

12. OTHER GENERAL INFORMATION

12.1 Share Capital

- (i) No shares will be allotted or sold on the basis of this Prospectus later than twelve (12) months after the date of this Prospectus.
- (ii) As at 15 December 2003 (being the latest practicable date prior to the printing of this Prospectus), there is only one class of shares in the Company, namely ordinary shares of RM0.50 each, all of which rank pari passu with one another and have been fully paid-up.
- (iii) Save for the 4,000,000 ordinary shares reserved for the eligible employees, Directors and/or business associates of the Group as disclosed in Sections 2.3 (ii) and 4.4 (iv)(ii) of this Prospectus and the Put and Call Agreement as disclosed in Section 12.6 (xxxix), no other person has been or is entitled to be given an option to subscribe for or purchase any shares, stocks or debentures of the Company or its subsidiaries.

Save for the above, there are no other schemes involving the employees of the Group in the shares of the Company.

- (iv) Save for the 36,000,000 ordinary shares that are under moratorium as disclosed in Section 2.11 of this Prospectus and the restriction imposed by the MITI as disclosed in Section 6.1 of this Prospectus, there is no other restriction on the transfer of the other shares of the Company, except as otherwise required by law.
- (v) Save as disclosed in Sections 4.3, 4.4 and 4.6 of this Prospectus, no shares, stocks or debentures in the Company or its subsidiaries or associated company have been issued or are proposed to be issued as partly or fully paid-up in cash or otherwise than in cash within the two (2) years preceding 15 December 2003 (being the latest practicable date prior to the printing of this Prospectus).

12.2 Articles of Association

The following provisions are reproduced from the Company's Articles of Association:

TRANSFER OF SECURITIES

Article 24

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

Article 25

The instrument of transfer of any share of the Company shall be executed by or on behalf of the transferor, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered into the Register of Members and / or the Record of Depositors, as the case may be, in respect thereof.

Article 26

Subject to the Rules and Listing Requirements, the transfer of any securities may be suspended at such times and for such periods as the Directors may from time to time determine. Twelve (12) clear market days' notice, or such other period as may from time to time be specified by the Exchange governing the Register concerned, of intention to close the Register shall be published in a daily newspaper circulating in Malaysia and shall also be given to the Exchange. At least three (3) market days prior notice shall be given to the Central Depository to prepare the appropriate Record of Depositors.

12. OTHER GENERAL INFORMATION (CONT'D)

Article 27

The Central Depository may refuse to register any transfer of deposited security that does not comply with the Central Depositories Act and the Rules.

Article 28

Subject to the provisions of these Articles, the Directors may recognise a renunciation of any share by the allottee thereof in favour of some other person.

Article 35

In the event that:-

- (a) the securities of the Company are listed on an Approved Market Place; and
- (b) the Company is exempted from compliance with section 14 of the Central Depositories Act or section 29 of the Securities Industry (Central Depositories) (Amendment)(No.2) Act, 1998, as the case may be, under the Rules in respect of such securities,

the Company shall, upon the request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the Registrar of the Company in the jurisdiction of the Approved Market Place (hereinafter referred to as "the Foreign Register"), to the register of holders maintained by the registrar of the Company in Malaysia (hereinafter referred to as "the Malaysian Register") provided that there shall be no change in ownership of such securities.

Article 36

The Company shall not allow any transmission of securities from the Malaysian Register to the Foreign Register.

REMUNERATION OF DIRECTORS

Article 93

The Directors shall be paid by way of fees for their services, such fixed sum (if any) as shall from time to time be determined by the Company in general meeting and such fees shall be divided among the Directors in such proportions and manner as the Directors may determine. PROVIDED ALWAYS that:-

- (a) fee 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) salaries and other emoluments payable to Directors who hold an executive office in the Company pursuant to a contract of service need not be determined by the Company in general meeting but such salaries and emoluments may not include a commission on or percentage of turnover.
- (c) fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting where notice of the proposed increase has been given in the notice convening the meeting.
- (d) any fee paid to an alternate Director shall be such as shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Article 94

- (1) The Directors shall be paid all their travelling, hotel and other expenses properly and necessarily expended by them in and about the business of the Company including their travelling and other expenses incurred in attending meetings of the Directors or any committee of the Directors of the Company.

12. OTHER GENERAL INFORMATION (CONT'D)

- (2) 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 Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determined by the Board provided that in the case of non-executive Directors of the Company, the said remuneration shall not include a commission on or percentage of profits or turnover. In the case of an Executive Director, such fee may be either in addition to or in substitution for his share in the fee from time to time provided for the Directors.

VOTING AND BORROWING POWERS OF DIRECTORS, INCLUDING VOTING POWERS IN RELATION TO PROPOSALS, ARRANGEMENTS OR CONTRACTS IN WHICH THEY ARE INTERESTED

Voting Power

Article 97

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

- (a) exercise any power of the Company to issue shares unless otherwise permitted under the Act;
- (b) subject to sections 132E and 132F 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 a Director or person, any non-cash assets of the requisite value.

Article 114

Every Director shall comply with the provisions of sections 131 and 135 of the Act in connection with the disclosure of his shareholding and interests in the Company and his interest in any contract or proposed contract with the Company and in connection with the disclosure, every Director shall state the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly, duties or interests might be created in conflict with his duty or interest as a Director of the Company.

Article 115

A Director may contract with and be interested in any contract or proposed contract with the Company and shall not be liable to account for any profit made by him by reason of any such contract; PROVIDED ALWAYS THAT the nature of the interest of the Director in any such contract be declared at a meeting of the Directors as required by section 131 of the Act. 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), nor shall he be counted for the purpose of any resolution regarding the same, in the quorum present at the meeting.

Article 117

A Director may vote in respect of: -

- (a) any arrangement for giving the Director himself or any other Directors any security or indemnity or any other Directors any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; and

12. OTHER GENERAL INFORMATION (CONT'D)

- (b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part, under a guarantee or indemnity or by the deposit of a security.

Borrowing Power

Article 98

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or of any unrelated third party.

CHANGES IN CAPITAL AND VARIATION OF CLASS RIGHTS

The provisions of the Company's Articles of Association dealing with changes in capital and variation of class rights which are as stringent as those provided in the Companies Act, 1965 are as follows:

Article 3

Without prejudice to any special rights previously conferred on the holders of any existing shares but subject to the Act and to these Articles, shares in the Company may be issued by the Directors and any such shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Directors, subject to any ordinary resolution of the Company, may determine.

Article 4

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares and subject to the provisions of these Articles and the Act and to the provisions of any resolution of the Company, shares in the Company may be issued by the Directors, who may allot, or otherwise dispose of such shares to such persons, on such terms and conditions, with such preferred, deferred or other special rights, and subject to such restrictions and at such times as the Directors may determine but the Directors in making any issue of shares shall comply with the following conditions:

- (a) no shares shall be issued at a discount except in compliance with the provisions of section 59 of the Act;
- (b) in the case of shares of a class, other than ordinary shares, no special rights shall be attached until the same have been expressed in these Articles and in the resolution creating the same;
- (c) every issue of shares or options to employees and/or Directors of the Company shall be approved by the Members in general meeting and no Director shall participate in such issues of shares unless:-
- i) the Members in general meeting have approved of the specific allotment to be made to such Director; and
 - ii) he holds office in the Company in an executive capacity PROVIDED ALWAYS that a Director not holding office in an executive capacity may so participate in any issue of shares pursuant to a public issue or public offer or special issue, such participation to be approved by the relevant authorities.

12. OTHER GENERAL INFORMATION (CONT'D)

Article 5

- (1) The holder of a preference share shall be entitled to a return of capital in preference to holders of ordinary shares when the company is wound up.
- (2) Subject to the Act, any preference shares may with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed but the total nominal value of the issued preference shares shall not exceed the total nominal value of the issued ordinary shares at any time and the Company shall not issue preference shares ranking in priority above preference shares already issued, but may issue preference shares ranking equally therewith. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving notices, reports and audited accounts and attending general meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or during the winding up of the Company, or on a proposal for the disposal of the whole of the Company's property, business and undertaking, or where any resolution to be submitted to the meeting directly affects their rights and privileges attached to the shares, or when the dividend or part of the dividend on the preference shares is in arrears for more than six (6) months.

Article 6

Notwithstanding Article 7 hereof, the repayment of preference share capital other than redeemable preference shares, or any alteration of preference shareholder's rights shall only be made pursuant to a special resolution of the preference shareholders concerned PROVIDED ALWAYS that where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing, if obtained from the holders of three-fourths of the preference capital concerned within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.

Article 7

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two (2) persons at least holding or representing by proxy, one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution, the provisions of section 152 of the Act shall with such adaptations as are necessary, apply.

Article 8

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or in all respects *pari passu* therewith.

Article 9

The Company may exercise the powers of paying commission conferred by the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act, and the rate of the commission shall not exceed the rate of ten per cent (10%) of the price at which the shares in respect whereof the same is paid are issued or an amount equal to ten per cent (10%) of that price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

12. OTHER GENERAL INFORMATION (CONT'D)

Article 10

Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest on so much share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in section 69 of the Act and may charge the same to capital as part of the cost of the plant construction of the works or buildings or the provision.

Article 11

Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognize (even with notice thereof) any equitable, contingent, future or partial interest in any share or any unit of share or (except only as by these Articles or by law otherwise provided) any other right in respect of any shares, except an absolute right to the entirety thereof in the registered holder.

Article 12

A company must ensure that all new issues of securities for which listing is sought are made by way of crediting the Securities Accounts of the allottees with such securities save and except where it is specifically exempted from compliance with section 38 of the Central Depositories Act, in which event it shall so similarly be exempted from compliance with this provision. For this purpose, the Company must notify the Central Depository of the names of the allottees and all such particulars required by the Central Depository, to enable the Central Depository to make the appropriate entries in the Securities Accounts of such allottees.

12.3 Directors and Substantial Shareholders

- (i) The names, addresses and occupations of the Directors of DBE are set out in the Corporate Information Section of this Prospectus.
- (ii) A Director is not required to hold any qualification share in the Company unless otherwise so fixed by the Company in general meeting.
- (iii) The substantial shareholders of DBE and their respective interests based on the Register of Members of DBE as at 15 December 2003 (being the latest practicable date prior to the printing of this Prospectus) and their respective indirect interests before and after the IPO are as follows:-

| Substantial shareholders | Before the IPO | | | | After the IPO | | | |
|--|----------------------------|-------|-------------------------------|-------|----------------------------|-------|------------------------------|-------|
| | Direct No. of shares | % | Indirect* No. of shares | % | Direct No. of shares | % | Indirect No. of shares | % |
| Fortune Junction | 34,883,008 | 51.00 | - | - | 30,089,144 | 37.61 | - | - |
| Dato' Ding Chong Chow | 2,626,608 | 3.84 | 134,883,008 | 51.00 | 2,265,641 | 2.83 | 130,089,144 | 37.61 |
| Raja Taharudin bin Raja Datuk Nong Chik | 215,739,912 | 23.01 | - | - | 215,813,569 | 19.77 | - | - |
| PNS | 8,310,904 | 12.15 | - | - | 5,076,018 | 6.35 | - | - |
| Minister of Finance (Incorporated) | - | - | 38,310,904 | 12.15 | - | - | 35,076,018 | 6.35 |

Notes:

- (1) Deemed interested by virtue of his substantial interest in Fortune Junction.
- (2) Including his entitlement under the pink form allocations and 15,228,052 shares held through OSK Nominees (Tempatan) Sdn Bhd.
- (3) Deemed interested by virtue of its substantial interest in PNS.

12. OTHER GENERAL INFORMATION (CONT'D)

- (iv) The Directors of DBE and their respective interests based on the Register of Directors' Shareholdings as at 15 December 2003 (being the latest practicable date prior to the printing of this Prospectus) and their respective indirect interests before and after the Public Issue are as follows:-

| Directors | Before the IPO | | | | After the IPO | | | |
|--|----------------------------|-------|-------------------------------|-------|----------------------------|-------|-------------------------------|-------|
| | Direct No. of shares | % | Indirect* No. of shares | % | Direct No. of shares | % | Indirect* No. of shares | % |
| Dato' Ding Chong Chow | 2,626,608 | 3.84 | 234,883,008 | 51.00 | 12,265,641 | 2.83 | 230,089,144 | 37.61 |
| Ding Choon Yung | 1,709,892 | 2.50 | - | - | 1,585,517 | 0.73 | - | - |
| Ding Seng Huat | 1,709,892 | 2.50 | - | - | 1,474,907 | 1.84 | - | - |
| Cheng Lay Miew | 1,709,892 | 2.50 | - | - | 1,474,907 | 1.84 | - | - |
| Hong Lew Wea | 1,709,892 | 2.50 | - | - | 1,474,907 | 1.84 | - | - |
| Raja Taharudin bin Raja Datuk Nong Chik | 315,739,912 | 23.01 | - | - | 315,813,569 | 19.77 | - | - |
| Hairul' Anuar bin Othman | - | - | - | - | - | - | - | - |
| Ling Sing Kiong | - | - | - | - | 450,000 | 0.06 | - | - |
| Fong Weng Keong | - | - | - | - | 450,000 | 0.06 | - | - |
| Ting Heng Peng | - | - | - | - | 450,000 | 0.06 | - | - |

Notes:

- (1) Including their respective entitlements under the pink-form allocation which had been renounced to the eligible employees and/or business associates of the DBE Group on 2 December 2003.
 - (2) Deemed interested by virtue of his substantial interest in Fortune Junction.
 - (3) Including his entitlement under the pink form allocations and 15,228,052 shares held through OSK Nominees (Tempatan) Sdn Bhd.
 - (4) Their respective entitlements under the pink form allocations.
- (v) Save as disclosed in Section 2.9 of this Prospectus, no commission, discounts, brokerages or other special terms have been paid, granted or are payable by the Company or its subsidiaries within the two (2) years immediately preceding 15 December 2003 (being the latest practicable date prior to the printing of this Prospectus) for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares in or debentures of the Company or its subsidiaries or in connection with the issue or sale of any capital of the Company or any of its subsidiaries and no Directors, proposed Directors, promoters or experts is or are entitled to receive any such payment.
- (vi) Other than salary and employment related benefits as disclosed in Section 5.3.5 of this Prospectus, no amount or benefit has been paid or given within the two (2) years immediately preceding 15 December 2003 (being the latest practicable date prior to the printing of this Prospectus), nor is it intended to be so paid or given, to any Promoter.
- (vii) Save as disclosed in Section 7.1.3 of this Prospectus, none of the other Directors and/or substantial shareholders of DBE has interest in any subsisting contract or arrangement, which is significant to the business of the DBE Group, as at 15 December 2003 (being the latest practicable date prior to the printing of this Prospectus).
- (viii) Save as disclosed in Sections 3(vii), 12.3(iii) and 12.3(iv) of this Prospectus, the Directors and substantial shareholders are not aware of any persons who are able, directly or indirectly, jointly or severally, to exercise control over the Company and its subsidiaries.
- (ix) Except as disclosed in Section 3 of this Prospectus, the Directors are not aware of any other material information including trading factors or risks not mentioned elsewhere in this Prospectus which are unlikely to be known or anticipated by the general public and which would materially affect the profits of the Group.

12. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

12.4 General

- (i) The nature of the Group's business and the names of all corporations which are deemed to be related to the Company by virtue of Section 6 of the Companies Act 1965 are disclosed in Section 1.1 of this Prospectus.
- (ii) The time of the opening of the Application is set out in Section 2.4 of this Prospectus.
- (iii) The amount payable in full on application is RM1.20 per share.
- (iv) The DBE Group has not established a place of business outside Malaysia.
- (v) Except as disclosed in Sections 3 and 9.4 of this Prospectus, the financial conditions and operations of the Group are not affected by any of the following:-
 - (a) any known trends or known demands, commitments, events or uncertainties that have had or that the Group reasonably expects to have a material favourable or unfavourable impact on the financial performance, position and operations of the DBE Group;
 - (b) any material commitments for capital expenditure;
 - (c) any unusual or infrequent events or transactions or any significant economic changes that have materially affect the financial performance, position and operations of the DBE Group;
 - (d) any substantial increase in revenue; and
 - (e) any known events, circumstances, trends, uncertainties and commitments that are reasonably likely to make the historical financial statements not indicative of future financial performance and position of the Group.

As far as the Directors are aware and except as disclosed in this Prospectus, the Group is not vulnerable to any specific factors or events of a particular nature other than those normal commercial risks experienced during the course of business.

- (vi) As at 15 December 2003 (being the latest practicable date prior to the printing of this Prospectus), the Company and its subsidiaries have not issued any convertible debt securities.
- (vii) The name and address of the Auditors and Reporting Accountants of the Company are as set out in Corporate Information Section of this Prospectus.
- (viii) The manner in which copies of this Prospectus together with the official Application Forms and envelopes may be obtained is set out in Section 13 of this Prospectus.
- (ix) Save as disclosed in Section 2.7 on the proposed utilisation of proceeds for the Public Issue, no property has been acquired or is proposed to be acquired by the Company or its subsidiaries in contemplation of the Public Issue.
- (x) Save as disclosed in Section 4.4 of this Prospectus, there is no present intention on the part of the Directors of the Company and its subsidiaries to issue any part of the authorised but unissued share capital of the Company and its subsidiaries.

12. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

12.5 Expenses and Commission

- (i) Save as disclosed in Section 2.9 of this Prospectus, there have been no commissions, discounts, brokerage and other special terms have been paid, granted or are payable by the Company or its subsidiaries within the two (2) years immediately preceding 15 December 2003 (being the latest practicable date prior to the printing of this Prospectus) for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares in or debentures of the Company or its subsidiaries or in connection with the issue or sale of any capital of the Company or any of its subsidiaries and no Directors, proposed Directors, promoters or experts is or are entitled to receive any such payment.
- (ii) Expenses incidental to the listing and quotation of the entire issued and paid-up share capital of the Company on the MSEB amounting to approximately RM1,400,000 will be borne by the Company.

12.6 Material Contracts

Save as disclosed hereunder, there are no contracts which are or may be material (not being contracts entered into in the ordinary course of business) which have been entered into by the Company and its subsidiaries and associated company within the two (2) years immediately preceding 15 December 2003 (being the latest practicable date prior to the printing of this Prospectus):-

- (i) Shareholders Agreement ("the Agreement") dated 14 July 2001 between DBE ("the Company") and Raja Taharudin Bin Raja Datuk Nong Chik ("the Intended Shareholder") for the subscription of 30% of the Company's equity interest by the Intended Shareholder amounting to RM9,300,000. Upon the execution of the Agreement, the Intended Shareholder shall pay RM250,000 ("Earnest Deposit") of the shareholding in the Company. The balance of RM9,050,000 shall be paid within ninety (90) days from the date of the Agreement.

A Letter of Guarantee was duly executed on 14 July 2001 by Hong Lew Wea, Ding Seng Huat, Dato' Ding Chong Chow, Ding Choon Yung and Cheng Lay Miew ("the Existing Shareholders/Directors") in favour of the Intended Shareholder guaranteeing the performance and the compliance with the terms of the Agreement to the Intended Shareholder for the consideration of the Intended Shareholder having entered into the Agreement.

- (ii) Supplemental Agreement dated 14 July 2001 between DBE ("the Company") and Raja Taharudin Bin Raja Datuk Nong Chik ("the Intended Shareholder"), where the Company agreed with the Intended Shareholder that payment of the Deposit shall be refunded to the Intended Shareholder immediately in the event that his application for the loan of RM9,050,000 from PNS to part finance the purchase of the shares in the Company is rejected for any reasons whatsoever; or in the event that the Intended Shareholder at his own will, without any reasons whatsoever, refused to proceed with the purchase of shares in the Company.

By a letter of offer dated 28 August 2001 from PNS to DBE whereby PNS had agreed to grant a financial assistance of RM9.05 million to Raja Taharudin Bin Raja Datuk Nong Chik for the subscription of more than 30% of the Company's equity interest.

12. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

- (iii) Sale and Purchase Agreement dated 17 September 2001 between DBE Food Processing ("Vendor") and DBE Poultry ("Purchaser") whereby the Vendor agreed to sell and the Purchaser agreed to purchase all that piece of property known as Plot N Lumut Port Industrial Park, Mukim Lumut for the sum of RM1,000,000.
- (iv) Sale and Purchase Agreement dated 17 September 2001 between DBE Hatchery ("Vendor") and DBE Poultry ("Purchaser") whereby the Vendor agreed to sell and the Purchaser agreed to purchase all that piece of property known as Plot 0-9 Lumut Port Industrial Park, Mukim Lumut for the sum of RM500,000.
- (v) Deed of Assignment dated 16 October 2001 between DBE Food Processing ("Assignor") and DBE Poultry ("Assignee") whereby the Assignor agreed to assign, sell and transfer the property known as Plot N Lumut Port Industrial Park, Mukim Lumut in favour of the Assignee.
- (vi) Deed of Assignment dated 16 October 2001 between DBE Hatchery ("Assignor") and DBE Poultry ("Assignee") whereby the Assignor agreed to assign, sell and transfer the property known as Plot 0-9 Lumut Port Industrial Park, Mukim Lumut in favour of the Assignee.
- (vii) Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Breeding for the purchase of property known as GM 10605 Lot 7044 Mukim Sitiawan, Perak for a total cash purchase price of RM149,400.
- (viii) Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Breeding for the purchase of property known as GM 10604 Lot 7317 Mukim Sitiawan, Perak for a total cash purchase price of RM111,000.
- (ix) Sale and Purchase Agreement dated 31 December 2001 between Ding Chu Mooi and DBE Breeding for the purchase of property known as GM 3666 Lot 5462 Mukim Sitiawan, Perak for a total cash purchase price of RM144,000.
- (x) Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Breeding for the purchase of property known as GM 3574 Lot 7243 Mukim Sitiawan, Perak for a total cash purchase price of RM107,400.
- (xi) Sale and Purchase Agreement dated 31 December 2001 between Ding Seng Huat and DBE Breeding for the purchase of property known as GM 10603 Lot 5466 Mukim Sitiawan, Perak for a total cash purchase price of RM112,200.
- (xii) Sale and Purchase Agreement dated 31 December 2001 between Ching Choo Hua and DBE Hatchery for the purchase of property known as GM 3669 Lot 8019 Mukim Sitiawan, Perak for a total cash purchase price of RM144,000.
- (xiii) Sale and Purchase Agreement dated 31 December 2001 between Ding See Mooi and DBE Hatchery for the purchase of property known as GM 3665 Lot 5461 Mukim Sitiawan, Perak for a total cash purchase price of RM144,000.
- (xiv) Sale and Purchase Agreement dated 31 December 2001 between Hong Lew Wea and DBE Food Processing Industries for the purchase of property known as PM 2171 Lot 67928 Mukim Hulu Kinta, Perak for a total cash purchase price of RM60,000.
- (xv) Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 1700 Lot 10814 Mukim Belanja, Perak for a total cash purchase price of RM201,600.

12. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

- (xvi) Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GRN 48340 Lot 12843 Mukim Sitiawan, Perak for a total cash purchase price of RM159,000.
- (xvii) Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 10600 Lot 7066 Mukim Sitiawan, Perak for a total cash purchase price of RM111,600.
- (xviii) Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 10598 Lot 5430 Mukim Sitiawan, Perak for a total cash purchase price of RM144,600.
- (xix) Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 1609 Lot 1313 Mukim Sitiawan, Perak for a total cash purchase price of RM206,400.
- (xx) Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 10599 Lot 7009 Mukim Sitiawan, Perak for a total cash purchase price of RM111,600.
- (xxi) Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 613 Lot 8326 Mukim Sitiawan, Perak for a total cash purchase price of RM153,600.
- (xxii) Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 1765 Lot 10768 Mukim Belanja, Perak for a total cash purchase price of RM187,800.
- (xxiii) Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 2033 Lot 10846 Mukim Belanja, Perak for a total cash purchase price of RM205,800.
- (xxiv) Sale and Purchase Agreement dated 31 December 2001 between Ching Choo Hua and DBE Poultry for the purchase of property known as GM 489 Lot 1255 Mukim Lumut, Perak for a total cash purchase price of RM76,800.
- (xxv) Sale and Purchase Agreement dated 31 December 2001 between Ding See Mooi and DBE Poultry for the purchase of property known as GM 3664 Lot 8336 Mukim Sitiawan, Perak for a total cash purchase price of RM111,600.
- (xxvi) Sale and Purchase Agreement dated 31 December 2001 between Ding See Mooi and DBE Breeding for the purchase of property known as GM 10602 Lot 5469 Mukim Sitiawan, Perak for a total cash purchase price of RM111,600.
- (xxvii) Sale and Purchase Agreement dated 31 December 2001 between Ding Chong Chow and DBE Poultry for the purchase of property known as GM 10601 Lot 5337 Mukim Sitiawan, Perak for a total cash purchase price of RM144,000.
- (xxviii) Sale and Purchase Agreement dated 31 December 2001 between Ding See Mooi and DBE Poultry for the purchase of property known as GM 3667 Lot 7062 Mukim Sitiawan, Perak for a total cash purchase price of RM144,000.

12. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

- (xxix) Sale and Purchase Agreement and Supplemental Sale and Purchase Agreement dated 2 January 2002 between Ding Chong Chow, Ding Seng Huat, Cheng Lay Miew, Hong Lew Wea ("the Vendors") and DBE ("the Purchaser") for the acquisition of the entire issued and paid-up capital of DBE Breeding amounting to 1,450,000 ordinary shares of RM1.00 each for a total purchase consideration of RM3,187,244 to be paid by the issuance of 2,284,000 new ordinary shares of RM1.00 each in DBE treated as fully paid up.
- (xxx) Sale and Purchase Agreement and Supplemental Sale and Purchase Agreement dated 2 January 2002 between Ding Chong Chow, Ding Seng Huat, Ding Choon Yung ("the Vendors") and DBE ("the Purchaser") for the acquisition of the entire issued and paid-up capital of DBE Marketing amounting to 500,003 ordinary shares of RM1.00 each for a total purchase consideration of RM616,598 to be paid by the issuance of 441,997 new ordinary shares of RM1.00 each in DBE treated as fully paid up.
- (xxxi) Sale and Purchase Agreement and Supplemental Sale and Purchase Agreement dated 2 January 2002 between Ding Chong Chow, Ding Seng Huat, Ding Choon Yung ("the Vendors") and DBE ("the Purchaser") for the acquisition of the entire issued and paid-up capital of DBE Poultry amounting to 500,000 ordinary shares of RM1.00 each for a total purchase consideration of RM10,834,121 to be paid by the issuance of 7,765,000 new ordinary shares of RM1.00 each in DBE treated as fully paid up.
- (xxxii) Sale and Purchase Agreement and Supplemental Sale and Purchase Agreement dated 2 January 2002 between Ding Chong Chow, Ding Seng Huat, Cheng Lay Miew ("the Vendors") and DBE ("the Purchaser") for the acquisition of the entire issued and paid-up capital of DBE Hatchery amounting to 350,000 ordinary shares of RM1.00 each for a total purchase consideration of RM1,518,368 to be paid by the issuance of 1,088,000 new ordinary shares of RM1.00 each in DBE treated as fully paid up.
- (xxxiii) Sale and Purchase Agreement and Supplemental Sale and Purchase Agreement dated 2 January 2002 between Ding Chong Chow, Ding Seng Huat ("the Vendors") and DBE ("the Purchaser") for the acquisition of the entire issued and paid-up capital of DBE Gurney Chicken amounting to 800,000 ordinary shares of RM1.00 each for a total purchase consideration of RM295,754 to be paid by the issuance of 212,000 new ordinary shares of RM1.00 each in DBE treated as fully paid up.
- (xxxiv) Sale and Purchase Agreement and Supplemental Sale and Purchase Agreement dated 2 January 2002 between Ding Chong Chow, Ding Seng Huat, Cheng Lay Miew ("the Vendors") and DBE ("the Purchaser") for the acquisition of the entire issued and paid-up capital of DBE Feedmills amounting to 3 ordinary shares of RM1.00 each for a total purchase consideration of RM3 to be paid by the issuance of 3 new ordinary shares of RM1.00 each in DBE treated as fully paid up.
- (xxxv) Sale and Purchase Agreement and Supplemental Sale and Purchase Agreement dated 2 January 2002 between Ding Chong Chow, Ding Seng Huat, Hong Lew Wea ("the Vendors") and DBE ("the Purchaser") for the acquisition of the entire issued and paid-up capital of DBE Food Processing amounting to 600,000 ordinary shares of RM1.00 each for a total purchase consideration of RM3,081,733 to be paid by the issuance of 2,209,000 new ordinary shares of RM1.00 each in DBE treated as fully paid up.
- (xxxvi) Sale and Purchase Agreement dated 8 February 2002 between Ong Geok Leng and Ong Seng Hee ("the Vendors") and DBE Poultry ("the Purchaser") whereby the Vendors agreed to sell and the Purchaser agreed to purchase of all that piece of property known as CT No. 17724 Lot No 4055 Mukim Lumut, Perak for for the total purchase price of RM698,156.25.

12. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

- (xxxvii) Subscription Agreement dated 11 February 2002 between DBE ("the Company") and PNS and Raja Taharudin Bin Raja Datuk Nong Chik ("the Proponent"), and Ding Chong Chow, Ding Seng Huat, Ding Choon Yung, Cheng Lay Miew, Hong Lew Wea ("the Existing Shareholders") for the subscription of 2,943,511 ordinary shares of RM1.00 each in the Company by PNS at RM1.55 per share and 4,487,558 Cumulative Redeemable Convertible Preference Shares of RM1.00 each in the Company at RM1.00 per share. The Company shall also declare and pay (i) 5% dividend on ordinary shares based on the enlarged capital of the Company prior to the listing of the Company and (ii) pay a fixed dividend of 10% p.a. immediately prior to the listing of the Company.
- (xxxviii) Call and Put Option Agreement ("the Agreement") dated 11 February 2002 between PNS ("the Vendor") and Raja Taharudin Bin Raja Datuk Nong Chik ("the First Purchaser") and Ding Chong Chow, Ding Seng Huat, Ding Choon Yung, Cheng Lay Miew, Hong Lew Wea ("the Second Purchaser"), whereby the Vendor has agreed to grant the First Purchaser a call option, in respect of seventy five percent (75%) of the Option Shares (i.e the shares subscribed by PNS as per the Subscription Agreement), in consideration of the First Purchaser granting to the Vendor the First Put Option (i.e the Option Shares, or any part of the Option Shares after the exercise of the call option, if any, by the First Purchaser) and the sum of RM1.00. The Second Purchasers have also agreed to grant to the Vendor the Second Put Option (i.e. Option Shares, or any part of the Option Shares in the event that the First Purchaser fails to complete the First Put Option within 1 month from the date of the exercise of the First Put Option) in consideration of the Vendor granting to the First Purchaser the call option and the sum of RM1.00 paid to the Second Purchasers. Under the Agreement, the exercise(s) of the Options granted herein may be exercised at any time during the respective option periods and may be exercised more than once during the respective period, provided always that such exercise shall be for not less than the number of shares forming ten percent (10%) of the Option Shares or an integral multiple thereof.
- (xxxix) Sale and Purchase Agreement dated 25 February 2002 between Ding Chong Chow, Ding Seng Huat and Ding Choon Yung ("the Vendors") and Fortune Junction ("the Purchaser") for the acquisition of 11,012,300 issued and paid-up share capital in DBE for an aggregate consideration of RM11,012,300 to be satisfied entirely by an issue of 10,000,000 new ordinary shares of RM1.00 each in Fortune Junction.
- (xl) Supplemental Subscription Agreement ("the Agreement") dated 31 January 2003 between DBE ("the Company") and PNS and Raja Taharudin Bin Raja Datuk Nong Chik ("the Proponent") and Ding Chong Chow, Ding Seng Huat, Ding Choon Yung, Cheng Lay Miew, Hong Lew Wea ("the Existing Shareholders") and Fortune Junction whereby the parties agreed to modify and vary the terms of the Subscription Agreement dated 11 February 2002. The Parties agreed to add Fortune Junction as an additional party under the Subscription Agreement and to bind Fortune Junction to all terms, conditions, undertakings, covenants, warranties and stipulations under the Subscription Agreement. Under the Agreement, amendments were also made to allow PNS to require the Company at its sole and absolute discretion require the Company to redeem in cash, the Preference Shares either in whole or in part, in the event the Company fails to be listed on the MASEB by the 30 June 2004. PNS shall also have the option and sole discretion to convert all the Preference Shares and/or any part of the Preference Shares yet to be redeemed into new fully paid ordinary shares of RM1.00 each of the Company in the event that the Company fails to be listed on the MASEB on the 30 June 2004 for any reason whatsoever, or in the event the Company fails to redeem the Preference Shares in accordance with the terms and conditions of this Agreement, or upon the occurrence of any breach or default by the Company of any of the terms and conditions stipulated under this Agreement.

12. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

It was also agreed that the Company utilise PNS's Investment towards the Purpose and Fortune Junction shall execute a transfer in escrow of its shareholdings in the Company amounting to Two Million (2,000,000) shares in favour of PNS ("the Said Shares") of which will be converted in proportion to the funds improperly utilised by the Company. PNS may also at its sole and absolute discretion, at any time vary, add or modify the terms of this Agreement without obtaining any party's consent. In the event that any of the parties to the Agreement default in the performance of any of the representations, warranties, covenants and undertakings and not remedied within a period stipulated by PNS, PNS shall be entitled to *inter alia*, exercise the Put Option Agreement dated 11 February 2002 and/or terminate this Agreement and to proceed with legal action against the Company, the Proponent, the Existing Shareholders and Fortune Junction. A continuing personal guarantee and indemnity must also be executed in favour of PNS guaranteeing the repayment of all principal sums.

- (xli) Supplemental Call and Put Option Agreement ("the Supplemental Agreement") dated 10 May 2002 between PNS ("the Vendor") and Raja Taharudin Bin Raja Datuk Nong Chik ("the First Purchaser") and Ding Chong Chow, Ding Seng Huat, Ding Choon Yung, Cheng Lay Miew, Hong Lew Wea ("the Second Purchasers") to modify and vary the terms of the Call and Put Option Agreement dated 11 February 2002 ("the Agreement"). The parties agreed to the inclusion of a new clause allowing the Vendor at its sole and absolute discretion at any time to vary, add, modify and/or amend any of the provisions and terms of the Agreement. The Parties also agreed that the Vendor shall be entitled to exercise the Put Option against the First Purchaser and the Second Purchasers in the event of any breach of any representations, warranties, terms and conditions of this Agreement and/or the Subscription Agreement by the First Purchaser and/or the Second Purchasers and/or the Company, as the case may be. The Vendor shall also at its sole and absolute discretion be entitled to utilise the moneys in the sinking fund towards payment of the Option Shares and/or perfect the transfer in escrow with respect to the First Purchaser's land.
- (xlii) Letter dated 5 November 2002 from PNS to DBE whereby PNS agreed to extend the period of submission to the authorities pursuant to the listing exercise by DBE on or before 30 June 2003. This was conditional upon the Guarantors mentioned in the Guarantee Agreement dated 31 January 2003 undertaking to guarantee that the profit after tax of the DBE Group of Companies for the financial year end 2002 shall be not less than RM8,500,000.
- (xliii) Deed of Revocation dated 31 January 2003 between DBE and PNS and Raja Taharudin Bin Raja Datuk Nong Chik and Ding Chong Chow, Ding Seng Huat, Ding Choon Yung, Cheng Lay Miew, Hong Lew Wea and Fortune Junction whereby the parties mutually agreed to rescind and revoke the Supplemental Subscription Agreement dated 10 May 2002 and the Guarantee dated 10 May 2002.
- (xliv) Guarantee dated 31 January 2003 between Ding Chong Chow, Ding Seng Huat, Ding Choon Yung, Cheng Lay Miew, Hong Lew Wea, Raja Taharudin Bin Raja Datuk Nong Chik, Fortune Junction ("Guarantors") and PNS whereby in consideration of PNS entering into the Principal Agreement, the Guarantors' agreed to guarantee the viability of the Company and the Listing Exercise to PNS. The Guarantors also *inter alia* guaranteed to PNS that (1) DBE shall declare and pay 5% dividend on ordinary shares prior to the listing of the Company, and in the event of failure, pay to PNS such equivalent sum to a return of 5% dividend on the ordinary shares held by PNS in DBE; and (2) that the Company shall declare and pay a fixed dividend on the preference shares of 10% p.a. immediately prior to the listing of DBE, and in the event of failure, pay to PNS such equivalent sum to a return of 10% dividend on the preference shares held by PNS in DBE.