

STATUS OF MATERIAL LITIGATIONS AS AT 17 AUGUST 2009**Legal Action against Y&G Corporation Bhd (“Y&G”)****(i) Raja Eleena Siew Ang & Associates vs CCM Bioscience Bhd (now known as Y&G)
Kuala Lumpur High Court Suit No. S-22-1474-2002**

Plaintiff filed a claim against Y&G on 19 December 2002 for RM373,478.10 for work done, services rendered, disbursements and expenses incurred at the request of Y&G in respect to the Sale and Purchase Agreement dated 13 March 1999 between Wide Heritage (M) Sdn Bhd and CCM Bioscience Bhd (now known as Y&G) for the purchase of the entire equity interest in Mercedes Builders Sdn Bhd (“MBSB”) which was completed during the tenure of the previous Board and Management of Y&G. Plaintiff had on 24 January 2003 obtained a summary judgment for the claim and Defendant was served with a statutory notice pursuant to section 218 of the Companies Act, 1965 on 7 April 2003. Defendant is preparing for appeal. Both parties have agreed to settle the matter amicably.

Status: Case pending

**(ii) Malayan Banking Berhad vs Y&G Corporation Bhd (“Y&G”)
Kuala Lumpur High Court Suit No. D3-28-34-2006 / D5-22-1435-2005**

Plaintiff had filed a claim against Y&G for a sum of RM704,708.78 being outstanding balance of overdraft account with MBB. The Company offered to settle with MBB with a payment of RM300,000 which was rejected by MBB on 23 January 2007.

Status: The Company has again, on 4 November 2008, offered to MBB and is awaiting for MBB’s reply to its new settlement proposal of RM400,000 payable in the following manner – RM100,000 upfront and RM25,000 monthly instalment for twelve (12) months.

**(iii) Lee Hock Soon vs Y&G Corporation Bhd (“Y&G”)
Kuala Lumpur High Court Suit No. D22-840-2009**

Plaintiff had, on 27 May 2009, filed a claim against Y&G for a sum of RM622,920.49 being monies advanced by the Plaintiff to the Defendant from Year 2002 till 2005 plus 8% interest per annum on the said sum calculated from the date of the Writ until the date of its full settlement. Lee Hock Soon was a former Director of Y&G at all material times until his resignation on 12 September 2005. The Directors are in the opinion that the claims are without basis nor authority.

Status: Y&G had appointed solicitors to defend against the said claim and had, on 12 June 2009, served its Statement of Defence to the Plaintiff’s Solicitors. The Honourable Court has fixed the case for Pre-Trial Case Management on 25 August 2009.

STATUS OF MATERIAL LITIGATIONS AS AT 17 AUGUST 2009 (Cont'd)

(iv) ICP Marketing Sdn Bhd v. MBSB & Lee Hock Soon & Y&G Corporation Bhd (“Y&G”) Shah Alam High Court Suit No. 22-209-2002

Plaintiff had on 26 March 2002 filed a claim for RM854,369.37 in respect of giids sold (pretentioned spun concrete piles) and delivered in relation to Likes Sport Complex Project at Kota Kinabalu, Sabah against MBSB, Lee Hock Soon as Personal Guarantor of MBSB and RM500,000.00 against Y&G as Corporate Guarantor of MBSB. Statement of Defence has been filed by MBSB. Plaintiff obtained summary judgment for the claim.

Status: Case pending

*** NOTES:-**

A winding-up order has been served against Merces Builders Sdn Bhd (“MBSB”), a wholly-owned subsidiary of Y&G Corporation Bhd on 30 April 2009. As MBSB is currently under the winding-up process, all legal cases with regard to MBSB Group (with the exception of cases whereby Y&G and/or any of its other subsidiaries is/are also a party(ies) to the said cases) have been delisted.