated companies, except for:	Approved.	Complied, as disclosed in Section 9.2 of this Prospectus.
(a) Date and place of incorporation;		
(b) Registration number;		
(c) Principal activities;		
(d) Percentage of interest to be held by us;		
(e) Authorised, issued and paid-up capital; and		
(f) List of subsidiaries and associated companies of the subsidiary/associated company.		
Paragraphs 8.01(g), 8.02(k) and (l)		
Relief from disclosing the required information under the above paragraphs save for the disclosure of key licences, permits, brand names, patents and franchises which are material to our Group.	Approved.	Complied, as disclosed in Section 6.14 and Appendix II of this Prospectus.
Chapter 9 and Paragraph 9.06(b)		
Relief from disclosing the finalised details of our board of directors as well as our audit, remuneration and nomination committees at the point of submission of the application to the SC.	Approved, subject to the submission of information on the proposed directors and proposed committees' members to the SC at least fourteen (14) days prior to the submission of the prospectus for registration.	Complied, as disclosed in Sections 10.1, 10.1.4, 10.1.5 and 10.1.6 of this Prospectus.

11. APPROVALS AND CONDITIONS (Cont'd)

Reference to the Prospectus Guidelines	Details of waivers and conditions of approval	Status of compliance and reference
Prospectus Guidelines - Equity and Debt (Cont'd)		
Paragraph 11.01		
Relief from disclosing the information on all related party transactions for the past three (3) full financial years. We will instead disclose in the registrable prospectus the information on all recurrent related party transactions for the past three (3) full financial years, assuming our Group has been in existence for the past three (3) years under review.	Approved.	Complied, as disclosed in Section 13.1.2 of this Prospectus.
Paragraphs 12.10, 12.11 and 12.12		
Relief from complying with the requirements of the above paragraphs and to allow the inclusion of the unaudited interim financial results of Jotech, AIC and AutoV in the registrable prospectus based on the same format as those announced to Bursa Securities.	Approved, subject to the auditors conducting a review on the unaudited interim financial statements of Jotech, AIC and AutoV in accordance with the International Standard Review Engagements 2410 "Review of Financial Information Performed by the Independent Auditor of the Entity".	Complied. The unaudited quarterly results for the 12-month period ended 31 December 2011 of Jotech, AIC and AutoV respectively are enclosed in Appendices III, IV and V of this Prospectus.
Paragraph 12.15		
Relief from preparing the proforma financial information based on our audited financial results.	Approved, however we and/or the Principal Adviser is reminded to comply with paragraph 12.16(a) of the Prospectus Guidelines - Equity and Debt.	Complied, as disclosed in Section 8.5 of this Prospectus.
Paragraph 12.16		
Relief from complying with the requirement to disclose the proforma financial information as at a date which is not more than six (6) months prior to the issue of our Prospectus.	Approved.	Noted.

11. APPROVALS AND CONDITIONS (*Cont'd*)

Reference to the Prospectus Guidelines	Details of waivers and conditions of approval	Status of compliance and reference
Prospectus Guidelines - Equity and Debt (<i>Cont'd</i>)		
Chapter 13		
Relief from preparing an accountant's report for inclusion in our Prospectus.	Approved.	Complied, as disclosed in Section 8.1 of this Prospectus.
We will instead attach the annual reports of Jotech, AIC and AutoV for the past three (3) financial years in CD-ROM format to our Prospectus, and will state where such information may be obtained and downloaded.		
Procedures for registration		
Paragraphs 1.10(i), (j), (k) and 1.13(b)		
(a) Relief from the requirement to include the original or certified copies of the audited financial statements of the subsidiaries of Jotech, AIC and AutoV for the last three (3) to five (5) financial years and the current financial period for the registration of our Prospectus. Instead, the annual report of Jotech, AIC and AutoV for the past three (3) financial years will be made available for inspection and included for the registration of our Prospectus;	Approved.	Complied.
(b) Relief from issuing the expert's report disclosed in our Prospectus in Bahasa Malaysia; and		
(c) Relief from submitting for confirmation of registration, two (2) registrable copies of the Bahasa Malaysia prospectus.		
Our Promoter is not subject to a moratorium on his shareholdings in our Company.		
(iii)	The SC had, in its letter dated 25 January 2012, approved our resulting equity structure on our Listing under the Equity Requirements for Public Listed Companies, subject to the Principal Adviser and our Company informing SC of the status of compliance of the conditions imposed by the MITI (as set out in Section 11.1.2 of this Prospectus) upon Completion.	

11. APPROVALS AND CONDITIONS (Cont'd)

11.1.2 MITI

Pursuant to manufacturing licences issued by MITI to a few of our subsidiaries, an application to MITI has been submitted for its approval for the disposals of the respective subsidiaries of Jotech, AIC and AutoV holding the manufacturing licences issued by MITI, to us. The approvals of MITI were obtained on 13 January 2012 and 25 April 2012 respectively, subject to the approval of the SC (as set out in Section 11.1.1(iii) of this Prospectus) and our Company is required to inform MITI after the completion of among others, the Acquisitions.

11.1.3 High Court of Malaya

The High Court of Malaya had on 3 April 2012 and 10 April 2012, granted the respective orders confirming the Warrant Schemes and Distributions.

11.1.4 Bursa Securities

Bursa Securities had, in its letter dated 8 May 2012, approved our admission to the Official List and our Listing.

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12. DIRECTORS' REPORT*(Prepared for inclusion in this Prospectus)*

Globaltec Formation Berhad
(formerly known as Temasek Formation Berhad)
 (Company No. 953031-A)

1 8 MAY 2012

Registered Office:
 802, 8th Floor
 Block C, Kelana Square
 17, Jalan SS7/26
 47301 Petaling Jaya
 Selangor Darul Ehsan

The Shareholders

Globaltec Formation Berhad *(formerly known as Temasek Formation Berhad)*

Dear Sir/Madam,

On behalf of the Board of Directors of Globaltec Formation Berhad *(formerly known as Temasek Formation Berhad)* ("**GFB**") ("**Board**"), I report, after making due enquiries in relation to:

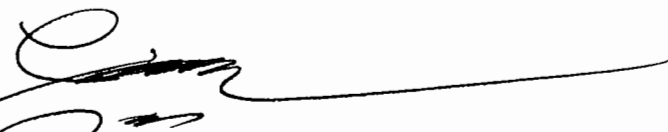
- (i) GFB during the period between 15 July 2011 (being the date of incorporation);
- (ii) Jotech Holdings Berhad ("**Jotech**") and its subsidiaries ("**Jotech Group**") during the period between 31 December 2010 (being the date to which the last audited financial statements of Jotech Group have been made up);
- (iii) AIC Corporation Berhad ("**AIC**") and its subsidiaries ("**AIC Group**") during the period between 31 December 2010 (being the date to which the last audited financial statements of AIC Group have been made up); and
- (iv) AutoV Corporation Berhad ("**AutoV**") and its subsidiaries ("**AutoV Group**") during the period between 31 December 2010 (being the date to which the last audited financial statements of AutoV Group have been made up),

and the date herein (being a date not earlier than 14 days before the issue of this Prospectus):

- (i) the business of GFB, Jotech Group, AIC Group and AutoV Group ("**GFB Group**") has, in the opinion of the Board, been satisfactorily maintained;
- (ii) in the opinion of the Board, no circumstances have arisen since the date of incorporation of GFB and the last audited financial statements of Jotech Group, AIC Group and AutoV Group respectively which have adversely affected the trading or the value of the assets of GFB Group;
- (iii) the current assets of GFB Group appear in the books at values which are believed to be realisable in the ordinary course of business;
- (iv) save as disclosed in this Prospectus, there are no contingent liabilities by reason of any guarantee or indemnity given by GFB Group;
- (v) there have been, since the date of incorporation of GFB and the last audited financial statements of Jotech Group, AIC Group and AutoV Group respectively, no default or any known event that could give rise to a default situation, in respect of payments of either interest and/or principal sums in respect of any borrowings; and
- (vi) save as disclosed in this Prospectus, there have been, since the date of incorporation of GFB and the last audited financial statements of Jotech Group, AIC Group and AutoV Group respectively, no material change in the published reserves or any unusual factors affecting the profits of GFB Group.

Yours faithfully,

For and on behalf of the Board of

Globaltec Formation Berhad *(formerly known as Temasek Formation Berhad)*


Datuk Dr. Goh Tian Chuan, JP
 Group Executive Chairman

13. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS

13.1 Related party transactions

Under the Listing Requirements that are applicable to companies listed on the Main Market of Bursa Securities, a “**related party transaction**” is a transaction entered into by a listed company or its subsidiaries that involves the interests, direct or indirect, of a related party. A “**related party**” of a listed company is:

- (i) a director; or
- (ii) a major shareholder who has an interest or interests in one or more voting shares in a corporation and the nominal amount of those shares or the aggregate of the nominal amounts of those shares, is:
 - (a) 10% or more of the aggregate of the nominal amounts of all the voting shares in the corporation; or
 - (b) 5% or more of the aggregate of the nominal amounts of all the voting shares in the corporation where such person is the largest shareholder of the corporation,

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 or CEO or a major shareholder of the listed company or its subsidiaries or holding company.

Further, a related party includes a person connected with such director or major shareholder as defined under the Listing Requirements.

As set out in Section 11.1.1(ii) of this Prospectus, we have been exempted from disclosing all related party transactions for the past three (3) years ended 31 December 2008, 31 December 2009 and 31 December 2010. Therefore, disclosures below are only in respect of our non-recurrent related party transactions which we have entered into since our incorporation, and recurrent related party transactions assuming that our Group has been in existence for the past three (3) years ended 31 December 2008, 31 December 2009 and 31 December 2010.

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

13.1.1 Non-recurrent related party transactions

Save as disclosed below, there are no other existing or potential material non-recurrent related party transactions since our incorporation up to the date of this Prospectus.

Our Directors confirmed that the non-recurrent material related party transactions set out below were carried out 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.

Transacting parties	Nature of relationship	Nature of transaction	Transaction value RM'000
Our Company and Jotech	Datuk Dr. Goh Tian Chuan is our Group Executive Chairman/CEO of our resources division and a major shareholder of our Company. He is the Executive Chairman and was a major shareholder in Jotech.	Acquisition of the Jotech Business pursuant to the Merger Agreement	217,300
Our Company and AIC	Datuk Dr. Goh Tian Chuan is our Group Executive Chairman/CEO of our resources division and a major shareholder of our Company. He is the Executive Chairman and was a major shareholder of AIC.	Acquisition of the AIC Business pursuant to the Merger Agreement	339,200
Our Company and AutoV	Datuk Dr. Goh Tian Chuan is our Group Executive Chairman/CEO of our resources division and a major shareholder in our Company. He was a major shareholder of AutoV. Chen Heng Mun is our Executive Director/Group Chief Financial Officer. He is the Non-Independent Non-Executive Director of AutoV. He is the Executive Director of AIC, which was a major shareholder of AutoV.	Acquisition of the AutoV Business pursuant to the Merger Agreement	154,400

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

13.1.2 Recurrent related party transactions

Our Group has entered into transactions that are of a revenue or trading nature with related parties, which are necessary for our day-to-day operations ("Recurrent Transactions").

The past Recurrent Transactions were carried out on an arm's length basis and on commercial terms which were not more favourable to the related parties than those generally available to third parties and which were also not detrimental to our minority shareholders. Our Directors also confirmed based on the procedures set out in Section 13.3 of this Prospectus that such future Recurrent Transactions will be carried out 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.

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

Save as disclosed below, there are no other material Recurrent Transactions or potential material Recurrent Transactions that we have entered into in respect of which rights and obligations are subsisting and/or proposed for the years ended 31 December 2008, 31 December 2009 and 31 December 2010.

Transacting parties	Nature of relationship	Nature of transaction	Transaction value		
			Year ended 31 December 2008	Year ended 31 December 2009	Year ended 31 December 2010
			RM'000	RM'000	RM'000
AIC Semiconductor Sdn Bhd ("AICS") and Atmel Corporation ("Atmel")	Atmel holds 6.1% equity interest and 19.9% of RCPS in AICS	Assembly and testing of IC chips by AICS for Atmel	29,420	25,329	17,570

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

13.1.3 Transactions entered into that are unusual in their nature or conditions

Save as disclosed in Section 13 of this Prospectus, our Directors have confirmed that to the best of their knowledge and belief, we have not entered into any transactions which are unusual in their nature or conditions, involving goods, services, tangible or intangible assets in respect of the past three (3) financial years under review.

13.1.4 Outstanding loans and guarantees

Our Directors have confirmed that to the best of their knowledge and belief, there are no outstanding loans (including guarantees of any kind), made by us or our subsidiaries to or for the benefit of our related parties for the past three (3) financial years under review.

13.2 Conflict of interests

13.2.1 Our Directors' and substantial shareholders' direct and indirect interest in other businesses and corporations carrying on a similar trade as our Group

Save as disclosed below, none of our Directors or substantial shareholders has any interest, direct or indirect, in other businesses or corporations currently carrying on a similar trade as us.

Director/substantial shareholder	Company	Principal activities	Position held	Equity interest as at the LPD	
				Direct %	Indirect %
Datuk Dr. Goh Tian Chuan	Cara Kaya Sdn Bhd	Property holding and investment holding and oil palm plantation	Director and substantial shareholder	99.99	* 0.01
Kong Kok Keong	Begajuta Sdn Bhd	Collection of FFB and oil palm plantation	Director and substantial shareholder	40.00	-
	Begajuta Sdn Bhd	Collection of FFB and oil palm plantation	Substantial shareholder	40.00	-

Note: * Deemed interest by virtue of Section 6A of the Act held through his spouse.

13. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS *(Cont'd)*

13.2.2 Our Directors' and substantial shareholders' direct and indirect interest in other businesses and corporations who are our Group's customers or suppliers

None of our Directors or substantial shareholders has any direct or indirect interest, in other businesses or corporations which are our customers or suppliers.

The interests of Datuk Dr. Goh Tian Chuan and Kong Kok Keong, our Directors and substantial shareholders in the other businesses and corporations as set out above would not give rise to a situation of conflict of interest with the businesses of our Group.

The involvement of Datuk Dr. Goh Tian Chuan as a director and substantial shareholder in these other businesses does not preclude him from allocating most of his time to our Group because the daily operations in those businesses are managed by the respective companies' personnel. His role in Begajuta Sdn Bhd and Cara Kaya Sdn Bhd is limited to administrative duties such as the signing of cheques and attending board meetings in order to discharge his principal areas of responsibility as a director. Datuk Dr. Goh Tian Chuan has ensured that he would be able to fulfil and discharge his duties and responsibilities effectively as our Director.

Similarly, the involvement of Kong Kok Keong as a substantial shareholder of Begajuta Sdn Bhd, does not preclude him from allocating most of his time to our Group because he is merely a substantial shareholder of the company. He does not hold any executive position and is not involved in the daily operations of the company. Kong Kok Keong has ensured that he would be able to fulfil and discharge his duties and responsibilities effectively as our Director.

13.3 Monitoring and oversight of related party transactions and conflict of interest

Related party transactions, by their very nature, involve a conflict of interest between the related parties and us with whom we entered into such transactions with. Any related party transaction or conflict of interest situation involving us (including any future related party transaction and conflict of interest situation) must be reviewed by our Audit Committee which will report such transaction or conflict to our Board for their further action. If any related party transaction involves any of:

- (i) our Directors and persons connected/related to them; and/or
- (ii) our major shareholders and persons connected/related to them,

then:

- (i) the relevant Director and persons connected/related to that Director; and/or
- (ii) the relevant major shareholder and persons connected/related to that major shareholder,

are required to abstain from deliberation and/or voting at the relevant Board meeting and general meeting in deciding on the related party transaction.

Further, our Audit Committee has the following responsibilities in relation to the monitoring of related party transactions and conflict of interests:

- (i) review the propriety of any related party transaction and conflict of interest situation that may arise within our Company or our Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- (ii) review the adequacy, appropriateness and compliance of the procedures established to monitor recurrent related party transactions;

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

- (iii) review all related party transactions entered into by our Company and our Group during the Audit Committee's quarterly meeting in order to ensure that the related party transactions were entered into on an arm's length basis and on normal commercial terms; and
- (iv) review and approve the circular to our shareholders in respect of the proposed shareholders' mandate for recurrent related party transactions and the statements by the Audit Committee in respect of the proposed shareholders' mandate for recurrent related party transactions.

13.4 Declaration by our advisers on conflict of interests

13.4.1 Declaration by Maybank IB

Save as disclosed below, Maybank IB confirms that as at the LPD, it is not aware of any circumstances that exist or are likely to give rise to a possible conflict of interest situation in relation to its capacity as the Principal Adviser and the Joint Financial Adviser for our Listing.

Maybank IB is also the Principal Adviser and Joint Financial Adviser to Jotech, AIC and AutoV for the preparation of all submissions of Jotech, AIC and AutoV to the regulatory authorities, where required, and the circulars to shareholders of Jotech, AIC, AutoV and the explanatory statements to the warrant holders of Jotech and AIC in relation to the Acquisitions (including the Share Issue), the Distributions and the Warrant Schemes. Alliance Investment Bank Berhad, OSK Investment Bank Berhad and KAF Investment Bank Berhad have been appointed as the independent advisers to advise non-interested directors and non-interested shareholders of Jotech, AIC and AutoV respectively on the Acquisitions (including the Share Issue) and the Distributions.

Maybank, its related and associated companies ("**Maybank Group**") form a diversified financial group which offers an extensive range of financial products and services which includes commercial banking, investment banking, Islamic banking, offshore banking, insurance and takaful, factoring, trustee services, asset management, stock broking, nominee services, venture capital and internet banking. Maybank Group has engaged and may in the future, engage in transactions with and perform services for our Group, in addition to the role involved in our Listing. In addition, in the ordinary course of business, any member of the Maybank Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with our Group, hold long or short positions, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of our Group. This is a result of the businesses of Maybank Group generally acting independently of each other and accordingly there may be situations where parts of the Maybank Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interests of our Group.

Maybank Group has, in the ordinary course of their banking business, granted credit facilities to our Group. As at the LPD, our Group has several banking facilities with Maybank amounting to approximately RM36.55 million, of which RM9.27 million is outstanding.

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

Notwithstanding the appointment of Maybank IB as the Principal Adviser and Joint Financial Adviser to our Company, Jotech, AIC and AutoV for the Listing, the Acquisitions (including the Share Issue), the Distributions and the Warrant Schemes, and the granting of credit facilities to our Group, Maybank IB is of the view that this aforementioned does not result in a conflict of interest situations due to the following reasons:

- (i) the appointment of Alliance Investment Bank Berhad, OSK Investment Bank Berhad and KAF Investment Bank Berhad as the independent advisers to advise non-interested directors and non-interested shareholders of Jotech, AIC and AutoV respectively on the Acquisitions (including the Share Issue) and the Distributions; and
- (ii) the credit facilities granted to our Group are not material when compared to the audited total assets of Maybank Group as at 31 December 2011, which arose in the ordinary course of business of the Maybank Group in view of Maybank Group's extensive participation in the Malaysian banking industry.

13.4.2 Declaration by Astramina

Astramina confirms that there is no conflict of interest in its capacity as the Joint Financial Adviser for our Listing.

13.4.3 Declaration by Mah-Kamariyah & Phillip Koh

Mah-Kamariyah & Phillip Koh confirms that there is no conflict of interest in its capacity as the Solicitor and Due Diligence Solicitor of our Company for our Listing.

13.4.4 Declaration by Lee Choon Wan & Co

Lee Choon Wan & Co confirms that there is no conflict of interest in its capacity as the Solicitor and Due Diligence solicitor of AIC for our Listing.

13.4.5 Declaration by Teh & Lee

Teh & Lee confirms that there is no conflict of interest in its capacity as the Solicitor and Due Diligence Dolicator of Jotech and AutoV for our Listing.

13.4.6 Declaration by Infobusiness Research & Consulting Sdn Bhd

Infobusiness Research & Consulting Sdn Bhd confirms that there is no conflict of interest in its capacity as the Independent Market Researcher for our Listing.

13.4.7 Declaration by KPMG

KPMG confirms that there is no conflict of interest in its capacity as the Auditors and Reporting Accountants of our Company for our Listing.

14. ADDITIONAL INFORMATION

14.1 Share capital

- (i) 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.
- (ii) Save as disclosed in Section 9.1.4 of this Prospectus, no person has been or is entitled to be given an option to subscribe for any of our Company's shares, stocks or debentures. We do not have and we have not agreed conditionally or unconditionally to put any of our share capital under any option.
- (iii) There is currently no scheme involving our employees and Directors in our capital.
- (iv) Save as disclosed in this Prospectus, and save as provided under our Articles and the Act, there are no other restrictions upon the holding or voting or transfer of our Shares or the interests in any of us or our subsidiaries or upon the declaration or payment of any dividend or distribution thereon.
- (v) Pursuant to the Supplemental Agreement and the Supplemental Proreka SPA, 10,900,000 RCPS of ASSB have been issued and therefore on full conversion, 216,183,333 Shares will be issued, representing approximately 3.94%* of our enlarged share capital. Such an issuance will have a dilutive effect on your shareholdings in our Company.

Note:

* Based on our enlarged share capital after the Issuance and assuming conversion of the RCPS of ASSB of RM548,982,958 comprising 5,489,829,581 Shares.

14.2 Extracts of our Articles

The following provisions are extracted from our Articles in respect of the transfer of our securities, the remuneration of our Directors, the voting and borrowing powers of our Directors and changes in share capital and variation of class rights (which are no less stringent than those required by law). The words and expressions appearing in the following provisions shall bear the same meanings used in our Articles unless the context otherwise requires.

(i) **Transfer of Securities**

Article 26 - Transferor's Right

The instrument of transfer of any securities shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the securities until the name of the transferee is entered in the ROD in respect thereof.

Article 27 - Refusal to register transfers

Depository may refuse to register any transfer of Deposited Securities that does not comply with the Central Depositories Act and the Rules, no securities shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.

14. ADDITIONAL INFORMATION (Cont'd)

Article 28 - Closing of registers

The registration of transfers may be closed at such times and for such periods as the Directors may from time to time determine, provided it shall not be closed for more than thirty (30) days in any year. The Company shall give Bursa Securities prior written notice of the period of the intended suspension or closure and the purposes thereof, which notice shall be at least ten (10) market days or such number of days as may be prescribed by Bursa Securities. In relation to the suspension or closure, the Company shall give written notice in accordance with the Rules to prepare the appropriate ROD.

Article 29 - Transfer of securities

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

Article 30 - Instrument of Transfer

Subject to the provisions of the Central Depositories Act and the Rules, every instrument of transfer shall be in writing and in the form approved in the Rules and shall be presented to the Depository with such evidence (if any) as the Depository may require to prove the title of the intending transferor and that the intended transferee is a qualified person.

(ii) Remuneration of the Directors**Article 85 - Directors' fee**

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 that Directors may determine provided always that:-

- (a) fees payable to Directors who hold no executive office in the Company shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover;
- (b) 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;
- (c) 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.

Article 86 - Reimbursement

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 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.

14. ADDITIONAL INFORMATION (Cont'd)**Article 87 - Special Remuneration**

If by arrangement with the Directors, any Director shall perform or render any special duties outside his ordinary duties as a Director in particular without limiting to the generality of the foregoing if any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Directors may pay him special remuneration, in addition to his Director's fees, and such special remuneration may be by way of a fixed sum, or otherwise as may be arranged provided that the special remuneration payable to non-executive director shall not by way of a commission on or percentage of profits or turnover.

Article 121 - Remuneration of Managing Director and/or Executive Director

A Managing Director or Deputy Managing Director and/or Executive Directors shall, subject to the terms of any agreement entered into in any particular case, receive such remuneration (whether by way of salary, commission, or participation in profits or partly in one way and partly in another) as the Directors may determine. Such remuneration may not include a commission on or a percentage of turnover.

(iii) Voting and Borrowing Powers of the Directors**Article 91 - General Powers of the Company Vested in Directors**

The business of the Company shall be managed by the Directors who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not, by the Act or by these Articles, required to be exercised by the Company in general meeting, subject, nevertheless, to any of these Articles, to the provisions of the Act, and to such regulations, being not inconsistent with these Articles or provisions of the Act, as may be prescribed by the Company in general meeting; but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

Article 92 - Powers of Directors

The Directors shall not without the prior approval of the Company in general meeting:

- (a) carry into effect any proposal or execute any transaction for the acquisition of an undertaking or property of a substantial value, or the disposal of a substantial portion of or a controlling interest in the Company's undertaking or property;*
- (b) exercise any power of the Company to issue shares unless otherwise permitted under the Act;*
- (c) subject to Section 132E of the Act, enter into any arrangement or transaction with a Director of the Company or its holding Company or with a person connected with such a Director to acquire from or dispose to such Director or person any non-cash assets of the requisite value as stated in the Act; and*
- (d) issue warrants as call options on such terms and subject to such conditions which may be recommended by the Directors which confers a right to subscribe for new shares of the Company.*

14. ADDITIONAL INFORMATION (Cont'd)

Article 93 - Director's Borrowing Powers

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 108 - Directors' Power to Vote

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 and subject to Article 106 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 109 - Restriction on Voting

A Director shall not 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.

(iv) Changes in capital and variation of class rights**Article 10 - Modification of class rights**

Subject to the provisions of Section 65 of the Act, all or any of the rights, privileges or conditions for the time being attached or belonging to any class of shares for the time being forming part of the share capital of the Company may from time to time be modified, affected, varied, extended or surrendered in any manner with the consent in writing of the holders of not less than three-fourths (3/4) of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the Members of that class. 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 45 - Power to Increase Capital

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

14. ADDITIONAL INFORMATION (Cont'd)**Article 47 - Issue of Securities**

Notwithstanding the foregoing and subject to the Act and the Listing Requirements, the Company must ensure that it shall not issue any shares or convertible securities if the nominal value of the those shares or convertible securities, when aggregated with the nominal value of any such shares or convertible securities issued during the preceding twelve (12) months, exceeds ten per cent (10%) of the nominal value of the issued and paid-up capital of the Company, except where the shares or convertible securities are issued with the prior approval of the shareholders in general meeting of the precise terms and conditions of the issue.

Article 48 - Company May Alter its Capital in Certain Ways

The Company may by ordinary resolution:

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;*
- (b) sub-divide its share capital or any part thereof into shares of smaller amount than is fixed by the Memorandum and Articles 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 or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.*

Article 49 - Capital Raised by the Creation of New Shares

Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the original capital, and shall be subject to the provisions herein contained with reference to payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender and otherwise. Unless otherwise provided in accordance with these Articles the new shares shall be Ordinary Shares.

Article 50 – Reduction of Capital

The Company may by special resolution reduce its share capital and any capital redemption reserve fund or any share premium account in any manner authorised and subject to any conditions prescribed by the Act.

14.3 Limitation on the right to hold securities and/or exercise voting rights

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as securities required to be deposited with Bursa Depository.

Dealing in securities deposited with Bursa Depository may only be effected by a person having a securities account with Bursa Depository (“**Depositor**”) by means of entries in the securities account of that Depositor.

14. ADDITIONAL INFORMATION (Cont'd)

A Depositor whose name appears in the ROD maintained by Bursa Depository in respect of our Shares shall be deemed to be our shareholder and shall be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

14.4 Material litigation

Our Group is not engaged in any material litigation, whether as plaintiff or defendant, and our Directors do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect our financial or business position.

14.5 Material contracts

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

- (i) Novation Agreement dated 23 March 2012 entered into between AIC, CIMB Islamic Trustee Berhad (as Trustee for the Amanah Raya Real Estate Investment Trust) ("**CIMB Islamic Trustee**") and our Company, whereby AIC agreed and CIMB Islamic consented to the assignment and transfer to our Company of the lease of all that piece of land held under HS(D) 97328, Lot PT No. 611 and HS(D) 97329 Lot PT No. 612, both of Section 16, Bandar Shah Alam, District of Petaling, State of Selangor together with all erected buildings/structures thereon but excluding all the plants and machineries installed/affixed/brought or to be installed/affixed/brought on those said land ("**Property**") in consideration of our Company assuming the entire responsibility for and undertaking to carry out, discharge, observe and perform all obligations on the part of AIC pursuant to the Lease Agreement dated 13 September 2006 entered between AIC and Amanah Raya Berhad. The completion of the novation of the lease of the Property shall be effective only after the completion of the Merger Agreement, the consent of the relevant state authority for the said novation has been obtained and the completion of a financial and legal due diligence exercise in respect of our Company having been completed to the satisfaction of CIMB Islamic Trustee;
- (ii) Shareholders Agreement dated 23 September 2011 entered into between Proreka Sprintex Sdn Bhd ("**Proreka Sprintex**"), Automotive Technology Group Limited ("**ATG**") and Proreka whereby ATG and Proreka both hold 50% of the shares in Proreka Sprintex and agreed to regulate their rights, obligations and liability as shareholders in Proreka Sprintex in relation to their obligations to manufacture and to sell and distribute the superchargers in the nominated territory pursuant to a Licence, Sales and Distribution Agreement entered into on 23 September 2011;
- (iii) The Merger Agreement (as amended and varied by the Supplemental Agreement);
- (iv) The Proreka SPA (as amended and varied by the Supplemental Proreka SPA). The Proreka SPA was completed on 9 November 2011;
- (v) Sale & Purchase Agreement dated 21 April 2011 entered into between Prodelcon and Penang Development Corporation for the purchase by Prodelcon of an unencumbered parcel of vacant industrial leasehold land, identified as Plot 321 at Penang Science Park, Bukit Minyak, measuring approximately 4.011 acres, for a cash consideration of RM2.97 million. This acquisition was completed on 21 October 2011;

14. ADDITIONAL INFORMATION (Cont'd)

- (vi) Conditional Sale and Purchase Agreement dated 23 November 2010 entered into between Jotech and Hiew Yon Fo, Pang Kim Fan (“Vendors”) for the acquisition by Jotech of the entire equity interest in CFSB for a purchase consideration of approximately RM4.06 million respectively to be satisfied by RM1.06 million cash and 30 million new Jotech Shares. The Conditional Sale and Purchase Agreement was completed on 22 March 2011;
- (vii) Conditional Sale and Purchase Agreement dated 23 November 2010 entered into between Jotech and the Vendors for the acquisition by Jotech of the entire equity interest in MPSB for a purchase consideration of approximately RM23.10 million to be satisfied by RM8.10 million cash and the issuance of 150 million new Jotech Shares. The Conditional Sale and Purchase Agreement was completed on 22 March 2011; and
- (viii) Sale and Purchase Agreement dated 30 March 2010 entered into between our wholly owned subsidiary, Prodelcon and Mipox Malaysia Sdn Bhd for the disposal of Prodelcon’s investment properties to Mipox Malaysia Sdn Bhd, comprising two (2) parcels of leasehold industrial lands and buildings (offices and factories), located at Lot 7 and 9, Lintang Bayan Lepas 2, Phase IV, Kawasan Perindustrian Bayan Lepas, 11900 Pulau Pinang for a total cash consideration of RM4.6 million. The Sale and Purchase Agreement was completed on 26 July 2010 and resulted in a gain on disposal of RM2.6 million.

14.6 Repatriation of capital and remittance of profits

14.6.1 PRC

Under PRC laws, there are no control restrictions on the remittance of profit of the subsidiaries to the holding company.

As to the capital distribution, under the PRC laws, foreign investors are not allowed to repatriate the capital of foreign investment enterprises out of PRC unless the repatriation of the capital has been duly approved by Ministry of Commerce (or its delegated authorities) under the capital decrease or liquidation situations. The repatriation of the capital is further subject to the approval of the State Administration of Foreign Exchange (or its delegated authorities).

14.6.2 Indonesia

There are no exchange control restrictions or currency restrictions in Indonesia that would prevent the repatriation of funds (regardless of whether they are profits or capital in nature). The payment of dividend and/or repatriation of capital by PT Indotech Metal Nusantara to Jotech Metal Fabrication Industries Sdn Bhd has to be reported directly to Bank Indonesia if it is done through an overseas bank account or intercompany/office accounts. Similarly, the payment of dividend and/or repatriation of capital by PT Indotech Metal Nusantara to Jotech Metal Fabrication Industries Sdn Bhd, if done via an Indonesia Bank, have to be reported to Bank Indonesia via the remitting bank.

14.7 Public take-overs

During the last year ended 31 December 2011 and the subsequent period up to the LPD, there were no:

- (i) public take-over offers by third parties in respect of our securities; and
- (ii) public take-over offers by our Company in respect of other corporations’ securities.

14. ADDITIONAL INFORMATION (Cont'd)

14.8 Consents

The Principal Adviser, Joint Financial Advisers, the Solicitor and Due Diligence Solicitor for our Company, the Solicitors and Due Diligence Solicitors for Jotech, AIC and AutoV respectively, the Company Secretaries, the Share Registrar, the Principal Bankers/Principal Financier and the Independent Market Researcher have, before the issue of this Prospectus, given and have not subsequently withdrawn their written consents for the inclusion in this Prospectus of their names in the manner and form in which such names appear in this Prospectus.

Our Auditors and Reporting Accountants have, before the issue of this Prospectus, given and not subsequently withdrawn their written consents for the inclusion in this Prospectus of their names and the Reporting Accountants' letters on the proforma consolidated financial information and the proforma consolidated statements of financial position in the manner and form in which they are contained in this Prospectus.

14.9 Documents available for inspection

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

- (i) Our Memorandum of Association and Articles;
- (ii) Our material contracts referred to in Section 14.5 of this Prospectus;
- (iii) Our Reporting Accountants' letters on the proforma consolidated financial information and the proforma consolidated statements of financial position referred to in Section 8.5 of this Prospectus;
- (iv) The Directors' Report as referred to in Section 12 of this Prospectus;
- (v) Our IMR Report and the Executive Summary of the IMR Report as referred to in Section 7 of this Prospectus;
- (vi) The letters of consent referred to in Section 14.8 of this Prospectus;
- (vii) The audited consolidated financial statements of Jotech, AIC and AutoV for the last three (3) years ended 31 December 2008, 31 December 2009 and 31 December 2010; and
- (viii) The audited financial statements of all subsidiaries of Jotech, AIC and AutoV for the last five (5) years ended 31 December 2006, 31 December 2007, 31 December 2008, 31 December 2009 and 31 December 2010.

14.10 Responsibility statements

Our Directors and Promoter have reviewed and approved this Prospectus and they collectively and individually accept full responsibility for the accuracy and correctness of the information given in this Prospectus and confirm that, after making all reasonable enquiries and, to the best of their knowledge and belief, there are no false or misleading statements or other facts which, if omitted, would make any statement in this Prospectus false or misleading.

Maybank IB as the Principal Adviser and Joint Financial Adviser and Astramina as the Joint Financial Adviser for the Listing acknowledge that, based on all available information and to the best of their knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts on the Listing.

APPENDIX I BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES

The table below sets out the material properties owned by our Group as at the LPD:

No.	Name of registered owner/location/address	Description/existing use	Land area/ built-up area * sq. ft.	Age of building/ date of issuance of certificate of fitness	Tenure/ date of expiry of lease	Major encumbrances/ restrictions in interest	Net book value as at 31 December 2010 RM
1.	AIC Semiconductor Sdn Bhd Lot 26 & 27 Zone Perindustrian Phase 1 Kulim Hi-Tech Industrial Park 09000 Kedah Malaysia	Office building annexed to a factory building / Currently used for assembly and test of IC chips	Total land area: 513,140/ Plant 1: 95,000 Plant 2: 89,000	Plant 1: 15 years/ 8.9.1997 Plant 2: 11 years/ 17.5.2002	Lease over 60 years/ 19.8.2056	Charged to Malaysian Industrial Development Finance Berhad vide presentation no. 18002/2007	35,275,680
2.	Prodelcon Plot 78 Lintang Bayan Lepas 7 Phase IV Kawasan Perindustrian Bayan Lepas 11900 Pulau Pinang Malaysia	Office building annexed to a factory building / Currently used for manufacture of semiconductor tooling products, automation systems and precision machining	66,000/ 51,000	14 years/ 23.7.1998	Lease over 60 years/ 10.7.2057	-	6,036,839
3.	AIC Properties Sdn Bhd Country Lease No.: 015028234 Kg Gudon Jalan UMS (KK- Sulaman Highway) Kota Kinabalu, Sabah Malaysia	Vacant land designated within an area zoned for "High Density Residential Use" / The land is purchased for investment purposes and currently there is no existing use	7.808 acres	N/A	Lease over 999 years/ 13.10.2924	-	11,033,201

APPENDIX I BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (Cont'd)

No.	Name of registered owner/location/address	Description/existing use	Land area/ built-up area * sq. ft.	Age of building/ date of issuance of certificate of fitness	Tenure/ date of expiry of lease	Major encumbrances/ restrictions in interest	Net book value as at 31 December 2010 RM
4.	Auto V Lot 27217, Jalan Haji Abdul Manan Batu 51/2, Off Jalan Meru 41050 Klang Selangor Darul Ehsan Malaysia	Single storey detached factory with a double storey office / Currently used for manufacturing of automotive components	53,604/ 37,502	(1) 17 years/ 12.08.2010	Freehold	-	2,752,894
5.	JP Metal Sdn Bhd Lot 6, Jalan 6/4 Kawasan Perindustrian Seri Kembangan 43300 Seri Kembangan Petaling Jaya, Selangor Malaysia	Single storey detached factory with a double storey office / Currently used for metal stamping operations	48,319/ 29,881	23 years/ 20.11.1989	Freehold	-	3,362,477
6.	Jotech Metal Fabrication Industries Sdn Bhd No. 20 & 22 Jalan Masyhur 1 Taman Perindustrian Cemerlang 81800 Ulu Tiram Johor Malaysia	3-storey office with single storey detached factory building / Currently used for manufacturing and fabrication of tools and dies and precision stamping parts for electronic and electrical industries	78,400/ 63,000	15 years/ 11.11.1997	Freehold	Pledged to OCBC Bank Berhad presentation no. 80729/2007 and 80730/2007	6,656,956
7.	Jotech Metal Fabrication Industries Sdn Bhd No. 24, Jalan Masyhur 1 Taman Perindustrian Cemerlang 81800 Ulu Tiram Johor Malaysia	3-storey office with single storey detached factory building / Currently used for manufacturing and fabrication of tools and dies precision stamping parts for electronic and electrical industries	39,200/ 25,052	20 years/ 1.4.1992	Freehold	Pledged to OCBC Bank Berhad presentation no. 87062/2006	3,504,180

APPENDIX I BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (Cont'd)

No.	Name of registered owner/location/address	Description/existing use	Land area/ built-up area * sq. ft	Age of building/ date of issuance of certificate of fitness	Tenure/ date of expiry of lease	Major encumbrances/ restrictions in interest	Net book value as at 31 December 2010 RM
8.	PT Indotech Metal Nusantara Kawasan Industri KIIC Lot C-7C, Jln. Tol Jakarta-Cikampek KM 47 Teluk Jambe Karawang 41361 Jawa Barat Indonesia	2-storey office with single storey detached factory building / Currently used for manufacturing and fabrication of tools and dies and precision stamping parts for the electronic and automotive industries	79,040/ 46,228	15 years/ 25.8.1997	Lease over 30 years/ 24.9.2021	Pledged to PT Bank OCBC Indonesia vide presentation no. AK002822	2,486,563
9.	GuangDong Jotech Kong Yue Precision Industries Ltd Kong Yue Industrial Park 18 Kong Yue Road Xinhui District JiangMen City GuangDong Province PRC	2-storey office with single storey detached factory building / Currently used for manufacturing and fabrication of tools and dies and precision stamping parts for the electronic and electrical industries	358,793/ 93,076	9 years/ (2) 17.8.2007	Lease over 50 years/ 11.5.2053	Pledged to Xinhui Rural Credit Union Bank vide presentation no. 899B and 899C dated 23 July 2009 and 20 July 2009 respectively	5,396,915

Notes:

* In sq. ft. unless otherwise stated.

(1) The age of building was based on the date of completion on 12 January 1995. The certificate of fitness for the property was subsequently issued on 12 August 2010.

(2) Based on the Project Completion Inspection Report (工程竣工验收报告) dated 17 August 2007 issued by Xinhui Construction Project Quality and Safety Supervision Department (新会市建设工程质量监督站).

To the best of our Directors' knowledge and belief, there is no breach of any property or land use conditions and/or no non-compliance with any regulatory requirement, land rules, building regulations and environmental issue which may materially affect our Group's operation and utilisation of assets in respect of the property owned by our Group as set out above.

APPENDIX I BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (Cont'd)

The table below sets out the material landed properties rented by our Group:

No.	Name of lessor/address	Description/existing use	Area rented sq. ft.	Tenure/ date of expiry	Monthly rental and service charges RM
1.	Sri Badas Sdn Bhd Block 7, Lot 68, 2 nd Floor, Prima Square Phase 1, Mile 4, North Road 90000, Sandakan, Sabah Malaysia	3-storey shop-cum-office building / Currently being used as the office space for MPSB and CFSB	1,400	6 years/ 31.5.2017	1,380
2.	Ho Yeat Seong Lot P.T. 39479 No. 17, Jalan Industri PBP 3 Taman Industri Pusat Bandar Puchong Mukim Petaling District of Petaling, Selangor Darul Ehsan Malaysia	1-storey factory and 3-storey office building / Currently being used as the manufacturing site and warehouse of Proreka	66,650	2 years/ 31.12.2012	56,000
3.	Eternal Accord Sdn Bhd Lot PT 2631 Kampung Baru Sungai Buluk 47000, Sungai Buluh Selangor Darul Ehsan Malaysia	1-storey factory and 2-storey office building / Currently being used as the office space, manufacturing site and warehouse of Proreka Tech Sdn Bhd	30,600	3 years/ 31.5.2015	(1) 18,200
4.	Tan Kho Khew Properties Sdn Bhd Lot 717G (Grant 2605) Jalan Welfare Kampung Sg Buloh 47000 Selangor Darul Ehsan Malaysia	1-storey warehouse / Currently used as the warehouse of Proreka Tech Sdn Bhd	6,000	1 year/ 31.7.2012	4,000

APPENDIX I BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (Cont'd)

No.	Name of lessor/address	Description/existing use	Area rented sq. ft.	Tenure/ date of expiry	Monthly rental and service charges RM
5.	CIMB Islamic Trustee Berhad (as trustee for Amanah Raya Real Estate Investment Trust) Wisma AIC Lot 3, Persiaran Kemajuan Seksyen 16 40200 Shah Alam Selangor Darul Ehsan Malaysia	3-storey office building with 2-storey factory building and warehouse / Currently used as office space and warehouse by AIC, AutoV and Brimal Holdings Sdn Bhd	19,217	10 years/ 12.9.2016	110,833.33 for year 1 to year 3 118,750.00 for year 4 to year 7 126,666.67 for year 8 to year 10

Note:

(1) The rental for this property will be increased to RM20,000 per month beginning October 2012.

None of the properties disclosed above are in breach of any property or land use conditions and/or is in non-compliance with current statutory requirements, land rules or building regulations.

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APPENDIX I BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (Cont'd)

The table below sets out the oil palm plantations of our Group:

No.	Registered owner/ sub-lessee	Location/address	Title type	Description of property/ existing use	Land area Hectares ("ha.")	Tenure/ date of expiry of lease	Major encumbrances/ restriction in interest	Net book value as at 31 December 2010 RM
1.	Pang Kin Fan and Hiew Yon Fo/ MPSB ⁽¹⁾	Division 1, Bukit Garam/Sg. Lokan Off KM76.5 Sandakan-Lahad Datu Highway Kinabatangan Sabah	Country Lease ("CL") and Native Title ("NT")	Oil palm plantation with twenty (20) lots subject lands of which mostly are contiguous and collectively irregular in shape. The northern part generally comprises of hills and valley floors while the southern part is generally flat.	(i) CL: 142.883	CL ⁽²⁾ (i) 17.293 ha. leasehold/ 31.12.2081 (ii) 59.570 ha. leasehold/ 31.12.2082 (iii) 5.830 ha. leasehold/ 31.12.2082 (iv) 36.200 ha. leasehold/ 31.12.2096 (v) 23.990 ha. leasehold/ 31.12.2100	Charged to RHB Bank Berhad as security for bank borrowings All land is only for the purpose of cultivation of rice and/or agricultural crop of economic value. Only crops approved by the Director of Agriculture/ Director of Fisheries/ Director of Animal Husbandry and Veterinary Services shall be planted or cultivated on the said land	4,415,595
			(ii) NT: 40.510		NT ⁽¹⁾ (i) 40.510 ha. perpetual/ 31.05.2039 ⁽³⁾			

APPENDIX I BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (Cont'd)

Registered owner/ No. sub-lessee	Location/address	Title type	Description of property/ existing use	Land area ha.	Tenure/ date of expiry of lease	Major encumbrances/ restriction in interest	Net book value as at 31 December 2010 RM
			The average range of FFB yields are as follows:				
			Year of Planted planting ha.	^ Average yield Metric Tonne ("MT")/ha.			
			1996	57.44	20.90 – 32.80		
			1997	11.00	18.16 – 28.32		
			1999	26.00	2.79 – 11.51		
			2002	22.80	0.31 – 16.93		
			2004	16.18	0.57 – 27.01		
			2008	42.47	*		
Division 2 Bukit Garam/Sg. Lokan Off KM76.5 Sandakan-Lahad Datu Highway Kinabatangan Sabah		NT, Provisional List ("PL") and Field Register ("FR")	Oil palm plantation with fifty-five (55) lots subject lands of which mostly are contiguous and collectively have a rough rectangular shape. The combined parcel has terrain comprising mainly broad hills interspersed by minor valley floors while undulating grounds, flat and lowlying areas are also found.	(i) NT: 225.219	<u>NT</u> (i) 205.829 ha. perpetual / 12.12.2098 ⁽⁴⁾ (ii) 19.390 ha. perpetual/ 31.05.2039 ⁽³⁾	Charged to RHB Bank Berhad as security for bank borrowings All land is only for the purpose of cultivation of rice and/or agricultural crop of economic value. Only crops approved by the Director of Agriculture/ Director of Fisheries/ Director of Animal Husbandry and Veterinary Services shall be planted or cultivated on the said land	6,353,572
				(ii) FR: 4.828	<u>FR</u> (i) 4.828 ha. perpetual/ 31.05.2039 ⁽³⁾		
				(iii) PL: 9.801	<u>PL</u> (i) 9.801 ha. leasehold/ 31.12.2079 ⁽²⁾		

APPENDIX I BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (Cont'd)

Registered owner/ No.	sub-lessee	Location/address	Title type	Description of property/ existing use	Land area ha.	Tenure/ date of expiry of lease	Major encumbrances/ restriction in interest	Net book value as at 31 December 2010 RM																					
				<p>The average range of FFB yields are as follows:</p> <table border="1"> <thead> <tr> <th>Year of planting</th> <th>Planted ha.</th> <th>Average yield MT/ha.</th> </tr> </thead> <tbody> <tr> <td>1998</td> <td>51.66</td> <td>6.34 – 26.36</td> </tr> <tr> <td>1999</td> <td>74.81</td> <td>4.03 – 27.56</td> </tr> <tr> <td>2000</td> <td>74.83</td> <td>11.96 – 21.71</td> </tr> <tr> <td>2002</td> <td>3.50</td> <td>19.85 – 37.52</td> </tr> <tr> <td>2003</td> <td>15.00</td> <td>11.22</td> </tr> <tr> <td>2005</td> <td>4.60</td> <td>23.96</td> </tr> </tbody> </table>	Year of planting	Planted ha.	Average yield MT/ha.	1998	51.66	6.34 – 26.36	1999	74.81	4.03 – 27.56	2000	74.83	11.96 – 21.71	2002	3.50	19.85 – 37.52	2003	15.00	11.22	2005	4.60	23.96				
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2003	15.00	11.22																											
2005	4.60	23.96																											
		Division 3, Bukit Garam/Sg. Lokan, Off KM 76.5 Sandakan- Lahad Datu Higway Kinabatangan, Sabah	CL and NT	Oil palm plantation with eighty-nine (89) lots subject land of which mostly are contiguous and collectively have a roughly inverted 'V' shape. The combined parcel has a terrain that contains swathes of flat lower lying land as well as higher grounds of undulating land and low hills with long gentle slopes.	(i) CL: 24.270	CL ⁽²⁾ (i) 24.270 ha. leasehold/ 31.12.2096	Charged to RHB Bank Berhad as security for bank borrowings	17,444,155																					
					(ii) NT: 364.534	NT (i) 361.271 ha. perpetual/ 31.05.2039 ⁽³⁾ (ii) 3.263 ha. perpetual/ 13.07.2040 ⁽³⁾	All land is only for the purpose of cultivation of rice and/or agricultural crop of economic value. Only crops approved by the Director of Agriculture/ Director of Fisheries/ Director of Animal Husbandry and Veterinary Services shall be planted or cultivated on the said land																						

APPENDIX I BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (Cont'd)

Registered owner/ sub-lessee	Location/address	Title type	Description of property/ existing use	Land area ha.	Tenure/ date of expiry of lease	Major encumbrances/ restriction in interest	Net book value as at 31 December 2010 RM														
<p>The average range of FFB yields are as follows:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: center;">⁽⁵⁾ Year of production</th> <th style="text-align: center;">Average yield MT/ha.</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2009</td> <td style="text-align: center;">17.37</td> </tr> <tr> <td style="text-align: center;">2010</td> <td style="text-align: center;">14.29</td> </tr> </tbody> </table> <p>The planted area are as follows:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: center;">⁽⁶⁾ Year of planting</th> <th style="text-align: center;">Planted ha.</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2002</td> <td style="text-align: center;">117.43</td> </tr> <tr> <td style="text-align: center;">2005</td> <td style="text-align: center;">148.46</td> </tr> <tr> <td style="text-align: center;">2007</td> <td style="text-align: center;">75.89</td> </tr> </tbody> </table>								⁽⁵⁾ Year of production	Average yield MT/ha.	2009	17.37	2010	14.29	⁽⁶⁾ Year of planting	Planted ha.	2002	117.43	2005	148.46	2007	75.89
⁽⁵⁾ Year of production	Average yield MT/ha.																				
2009	17.37																				
2010	14.29																				
⁽⁶⁾ Year of planting	Planted ha.																				
2002	117.43																				
2005	148.46																				
2007	75.89																				
2.	Pang Kin Fan and Hiew Yon Fo/ CFSB ⁽⁷⁾	Bukit Garam/ Sg. Lokan Off KM76.5 Sandakan – Lahad Datu Highway Kinabatangan Sabah	NT Oil palm plantation with twenty-one (21) lots of subject land of which mostly are contiguous land and collectively have a pistol like shape. The combined parcel comprises of mainly low undulating slopes and flat lowerlying patches.	NT: 104.205	NT (i) 97.185 ha. perpetual/ 07.12.2040 ⁽³⁾ (ii) 7.020 ha. perpetual/ 18.12.2038 ⁽³⁾	Charged to Public Bank Berhad as security for bank borrowings All land is only for the purpose of cultivation of rice and/or agricultural crop of economic value.	2,295,353														
<p>Only crops approved by the Director of Agriculture/ Fisheries/ Director of Animal Husbandry and Veterinary Services shall be planted or cultivated on the said land.</p>																					

APPENDIX I BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (Cont'd)

No.	Registered owner/ sub-lessee	Location/address	Title type	Description of property/ existing use	Land area ha.	Tenure/ date of expiry of lease	Major encumbrances/ restriction in interest	Net book value as at 31 December 2010 RM
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The average range of FFB yields are as follows:

Year of planting	Planted ha.	# Average yield	MT/ha.
1996	- 85.49	15.82	- 19.69
1997			
2007	9.40	*	

Notes:

[^] Based on average lowest and highest yields between years 2002 and 2010.

* Negligible.

Based on average lowest and highest yields between years 2007 and 2010.

⁽¹⁾ MPSB is a wholly-owned subsidiary of Jotech as at 22 March 2011.

⁽²⁾ Leasehold term of ninety-nine (99) years.

⁽³⁾ Sublease term of thirty (30) years.

⁽⁴⁾ Sublease term of ninety-nine (99) years.

⁽⁵⁾ The estate was acquired recently and no records of the years of planting of the oil palm were provided by the previous owners.

⁽⁶⁾ The plantation was acquired recently and no records of the average yield in relation to the oil palm planted for years 2002 to 2007.

⁽⁷⁾ CFBSB is a wholly-owned subsidiary of Jotech as at 22 March 2011.

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APPENDIX I BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (Cont'd)

The table below sets out the material properties acquired subsequent to 31 December 2010 and up to the LPD:

No.	Name of registered owner/location/address	Description/existing use	Land area/ built-up area sq. ft.	Age of building/ date of issuance of certificate of fitness	Tenure/ date of expiry of lease	Major encumbrances/ restrictions interest in	Net book value as at 31 December 2011 RM
1.	PT Indotech Metal Nusantara Kawasan Industri KIIIC Lot E-4B, Jln. Tol Jakarta-Cikampek KM47 Teluk Jambe Karawang, 41361 Jawa Barat Indonesia	Construction of a 2-storey office and single storey detached factory / To be used for manufacturing and fabrication of tools and dies and precision stamping parts for the electronic and automotive industries	107,639/ N/A	-	Lease over 30 years/24.9.2025	Pledged to PT Bank Indonesia wide presentation no. BB901755	2,806,849
2.	Vested in the State Authority of Penang Plot 321 being part of Mukim 13 Daerah Tengah Seberang Perai Tengah Penang	Vacant land / To be used by Prodelcon for the manufacturing of surgical instruments, implants and radio frequency microwave, photonics components, design and fabrication including refurbishing of IC moulds, die sets, spares, jig and fixtures and automation systems	174,719/ N/A	-	Lease over 60 years/N/A [^]	The land shall not be transferred, charged, leased, sub-leased, let or involved in any dealings without the written consent of the State Authority of Penang	2,961,975

Notes:

* Pursuant to the Sales and Purchase Agreement dated 21 April 2011 between Prodelcon and Penang Development Corporation ("PDC"), the land will be alienated to PDC and will subsequently be transferred to Prodelcon. The State Authority of Penang has approved the said alienation and transfer vide its letter to PDC dated 25 August 2011. The State Authority of Penang, PDC and Prodelcon are now in the process of effecting the alienation and transfer of the land.

[^] As the individual issue document of title to the land has not been issued, the commencement and expiry of the sixty (60) year lease cannot be determined at this juncture.

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
AIC Semiconductor Sdn Bhd	Manufacturing Licence	MITI	Licence No. A011115, Serial no. A 016968	Manufacturing Licence under the Industrial Co-Ordination Act 1975 to produce integrated circuits	5.4.1997	N/A	<ol style="list-style-type: none"> 19.09% of the company's shares shall be held by GFB. The company must train Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of employment. To implement the project as approved and in accordance to the rules and regulations in Malaysia. 	To be complied Noted Noted
	Warehouse/ Manufacturing warehouse licence	Royal Malaysia Customs	K16-G6-2007-00000011	Warehouse/ Manufacturing warehouse licence under Section 65/65A Customs Act 1967 for IC chips	1.5.2012	30.4.2014	<ol style="list-style-type: none"> Machines which are directly used for the manufacturing process has to be in new condition and not used. Used machines can be imported on the condition that the licensee obtains prior approval from MITI. 80% of the finished products (based on value) are for export and 20% of the finished products are for sale in the local market are subject to any relevant duty/ tax at the time. Disposal of remainder, waste and manufacturing litter has to obtain written consent from the Director of the Sate Custom (Pengarah Kastam Negeri) Licensee will be required to obtain a bank guarantee of RM50,000.00 to guarantee the safety duty/tax for raw material/ component, finished product which are kept in the Licence Manufacturing Warehouse as well as for removal of goods with duty. 	Noted Noted Complied

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
Automako Sdn Bhd	Manufacturing licence	MITI	A016709	To act as manufacturer of wiper arm and blade assembly	25.1.2008	N/A	<p>5. Licencee has to inform the Assistant Officer in charge of the Factory (Pegawai Kanan Yang Mengawal Kilang) in writing when one of the following events occurs in the period of fourteen (14) days:</p> <p>(a) changes in the company's member of board of directors;</p> <p>(b) a resolution passed to wind up the company;</p> <p>(c) an order made for winding up of the company;</p> <p>(d) appointment of liquidation or receivership is made;</p> <p>(e) company is involved in any civil claim case, bankruptcy, discharge, closure of business and others.</p>	Noted
			Ref: A028527					<p>1. Subject to the approval from the state authority and Jabatan Alam Sekitar.</p> <p>2. Sales of shares must be communicated to MITI.</p> <p>3. To train Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of employment.</p> <p>4. To implement the project as approved and in accordance to the rules and regulations in Malaysia.</p>
	Manufacturing licence under Sales Tax Act 1972	Royal Customs and Excise Malaysia	B10-CJ-A040559/1991	Activity 411: Machine and replacement tools	1.9.1991	N/A	<p>1. Licence subject to Custom Act 1967, Sales Tax Act 1972, Service Act 1975 and Excise Act 1976.</p> <p>2. Licence must be renewed one month before expiry date.</p>	Complied

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
AutoV Mando Sdn Bhd	Manufacturing licence	MITI	A010414 Ref: A021538	To act as manufacturer for steering universal joint	10.8.1995	N/A	<ol style="list-style-type: none"> 3. No goods other than specified in licence may be stored in licenced warehouse or inland clearance depot. 4. Licence does not relieve the duty to comply with requirements of other written laws. 1. Subject to the approval from the state authority and Jabatan Alam Sekitar. 2. 70% of the company's shares shall be held by GFB. 3. To train Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of employment. 4. To implement the project as approved and in accordance to the rules and regulations in Malaysia 	Noted Noted Complied To be complied
	Manufacturing licence	Royal Customs and Excise Malaysia	B10-A-54268/95	Licence under the Sales Tax Act 1972 to manufacture the following products: <ol style="list-style-type: none"> 1. Steering column with universal joint 2. Gear power steering and brake system 	17.8.1995	N/A	<ol style="list-style-type: none"> 1. The Sales Tax Act 1972 requires that a return of taxable sales be made in respect of each taxable period and that tax be paid thereon on or before the twenty-eight day of the following month 2. A new licence is required when: <ol style="list-style-type: none"> (a) a partner withdraws or a new partner is added to a partnership; (b) a registered company takes over a licenced business or company which is not a registered company; or (c) where a company is leased. 	Complied Noted

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
	Manufacturing licence	MITI	A010414 Ref: A023209	To act as a manufacturer of gear power steering	14.3.2005	N/A	<ol style="list-style-type: none"> In the case of any alteration to the name of the licenced business or company the licence should be forwarded to the Senior Officer of Sales Tax in charge of the district in which the company has its principal place of business for amendment. Subject to the approval from the state authority and Jabatan Alam Sekitar. 70% of the company's shares shall be held by GFB. 	Noted Complied To be complied
ASSB	Manufacturing licence	Royal Customs and Excise Malaysia	B10-CJ-96000089/1996	Manufacturing licence under the Sales Tax Act 1972 Activity: 430	1.7.1996	N/A	<ol style="list-style-type: none"> To implement the project as approved and in accordance to the rules and regulations in Malaysia. Licence is subject to Custom Act 1967, Sales Tax Act 1972, Service Act 1975 and Excise Act 1976. Licence must be renewed one (1) month before expiry date. No goods other than those specified in the licence may be stored in a licenced warehouse or inland clearance depot. Licence does not relieve duty to comply with requirements of other written laws. 	Noted Complied Noted Noted

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
Autovisor Plastics Sdn Bhd	Manufacturing licence	MITI	A010828 Ref: A016492	To act as a manufacturer of sun visor, room and interior lamp for automobile	9.9.1994	N/A	<ol style="list-style-type: none"> Subject to the approval from the state authority and Jabatan Alam Sekitar. Sales of shares must be communicated to MITI. To train the Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of employment. To implement the project as approved and in accordance to the rules and regulations in Malaysia. 	Complied Noted Noted
	Manufacturing licence	Royal Customs and Excise Malaysia	B10-CJ-A033169/1993	Manufacturing licence under Sales Tax Act 1972, Activity: 415	1.1.1991	-	<ol style="list-style-type: none"> Licence subject to Custom Act 1967, Sales Tax Act 1972, Service Act 1975 and Excise Act 1976. Licence must be renewed one month before expiry date. No goods other than specified in licence may be stored in licenced warehouse or inland clearance depot. Licence does not relieve duty to comply with requirements of other written laws. 	Complied Noted Noted
Aventur Door System Sdn Bhd	Manufacturing licence	MITI	A016710 Ref: 028528	To act as a manufacturer for window regulators	20.2.2008	N/A	<ol style="list-style-type: none"> Subject to the approval from the state authority and Jabatan Alam Sekitar. Sales of shares must be communicated to MITI. To train the Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of employment. 	Complied Noted Noted

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit/ licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
							<ol style="list-style-type: none"> 4. To implement the project as approved and in accordance to the rules and regulations in Malaysia. 	Complied
	Manufacturing licence	Royal Customs and Excise Malaysia	B10-CJ-A040558/1991	Manufacturing licence under Sales Tax Act 1972 Activity: 430	5.9.1991	N/A	<ol style="list-style-type: none"> 1. This licence is subject to the Custom Act 1967, Sales Tax Act 1972, Service Act 1975 and Excise Act 1976. 	Complied
							<ol style="list-style-type: none"> 2. This licence must be renewed one month before the expiry date. 	Noted
							<ol style="list-style-type: none"> 3. No goods other than those specified in the licence may be stored in a licenced warehouse or inland clearance depot. 	Noted
							<ol style="list-style-type: none"> 4. This licence does not relieve the company of the duty to comply with the requirements of other written laws. 	Noted
Brimal Holdings Sdn Bhd	Manufacturing licence	MITI	A016603	To act as a manufacturer of seat belts, car child seat belts, mirrors, industrial harness, cargo restraints and lifting slings	5.2.2008	N/A	<ol style="list-style-type: none"> 1. Subject to the approval from the state authority and Jabatan Alam Sekitar. 	Complied
			Ref: A025696				<ol style="list-style-type: none"> 2. All of the company's shares shall be held by GFB 	To be complied
							<ol style="list-style-type: none"> 3. To train Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of employment. 	Noted
							<ol style="list-style-type: none"> 4. To implement the project as approved and in accordance to the rules and regulations in Malaysia. 	Complied
							<ol style="list-style-type: none"> 5. The company must export at least 70% of its products. 	Complied

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
	Manufacturing licence	MITI	A016602 Ref: A025695	To act as manufacturer of side trims, sun visors, air filter housing, water reserve tanks and deadners	5.2.2008	N/A	<ol style="list-style-type: none"> Subject to the approval from the state authority and Jabatan Alam Sekitar. All of the company's shares shall be held by GFB. To train Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of employment. To implement the project as approved and in accordance to the rules and regulations in Malaysia. The company must export at least 70% of its products. 	Complied To be complied
	Manufacturing licence	MITI	A012199 Ref: A023860	To act as manufacturer of 3 dimension head mounted display	8.8.2005	N/A	<ol style="list-style-type: none"> Subject to the approval from the state authority and Jabatan Alam Sekitar. All of the company's shares shall be held by GFB. To train Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of employment. To implement the project as approved and in accordance to the rules and regulations in Malaysia. 	Complied To be complied
	Manufacturing licence	MITI	A013426 Ref: A021207	To act as manufacturer of headlining	10.2.2003	N/A	<ol style="list-style-type: none"> Subject to the approval from the state authority and Jabatan Alam Sekitar. All of the company's shares shall be held by GFB 	Complied To be complied

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
							<ol style="list-style-type: none"> 3. To train Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of employment. 4. To implement the project as approved and in accordance to the rules and regulations in Malaysia. 	Noted Complied
	Manufacturing licence	Royal Customs and Excise Malaysia	B10-CJ-96000017/1996	Manufacturing licence under the Sales Tax Act 1972 Activity: 430	19.1.1996	N/A	<ol style="list-style-type: none"> 1. This licence is subject to the Custom Act 1967, Sales Tax Act 1972, Service Act 1975 and Excise Act 1976. 2. This licence must be renewed one month before the expiry date. 3. No goods other than those specified in the licence may be stored in a licenced warehouse or inland clearance depot. 4. This licence does not relieve the company from complying with the requirements of other written laws. 	Complied Noted Noted
Bryte-DY Sdn Bhd	Manufacturing licence	MITI	A016717 Ref: 028539	To act as a manufacturer of windshield wiper rubber blades	12.12.2007	N/A	<ol style="list-style-type: none"> 1. Subject to the approval from the state authority and Jabatan Alam Sekitar. 2. Sales of shares must be communicated to MITI. 3. To train Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of employment. 4. To implement the project as approved and in accordance to the rules and regulations in Malaysia. 	Complied Noted Complied

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
CFSB	FFB sales licence	Malaysian Palm Oil Board	508947-902000	To sell FFB under the estate category set out in the licence	1.8.2011	31.7.2012	<ol style="list-style-type: none"> The company is prohibited from selling FFB to any other person except those who have been granted an authority to purchase FFB. The FFB sold must be sourced from the approved estates set out in the licence, being Mukim Sg. Labaong Kinabatangan, Sabah. 	Complied Complied
GuangDong Jotech Kong Yue Precision Industries Ltd	Business licence	Jiangmen Administration for Industry and Commerce Bureau	44070040-0001100	To undertake activities relating to precision metal stamping and manufacture of tools	12.3.2003	12.3.2033	<ol style="list-style-type: none"> The licence enables the company to carry out precision metal stamping and tooling manufacturing activities. The company must achieve annual sales of more than USD5 million, failing which the licensee is required to notify the approving authority of the non-compliance and thereafter the board of the licensee is to decide on the next course of action. 	Complied Complied
	Certificate for import and export	XinHui District, JiangMen City, Guangdong Province, Customs of the PRC	44079321-53	Customs registration for the import and export of goods	28.3.2003	27.3.2014	<ol style="list-style-type: none"> The company must maintain contributed capital of not less than USD4 million. The company is allowed to import and export materials relating to precision metal stamping and tooling. Sales pricing for both local and export markets will be according to market rates and subject to periodic review by the board of directors. 	Complied Noted

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
Jotech Metal Fabrication Industries Sdn Bhd	Manufacturing licence	MITI	A011229	To act as licenced manufacturer for metal stamp parts, fabricated metal and hardboard components.	13.12.1997	N/A	<ol style="list-style-type: none"> Subject to the approval of the State Authority and Jabatan Alam Sekitar. All of the company's shares shall be held by GFB. The company must train the Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of employment. The company must implement the project as approved and in accordance with the rules and regulations in Malaysia. 	Noted To be complied Noted
	Manufacturing and warehouse licence	Royal Malaysia Customs	J10-GPB-0036/2011	To be exempted from duties imposed on raw materials for the production of exported goods.	1.3.2011	28.2.2013	<p>The manufacturer must at all times, fulfill the following conditions in order to be exempted from duties imposed on raw materials:</p> <ol style="list-style-type: none"> Manufacturers who meet the definition of manufacturing production activities under Section 2(1) of the Customs Act 1967. Manufacturers who export finished goods with a value of more than 80% of the total value of production within the past twelve (12) months. Manufacturers who have a manufacturing licence under the Industrial Coordination Act 1975. The company is required to pay amounts of RM70,000 and RM50,000 as security for the licence. 	Noted Complied

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Saillant conditions imposed	Status of compliance
JP Metal Sdn Bhd	Manufacturing licence	MITI	A011130 Ref: A016991	To act as manufacturer of metal stamped parts/ metal products/ fabricated hardboard components	16.6.1997	N/A	<ol style="list-style-type: none"> Subject to the approval from the state authority and Jabatan Alam Sekitar. Approval of MITI must be obtained before the sale of the shares of this company from the foreign holder. To train Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of employment. To implement the project as approved and in accordance to the rules and regulations in Malaysia. At least 80% of the shares of the company must be held by Malaysians. The approved project must be launched within six (6) months from the date this approval or any other extension of time be approved by the officer. Failure to comply with this condition may render the licence to be forfeited. The shareholding structure of the company must reflect the equity structure of the company. MITI must be informed for the appointment and any changing in the shareholders. If the company intends to purchase used machinery, approval from MITI and a valuation report is needed. MITI must approve any change of machinery which will affect the export of the company. 	Complied Noted Noted Complied Complied Complied

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
							<p>9. MITI's approval is required if the company intends to execute the following agreements:</p> <p>(a) joint venture agreement (b) technical assistance and "know-how" Agreement (c) licensing agreement (d) intellectual property rights agreement (e) "turnkey" contract agreement (f) management agreement</p>	Complied
							<p>10. The products of the company must conform to the standards set by the Malaysia government.</p>	Complied
							<p>11. At least 30% of the shareholders must be Bumiputera. Appointment of a foreign shareholder must be approved by MITI.</p>	Complied
	Manufacturer's licence	Royal Customs and Excise Malaysia	Pindaan 2-B10-0100625/2 001	Licence under the sales tax act - manufacturer's licence	1.9.2001	N/A	Nil	N/A
MPSB	FFB licence	Malaysian Palm Oil Board	503468-202000	To sell FFB under the estate category set out in the licence	1.3.2012	29.2.2013	<p>1. The company is prohibited from selling FFB to any other person except those who have been granted an authority to purchase FFB from the authorities.</p> <p>2. The FFB sold must be sourced from the approved estates set out in the licence, being Mk. Sabangan and Sg. Labaong Kinabatangan Sabah.</p>	Complied

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
Nobel Decree Sdn Bhd	Manufacturing licence	Royal Customs and Excise Malaysia	B10-CJ-A047539/1994	Manufacturing Licence under Sales Tax Act 1972 Activity: 420	1.1.1994	N/A	<ol style="list-style-type: none"> This licence is subject to the Custom Act 1967, Sales Tax Act 1972, Service Act 1975 and Excise Act 1976. This licence must be renewed one month before the expiry date. No goods other than those specified in the licence may be stored in a licenced warehouse or inland clearance depot. This licence does not relieve the company from complying with the requirements of other written laws. 	Complied
Prodelcon	Manufacturing licence	MITI	A011069/Serial no. A016896	Manufacturing Licence under the Industrial Co-ordination Act 1975 to manufacture: <ol style="list-style-type: none"> Moulds, tools and dies for electrical, electronics and plastic industries Jigs and fixtures Metal stamped parts Assembly of automated material handling equipment Metal furniture and trolley 	15.8.1997	N/A	<ol style="list-style-type: none"> All of the company's shares shall be held by GFB. The company must train Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of employment. The company must implement the project as approved in accordance with the rules and regulations in Malaysia. 	To be complied
	Manufacturing licence	MITI	A011069/Serial no. A025632	Manufacturing licence under the Industrial Co-ordination Act 1975 to manufacture machined parts and assembly of machined parts	25.1.2008	N/A	All of the company's shares shall be held by GFB. ^	To be complied

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
	Warehouse/ Manufacturing licence	Royal Malaysia Customs	P79/LMW/050/2010/ P79/LMW/050(A)/2010	Warehouse licence under Section 65/65A of the Customs Act 1967 for mould and spares, die sets and spares, jig fixture, aluminium articles, medical instrument, optical articles and machine parts	1.8.2010	31.7.2012	1. Machines which are directly used for the manufacturing process has to be in a new condition and not used. Used machines can be imported on the condition that the licensee obtains prior approval from MITI.	Complied
			Certificate no. G6-00000024/07				2. 80% of the finished products (based on value) are for export and 20% of the finished products are for sale in local market as approved. Release for local market is subject to any relevant duty/ tax at the time.	Noted
							3. Disposal of remainder, waste and manufacturing litter has to obtain written consent from the Director of the Sate Custom (Pengaroh Kastam Negeri).	Noted
							4. Licencee will be required to obtain a bank guarantee of RM32,000.00 to guarantee the safety duty/ tax for raw material/ component, finished product which are kept in the Licence Manufacturing Warehouse as well as for removal of goods with duty.	Complied
							5. Licencee has to inform the Assistant Officer in charge of the Factory (Pegawai kanan yang mengawal kilang) in writing when one of the following events occurs in the period of fourteen (14) days: (a) changes in the company's member of board of directors (b) a resolution passed to wind up the company (c) an order made for winding up of the company	Noted

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Sallent conditions imposed	Status of compliance
Proreka	Manufacturing licence	MITI	A 015701 Ref: A 024184	Manufacturing licence for automotive plastic part assembly and automotive lamp assembly	24.5.2006	N/A	<p>(d) appointment of liquidation or receivership is made</p> <p>(e) company is involved in any civil claim case, bankruptcy, discharge, closure of business and others</p> <p>1. Subject to the approval from the state authority and Jabatan Alam Sekitar.</p> <p>2. Sales of shares must be communicated to MITI.</p> <p>3. To train Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of employment.</p> <p>4. To implement the project as approved and in accordance to the rules and regulations in Malaysia.</p>	Complied
	Manufacturer's Licence	Royal Customs and Excise Malaysia	B10-02000555/2002	Manufacturer's licence issued under the Sales Tax Act 1972	12.6.2000	N/A	<p>1. The Sales Tax Act, 1972 requires that a return of taxable sales be made in respect of each taxable period and that tax be paid thereon or before the twenty eight (28th) day of the following month.</p> <p>2. In the case of any alteration to the name of licenced business or company the licence should be forwarded to the Senior Officer of Sales Tax in-charge of the district in which you have your principal place of business for amendment.</p>	Complied

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
	Manufacturing licence	MITI	A 015652 Ref: A 024184	Manufacturing Licence for "Car Seat Assembly"	24.5.2006	N/A	<ol style="list-style-type: none"> Subject to the approval from the state authority and Jabatan Alam Sekitar. Sales of shares must be communicated to MITI. To train the Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of employment. To implement the project as approved and in accordance to the rules and regulations in Malaysia. 	Complied
Proraka Plastic Sdn Bhd	Manufacturer's Licence	Royal Customs and Excise Malaysia	B10-02000181/2002	Manufacturer's licence under the Sales Tax Act 1972	15.8.2001	N/A	<ol style="list-style-type: none"> The Sales Tax Act, 1972 requires that a return of taxable sales be made in respect of each taxable period and that tax be paid thereon or before the twenty eight day of the following month. In the case of any alteration to the name of licenced business or company the licence should be forwarded to the Senior Officer of Sales Tax in-charge of the district in which you have your principal place of business for amendment. 	Complied
Proraka Tech Sdn Bhd	Manufacturer's Licence	Royal Customs and Excise Malaysia	B10-06000225/2006	Licence under the Sales Tax Act 1972	14.9.2006	N/A	<ol style="list-style-type: none"> The Sales Tax Act, 1972 requires that a return of taxable sales be made in respect of each taxable period and that tax be paid thereon or before the twenty eight day of the following month. 	Complied

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
PT Indotech Metal Nusantara	Manufacturing licence (izin usaha industri)	Badan Koordinasi Penanaman Modal	207/T/IND USTRI/20 01	To act as licenced manufacturer for metal stamp parts, fabricated metal and dies	15.5.2001	14.5.2031	2. In the case of any alteration to the name of licenced business or company the licence should be forwarded to the Senior Officer of Sales Tax in-charge of the district in which you have you principal place of business for amendment. The company must request for new approval if the production capacity increases to more than 30% from the initial approval limit	Noted To be complied (if applicable)
	Export licence (Ijin entrepot produksi untuk tujuan eksport)	Mentri Keuangan	261/KMK. 05/1997	Licence for export finished products (dies and stamped metal parts)	11.7.1997	N/A	In the case of any alteration to the name of the licenced business or company, the licence should be forwarded to the senior officer of Mentri Keuangan for approval.	To be complied (if applicable)
	Angka Pengenal Impor Produsen	Badan Koordinasi Penanaman Modal	10150201 0-B	Licence that may be used by the company only to import raw materials, unfinished products and goods for the production process (manufacturing of metal stamp parts)	4.10.2010	N/A	1. The company is allowed to produce dies and stamped metal parts only. 2. Stamped metal parts (which does not include compulsory export productions) produced by the company must be fully exported.	Complied Complied
							3. The company must request for new approval if the production capacity increases to more than 30% from the initial approval limit.	To be complied (if applicable)
							4. The company may only import goods for its own use or for supporting production process.	Complied

APPENDIX II OUR APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED (Cont'd)

Licencee	Licence	Approving authority	Permit / licence no.	Description of licence	Effective date	Expiry date	Salient conditions imposed	Status of compliance
Yee Heng Precision Stamping Sdn Bhd	Pioneer Status	MITI	MITI:ID/BI/S/o.45/41/155/(15)	100% exemption of statutory income for a period of five (5) years for the qualifying manufacturing activity of tool, dies and precision metal stamping parts	12.9.2009	11.9.2014	<ol style="list-style-type: none"> At least 70% of the company's shares must be bought and held by Malaysian citizens. The end products must be sold to the electronic and engineering industry. 	Complied

Note:

^ Pursuant to the approval letter from MITI dated 21 February 2012.

**APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH**

(Prepared for the inclusion in this Prospectus)



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Independent Auditors' Report on Review of Interim Financial Information to the Board of Directors of Jotech Holdings Berhad ("the Company")

(Company No.334818-P)
(Incorporated in Malaysia)

Introduction

We have reviewed the accompanying condensed consolidated statements of financial position as at 31 December 2011, and the condensed consolidated statements of comprehensive income for the individual and cumulative quarters ended 31 December 2011, and the condensed consolidated statement of changes in equity and cash flows for the period then ended, and the accompanying notes thereon (collectively referred to as "interim financial information", which we have stamped for the purpose of identification) of the Company. The Board of Directors of the Company is responsible for the preparation and fair presentation of the interim financial information in accordance with FRS 134, *Interim Financial Reporting*. Our responsibility is to express a conclusion on the interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the approved Standard on Auditing in Malaysia applicable to review engagements, ISRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with approved Standard on Auditing in Malaysia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not presented fairly, in all material respects, in accordance with FRS 134, *Interim Financial Reporting* issued by the Malaysia Accounting Standard Board in Malaysia.

APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)



Company No. 334818-P

Restriction on Use and Distribution

This report is made solely to the Board of Directors in connection with the review of the Company's interim financial information as at and for the period ended 31 December 2011 and for no other purpose. We do not assume responsibility to any other person for the content of this report. It should not be copied or disclosed to any third party or otherwise quoted or referred to, in whole or in part, without our prior written consent.

Yours faithfully,

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

KPMG
Firm No. AF 0758
Chartered Accountants

9 April 2012

APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)

JOTECH

JOTECH HOLDINGS BERHAD
(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR
THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**



**APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)**

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the twelve months ended 31 December 2011 – unaudited

Discontinued operations <i>RM in thousand (RM'000)</i>	Three months ended		Period ended	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Revenue	27,637	31,981	109,693	129,813
Cost of sales	(23,221)	(27,435)	(89,149)	(108,881)
Gross profit	4,416	4,546	20,544	20,932
Operating expenses	(4,565)	(4,224)	(15,456)	(14,406)
Other operating expense	(799)	(10)	(1,495)	(1,002)
Other operating income	3,134	3,159	23,492	3,705
Results from operating activities	2,186	3,471	27,085	9,229
Finance income	29	6	69	141
Finance costs	(835)	(366)	(2,856)	(1,516)
Profit/(Loss) from operations	1,380	3,111	24,298	7,854
Share of profit/(loss) of associates, net of tax	-	66	1,299	2,488
Profit / (Loss) before tax	1,380	3,177	25,597	10,342
Income tax expense	(447)	(68)	(3,044)	(969)
Profit/(Loss) for the period	933	3,109	22,553	9,373
Profit/(Loss) attributable to:				
Owners of the Company	897	3,021	22,322	9,030
Non-controlling interests	36	88	231	343
Profit/(Loss) for the period	933	3,109	22,553	9,373
Basic earnings/(loss) per ordinary share (sen)	0.081	0.327	2.096	0.977
Diluted earnings/(loss) per ordinary share (sen)	0.081	n.a*	1.997	n.a*

* The diluted earnings per share were not presented as the effect of the assumed conversion of warrants outstanding would be anti-dilutive.



APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF JOTECH (Cont'd)

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the twelve months ended 31 December 2011 – unaudited (continued)

Discontinued operations <i>RM in thousand (RM'000)</i>	Three months ended		Period ended	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Profit / (Loss) for the period	933	3,109	22,553	9,373
Foreign currency translation gain/(loss) for foreign operations	29	117	1,915	(2,143)
Other comprehensive income/(loss) for the period, net of tax	29	117	1,915	(2,143)
Total comprehensive income for the period	962	3,226	24,468	7,230
Total comprehensive income attributable to:				
Owners of the Company	836	3,108	23,757	7,331
Non-controlling interests	126	118	711	(101)
Total comprehensive income for the period	962	3,226	24,468	7,230

(The Condensed Unaudited Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010)



APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF JOTECH (Cont'd)

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2011 – unaudited

<i>RM in thousand (RM'000)</i>	Note	As at the end 31.12.2011	As at the end 31.12.2010 Audited
Non-current assets			
Property, plant and equipment		-	55,737
Investment in associates		-	36,602
Intangible assets		-	2,122
Receivables, deposits and prepayments		707	707
		-	95,168
Current Assets			
Inventories		-	12,410
Receivables, deposits and prepayments		-	26,379
Current tax assets		-	248
Other investments		-	1,740
Cash and cash equivalents		-	22,568
		-	63,345
Assets of disposal group classified as held for sale	B11	234,400	-
TOTAL ASSETS		234,400	158,513
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		110,430	92,430
Reserves		41,065	17,287
Reserves of disposal group classified as held for sale	B11	5,001	-
Total Shareholders' Equity		156,496	109,717
Non-controlling interests		6,975	6,264
Total Equity		163,471	115,981
Non-current liabilities			
Borrowings		-	16,536
Deferred tax liabilities		-	1,939
		-	18,475
Current Liabilities			
Payables and accruals		-	14,019
Short term borrowings		-	9,316
Taxation		-	722
		-	24,057
Liabilities of disposal group classified as held for sale	B11	70,929	-
Total liabilities		70,929	42,532
TOTAL EQUITY AND LIABILITIES		234,400	158,513
Net assets per share attributable to ordinary equity holders of the parent (RM)		0.142	0.119

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report of the Group for the year ended 31 December 2010)



**APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)**

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

For the twelve months ended 31 December 2011 – unaudited

	Period ended	
	31.12.2011	31.12.2010
Discontinued operations		
<i>RM in thousand (RM'000)</i>		
Cash flows from operating activities		
Profit / (Loss) before tax	25,597	10,342
Adjustments for :		
Impairment loss on other investments	688	392
Reversal of impairment loss on other investments	(470)	-
Reversal of impairment loss on other receivables	-	(300)
Reversal of impairment loss on investment in associate	-	(2,968)
Negative goodwill of investments	(23,297)	-
Unrealised (profit)/loss on foreign exchange	41	299
Share of profit of equity accounted associate	(1,299)	(2,488)
Gain on disposal of quoted investments	(142)	(108)
Gain on disposal of property, plant and equipment	(27)	(225)
Loss on disposal of subsidiary	440	-
Property, plant and equipment written off	2	23
Depreciation and amortisation	5,966	6,526
Finance costs	2,856	1,516
Finance income	(69)	(141)
Dividend income	(114)	(238)
Operating profit before working capital changes	<u>10,172</u>	<u>12,630</u>
Changes in working capital:		
Net change in current assets	6,800	(3,695)
Net change in current liabilities	489	(1,835)
Cash generated from operations	<u>17,461</u>	<u>7,100</u>
Taxes – (paid)/refunded	(2,164)	(973)
Net cash generated from operating activities	<u>15,297</u>	<u>6,127</u>
Cash flow from investing activities		
Acquisition of property, plant and equipment	(13,691)	(7,651)
Acquisition of other investments	(1,312)	(1,162)
Acquisition of associate	-	(271)
Acquisition of subsidiary, net of cash and cash equivalents acquired	(9,178)	(175)
Loan to associate	(182)	-
Proceeds from disposal of discontinued operation, net of cash and cash equivalents	6,351	-
Proceeds from disposals of other investments	1,487	658
Dividends received	114	238
Interest received	69	141
Proceeds from disposal of property, plant and equipment	28	1,120
Net cash used in investing activities	<u>(16,314)</u>	<u>(7,102)</u>
Cash flow from financing activities		
Interest paid	(2,856)	(1,516)
Payment of hire purchase liabilities	(280)	(274)
Net drawdown/(repayment) of borrowings	206	(287)
Net cash used in financing activities	<u>(2,930)</u>	<u>(2,077)</u>
Net decrease in cash and cash equivalents	(3,947)	(3,052)
Effects of exchange rate fluctuations on cash held	307	(843)
Cash and cash equivalents at beginning of period	22,568	26,463
Cash and cash equivalents at end of period	<u>18,928</u>	<u>22,568</u>



**APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)**

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the twelve months ended 31 December 2011 – unaudited

(continued)

Discontinued operations

RM in thousand (RM'000)

Period ended
31.12.2011 31.12.2010

Cash and cash equivalents at end of period comprise:

Cash and bank balances

15,256 13,197

Placements with licensed banks and approved financial institutions

3,672 9,371

18,928 22,568

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report of the Group for the year ended 31 December 2010)



APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF JOTECH (Cont'd)

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the twelve months ended 31 December 2011 – unaudited

	← Attributable to owners of Company →		← Distributable →		Non-controlling Interest	Total			
	Share Capital	Share Premium	Capital Reserve	Translation Reserve			Reserve of disposal group classified as held for sale	Retained Profit	Sub-total
<i>RM in thousand (RM'000)</i>									
At 1 January 2010	92,430	2,284	-	243	-	7,145	102,102	6,365	108,467
- as previously stated	-	-	-	-	-	284	284	-	284
- effect of adopting FRS 139	92,430	2,284	-	243	-	7,429	102,386	6,365	108,751
At 1 January 2010, restated	-	-	-	(1,699)	-	9,030	7,331	(101)	7,230
Total comprehensive income for the period									
At 31 December 2010/1 January 2011	92,430	2,284	-	(1,456)	-	16,459	109,717	6,264	115,981
Total comprehensive income for the period	-	-	-	1,435	-	22,322	23,757	711	24,468
Issue of ordinary shares	18,000	-	5,022	-	-	-	23,022	-	23,022
Reserve attributable to disposal group held for sale	-	-	(5,022)	21	5,001	-	-	-	-
At 31 December 2011	110,430	2,284	-	-	5,001	38,781	156,496	6,975	163,471

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Financial Report of the Group for the year ended 31 December 2010)



**APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)**

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**

NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in compliance with FRS 134, Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The quarterly financial report do not include all the information required for the full annual financial statements and should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 December 2010.

A2 Changes in Accounting Policies

Save as disclosed below, the significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2010.

i) Accounting for business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

The Group has changed its accounting policy with respect to accounting for business combinations.

From 1 January 2011 the Group has applied FRS 3, *Business Combinations* (revised) in accounting for business combinations. The change in accounting policy has been applied prospectively in accordance with the transitional provisions provided by the standard and does not have impact on earnings per share.

Under FRS 3 (revised), the definition of a business has been broadened, which will result in more acquisitions being treated as business combinations.

Acquisitions on or after 1 January 2011

For acquisitions on or after 1 January 2011, the Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any minority (will be known as non-controlling) interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Any pre-existing interest in the acquiree will be measured at fair value with the gain or loss recognised in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.



**APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)**

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**

NOTES TO THE INTERIM FINANCIAL REPORT (continued)

A2 Changes in Accounting Policies (continued)

i) Accounting for business combinations (continued)

Acquisitions on or after 1 January 2011 (continued)

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Any non-controlling interest will be measured at either fair value, or at its proportionate interest in the identifiable assets and liabilities of the acquiree, on a transaction-by-transaction basis.

When share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and /or future service.

Acquisitions between 1 January 2006 and 1 January 2011

For acquisitions between 1 January 2006 and 1 January 2011, goodwill represents the excess of the cost of the acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

Acquisitions prior to 1 January 2006

For acquisitions prior to 1 January 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the fair values of the net identifiable assets and liabilities.

ii) Loss of control

The Group applied FRS 127, *Consolidated and Separate Financial Statements* (revised) since the beginning of the reporting period in accordance with the transitional provisions provided by the standard and does not have impact on earnings per share. Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.



**APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)**

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**

NOTES TO THE INTERIM FINANCIAL REPORT (continued)

A2 Changes in Accounting Policies (continued)

ii) Loss of control (continued)

In the previous years, if the Group retained any interest in the previous subsidiary, such interest was measured at the carrying amount at the date that control was lost and this carrying amount would be recognised as cost on initial measurement of the investment.

iii) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and the owners of the Company.

Since the beginning of the reporting period, the Group has applied FRS 127, *Consolidated and Separate Financial Statements* (revised) where losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. This change in accounting policy is applied prospectively in accordance with the transitional provisions of the standard and does not have impact on earnings per share.

In the previous years, where losses applicable to the non-controlling interests exceed the their interests in the equity of a subsidiary, the excess, and any further losses applicable to the non-controlling interests, were charged against the Group's interest except to the extent that the non-controlling interests had a binding obligation to, and was able to, make additional investment to cover the losses. If the subsidiary subsequently reported profits, the Group's interest was allocated with all such profits until the non-controlling interests' share of losses previously absorbed by the Group had been recovered.

The Group has not applied the following accounting standards, amendments, and interpretations that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group:

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2011

- Amendments to IC 14, *Prepayments of a Minimum Funding Requirement*
- IC 19, *Extinguishing Financial Liabilities with Equity Instruments*

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2012

- FRS 124, *Related Party Disclosures* (revised)
- IC 15, *Arrangements for the Construction of Real Estate*

The Group plans to apply the abovementioned standards, amendments and interpretations from the annual period beginning 1 January 2012 for those standards, amendments or interpretations that will be effective for annual periods beginning on or after 1 July 2011 and 1 January 2012 except for IC Interpretation 19, Amendments to IC Interpretation 14 and IC Interpretation 15 which are not applicable to the Group.



**APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)**

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**

NOTES TO THE INTERIM FINANCIAL REPORT (continued)

A2 Changes in Accounting Policies (continued)

The initial application of a standard, an amendment or an interpretation, which will be applied prospectively or which requires extended disclosures, is not expected to have any financial impact to the current and prior periods' financial statements upon their first adoption.

Following the announcement by the Malaysian Accounting Standards Board on 1 August 2008, the Group's financial statements will be prepared in accordance with the International Financial Reporting Standards ("IFRS") framework for annual periods beginning on 1 January 2012.

A3. Audit report

The preceding financial statements for the year ended 31 December 2010 were reported on without any qualification.

A4. Seasonal or cyclical factors

There were no material seasonal or cyclical factors affecting the performance of the Group for the period ended 31 December 2011.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flow

Save as disclosed below, there were no unusual items affecting assets, liabilities, equity, net income or cash flows for the quarter and the financial year to date.

As disclosed in Note B7 below, the Jotech Business (as defined in Note B7) fall within the ambit of Discontinued Operations and Disposal Group Classified as Held for Sale under FRS 5, Non-current Assets Held for Sale and Discontinued Operations.

As a result of the above:

- (i) all assets, liabilities and related reserves of the Group as at 31 December 2011 have been classified and presented on the consolidated statements of financial position, as 'held for sale' in accordance with FRS 5;
- (ii) the entire results of the Group for the current quarter and period and preceding year corresponding quarter and period have been presented on the consolidated statements of comprehensive income as "Discontinued Operations" in accordance with FRS 5; and
- (iii) the cash flows of the Group for the current period and preceding year corresponding period have been presented on the consolidated statements of cash flows as "Discontinued Operations" in accordance with FRS 5.

A6. Material changes in estimates

There were no material changes in estimates in the prior financial year which have a material effect in the period ended 31 December 2011.

A7. Debt and equity securities

There were no issuances, cancellations, repurchases and resale of the Company's debt or equity securities for the period ended 31 December 2011.

A8. Dividend paid

Since the end of the previous financial year, no dividend was paid by the Company.



**APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)**

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**

NOTES TO THE INTERIM FINANCIAL REPORT (continued)

A9. Segmental information

Segmental information is presented in respect of the Group's business segments. Inter-segment pricing is determined base on a negotiated basis.

Discontinued operations

For the twelve months ended 31 December 2011:

(In thousands of RM)

← Discontinued operations →

	Investment Holding	Precision Stamping	Oil Palm Plantation	Eliminations	Consolidated
External revenue	114	101,510	8,069	-	109,693
Inter segment revenue	585	1,747	-	(2,332)	-
Total revenue	699	103,257	8,069	(2,332)	109,693
Segment results	19,434	3,823	3,828		27,085
Finance costs					(2,856)
Finance income					69
Share of net profit of associate					1,299
Profit before tax					25,597
Income tax expense					(3,044)
Profit for the period					22,553
Other comprehensive income for the period					1,915
Total comprehensive income for the period					24,468
Non-controlling interest					(711)
Total comprehensive income attributable to owners of the Company					23,757

A10. Valuation of property, plant and equipment

The Group accounts its property, plant and equipment at cost less accumulated depreciation and does not adopt a policy to revalue its property, plant and equipment.

A11. Material events subsequent to the end of the interim period

There have been no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the current period.

A12. Changes in composition of the Group

There were no changes in the composition of the Group in the current quarter.



APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF JOTECH (Cont'd)

JOTECH HOLDINGS BERHAD
(Company No. 334818-P)
**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**

NOTES TO THE INTERIM FINANCIAL REPORT (continued)

A13. Contingent liabilities/Contingent assets

There were no contingent liabilities/assets since the last annual balance sheet date.

A14. Capital commitment

The approved and contracted for material capital commitment as at 31 December 2011 amounted to RM4.26 million in respects of factory building, machinery and equipment for a second plant expansion currently being undertaken by PT Indotech Metal Nusantara, a wholly-owned subsidiary of the Company.



APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF JOTECH (Cont'd)

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENT

B1. Review of Group performance

The Group registered revenue of RM27.6 million for the current quarter compared to RM32.0 million achieved in the corresponding quarter last year. This was attributable to lower revenue recorded by the Precision Stamping Division of RM6.6 million or 20%. The revenue decline was partially offset by the contribution from Oil Palm Plantation Division of RM2.2 million or 8% to the Group's revenue.

In the current quarter, as a result of the slowing business condition particularly in the electronics and electrical industry, the subsidiaries in Malaysia and China both posted lower revenue. Indonesia automotive business continues to be robust although business was affected by shortages of parts as a result of flood in Thailand.

The Group recorded a net profit of RM0.9 million for the current quarter compared to RM3.1 million profit registered in the corresponding quarter last year. The reduction was mainly due to lower revenue performance of the Precision Stamping Division and RM3.0 million gain from reversal of impairment in investment in associate recorded in the corresponding quarter last year.

Included in the other income of RM3.1 million in the current quarter was a negative goodwill recognized from fair value adjustment on investments in Oil Palm Plantation subsidiaries of RM10.9 million which was offset by reversal of RM7.4 million gain previously recognized from mark-to-market value of investment in associate company.

The Group's revenue for financial period to date of RM109.7 million was reduced by RM20.1 million as compared to the corresponding period. This was attributable to lower revenue posted by the Precision Stamping Division as well as revenue consolidated from the disposed subsidiary was lower by RM12 million. A total revenue of RM8.1 million was contributed by the newly acquired Oil Palm Plantation Division for the financial period to date.

The net profit for the financial period to date improved by RM13.2 million to RM22.6 million. The increase was attributable to the following:

- (i) profit contribution from the newly acquired Oil Palm Plantation Division of RM1.9 million for the current financial period; and
- (ii) recognition of negative goodwill (net of tax) of RM21.9 million on the revaluation of investments in oil palm plantations subsidiaries.

B2. Comparison with preceding quarter's results

The current quarter revenue of RM27.6 million reflected a decline of RM2.1 million or 7% against the preceding quarter revenue of RM29.7 million. Current quarter business demand was generally slower than the preceding quarter had resulted in a lower revenue contribution by the Precision Stamping segment of RM1.8 million or 6.6%. The Oil Palm Plantations Division's revenue was also reduced by RM0.3 million.

The Group's current quarter results declined by RM5.9 million compared to the preceding quarter of RM6.8 million net profit. The reduction was mainly attributable to RM3.5 million reversal of deferred tax recognized in the preceding quarter and lower revenue performance by both the Precision Stamping Division and Oil Palm Plantations Division.



**APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)**

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD
LISTING REQUIREMENT**

B3. Prospects

The strong growth of automotive industry in Indonesia presents a good prospect for Jotech's Precision Stamping Division to contribute positively to the Group. Phase 1 of a new manufacturing plant in Indonesia was completed in December 2011 and is expected to contribute positively to the Group starting 2012. The strong demand by the automotive customers in Indonesia in the near to medium term will allow the Indonesia subsidiary to spearhead the growth in performance of the Group over the next few years.

The Group will continue to focus in growing the Oil Palm Plantation Division and with a positive prospect of strong crude palm oil price, this Division will contribute positively to the Group.

The Board of Directors foresees a continual positive prospect for the financial performance of the Group for the remaining financial quarters.

B4. Variance of actual profit from forecast profit / shortfall in profit guarantee

Not applicable as no profit forecast was published.

B5. Profit/(loss) for the period

	Current quarter 31.12.2011 RM'000	Financial year- to-date 31.12.2011 RM'000
Profit/(loss) for the period is arrived at after charging:		
Depreciation of property, plant and equipment	1,570	5,966
Impairment loss on other investments	269	688
Loss on disposal of a subsidiary	-	440
Net foreign exchange loss	1,034	723
Property, plant and equipment written off	-	2
Reversal of gain in fair value of investment in associate	7,374	-
	<hr/>	<hr/>
and after crediting:		
Dividend income	30	114
Gain on disposal of other investments	60	142
Gain on disposal of property, plant and equipment	-	27
Negative goodwill of investments	10,853	23,297
Reversal of impairment loss on other investments	260	470
	<hr/>	<hr/>



APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF JOTECH (Cont'd)

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENT (continued)

B6. Taxation

The taxation for the current quarter and year-to-date are as follows:-

	Current quarter 31.12.2011 RM'000	Financial year- to-date 31.12.2011 RM'000
Current tax expense		
Malaysia	8	731
Overseas	76	1,081
Total current tax	<u>84</u>	<u>1,812</u>
Deferred tax		
Malaysia	363	1,232
Total income tax expense	<u>447</u>	<u>3,044</u>

The effective tax rate for the current quarter is higher than the statutory tax rate principally due to losses incurred by certain subsidiaries where group relief is not available and non-deductibility of certain operating expenditure for tax purpose. The year-to-date effective tax rate being lower than the statutory tax rate is principally due to non-taxability of certain other operating income recognised.

B7. Corporate proposals

Save as disclosed below, there are no corporate proposals that were announced but not completed within 7 days from the date of issue of this quarterly report.

On 29 July 2011, Maybank Investment Bank Berhad ("Maybank IB"), being the adviser to Jotech in respect of the Proposed Disposal (as defined below) had announced on behalf of the Board of Directors of the Company ("Board") that the Company had received an offer ("Offer") of even date from Temasek Formation Berhad ("TFB") (then known as Temasek Formation Sdn Bhd), a company whose major shareholder and director, namely Datuk Goh Tian Chuan ("Datuk Goh") is also a major shareholder and Executive Chairman of the Company, to acquire the entire business and undertakings, including all assets and liabilities of the Company ("Jotech Business") ("Proposed Disposal").

Together with the Offer, TFB simultaneously made offers on substantially the same terms and conditions to acquire the entire businesses and undertakings, including all assets and liabilities, of AIC Corporation Berhad ("AIC") ("AIC Business") and AutoV Corporation Berhad ("AutoV") ("AutoV Business"). Such simultaneous offers, together with the Offer (collectively known as the "Merger Exercise Offer"), shall constitute a single consolidated offer as at 29 July 2011 for the purposes of achieving the merger of the businesses and undertakings of AIC, Jotech and AutoV (collectively known as "Target Companies"), including all assets and liabilities of the Target Companies as at completion of the Proposed Disposal in accordance with the terms of the Merger Agreement (as defined below) ("Completion").



APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF JOTECH (Cont'd)

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENT (continued)

B7. Corporate proposals (continued)

On 24 August 2011, Maybank IB announced on behalf of the Board that the non-interested Directors of Jotech have decided to accept the Offer, subject to, among others the approval of the shareholders of Jotech and relevant authorities, where required. As the Merger Exercise Offer represents a related party transaction in view of Datuk Goh's substantial shareholdings in the Target Companies, Alliance Investment Bank Berhad ("Alliance") has been appointed by Jotech to advise the non-interested Directors and the non-interested shareholders of Jotech.

On 22 August 2011 and 24 August 2011, Maybank IB announced on behalf of the board of directors of AutoV and AIC respectively that they have decided to accept the offer from TFB to acquire the AutoV Business ("Proposed AutoV Business Disposal") and AIC Business ("Proposed AIC Business Disposal") upon the terms and conditions contained in their respective offer letters dated 29 July 2011 issued by TFB to AutoV and AIC.

On 15 September 2011, Maybank IB announced on behalf of the Board that Jotech had on even date entered into a definitive merger agreement ("Merger Agreement") with TFB, AIC and AutoV in relation to the Merger Exercise Offer.

On 21 September 2011, Maybank IB, on behalf of the Board had announced to clarify, among others, that the Board had resolved not to seek other alternative bids in respect of our Business.

On 22 December 2011, Maybank IB announced on behalf of the Board that Jotech have entered into the Supplemental Agreement for the purposes of recording variations to certain terms of the Proposed AutoV Business Disposal, resulting from a supplemental agreement dated 22 December 2011 entered into between AutoV and the Proreka (M) Sdn Bhd ("Proreka") Vendors in respect of the Proreka sale and purchase agreement ("Proreka SPA"). The variations include revising the terms of the AutoV redeemable convertible preference shares issued to the Proreka Vendors under the Proreka SPA.

Ministry of International Trade and Industry, Malaysia ("MITI") had, via its letter dated 13 January 2012, approved the Proposed Disposal subject to the approval of the Securities Commission Malaysia ("SC"). TFB has been granted a grace period of one (1) year from the date of the letter of approval from MITI to comply with the equity conditions and is required to inform MITI after the completion of the Proposals.

On 26 January 2012, Maybank IB announced on behalf of the Board that the SC had, via its letter dated 25 January 2012, approved the applications sought in relation to the Proposals.

On 24 February 2012, Maybank IB announced on behalf of the Board that the extraordinary general meeting ("EGM") of Jotech will be held at Tiara Rini Ballroom, The Royale Bintang The Curve, 6, Jalan PJU 7/3, Mutiara Damansara, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Tuesday, 20 March 2012 at 10.30 a.m., or any adjournment thereof, for the purpose of considering and, if thought fit, passing, with or without modifications, the resolutions as set out in the enclosed Notice of EGM.



**APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)**

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD
LISTING REQUIREMENT (continued)**

B7. Corporate proposals (continued)

In addition, on behalf of Jotech, Maybank IB announced that the court convened meeting (“Court Convened Meeting”) of the holders of warrants 2007/2012 in Jotech (“Warrant Holders Meeting”) will be held at Tiara Rini Ballroom, The Royale Bintang The Curve, 6, Jalan PJU 7/3, Mutiara Damansara, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Tuesday, 20 March 2012 at 2.30 p.m., or immediately after the conclusion or adjournment of the abovementioned EGM, whichever is later, or any adjournment thereof, for the purposes of considering and, if thought fit, approving (with or without modification or addition), a scheme of arrangement between the Company and its Warrant Holders, via the resolution as set out in the enclosed Notice of Court Convened Meeting.

The Notice of EGM and Notice of Court Convened Meeting have been send out to shareholders and warrant holders of Jotech on 27 February 2012.

The Offer entails the following proposals (“Proposals”):

- i) Proposed Disposal;
- ii) Proposed Distribution;
- iii) Proposed Share Issue;
- iv) Proposed Bonus Issue; and
- v) Proposed Warrant Scheme

which is further described below.

Proposed Disposal

The Proposed Disposal entails TFB acquiring the Jotech Business for a total purchase consideration (“Consideration”) equivalent to:

- (a) RM0.18 for each ordinary share of RM0.10 each in Jotech (“Jotech Share”), being 20% above the volume weighted average market price (“VWAMP”) of Jotech Shares for the five (5) market days up to and including 26 July 2011, being the last trading day prior to the Offer, of RM0.15, multiplied by the total number of outstanding Jotech Shares, at a date to be determined later by TFB in consultation with Jotech; and
- (b) RM0.09 for each Warrant , being 16.88% above the VWAMP of the Warrants for the five (5) market days up to and including 26 July 2011, being the last trading day prior to the Offer, of RM0.077, multiplied by the total outstanding number of Warrants in issue at a date to be determined later by TFB in consultation with Jotech.

The Consideration shall be satisfied by the issuance of an equivalent value of new ordinary shares of RM0.10 each in TFB (“TFB Share”) at an issue price of RM0.12 per TFB Share, less/excluding such number of TFB Shares to be received by Jotech arising from its entitlement to TFB Shares pursuant to its existing 28,023,900 ordinary shares of RM1.00 each in AIC, being such TFB Shares to which Jotech will be entitled to under a proposed distribution, similar to the Proposed Distribution (as defined below), to be undertaken by AIC in connection with the implementation of the Proposed AIC Business Disposal under the Merger Exercise Offer.

The Consideration is intended to be distributed/paid to the entitled shareholders of Jotech and Warrant Holders pursuant to the Proposed Distribution and Proposed Warrant Scheme as defined below.



APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF JOTECH (Cont'd)

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
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ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENT (continued)

B7. Corporate proposals (continued)

Proposed Distribution

Jotech shall, subject to obtaining all requisite approvals, implement a proposed distribution exercise comprising:

- (i) a capital reduction exercise ("Proposed Capital Reduction") in accordance with Sections 60(2) and/or 64 of the Companies Act, 1965 ("Act"), involving a reduction of the share capital and/or share premium reserve (if applicable) of Jotech via cancellation of Jotech's issued and paid-up share capital, which shall require confirmation by the High Court of Malaya pursuant to Sections 60(2) and/or 64 of the Act; and
- (ii) a capital repayment exercise ("Proposed Capital Repayment") involving:
 - (a) the distribution-in-specie of the TFB Shares to be received by Jotech upon completion of the Proposed Disposal to all the entitled shareholders of Jotech; and
 - (b) the distribution-in-specie of the TFB Shares to be received by Jotech arising from its entitlement to the TFB Shares pursuant to its existing 28,023,900 ordinary shares of RM1.00 each in AIC held by Jotech in AIC, to all the entitled shareholders of Jotech.

(collectively known as the "Proposed Distribution").

Proposed Share Issue

In connection with the Proposed Disposal, TFB shall simultaneously with the implementation of the Proposed Distribution (which will result in the cancellation of the entire share capital of Jotech), subscribe for and Jotech shall allot and issue 20 new Jotech Shares to TFB at an issue price of RM0.10 each ("Proposed Share Issue"). Accordingly, immediately following the completion of the Proposed Distribution and Proposed Share Issue, the share capital of Jotech shall be RM2.00, comprising 20 Jotech Shares, all of which shall be held by TFB.

Proposed Bonus Issue

In order to facilitate the Proposed Distribution, Jotech shall, prior to the implementation of the Proposed Capital Reduction, undertake a bonus issue of shares, which shall not be credited to the entitled shareholders of Jotech and shall immediately be cancelled pursuant to the Proposed Capital Reduction and which is to be effected by way of capitalising all sums standing to the credit of the share premium account, retained profits and/or any other reserves which may be capitalised, including the net gain arising from the Proposed Disposal ("Proposed Bonus Issue"). The actual number of bonus shares to be issued per Jotech Share would be dependent on the amount to be capitalised and the total issued and paid-up capital of Jotech, as at the entitlement date for the Proposed Distribution.



**APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)**

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD
LISTING REQUIREMENT (continued)**

B7. Corporate proposals (continued)

Proposed Warrant Scheme

In conjunction with the Proposed Disposal, Jotech shall implement a scheme of arrangement under Section 176 of the Act ("Proposed Warrant Scheme") to pay the Warrants holders their entitlements to the Consideration in consideration for the cancellation of the exercise rights pursuant to the Warrants and thereafter proceed to cancel all the Warrants so that all the outstanding Warrants are effectively and validly cancelled.

Upon Completion, each of the Target Companies will separately apply to Bursa Malaysia Securities Berhad ("Bursa Securities") to be delisted from the Main Market of Bursa Securities and subsequently subject to the requisite approvals being obtained, TFB shall assume the listing status of any one of the Target Companies and be listed on the Main Market of Bursa Securities.

B8. Group borrowings

The Group borrowings as at 31 December 2011 were as follows:-

	RM'000
Secured	53,547
Unsecured	-
Total Group Borrowings	<u>53,547</u>

	RM'000
Short Term	22,195
Long Term	31,352
Total Group Borrowings	<u>53,547</u>

The total borrowings denominated in foreign and local currency as at 31 December 2011 were as follows:-

	RM'000
Foreign Currency:	
- USD1,577,500 @ RM3.1685/USD1	4,998
- RMB13,800,000 @ RM0.5034/RMB1	6,947
- IDR19,082,660,000@ RM0.0349/IDR100	6,667
Local Currency	34,935
Total Group Borrowings	<u>53,547</u>



APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)

JOTECH HOLDINGS BERHAD

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ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD
LISTING REQUIREMENT (continued)

B9. Financial Instruments

a) Derivatives

There were no new or existing derivatives as at the end of the reporting period.

b) Gains/(losses) arising from fair value changes in financial liabilities

There were no gains or losses arising from fair value changes in financial liabilities in this reporting period.

B10. Material litigation

There is no material litigation against the Group as at the date of this report.



APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF JOTECH (Cont'd)

JOTECH HOLDINGS BERHAD

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QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENT (continued)

B11. Discontinued operation and disposal group classified as held for sale

Pursuant to the Merger Agreement as mentioned in Note B7 above, the Jotech Business fall within the ambit of Discontinued Operations and Disposal Group Classified as Held for Sale under FRS 5, Non-current Assets Held for Sale and Discontinued Operations. Accordingly, all assets, liabilities and related reserves of the Group have been classified and presented on the consolidated statements of financial position as 'held for sale' in accordance with FRS 5. As at 31 December 2011, the assets, liabilities and reserves classified as 'held for sale' comprised as follows:

<i>RM in thousand (RM'000)</i>	As at the end 31.12.2011
ASSETS	
Property, plant and equipment	142,831
Investment in associates	37,901
Intangible assets	1,821
Inventories	12,415
Receivables, deposits and prepayments	18,890
Current tax assets	127
Other investments	1,487
Cash and cash equivalents	18,928
Assets classified as held for sale	<u>234,400</u>
LIABILITIES	
Borrowings	53,547
Deferred tax liabilities	3,446
Payables and accruals	13,293
Taxation	643
Liabilities classified as held for sale	<u>70,929</u>
Net assets of disposal group classified as held for sale	<u>163,471</u>
RESERVE	
Capital reserve	5,022
Foreign currency translation reserve	(21)
Reserve classified as held for sale	<u>5,001</u>



**APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)**

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
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**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD
LISTING REQUIREMENT (continued)**

B12. Earnings/(loss) per share

	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) attributable to equity holders of the parent				
From discontinued operations	897	3,021	22,322	9,030
Basic				
Weighted average number of ordinary shares @ 10 sen ('000)	1,104,300	924,300	1,064,848	924,300
Basic earnings/(loss) per share (sen)				
From discontinued operations	0.081	0.327	2.096	0.977
Diluted				
Weighted average number of ordinary shares @ 10 sen ('000)	1,110,619	n.a*	1,117,707	n.a*
Diluted earnings/(loss) per share (sen)				
From discontinued operations	0.081	n.a*	1.997	n.a*

* The diluted earnings per share were not presented as the effect of the assumed conversion of warrants outstanding would be anti-dilutive.



**APPENDIX III UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF JOTECH (Cont'd)**

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
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**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD
LISTING REQUIREMENT (continued)**

B13. Realised and unrealised profits/(losses)

The format of disclosure of the breakdown of realised and unrealised profits or losses is prescribed in Bursa Malaysia's directive dated 20 December 2010.

On 25 March 2010, Bursa Malaysia Securities Berhad ("Bursa Malaysia") issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Malaysia further issued another directive on the disclosure and the prescribed format of presentation.

The breakdown of the retained earnings of the Group and of the Company as at 31 December 2011, into realised and unrealised profits, pursuant to the directive, is as follows:

	As at 31.12.2011 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries	
-Realised	21,118
-Unrealised	<u>(1,993)</u>
	19,125
Total share of retained profits/(accumulated losses) from associated companies	
-Realised	3,862
-Unrealised	<u>(945)</u>
	22,042
Consolidation adjustments	<u>16,739</u>
Total retained earnings	<u>38,781</u>



**APPENDIX IV UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF AIC**

(Prepared for inclusion in this Prospectus)



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Independent Auditors' Report on Review of Interim Financial Information to the Board of Directors of AIC Corporation Berhad ("the Company")

(Company No. 194514-M)
(Incorporated in Malaysia)

Introduction

We have reviewed the accompanying condensed consolidated statements of financial position as at 31 December 2011, and the condensed consolidated statements of comprehensive income for the individual and cumulative quarters ended 31 December 2011, and the condensed consolidated statement of changes in equity and cash flows for the period then ended, and the accompanying notes thereon (collectively referred to as "interim financial information", which we have stamped for the purpose of identification) of the Company. The Board of Directors of the Company is responsible for the preparation and fair presentation of the interim financial information in accordance with FRS 134, *Interim Financial Reporting*. Our responsibility is to express a conclusion on the interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the approved Standard on Auditing in Malaysia applicable to review engagements, ISRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with approved Standard on Auditing in Malaysia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not presented fairly, in all material respects, in accordance with FRS 134, *Interim Financial Reporting* issued by the Malaysia Accounting Standard Board in Malaysia.

KPMG, a partnership established under Malaysian law and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

**APPENDIX IV UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF AIC (Cont'd)**



Company No. 194514-M

Restriction on Use and Distribution

This report is made solely to the Board of Directors in connection with the review of the Company's interim financial information as at and for the period ended 31 December 2011 and for no other purpose. We do not assume responsibility to any other person for the content of this report. It should not be copied or disclosed to any third party or otherwise quoted or referred to, in whole or in part, without our prior written consent.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'Am6'.

KPMG
Firm No. AF 0758
Chartered Accountants

9 April 2012

APPENDIX IV UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF AIC (Cont'd)



AIC Corporation Berhad
Quarterly Unaudited Financial Report For The Period Ended 31 December 2011



AIC CORPORATION BERHAD
(Incorporated in Malaysia)
Company No: 194514-M

QUARTERLY UNAUDITED FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2011

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APPENDIX IV UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF AIC (Cont'd)



*AIC Corporation Berhad
Quarterly Unaudited Financial Report For The Period Ended 31 December 2011*

AIC Corporation Berhad

Condensed unaudited consolidated statements of comprehensive income for the period ended 31 December 2011

	Current quarter 31.12.2011 RM'000	Preceding year corresponding quarter 31.12.2010 RM'000	Current period 31.12.2011 RM'000	Preceding year 31.12.2010 RM'000
Discontinued operations				
Revenue	33,862	37,575	137,348	167,400
Operating expenses	(34,449)	(40,699)	(132,680)	(156,275)
Other operating income	529	3,284	7,982	8,555
Profit/(Loss) from operations	(58)	160	12,650	19,680
Interest income	90	111	332	262
Finance costs	(393)	(306)	(1,845)	(2,399)
Profit/(Loss) before taxation	(361)	(35)	11,137	17,543
Tax expense	239	472	(1,407)	(1,603)
Profit/(Loss) for the period	(122)	437	9,730	15,940
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income/(loss) for the period	(122)	437	9,730	15,940
Profit/(Loss) attributable to:				
Owners of the Company	(82)	534	9,891	15,569
Non-controlling interests	(40)	(97)	(161)	371
Profit/(Loss) for the period	(122)	437	9,730	15,940
Total comprehensive income/(loss) attributable to:				
Owners of the Company	(82)	534	9,891	15,569
Non-controlling interests	(40)	(97)	(161)	371
Total comprehensive income/(loss) for the period	(122)	437	9,730	15,940
Basic earnings/(loss) per ordinary share (sen)	(0.05)	0.31	5.69	8.95
Diluted earnings/(loss) per ordinary share (sen)	(0.04)	0.27	4.94	7.78

(The condensed unaudited consolidated statements of comprehensive income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010)



APPENDIX IV UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF AIC (Cont'd)



*AIC Corporation Berhad
Quarterly Unaudited Financial Report For The Period Ended 31 December 2011*

AIC Corporation Berhad

Condensed unaudited consolidated statement of financial position as at 31 December 2011

	31.12.2011	Audited 31.12.2010
	RM'000	RM'000
Non current assets		
Property, plant and equipment	-	104,175
Other investment	-	13,456
Investment property	-	11,033
Goodwill on consolidation	-	4,326
Total non current assets	<u>-</u>	<u>132,990</u>
Current assets		
Receivables, deposits and prepayments	-	40,139
Inventories	-	19,901
Current tax assets	-	145
Cash and cash equivalents	-	16,697
Assets of disposal group classified as held for sale	202,082	-
Total current assets	<u>202,082</u>	<u>76,882</u>
TOTAL ASSETS	<u>202,082</u>	<u>209,872</u>
Equity attributable to owners of the Company		
Share capital	173,873	173,873
Reserves	(37,164)	(39,712)
Reserves of disposal group classified as held for sale	7,343	-
	<u>144,052</u>	<u>134,161</u>
Non-controlling interests	9,947	10,108
Total equity	<u>153,999</u>	<u>144,269</u>
Long term and deferred liabilities		
Borrowings	-	17,283
Deferred tax liabilities	-	8,791
Total long term and deferred liabilities	<u>-</u>	<u>26,074</u>
Current liabilities		
Payables and accruals	-	27,751
Tax liabilities	-	740
Borrowings	-	11,038
Liabilities of disposal group classified as held for sale	48,083	-
Total current liabilities	<u>48,083</u>	<u>39,529</u>
Total liabilities	<u>48,083</u>	<u>65,603</u>
TOTAL EQUITY AND LIABILITIES	<u>202,082</u>	<u>209,872</u>
Net assets per share attributable to owners of the Company (RM)	0.83	0.77

(The condensed unaudited consolidated statement of financial position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010)



APPENDIX IV UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF AIC (Cont'd)



*AIC Corporation Berhad
Quarterly Unaudited Financial Report For The Period Ended 31 December 2011*

**AIC Corporation Berhad
Condensed unaudited consolidated statements of cash flow for the period ended 31 December 2011**

	31.12.2011 RM'000	31.12.2010 RM'000
Discontinued operations		
Cash flows from operating activities		
Profit before taxation	11,137	17,543
Adjustments for:		
Amortisation of government grant	-	(552)
Bad debts written off	-	20
Change in fair value of other investment	(5,568)	(3,298)
Change in fair value of derivatives	340	(27)
Depreciation	14,014	14,085
Dividend income	(438)	(259)
Gain on disposal of investment properties	-	(2,596)
Goodwill written off	14	-
Impairment loss on property, plant and equipment	-	685
Interest expense	1,845	2,298
Interest income	(332)	(262)
Inventories written off	214	551
(Reversal)/Impairment loss on receivables	(21)	131
Unrealised foreign exchange (gain)/loss	(1,267)	721
Other non-cash items	(21)	(567)
Operating profit before working capital changes	19,917	28,473
Changes in working capital:		
Inventories	(1,108)	(3,784)
Receivables, deposits and prepayments	2,992	(417)
Payables and accruals	(4,522)	4,379
Cash generated from operations	17,279	28,651
Interest income received	332	262
Taxation refunded	-	1,286
Taxation paid	(2,732)	(1,803)
Net cash generated from operating activities	14,879	28,396
Cash flows from investing activities		
Purchase of property, plant and equipment	(8,176)	(12,680)
Purchase of other investment	-	(1,535)
Dividend received	328	194
Proceeds from disposal of other investment	-	30
Proceeds from disposal of property, plant and equipment	-	128
Proceeds from disposal of non-current assets held for sale	-	4,600
Additions in investment property	(12)	(11,033)
Net cash used in investing activities	(7,860)	(20,296)



APPENDIX IV UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF AIC (Cont'd)



*AIC Corporation Berhad
Quarterly Unaudited Financial Report For The Period Ended 31 December 2011*

**AIC Corporation Berhad
Condensed unaudited consolidated statements of cash flow for the period ended 31 December 2011
(continued)**

	31.12.2011 RM'000	31.12.2010 RM'000
Discontinued operations		
Cash flows from financing activities		
Interest paid	(1,845)	(2,298)
Increase in deposits pledged	-	(28)
Repayment of bank borrowings – net	(12,026)	(10,181)
Net cash used in financing activities	<u>(13,871)</u>	<u>(12,507)</u>
Net decrease in cash and cash equivalents	(6,852)	(4,407)
Cash and cash equivalents at beginning of period	15,722	20,129
Cash and cash equivalents at end of period	<u>8,870</u>	<u>15,722</u>
Cash and cash equivalents at end of period comprise:		
Cash and bank balances	3,403	3,482
Deposits with licensed banks (excluding deposits pledged)	3,141	7,265
Short term placement funds	2,326	4,975
	<u>8,870</u>	<u>15,722</u>

(The condensed unaudited consolidated statements of cash flow should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010)



APPENDIX IV UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF AIC (Cont'd)



*AIC Corporation Berhad
Quarterly Unaudited Financial Report For The Period Ended 31 December 2011*

**AIC Corporation Berhad
Condensed unaudited consolidated statements of changes in equity for the period ended 31 December 2011**

	← Attributable to owners of the Company →					Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Non- distributable reserves RM'000	Reserves of disposal group classified as held for sale RM'000	Accumulated losses RM'000			
At 1 January 2011	173,873	4,437	7,343	-	(51,492)	134,161	10,108	144,269
Reserves attributable to disposal group held for sale	-	-	(7,343)	7,343	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	-	-	9,891	9,891	(161)	9,730
At 31 December 2011	173,873	4,437	-	7,343	(41,601)	144,052	9,947	153,999

	← Attributable to owners of the Company →				Total RM'000	Non- controlling interests RM'000	Total equity RM'000	
	Share capital RM'000	Share premium RM'000	Non- distributable reserves RM'000	Accumulated losses RM'000				
At 1 January 2010								
- as previously stated		173,873	4,437	7,343	(68,816)	116,837	9,731	126,568
- effect of adopting FRS 139		-	-	-	1,755	1,755	6	1,761
- as restated	173,873	4,437	7,343	(67,061)	118,592	9,737	128,329	
Total comprehensive income for the year	-	-	-	15,569	15,569	371	15,940	
At 31 December 2010	173,873	4,437	7,343	(51,492)	134,161	10,108	144,269	

(The condensed unaudited consolidated statements of changes in equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010)



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Explanatory notes

1. Basis of preparation

The quarterly financial report is unaudited and has been prepared in accordance with the Financial Reporting Standard ("FRS") 134, Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The quarterly financial report do not include all the information required for the full annual financial statements and should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 December 2010.

The Board of Directors has on 30 December 2011 approved the change in the financial year end of the Group from 31 December to 30 June and the next audited financial statements shall be for a period of 18 months from 1 January 2011 to 30 June 2012.

2. Significant Accounting Policies

Save as disclosed below, the significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2010.

i) Accounting for business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

The Group has changed its accounting policy with respect to accounting for business combinations.

From 1 January 2011 the Group has applied FRS 3, *Business Combinations* (revised) in accounting for business combinations. The change in accounting policy has been applied prospectively in accordance with the transitional provisions provided by the standard and does not have impact on earnings per share.

Under FRS 3 (revised), the definition of a business has been broadened, which will result in more acquisitions being treated as business combinations.

Acquisitions on or after 1 January 2011

For acquisitions on or after 1 January 2011, the Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any minority (will be known as non-controlling) interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Any pre-existing interest in the acquiree will be measured at fair value with the gain or loss recognised in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.



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Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Any non-controlling interest will be measured at either fair value, or at its proportionate interest in the identifiable assets and liabilities of the acquiree, on a transaction-by-transaction basis.

When share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and /or future service.

Acquisitions between 1 January 2006 and 1 January 2011

For acquisitions between 1 January 2006 and 1 January 2011, goodwill represents the excess of the cost of the acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

Acquisitions prior to 1 January 2006

For acquisitions prior to 1 January 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the fair values of the net identifiable assets and liabilities.

ii) Loss of control

The Group applied FRS 127, *Consolidated and Separate Financial Statements* (revised) since the beginning of the reporting period in accordance with the transitional provisions provided by the standard and does not have impact on earnings per share. Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

In the previous years, if the Group retained any interest in the previous subsidiary, such interest was measured at the carrying amount at the date that control was lost and this carrying amount would be recognised as cost on initial measurement of the investment.



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iii) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and the owners of the Company.

Since the beginning of the reporting period, the Group has applied FRS 127, *Consolidated and Separate Financial Statements* (revised) where losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. This change in accounting policy is applied prospectively in accordance with the transitional provisions of the standard and does not have impact on earnings per share.

In the previous years, where losses applicable to the non-controlling interests exceed the their interests in the equity of a subsidiary, the excess, and any further losses applicable to the non-controlling interests, were charged against the Group's interest except to the extent that the non-controlling interests had a binding obligation to, and was able to, make additional investment to cover the losses. If the subsidiary subsequently reported profits, the Group's interest was allocated with all such profits until the non-controlling interests' share of losses previously absorbed by the Group had been recovered.

The Group has not applied the following accounting standards, amendments, and interpretations that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group:

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2011

- Amendments to IC 14, *Prepayments of a Minimum Funding Requirement*
- IC 19, *Extinguishing Financial Liabilities with Equity Instruments*

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2012

- FRS 124, *Related Party Disclosures* (revised)
- Amendments to FRS 1, *First-time Adoption of Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters*
- Amendments to FRS 7, *Financial Instruments: Disclosures – Transfers of Financial Assets*
- Amendments to FRS 112, *Income Taxes – Deferred Tax: Recovery of Underlying Assets*

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2012

- Amendments to FRS 101, *Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income*
- FRS 9, *Financial Instruments* (2009)
- FRS 9, *Financial Instruments* (2010)
- FRS 10, *Consolidated Financial Statements*
- FRS 11, *Joint Arrangements*
- FRS 12, *Disclosure of Interests in Other Entities*
- FRS 13, *Fair Value Measurement*
- FRS 119, *Employee Benefits* (2011)
- FRS 127, *Separate Financial Statements* (2011)



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- FRS 128, *Investments in Associates and Joint Ventures* (2011)
- IC Interpretation 20, *Stripping Costs in the Production Phase of a Surface Mine*

The Group's financial statements for annual period beginning on 1 July 2012 will be prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs") issued by the Malaysian Accounting Standards Board and International Financial Reporting Standards (IFRSs). As a result, the Group will not be adopting the above FRSS, Interpretations and amendments.

3. Qualified audit report

The preceding annual audited financial statements of the Group were reported on without any qualification.

4. Unusual items affecting assets, liabilities, equity, net income or cash flows

Save as disclosed below, there were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter and financial period to-date.

As disclosed in Note 11 below, the AIC Business (as defined in Note 11) fall within the ambit of Discontinued Operations and Disposal Group Classified as Held for Sale under FRS 5, Non-current Assets Held for Sale and Discontinued Operations.

As a result of the above:

- all assets, liabilities and related reserves of the Group as at 31 December 2011 have been classified and presented on the consolidated statements of financial position, as 'held for sale' in accordance with FRS 5;
- the entire results of the Group for the current quarter and period and preceding year corresponding quarter and period have been presented on the consolidated statements of comprehensive income as "Discontinued Operations" in accordance with FRS 5; and
- the cash flows of the Group for the current year and preceding period have been presented on the consolidated statements of cash flows as "Discontinued Operations" in accordance with FRS 5.

5. Changes in estimates

There were no changes in the estimates of amounts which give a material effect for the current quarter and financial period.



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6. Taxation

The tax expense for the current quarter and financial period are as follows:

	Current quarter 31.12.2011 RM'000	Financial period 31.12.2011 RM'000
Tax expense, Malaysia		
– current	561	2,207
– over provision in prior year	(297)	(297)
Deferred tax credit		
– current	(503)	(503)
	<u>(239)</u>	<u>1,407</u>

The tax expense for the Group for the current quarter and financial period relates to the taxable income from our precision tooling and automation segment.

The effective tax rate of the Group for the current quarter is higher than the statutory tax rate due mainly to the losses incurred by the semiconductor and investment holding segments.

The effective tax rate of the Group for the financial period is lower than the statutory tax rate due mainly to certain non-taxable income, which mainly comprised of the increase in fair value of the other investment.

7. Valuation of property, plant and equipment

As at 31 December 2011, the valuations of land and building have been brought forward, without amendments from the audited financial statements as at 31 December 2010.

8. Borrowings

The Group borrowings as at the end of the reporting period are as follows:

	Total RM'000
Non-Current	6,163
Current	<u>11,066</u>
Total Group borrowings	<u>17,229</u>

As at 31 December 2011, all the borrowings are secured and there are no outstanding foreign currency denominated borrowings.

9. Debt and equity securities

There were no issuances, cancellations, repurchases and repayments of the Company's debt or equity securities for the current quarter and financial period.



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As at 31 December 2011, 26,230,129 Warrants C which has an exercise period of 10 years commencing 12 March 2008 and ending on 9 March 2018 and an exercise price of RM1.00 for each new ordinary share in the Company remains unexercised.

10. Changes in composition of the Group

Save as disclosed below, there was no change in the Group structure for the financial period and up to the date of this report.

Prodelcon Sdn Bhd, a wholly owned subsidiary of the Company had on 21 March 2011 acquired the entire equity interest, comprising 2 ordinary shares of RM1.00 each in Isotrax Engineering Sdn Bhd for a total cash consideration of RM2.

11. Corporate proposals

Save as disclosed below, there are no corporate proposals that were announced but not completed within 7 days from the date of issue of this quarterly report.

On 29 July 2011, Maybank Investment Bank Berhad ("Maybank IB"), being the adviser to AIC in respect of the Proposed Disposal (as defined below) had announced on behalf of the Board of Directors of the Company ("Board") that the Company had received an offer ("Offer") of even date from Temasek Formation Berhad ("TFB") (then known as Temasek Formation Sdn Bhd), a company whose major shareholder and director, namely Datuk Goh Tian Chuan ("Datuk Goh") is also a major shareholder and Executive Chairman of the Company, to acquire the entire business and undertakings, including all assets and liabilities of the Company ("AIC Business") ("Proposed Disposal").

Together with the Offer, TFB simultaneously made offers on substantially the same terms and conditions to acquire the entire businesses and undertakings, including all assets and liabilities, of Jotech Holdings Berhad ("Jotech") ("Jotech Business") and AutoV Corporation Berhad ("AutoV") ("AutoV Business"). Such simultaneous offers, together with the Offer (collectively known as the "Merger Exercise Offer"), shall constitute a single consolidated offer as at 29 July 2011 for the purposes of achieving the merger of the businesses and undertakings of AIC, Jotech and AutoV (collectively known as "Target Companies"), including all assets and liabilities of the Target Companies as at completion of the Proposed Disposal in accordance with the terms of the Merger Agreement (as defined below) ("Completion").

On 24 August 2011, Maybank IB announced on behalf of the Board that the non-interested Directors of AIC have decided to accept the Offer, subject to, among others the approval of the shareholders of AIC and relevant authorities, where required. As the Merger Exercise Offer represents a related party transaction in view of Datuk Goh's substantial shareholdings in the Target Companies, OSK Investment Bank Berhad ("OSK") has been appointed by AIC to advise the non-interested Directors and the non-interested shareholders of AIC.

On 22 August 2011 and 24 August 2011, Maybank IB announced on behalf of the board of directors of AutoV and Jotech respectively that they have decided to accept the offer from TFB to acquire the AutoV Business ("Proposed AutoV Business Disposal") and Jotech Business ("Proposed Jotech Business Disposal") upon the terms and conditions contained in their respective offer letters dated 29 July 2011 issued by TFB to AutoV and Jotech.

On 15 September 2011, Maybank IB announced on behalf of the Board that AIC had on even date entered into a definitive merger agreement ("Merger Agreement") with TFB, Jotech and AutoV in relation to the Merger Exercise Offer.



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The Offer entails the following proposals (“Proposals”):

- i) Proposed Disposal;
- ii) Proposed Distribution;
- iii) Proposed Share Issue;
- iv) Proposed Bonus Issue; and
- v) Proposed Warrant Scheme

which is further described below.

Proposed Disposal

The Proposed Disposal entails TFB acquiring the AIC Business for a total purchase consideration (“Consideration”) equivalent to:

- (a) RM1.80 for each ordinary share of RM1.00 each in AIC (“AIC Share”), being 20% above the volume weighted average market price (“VWAMP”) of AIC Shares for the five (5) market days up to and including 26 July 2011, being the last trading day prior to the Offer, of RM1.50, multiplied by the total number of outstanding AIC Shares, at a date to be determined later by TFB in consultation with AIC; and
- (b) RM1.00 for each Warrant C, being 17.37% above the VWAMP of the Warrants C for the five (5) market days up to and including 26 July 2011, being the last trading day prior to the Offer, of RM0.852, multiplied by the total outstanding number of Warrants C in issue at a date to be determined later by TFB in consultation with AIC.

The Consideration shall be satisfied by the issuance of an equivalent value of new ordinary shares of RM0.10 each in TFB (“TFB Share”) at an issue price of RM0.12 per TFB Share, less/excluding such number of TFB Shares to be received by AIC arising from its entitlement to TFB Shares pursuant to its existing 11,600,000 ordinary shares of RM1.00 each in AutoV, being such TFB Shares to which AIC will be entitled to under a proposed distribution, similar to the Proposed Distribution (as defined below), to be undertaken by AutoV in connection with the implementation of the Proposed AutoV Business Disposal under the Merger Exercise Offer.

The Consideration is intended to be distributed/paid to the entitled shareholders of AIC and Warrant C Holders pursuant to the Proposed Distribution and Proposed Warrant Scheme as defined below.

Proposed Distribution

AIC shall, subject to obtaining all requisite approvals, implement a proposed distribution exercise comprising:

- (i) a capital reduction exercise (“Proposed Capital Reduction”) in accordance with Sections 60(2) and/or 64 of the Companies Act, 1965 (“Act”), involving a reduction of the share capital and/or share premium reserve (if applicable) of AIC via cancellation of AIC’s issued and paid-up share capital, which shall require confirmation by the High Court of Malaya pursuant to Sections 60(2) and/or 64 of the Act; and
- (ii) a capital repayment exercise (“Proposed Capital Repayment”) involving:



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- (a) the distribution-in-specie of the TFB Shares to be received by AIC upon completion of the Proposed Disposal to all the entitled shareholders of AIC; and
- (b) the distribution-in-specie of the TFB Shares to be received by AIC arising from its entitlement to the TFB Shares pursuant to its existing 11,600,000 ordinary shares of RM1.00 each in AutoV held by AIC in AutoV, to all the entitled shareholders of AIC.

(collectively known as the "Proposed Distribution").

Proposed Share Issue

In connection with the Proposed Disposal, TFB shall simultaneously with the implementation of the Proposed Distribution (which will result in the cancellation of the entire share capital of AIC), subscribe for and AIC shall allot and issue 2 new AIC Shares to TFB at an issue price of RM1.00 each ("Proposed Share Issue"). Accordingly, immediately following the completion of the Proposed Distribution and Proposed Share Issue, the share capital of AIC shall be RM2.00, comprising 2 AIC Shares, all of which shall be held by TFB.

Proposed Bonus Issue

In order to facilitate the Proposed Distribution, AIC shall, prior to the implementation of the Proposed Capital Reduction, undertake a bonus issue of shares, which shall not be credited to the entitled shareholders of AIC and shall immediately be cancelled pursuant to the Proposed Capital Reduction and which is to be effected by way of capitalising all sums standing to the credit of the share premium account, retained profits and/or any other reserves which may be capitalised, including the net gain arising from the Proposed Disposal ("Proposed Bonus Issue"). The actual number of bonus shares to be issued per AIC Share would be dependent on the amount to be capitalised and the total issued and paid-up capital of AIC, as at the entitlement date for the Proposed Distribution.

Proposed Warrant Scheme

In conjunction with the Proposed Disposal, AIC shall implement a scheme of arrangement under Section 176 of the Act ("Proposed Warrant Scheme") to pay the Warrants C holders their entitlements to the Consideration in consideration for the cancellation of the exercise rights pursuant to the Warrants C and thereafter proceed to cancel all the Warrants C so that all the outstanding Warrants C are effectively and validly cancelled.

Upon Completion, each of the Target Companies will separately apply to Bursa Malaysia Securities Berhad ("Bursa Securities") to be delisted from the Main Market of Bursa Securities and subsequently subject to the requisite approvals being obtained, TFB shall assume the listing status of any one of the Target Companies and be listed on the Main Market of Bursa Securities.

On 17 January 2012, Maybank IB had announced on our behalf that the Ministry of International Trade and Industry had vide its letter dated 13 January 2012 (which was received on 17 January 2012), approved the Proposed Disposal, subject to the conditions detailed in the said announcement.

On 26 January 2012, Maybank IB had announced on our behalf that the Securities Commission had vide its letter dated 25 January 2012 (which was received on 26 January 2012), granted its approval under Section 212(5) of the Capital Markets and Services Act 2007, for the Proposals, subject to the conditions detailed in the said announcement.



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On 24 February 2012, Maybank IB had announced:

- i) that the extraordinary general meeting (“EGM”) of the Company will be held at Tiara Rini Ballroom, The Royale Bintang The Curve, 6, Jalan PJU 7/3, Mutiara Damansara, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Wednesday, 21 March 2012 at 10.30 a.m., or any adjournment thereof, for the purpose of considering and approving the Proposed Disposal, Proposed Distribution, Proposed Share Issue and Proposed Bonus Issue; and
- ii) that the court convened meeting of the holders of Warrants C will be held at Tiara Rini Ballroom, The Royale Bintang The Curve, 6, Jalan PJU 7/3, Mutiara Damansara, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Wednesday, 21 March 2012 at 2.00 p.m., or immediately after the conclusion or adjournment of the abovementioned EGM, whichever is later, or any adjournment thereof, for the purpose of considering and approving the Proposed Warrants Scheme.

The notice of the EGM and court convened warrant holders meeting have been sent out on 27 February 2012.

12. Material events subsequent to the period end

There are no material events subsequent to the period end.

13. Contingent liabilities/assets

As at 31 December 2011, the Company had executed corporate guarantees in favour of licensed banks and financial institutions of up to a limit of RM28.5 million and USD0.3 million for credit facilities granted to its subsidiaries. Out of the total banking facilities secured by corporate guarantees, a total borrowings of RM6.2 million were outstanding at the period end.

14. Notes to the statement of comprehensive income

Other than interest income and finance costs, included in the statement of the comprehensive income are the following credits/(charges):

	Current quarter 31.12.2011 RM'000	Preceding year corresponding quarter 31.12.2010 RM'000	Current period 31.12.2011 RM'000	Preceding year 31.12.2010 RM'000
Bad debts written off	-	-	-	(20)
Changes in fair value of derivatives	(44)	125	(340)	27
Changes in fair value of other investment	(1,508)	2,551	5,568	3,298
Depreciation	(3,481)	(3,558)	(14,014)	(14,085)
Dividend income	-	27	438	259
Foreign exchange gain/(loss)	211	(1,389)	1,186	(2,322)
Gain on disposal of investment properties	-	-	-	2,596
Gain on disposal of property, plant and equipment	-	-	-	40
Goodwill written off	(14)	-	(14)	-
Impairment loss on property, plant and equipment	-	(685)	-	(685)
Inventories written off	(214)	(551)	(214)	(551)
Property, plant and equipment written off	-	(1)	(1)	(1)
Rental income	393	393	1,571	1,687
Reversal/(Impairment) loss on receivables	-	(221)	21	(131)



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15. Segmental information

Analysis by business segments being the primary basis of the Group's segment reporting for the financial period ended 31 December 2011 is as follows:

	Test and assembly and other semiconductor related activities RM'000	Precision tooling and automation RM'000	Investment holding RM'000	Total RM'000
Discontinued operations				
Segment revenue				
Revenue from external customers	84,099	51,241	2,008	137,348
Inter-segment revenue	-	1	12,677	12,678
Discontinued operations				
Segment profit before tax				
	(3,702)	10,813	4,082	11,193
<i>Income/(Expenses) included in the measure of Segment Profit are:</i>				
<i>Change in fair value of other investment</i>	-	-	5,568	5,568
<i>Change in fair value of derivatives</i>	(340)	-	-	(340)
<i>Depreciation</i>	(11,897)	(2,114)	(11)	(14,022)
<i>Goodwill written off</i>	-	-	(14)	(14)
<i>Interest expense</i>	(563)	(113)	(1,169)	(1,845)
<i>Interest income</i>	52	109	171	332
<i>Inventories written off</i>	-	(214)	-	(214)
<i>Reversal of impairment loss on receivables</i>	-	21	-	21
Assets of disposal group classified as held for sale				
Segment assets				
	116,717	45,028	36,056	197,801
<i>Included in the measure of segment assets are:</i>				
<i>Additions to non-current assets other than financial instruments</i>	1,581	7,498	10	9,089
Liabilities of disposal group classified as held for sale				
Segment liabilities				
	23,807	12,744	11,532	48,083



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Reconciliation to consolidated profit before tax as below:

	Financial period ended 31.12.2011 RM'000
Discontinued operations	
Total segment profit	11,193
Consolidation adjustments	<u>(56)</u>
Consolidated profit before tax	<u>11,137</u>

Reconciliation to consolidated total assets as below:

	As at 31.12.2011 RM'000
Assets classified as held for sale	
Total segment assets	197,801
Goodwill on consolidation	4,326
Consolidation adjustments	<u>(45)</u>
Consolidated total assets	<u>202,082</u>

16. Capital commitments

Capital commitments as at 31 December 2011 are as follows:

	RM'000
Purchase of plant and equipment:	
- Approved and contracted for	-
- Approved but not contracted for	19,962
Lease agreement ^	<u>6,935</u>
Total	<u>26,897</u>

Note:

^ Based on the remaining lease obligation with CIMB Trustee Berhad (As Trustee for the Amanah Raya Real Estate Investment Trust) ("CIMB Trustee") to lease certain leasehold land and buildings from CIMB Trustee.

17. Seasonal and cyclical factors

There are no material seasonal or cyclical factors affecting the income and performance of the Group.

18. Material litigation

There is no material litigation within 7 days from the date of the quarterly report.



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19. Review of performance

I) Current period versus preceding year corresponding period - Revenue

Analysis on Group basis

The Group's revenue for the current period has slid RM30.1 million or 18% to RM137.3 million as compared to the preceding year corresponding period. The slide was due mainly to a decrease in revenue of RM36.3 million registered by the semiconductor segment, which was partly offset by an increase in revenue of RM6.0 million recorded by the precision tooling and automation segment.

Segmental analysis

- a) The decrease in revenue of the semiconductor segment from RM120.4 million in the preceding year corresponding period to RM84.1 million for the current period was mainly due to the weak global semiconductor market affecting all semiconductor segments, with high overall inventory recorded globally throughout the year. As the revenue of our semiconductor segment is predominantly denominated in USD, our semiconductor segment was also hit by the depreciation of the United States Dollar ("USD") against the RM.
- b) The increase in revenue of the precision tooling and automation segment from RM45.2 million in the preceding year corresponding period to RM51.2 million for the current period was due mainly to increase in demand for its photonics microwave products.

II) Current period versus preceding year corresponding period - Results

Analysis on Group basis

The Group's net profit for the current period has declined by RM5.7 million from the preceding year corresponding period to RM9.9 million. This drop was mainly attributable to a decline of RM8.1 million in the results registered by the semiconductor segment which was partially offset by an increase of RM2.4 million in the net profit generated by the investment holding segment.

Segmental analysis

- a) In tandem with the decrease in revenue, the semiconductor segment's results declined from a net profit of RM5.7 million in the preceding year corresponding period to a net loss of RM2.5 million in the current period. This was mainly attributable to the abovementioned low sales volume, weaker USD against RM and the continuous strengthening of commodity prices, such as gold and copper, affecting our raw material costs.
- b) Included in the net profit of the precision tooling and automation in the preceding year corresponding period was a net credit of RM1.8 million comprising of a gain on disposal of investment property of RM2.6 million which was partially offset by asset impairments/write offs as a result of a fire incident of RM0.8 million. Excluding the said net credit and in line with the increase in its revenue, net profit from the precision tooling and automation segment moved up from RM6.6 million for the preceding year corresponding period to RM8.3 million for the current period. This was mainly a result of the increase in revenue mentioned above and higher margins earned.



APPENDIX IV UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF AIC (Cont'd)



*AIC Corporation Berhad
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- c) The increase in the net profit contributed by the investment holding segment was mainly bolstered by the fair value gain on its other investment of RM5.6 million (RM3.3 million in the preceding year corresponding period) due to the higher market price of its quoted investment.

III) Current quarter versus preceding year corresponding quarter - Revenue

Analysis on Group basis

The Group's revenue for the current quarter declined by RM3.7 million to register at RM33.9 million as compared to RM37.6 million in the preceding year corresponding quarter. This was due mainly to a drop of RM8.3 million in the revenue of the semiconductor segment. The decrease was partly off-set by an increase of RM4.6 million in the revenue of the precision tooling and automation segment.

Segmental analysis

- a) The decline in the semiconductor segment's revenue from RM26.2 million to RM18.0 million was mainly due to the continuous weakness in the global semiconductor market and inventory correction by its customers to adjust for the lower demand.
- b) The increase in the precision tooling and automation segment's revenue from RM10.9 million to RM15.5 million was mainly attributable to an increase in demand for its photonics microwave products.

IV) Current quarter versus preceding year corresponding quarter - Results

Analysis on Group basis

The Group's registered a net loss of RM0.1 million for the current quarter versus a net profit of RM0.5 million for the preceding year corresponding quarter. This decrease is represented by a decrease of RM3.9 million in the results contributed by the investment holding segment. This decline was partly offset by an increase of RM2.4 million and RM0.9 million in the net profits generated by the precision tooling and automation and semiconductor segments respectively.

Segmental analysis

- a) The investment holding segment recorded a net loss of RM2.1 million for the current quarter versus a net profit of RM1.8 million for the preceding year corresponding quarter. This was attributable to a fair value loss for its other investment of RM1.5 million, whereas included in the preceding year corresponding quarter was a fair value gain on other investment of RM2.6 million.
- b) Despite the significant drop of RM8.3 million in its revenue, the semiconductor segment for the current quarter recorded a lower net loss of RM0.6 million as compared to a net loss of RM1.5 million for the preceding year corresponding quarter. The improvement was mainly due to better product mix with higher profit margin and a lowered fixed and semi-fixed overhead costs achieved through cost control measures undertaken by the semiconductor segment.
- c) Included in the net profit of the precision tooling and automation segment for the preceding year corresponding quarter was asset impairments/write offs as a result of a fire incident of RM0.8 million. Excluding the impairment/write offs, the precision tooling and automation segment recorded an improvement in its net profit from RM1.0 million in the preceding year corresponding quarter to RM2.6 million in the current quarter aided by the increase in its revenue and higher margins earned.



APPENDIX IV UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF AIC (Cont'd)



*AIC Corporation Berhad
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20. Quarterly analysis

Revenue

Analysis on Group basis

Quarter on quarter, the Group's revenue increased by RM2.8 million from RM31.1 million to register at RM33.9 million, due mainly to an increase in the revenue from the precision tooling and automation segment of RM4.3 million. This increase was partly offset by the decrease in the revenue of RM1.4 million of the semiconductor segment.

Segmental analysis

- a) The increase in the precision tooling and automation segment's revenue from RM11.2 million in the preceding quarter was due mainly to an increase in demand for its photonics microwave products.
- b) The decrease in the semiconductor segment's revenue from RM19.3 million in the previous quarter was due to a decrease in sales volume resulting from the overall weak global demand.

Results

Analysis on Group basis

Despite the increase in revenue, the Group's profit before tax fell by RM3.7 million from RM3.3 million in the previous quarter to a loss before tax of RM0.4 million in the current quarter. This decrease is represented by a decrease of RM4.5 million and RM0.5 million in the results before tax contributed by the investment holding and semiconductor segments respectively. This decline was partly offset by an increase of RM1.3 million in profit before tax generated by the precision tooling and automation segment.

Segmental analysis

- a) The increase in the precision tooling and automation's profit before tax from RM2.1 million to RM3.4 million quarter on quarter was mainly due to an increase in its revenue and improving margins.
- b) The decrease in the results of the investment holding segment is mainly attributable to a fair value loss for its other investment of RM1.5 million, whereas included in the previous quarter was a fair value gain on other investment of RM2.7 million.
- c) The increase in semiconductor segment's loss before tax from RM1.3 million to RM1.7 million, quarter on quarter is mainly due to the lower sales volume mentioned above.

21. Prospects

Due to the current sovereign debt and financial crisis in Europe and the slowing pace of the global economy, the Board is of the view that the remaining period to the end of financial year to be challenging.

22. Profit forecast

Not applicable as no profit forecast was published.



APPENDIX IV UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF AIC (Cont'd)



*AIC Corporation Berhad
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23. Earnings per share

Basic earnings/(loss) per share

The basic earnings/(loss) per share for the Group was arrived as follows:

	Current quarter 31.12.2011	Preceding year corresponding quarter 31.12.2010	Current period 31.12.2011	Preceding year corresponding period 31.12.2010
Profit/(Loss) attributable to owners of the Company (RM'000)	(82)	534	9,891	15,569
Weighted average number of ordinary shares ('000)	173,873	173,873	173,873	173,873
Basic earnings/(loss) per share (sen)	(0.05)	0.31	5.69	8.95

Diluted earnings/(loss) per share

The diluted earnings/(loss) per share of the Group was arrived as follows:

	Current quarter 31.12.2011	Preceding year corresponding quarter 31.12.2010	Current period 31.12.2011	Preceding year corresponding period 31.12.2010
Profit/(Loss) attributable to owners of the Company (RM'000)	(82)	534	9,891	15,569
Weighted average number of ordinary shares (basic) ('000)	173,873	173,873	173,873	173,873
Effect of conversion of warrants outstanding ('000)	26,230	26,230	26,230	26,230
Weighted average number of ordinary shares (diluted) ('000)	200,103	200,103	200,103	200,103
Diluted earnings/(loss) per share (sen)	(0.04)	0.27	4.94	7.78

24. Dividends

The Board does not recommend any dividend in respect of the financial period ended 31 December 2011.

25. Realised and unrealised profits/losses

The breakdown of the accumulated losses of the Group into realised and unrealised profits/(losses) as follows:

	As at 31.12.2011 RM'000	As at 31.12.2010 RM'000
Realised	(39,970)	(42,586)
Unrealised	(1,586)	(8,830)
	(41,556)	(51,416)
Consolidation adjustments	(45)	(76)
Total accumulated losses	(41,601)	(51,492)



**APPENDIX IV UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF AIC (Cont'd)**



*AIC Corporation Berhad
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26. Discontinued operations and disposal group classified as held for sale

Pursuant to the Merger Agreement as mentioned in Note 11 above, the AIC Business fall within the ambit of Discontinued Operations and Disposal Group Classified as Held for Sale under FRS 5, Non-current Assets Held for Sale and Discontinued Operations. Accordingly, all assets, liabilities and related reserves of the Group have been classified and presented on the consolidated statements of financial position as 'held for sale' in accordance with FRS 5. As at 31 December 2011, the assets, liabilities and reserves classified as 'held for sale' comprised as follows:

	31.12.2011	31.12.2010
	RM'000	RM'000
Assets		
Property, plant and equipment	99,272	104,175
Other investment	19,024	13,456
Investment property	11,045	11,033
Goodwill on consolidation	4,326	4,326
Receivables, deposits and prepayments	36,828	40,139
Inventories	20,797	19,901
Current tax assets	946	145
Cash and cash equivalents	9,844	16,697
Assets of disposal group classified as held for sale	202,082	209,872
Liabilities		
Borrowings	17,229	28,321
Deferred tax liabilities	8,288	8,791
Payables and accruals	21,955	27,751
Tax liabilities	611	740
Liabilities of disposal group classified as held for sale	48,083	65,603
Net assets of disposal group classified as held for sale	153,999	144,269
Reserves		
Revaluation reserve	1,302	1,302
Capital reserve	6,041	6,041
Reserves of disposal group classified as held for sale	7,343	7,343



APPENDIX V UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF AUTOV

(Prepared for inclusion in this Prospectus)



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Independent Auditors' Report on Review of Interim Financial Information to the Board of Directors of AutoV Corporation Berhad ("the Company")

(Company No. 108253-W)
(Incorporated in Malaysia)

Introduction

We have reviewed the accompanying condensed consolidated statements of financial position as at 31 December 2011, and the condensed consolidated statements of comprehensive income for the individual and cumulative quarters ended 31 December 2011, and the condensed consolidated statement of changes in equity and cash flows for the period then ended, and the accompanying notes thereon (collectively referred to as "interim financial information", which we have stamped for the purpose of identification) of the Company. The Board of Directors of the Company is responsible for the preparation and fair presentation of the interim financial information in accordance with FRS 134, *Interim Financial Reporting*. Our responsibility is to express a conclusion on the interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the approved Standard on Auditing in Malaysia applicable to review engagements, ISRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with approved Standard on Auditing in Malaysia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not presented fairly, in all material respects, in accordance with FRS 134, *Interim Financial Reporting* issued by the Malaysia Accounting Standard Board in Malaysia.

APPENDIX V UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF AUTOV (Cont'd)



Company No. 108253-W

Restriction on Use and Distribution

This report is made solely to the Board of Directors in connection with the review of the Company's interim financial information as at and for the period ended 31 December 2011 and for no other purpose. We do not assume responsibility to any other person for the content of this report. It should not be copied or disclosed to any third party or otherwise quoted or referred to, in whole or in part, without our prior written consent.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'KPMG' or similar, written in a cursive style.

KPMG
Firm No. AF 0758
Chartered Accountants

9 April 2012

APPENDIX V UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF AUTOV (Cont'd)

AutoV

AutoV Corporation Berhad

(Incorporated in Malaysia)

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**QUARTERLY UNAUDITED FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2011**

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APPENDIX V UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF AUTOV (Cont'd)

AutoV Corporation Berhad

(Company No. 108253-W)

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**CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME FOR THE PERIOD ENDED 31 DECEMBER 2011**



	CURRENT QUARTER 3 months ended 31 Dec		CUMULATIVE QUARTER 12 months ended 31 Dec	
	2011 RM'000 Unaudited	2010 RM'000 Unaudited	2011 RM'000 Unaudited	2010 RM'000 Audited
Discontinued operations				
Revenue	35,312	26,325	112,491	102,580
Cost of sales	(28,863)	(21,369)	(91,031)	(81,997)
Gross profit	6,449	4,956	21,460	20,583
Other income	1,268	962	2,789	3,110
Administrative expenses	(6,021)	(2,782)	(16,767)	(11,229)
Other expenses	-	-	-	-
Results from operating activities	1,696	3,136	7,482	12,464
Finance cost	(116)	(17)	(169)	(60)
Interest income	89	95	381	339
Profit before taxation	1,669	3,214	7,694	12,743
Income tax expense	(809)	(937)	(2,262)	(756)
Profit from continuing operations	860	2,277	5,432	11,987
Other comprehensive income	-	-	-	-
Total comprehensive income	860	2,277	5,432	11,987
Attributable to:-				
Owners of the Company	851	2,099	4,862	11,367
Non-controlling interests	9	178	570	620
Total comprehensive income	860	2,277	5,432	11,987
Earnings per share				
Basic earnings per share (sen)	1.43	3.60	8.18	19.48
Diluted earnings per share (sen)	1.12	N/A	6.42	N/A

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

APPENDIX V UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF AUTOV (Cont'd)

AutoV Corporation Berhad

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(Company No. 108253-W)

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 31 Dec 2011 Unaudited RM'000	As At 31 Dec 2010 Audited RM'000
ASSETS		
Property, plant and equipment	-	9,141
Development expenditure	-	2,102
Goodwill	-	245
Deferred tax assets	-	1,001
Total non-current assets	<u>-</u>	<u>12,489</u>
Inventories	-	9,436
Trade & other receivable	-	14,042
Prepayments	-	2,006
Current tax assets	-	133
Cash and cash equivalents	-	25,759
Assets of group classified as held for sale	120,570	-
Total current assets	<u>120,570</u>	<u>51,376</u>
TOTAL ASSETS	<u>120,570</u>	<u>63,865</u>
EQUITY		
Share capital	64,994	58,360
Share premium	5,292	2,421
Other reserves	-	700
Accumulated losses	(11,893)	(15,662)
Reserves of group classified as held for sale	18,355	-
Total equity attributable to owners of the Company	<u>76,748</u>	<u>45,819</u>
Non-controlling interest	3,966	3,891
Total equity	<u>80,714</u>	<u>49,710</u>
LIABILITIES		
Borrowing	-	294
Government grant	-	253
Deferred taxation	-	232
Total non-current liabilities	<u>-</u>	<u>779</u>
Trade & other payables	-	11,387
Current tax liabilities	-	244
Government grant	-	69
Borrowing	-	1,270
Provision	-	406
Liabilities of group classified as held for sale	39,856	-
Total current liabilities	<u>39,856</u>	<u>13,376</u>
Total Liabilities	<u>39,856</u>	<u>14,155</u>
TOTAL EQUITY AND LIABILITIES	<u>120,570</u>	<u>63,865</u>
Net assets per share attributable to owners of the Company (sen)	118.08	78.51



The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

APPENDIX V UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2011 OF AUTOV (Cont'd)

AutoV Corporation Berhad

(Company No. 108253-W)

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**CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2011**

	Attributable to shareholders of the Company						Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Consolidation Reserves RM'000	Accumulated Losses RM'000	Total RM'000	Non-controlling Interest RM'000	
At 1 January 2011	58,360	2,421	700	(15,662)	45,819	3,891	49,710
Ordinary shares issued	6,525	2,871	-	-	9,396	-	9,396
RCPS issued	109	-	15,587	-	15,696	-	15,696
Fair value adjustment on securities issued for acquisition of subsidiary	-	-	2,068	-	2,068	-	2,068
Profit for the period	-	-	-	4,862	4,862	570	5,432
Dividend to owners	-	-	-	(1,093)	(1,093)	(495)	(1,588)
At 31 December 2011	64,994	5,292	18,355	(11,893)	76,748	3,966	80,714
At 1 January 2010	58,360	2,421	700	(25,497)	35,984	3,513	39,497
- as previously stated	-	-	-	-	-	-	-
- effect from adopting FRS 139	58,360	2,421	700	(25,497)	35,984	3,513	39,497
- as restated	-	-	-	11,367	11,367	620	11,987
Profit for the period	-	-	-	(1,532)	(1,532)	(242)	(1,774)
Dividend to owners	-	-	-	-	-	-	-
At 31 December 2010	58,360	2,421	700	(15,662)	45,819	3,891	49,710



The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

APPENDIX V UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF AUTOV (Cont'd)

AutoV Corporation Berhad
(Company No. 108253-W)

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CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended 31 Dec	
	2011 Unaudited RM'000	2010 Audited RM'000
Discontinued operations		
Cash flows from operating activities		
Profit before taxation from continuing operations	7,694	12,743
Adjustment for non-cash flow items:		
Impairment of trade receivables	-	333
Depreciation	2,999	2,569
Amortisation of development costs	835	835
Amortisation of government grant	(101)	(109)
Interest expense	121	60
Interest income	(380)	(339)
Provision for warranties	1,253	525
Negative goodwill	(139)	-
Gain on disposal of subsidiary	-	(30)
Gain on disposal of other investment	-	(6)
Gain on disposal of property, plant and equipment	(5)	(20)
Property, plant and equipment written off	118	93
Others	8	51
Operating profit before changes in working capital	12,403	16,705
Change in inventories	828	(2,942)
Change in trade and other receivables	(4,816)	5,900
Tax paid	(3,188)	(950)
Warranties paid	(627)	(613)
Change in trade and other payables	699	(767)
Net cash from / (used in) operating activities	5,299	17,333
Cash flows from investing activities		
Purchase of property, plant & equipments	(5,044)	(965)
Proceed from disposal of other investment	-	16
Proceed from sale of property, plant & equipments	24	20
Acquisition of subsidiary, net of cash	(9,215)	-
Development cost incurred	(109)	(78)
Interest received	381	339
Net cash from / (used in) investing activities	(13,963)	(668)
Cash flows from financing activities		
Drawdown/ (Repayment) of loans and borrowings	1,120	(49)
Government grant received	24	61
Interest paid	(121)	(60)
Deposit released/(pledged)	(1,421)	179
Repayment of finance lease and hire purchase creditors	(344)	(141)
Dividends paid to owners of the Company	(1,093)	(1,532)
Dividend paid to minority shareholders of a subsidiary	(495)	(242)
Net cash from / (used in) financing activities	(2,330)	(1,784)
Net change in Cash and cash equivalents	(10,994)	14,881
Cash and cash equivalents at beginning of period	24,203	9,322
Cash and cash equivalents at end of period	13,209	24,203
Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise the following:		
Deposits with licensed banks and other corporations	10,942	18,452
Cash and bank balances	7,646	7,307
Bank overdraft	(2,402)	-
	16,186	25,759
Deposits pledged as security	(2,977)	(1,556)
	13,209	24,203



The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**APPENDIX V UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF AUTOV (Cont'd)**

AutoV Corporation Berhad

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(Company No. 108253-W)

**QUARTERLY UNAUDITED FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER
2011**

AutoV Corporation Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of the Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The condensed consolidated interim financial statements of the Group as at and for the period ended 31 December 2011 comprises the Company and its subsidiaries, together referred to as "the Group".

The Board of Directors has on 30 December 2011 approved the change in the financial year end of the Group from 31 December to 30 June and the next audited financial statements shall be for a period of 18 months from 1 January 2011 to 30 June 2012.

These condensed consolidated interim financial statements were approved by the Board of Directors on 28 February 2012.

1. Basis of preparation

The quarterly financial report is unaudited and has been prepared in accordance with the applicable disclosure provisions of the Financial Reporting Standard ("FRS") 134, Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia. The quarterly financial report do not include all the information required for the full annual financial statements and should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 December 2010.

2. Significant Accounting Policies

Save as disclosed below, the significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2010.

I. Accounting for business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

The Group has changed its accounting policy with respect to accounting for business combinations. From 1 January 2011 the Group has applied FRS 3, Business Combinations (revised) in accounting for business combinations. The change in accounting policy has been applied prospectively in accordance with the transitional provisions provided by the standard and does not have impact on earnings per share.

Under FRS 3 (revised), the definition of a business has been broadened, which will result in more acquisitions being treated as business combinations.



**APPENDIX V UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF AUTOV (Cont'd)**

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AutoV Corporation Berhad

(Company No. 108253-W)

QUARTERLY UNAUDITED FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2011



Acquisitions on or after 1 January 2011

For acquisitions on or after 1 January 2011, the Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any minority (will be known as non-controlling) interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Any pre-existing interest in the acquiree will be measured at fair value with the gain or loss recognised in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Any non-controlling interest will be measured at either fair value, or at its proportionate interest in the identifiable assets and liabilities of the acquiree, on a transaction-by-transaction basis.

When share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and /or future service.

Acquisitions between 1 January 2006 and 1 January 2011

For acquisitions between 1 January 2006 and 1 January 2011, goodwill represents the excess of the cost of the acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

**APPENDIX V UNAUDITED QUARTERLY RESULTS FOR THE 12-MONTH PERIOD ENDED 31
DECEMBER 2011 OF AUTOV (Cont'd)**

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AutoV Corporation Berhad

(Company No. 108253-W)

QUARTERLY UNAUDITED FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2011

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

Acquisitions prior to 1 January 2006

For acquisitions prior to 1 January 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the fair values of the net identifiable assets and liabilities.

II. Loss of control

The Group applied FRS 127, *Consolidated and Separate Financial Statements (revised)* since the beginning of the reporting period in accordance with the transitional provisions provided by the standard and does not have impact on earnings per share. Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

In the previous years, if the Group retained any interest in the previous subsidiary, such interest was measured at the carrying amount at the date that control was lost and this carrying amount would be recognised as cost on initial measurement of the investment.

III. Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and the owners of the Company.

Since the beginning of the reporting period, the Group has applied FRS 127, *Consolidated and Separate Financial Statements (revised)* where losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. This change in accounting policy is applied prospectively in accordance with the transitional provisions of the standard and does not have impact on earnings per share.



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In the previous years, where losses applicable to the non-controlling interests exceed the their interests in the equity of a subsidiary, the excess, and any further losses applicable to the non-controlling interests, were charged against the Group's interest except to the extent that the non-controlling interests had a binding obligation to, and was able to, make additional investment to cover the losses. If the subsidiary subsequently reported profits, the Group's interest was allocated with all such profits until the non-controlling interests' share of losses previously absorbed by the Group had been recovered.

The Group has not applied the following accounting standards, amendments, and interpretations that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group:

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2011

- Amendments to IC 14, *Prepayments of a Minimum Funding Requirement*
- IC 19, *Extinguishing Financial Liabilities with Equity Instruments*

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2012

- FRS 124, *Related Party Disclosures (revised)*
- IC 15, *Arrangements for the Construction of Real Estate*

The Group plans to apply the abovementioned standards, amendments and interpretations from the annual period beginning 1 January 2012 for those standards, amendments or interpretations that will be effective for annual periods beginning on or after 1 July 2011 and 1 January 2012 except for IC Interpretation 19, Amendments to IC Interpretation 14 and IC Interpretation 15 which are not applicable to the Group.

The initial application of a standard, an amendment or an interpretation, which will be applied prospectively or which requires extended disclosures, is not expected to have any financial impact to the current and prior periods' financial statements upon their first adoption.

Following the announcement by the Malaysian Accounting Standards Board on 1 August 2008, the Group's financial statements will be prepared in accordance with the International Financial Reporting Standards ("IFRS") framework for annual periods beginning on 1 January 2012.

3. Qualified audit report

The preceding annual audited financial statements of the Group were reported on without any qualification.



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4. Unusual items affecting assets, liabilities, equity, net income or cash flows

Save as disclosed below, there were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter and financial period to date:

As disclosed in Note 15 below, the AutoV Business (as defined in therein) fall within the ambit of Discontinued Operations and Disposal Group Classified as Held for Sale under FRS 5, Non-current Assets Held for Sale and Discontinued Operations.

As a result of the above:

- (i) all assets, liabilities and related reserves of the Group as at 30 September 2011 have been classified and presented on the consolidated statements of financial position, as 'held for sale' in accordance with FRS 5;
- (ii) the entire results of the Group for the current quarter and period and preceding year corresponding quarter and period have been presented on the consolidated statements of comprehensive income as "Discontinued Operations" in accordance with FRS 5; and
- (iii) the cash flows of the Group for the current period and preceding year corresponding period have been presented on the consolidated statements of cash flows as "Discontinued Operations" in accordance with FRS 5.

5. Changes in estimates

There were no changes in the estimates of amounts which give a material effect for the current quarter and financial period to date.

6. Taxation

The tax expense for the current quarter is as follows:

	RM'000
Malaysian income tax	
- Current	1,293
- Prior year	19
Deferred tax	950
	<u>2,262</u>



7. Purchase or sale of unquoted investments/properties

Save as disclosed in Note 12 below, there were no purchases or sales of unquoted investments/properties for the current quarter and financial period to date.

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8. Notes to the statement of comprehensive income

Other than interest income and finance costs, included in the statement of comprehensive income are the following credits/(charges):

	Current Quarter		Financial Year-to-Date	
	Dec-11 RM'000	Dec-10 RM'000	Dec-11 RM'000	Dec-10 RM'000
Depreciation	(971)	(643)	(2,999)	(2,569)
Amortisation	(155)	(182)	(734)	(726)
Impairment of receivables	-	-	-	(333)
Impairment of inventories	-	-	-	185
Gain on disposal of investment	-	-	-	36
Gain on disposal of properties	-	-	-	-
Gain on disposal of equipment	5	-	5	20
Plant & equipment written off	(5)	-	(118)	(93)
Gain/(Loss) on foreign exchange	(65)	659	826	2,494
Gain/(Loss) on derivatives	-	-	-	-
Other exceptional items	-	-	-	-

9. Valuation of property, plant and equipment

As at the end of the financial period, the valuations of land and building have been brought forward, without amendments from the audited financial statements as at 31 December 2010.

10. Borrowings

The Group borrowings as at the end of the reporting period are as follows:

	RM'000
Non-Current	5,299
Current	6,805
Total Group borrowings	<u>12,104</u>



As at the end of the financial quarter, all the borrowings are secured and there are no outstanding foreign currency denominated borrowings.

11. Debt and equity securities

On 8 November 2011, the Company issued 6,525,000 ordinary shares of RM1.00 each and 10,900,000 Redeemable Convertible Preference Shares ("RCPS") of RM0.01 each at an issue price of RM1.44 per share and RCPS.

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12. Changes in composition of the Group

On 18 March 2011, the Company completed its acquisition of 100% equity interest in JP Metal Sdn Bhd ("JPM") for an aggregate consideration of RM7,000,000.

On 9 November 2011, the Company completed its acquisition of 100% equity interest in Proreka (M) Sdn Bhd ("PMSB") for an aggregate consideration of RM27,880,000.

The effects from the acquisitions are as follows:

	Recognised Value on Acquisition		
	JPM RM'000	PMSB RM'000	Total RM'000
Total assets	11,394	36,317	47,711
Total liabilities	4,255	25,080	29,335
Fair value of net identifiable assets and liabilities acquired	7,139	11,237	18,376
Cash paid on acquisition	7,000	2,788	9,788
Fair value of equity & RCPS issued	-	27,160	27,160
Goodwill/ (Negative goodwill) acquired	(139)	18,711	18,572
Cash acquired on acquisition	649	(76)	573
Net cash outflow on acquisition	6,351	2,864	9,215

The acquired subsidiaries have contributed the following results to the Group:

	Financial Year to Date		
	JPM RM'000	PMSB RM'000	Total RM'000
Revenue	13,213	9,245	22,458
Profit after taxation	1,185	962	2,147

13. Non-current assets held for sale

Non-current assets held for sale as at the end of the financial period are disclosed in Note 28 below.



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14. Segmental information

The Group operates wholly in Malaysia. Financial information by industry segments is not presented as the Group's activities are principally engaged in the manufacturing and supplying of automotive and related components.

15. Corporate proposals

Save as disclosed below, there are no other corporate proposals that were announced but not completed within 7 days from the date of issue of this quarterly report.

Proposed disposal of the entire business and undertakings of AutoV Group

On 29 July 2011, Maybank Investment Bank Berhad ("Maybank IB"), being the adviser to AutoV in respect of the Proposed Disposal (as defined below) had announced on behalf of the Board of Directors of the Company ("Board") that the Company had received an offer ("Offer") of even date from Temasek Formation Berhad ("TFB") (then known as Temasek Formation Sdn Bhd), a company whose major shareholder and director, namely Datuk Goh Tian Chuan ("Datuk Goh") is also a major shareholder of the Company, to acquire the entire business and undertakings, including all assets and liabilities of the Company ("AutoV Business") ("Proposed Disposal").

Together with the Offer, TFB simultaneously made offers on substantially the same terms and conditions to acquire the entire businesses and undertakings, including all assets and liabilities, of Jotech Holdings Berhad ("Jotech") ("Jotech Business") and AIC Corporation Berhad ("AIC") ("AIC Business"). Such simultaneous offers, together with the Offer (collectively known as the "Merger Exercise Offer"), shall constitute a single consolidated offer as at 29 July 2011 for the purposes of achieving the merger of the businesses and undertakings of AIC, Jotech and AutoV (collectively known as "Target Companies"), including all assets and liabilities of the Target Companies as at completion of the Proposed Disposal in accordance with the terms of the Merger Agreement (as defined below) ("Completion").

On 22 August 2011, Maybank IB announced on behalf of the Board that the non-interested Directors of AutoV have decided to accept the Offer, subject to, among others the approval of the shareholders of AutoV and relevant authorities, where required. As the Merger Exercise Offer represents a related party transaction in view of Datuk Goh's substantial shareholdings in the Target Companies, KAF Investment Bank Berhad ("KAF") has been appointed by AutoV to advise the non-interested Directors and the non-interested shareholders of AutoV.

On 24 August 2011, Maybank IB announced on behalf of the board of directors of AIC and Jotech that they have decided to accept the offer from TFB to acquire the AIC Business ("Proposed AIC Business Disposal") and Jotech Business ("Proposed Jotech Business Disposal") upon the terms and conditions contained in their respective offer letters dated 29 July 2011 issued by TFB to AIC and Jotech.



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On 15 September 2011, Maybank IB announced on behalf of the Board that AutoV had on even date entered into a definitive merger agreement ("Merger Agreement") with TFB, Jotech and AIC in relation to the Merger Exercise Offer.

The Offer entails the following proposals ("Proposals"):

- i) Proposed Disposal;
- ii) Proposed Distribution;
- iii) Proposed Share Issue; and
- iv) Proposed Bonus Issue

which is further described below.

Proposed Disposal

The Proposed Disposal entails TFB acquiring the AutoV Business for a total purchase consideration ("Consideration") equivalent to RM2.38 for each ordinary share of RM1.00 each in AutoV ("AutoV Share"), being 20% above the volume weighted average market price ("VWAMP") of AutoV Shares for the five (5) market days up to and including 26 July 2011, being the last trading day prior to the Offer, of RM1.98, multiplied by the total number of outstanding AutoV Shares, at a date to be determined later by TFB in consultation with AutoV.

The Consideration shall be satisfied by the issuance of an equivalent value of new ordinary shares of RM0.10 each in TFB ("TFB Share") at an issue price of RM0.12 per TFB Share.

The Consideration is intended to be distributed/paid to the entitled shareholders of AutoV pursuant to the Proposed Distribution as defined below.

Proposed Distribution

AutoV shall, subject to obtaining all requisite approvals, implement a proposed distribution exercise comprising:

- i) a capital reduction exercise ("Proposed Capital Reduction") in accordance with Sections 60(2) and/or 64 of the Companies Act, 1965 ("Act"), involving a reduction of the share capital and/or share premium reserve (if applicable) of AutoV via cancellation of AutoV's issued and paid-up share capital, which shall require confirmation by the High Court of Malaya pursuant to Sections 60(2) and/or 64 of the Act; and
- ii) a capital repayment exercise ("Proposed Capital Repayment") involving the distribution-in-specie of the TFB Shares to be received by AutoV upon completion of the Proposed Disposal to all the entitled shareholders of AutoV.

(collectively known as the "Proposed Distribution").



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Proposed Share Issue

In connection with the Proposed Disposal, TFB shall simultaneously with the implementation of the Proposed Distribution (which will result in the cancellation of the entire share capital of AutoV), subscribe for and AutoV shall allot and issue 2 new AutoV Shares to TFB at an issue price of RM1.00 each ("Proposed Share Issue"). Accordingly, immediately following the completion of the Proposed Distribution and Proposed Share Issue, the share capital of AutoV shall be RM2.00, comprising 2 AutoV Shares, all of which shall be held by TFB.

Proposed Bonus Issue

In order to facilitate the Proposed Distribution, AutoV shall, prior to the implementation of the Proposed Capital Reduction, undertake a bonus issue of shares, which shall not be credited to the entitled shareholders of AutoV and shall immediately be cancelled pursuant to the Proposed Capital Reduction and which is to be effected by way of capitalising all sums standing to the credit of the share premium account, retained profits and/or any other reserves which may be capitalised, including the net gain arising from the Proposed Disposal ("Proposed Bonus Issue"). The actual number of bonus shares to be issued per AutoV Share would be dependent on the amount to be capitalised and the total issued and paid-up capital of AutoV, as at the entitlement date for the Proposed Distribution.

Upon Completion, each of the Target Companies will separately apply to Bursa Malaysia Securities Berhad ("Bursa Securities") to be delisted from the Main Market of Bursa Securities and subsequently subject to the requisite approvals being obtained, TFB shall assume the listing status of any one of the Target Companies and be listed on the Main Market of Bursa Securities.

On 17 January 2012, Maybank IB had announced on our behalf that the Ministry of International Trade and Industry had vide its letter dated 13 January 2012 (which was received on 17 January 2012), approved the Proposed Disposal, subject to the conditions detailed in the said announcement.

On 26 January 2012, Maybank IB had announced on our behalf that the Securities Commission had vide its letter dated 25 January 2012 (which was received on 26 January 2012), granted its approval under Section 212(5) of the Capital Markets and Services Act 2007, for the Proposals, subject to the conditions detailed in the said announcement.

On 24 February 2012, Maybank IB had announced on our behalf that the Extraordinary General Meeting to approve the above has been fixed on 22 March 2012, details as contained in the Circular to Shareholders dated 27 February 2012.

16. Contingent liabilities/assets

As at the end of the financial period, the Company had executed corporate guarantees in favour of licensed banks and financial institutions of up to a limit of RM5.0 million for credit facilities granted to its subsidiaries. Out of the total banking facilities secured by corporate guarantees, a total borrowing of RM1.852 million were outstanding at the period end.



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17. Capital commitments

There were no material capital commitments to be disclosed in the financial statement for the current financial period.

18. Material events subsequent to the period end

There are no other material events subsequent to the period end.

19. Derivatives

There were no outstanding financial derivatives held as at the end of the financial period.

20. Seasonal and cyclical factors

There are no material seasonal or cyclical factors affecting the income and performance of the Group.

21. Material litigation

There is no material litigation within 7 days from the date of the quarterly report.

22. Review of performance

I) Current period versus preceding year corresponding period - Revenue

The Group's revenue has increased by RM9.9 million or 3.7% from RM102.6 million in the preceding year corresponding period to RM112.5 million for the current period. This was mainly due to the revenue contribution of RM22.5 million from the newly acquired subsidiaries, JPM and PMSB, which helped cushioned the impact from reduced car production during the financial period arising from the Japan tsunami and Thailand floods.

II) Current period versus preceding year corresponding period - Results

Due to the reduced car production during the financial period, the Group registered a lower profit after tax of RM5.4 million for the current period compared to RM12.0 million for the preceding year's corresponding period.

III) Current quarter versus preceding year corresponding quarter - Revenue

The Group's revenue for the current quarter has increased by RM9.0 million or 34.2% from RM26.3 million in the preceding year corresponding quarter mainly due to the revenue contribution from the newly acquired subsidiaries in 2011.



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IV) Current quarter versus preceding year corresponding quarter - Results

Despite the increase in revenue compared to the preceding year's corresponding quarter, the profit after tax for the current quarter fell RM1.4 million or 62.2% to RM0.9 million for the current quarter. This has mainly due to a significant decrease in the supply of components arising from lower car production volume in the current year.

23. Quarterly analysis

I) Revenue

Quarter on quarter, the Group's revenue increased by RM7.9 million or 28.9% from the previous quarter's revenue of RM27.4 million, due mainly to revenue contribution from Proreka (M) Sdn Bhd during the financial quarter.

II) Results

In spite of the increase in revenue, the Group's profit before tax decreased by RM0.3 million from the preceding quarter's profit before tax of RM2.0 million, mainly attributed to the increase in expenses for the recent corporate exercises during the financial quarter.

24. Prospects

In view of the current local market sentiments while paying heed to the uncertain global economy, the Board is cautiously optimistic that the remaining period to the end of financial year to be satisfactory.

25. Profit forecast

Not applicable as no profit forecast was published.



26. Earnings per share

Basic earnings per share

The basic earnings per share for the current quarter have been calculated based on the Group's profit attributable to the owners of the Company over the weighted average number of ordinary shares in issue of 59,447,247.

Diluted earnings per share

The fully diluted earnings per share for the current quarter have been calculated based on the Group's profit attributable to the owners of the Company over the total share capital issued and assuming that the RCPS are fully converted.

27. Dividends

The Board of Directors does not recommend any dividend in respect of the current financial period.

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28. Discontinued operations and disposal group classified as held for sale

Pursuant to the Merger Agreement as mentioned in Note 15 above, the AutoV Business fall within the ambit of Discontinued Operations and Disposal Group Classified as Held for Sale under FRS 5, Non-current Assets Held for Sale and Discontinued Operations. Accordingly, all assets, liabilities and related reserves of the Group have been classified and presented on the consolidated statements of financial position as 'held for sale' in accordance with FRS 5.

As at 31 December 2011, the assets, liabilities and reserves classified as 'held for sale' comprised as follows:

	RM'000
Assets	
Property, plant and equipment	26,920
Development expenditure	1,368
Goodwill	18,955
Deferred tax assets	1,001
Inventories	16,369
Trade & other receivable	35,028
Prepayments	-
Current tax assets	2,341
Cash and cash equivalents	18,588
Assets of disposal group classified as held for sale	<u>120,570</u>
Liabilities	
Trade & other payables	24,960
Current tax liabilities	227
Government grant	245
Borrowing	12,104
Provision	1,032
Deferred tax liabilities	1,288
Liabilities of disposal group classified as held for sale	<u>39,856</u>
Net assets of disposal group classified as held for sale	<u><u>80,714</u></u>
Reserves	
Other reserves	18,355
Reserves of disposal group classified as held for sale	<u><u>18,355</u></u>



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29. Realised and unrealised profit and loss

The breakdown of the accumulated losses of the Group is as follows:

	As At 31 Dec 2011 RM'000	As At 31 Dec 2010 RM'000
Realised	(45,701)	(49,104)
Unrealised	730	364
	<u>(44,971)</u>	<u>(48,740)</u>
Consolidation adjustments	33,078	33,078
Total accumulated losses	<u><u>(11,893)</u></u>	<u><u>(15,662)</u></u>

