

## 10. ACCOUNTANTS' REPORT (cont'd)

### 10.5 NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF BHS GROUP (CONT'D.)

#### 10.5.9 Property, Plant and Equipment

	At Deemed Cost		At Cost					Total
	Plant and machinery	Leasehold land	Factory equipment, plant and machinery	Renovation and signboard	Office equipment, furniture and fittings and electrical installations	Computers	Motor vehicles	
	RM	RM	RM	RM	RM	RM	RM	RM
<b>At 30 June 2004</b>								
<b>Cost/Deemed Cost</b>								
At 1 July 2003	178,000	-	11,557,677	86,315	825,983	391,550	432,691	747,183
Additions	-	3,105,914	2,564,850	-	45,453	137,438	-	-
Disposals	-	-	(462,500)	-	-	-	(108,471)	-
At 30 June 2004	178,000	3,105,914	13,660,027	86,315	871,436	528,988	324,220	747,183
<b>Accumulated Depreciation</b>								
At 1 July 2003	178,000	-	5,290,022	83,789	624,713	311,788	411,038	-
Depreciation	-	16,347	1,543,624	2,525	44,931	75,174	21,648	-
Disposals	-	-	(450,728)	-	-	-	(108,469)	-
At 30 June 2004	178,000	16,347	6,382,918	86,314	669,644	386,962	324,217	-
<b>Net Carrying Amount</b>								
At 30 June 2004	-	3,089,567	7,277,109	1	201,792	142,026	3	747,183
								11,457,681

## 10. ACCOUNTANTS' REPORT (cont'd)

## 10.5 NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF BHS GROUP (CONT'D.)

## 10.5.9 Property, Plant and Equipment (Contd.)

	At Deemed Cost		At Cost					Total	
	Plant and machinery	Leasehold land	Factory equipment, plant and machinery	Renovation and signboard	Office equipment, furniture and fittings and electrical installations	Computers	Motor vehicles		Capital Work-In-Progress
	RM	RM	RM	RM	RM	RM	RM	RM	
<b>At 30 June 2005</b>									
<b>Cost/Deemed Cost</b>									
At 1 July 2004	178,000	3,105,914	13,660,027	86,315	871,436	528,988	324,220	19,502,083	
Additions	-	-	3,229,480	14,629	22,199	28,767	75,872	3,370,947	
Disposals	-	-	(179,000)	-	(1,000)	-	(15,000)	(195,000)	
At 30 June 2005	178,000	3,105,914	16,710,507	100,944	892,635	557,755	385,092	22,678,030	
<b>Accumulated Depreciation</b>									
At 1 July 2004	178,000	16,347	6,382,918	86,314	669,644	386,962	324,217	8,044,402	
Depreciation	-	32,694	1,675,775	1,463	39,560	63,535	15,175	1,828,202	
Disposals	-	-	(148,999)	-	(999)	-	(15,000)	(164,998)	
At 30 June 2005	178,000	49,041	7,909,694	87,777	708,205	450,497	324,392	9,707,606	
<b>Net Carrying Amount</b>									
At 30 June 2005	-	3,056,873	8,800,813	13,167	184,430	107,258	60,700	747,183	12,970,424

## 10. ACCOUNTANTS' REPORT (cont'd)

## 10.5 NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF BIS GROUP (CONTD.)

## 10.5.9 Property, Plant and Equipment (Contd.)

	At Deemed Cost	At Cost								
			Leasehold land	Factory equipment, plant and machinery	Renovation and signboard	Office equipment, furniture and fittings and electrical installations	Computers	Motor vehicles	Capital Work-In- Progress	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>At 30 June 2006</b>										
<b>Cost/Deemed Cost</b>										
At 1 July 2005	178,000	3,105,914	-	16,710,507	100,944	892,635	557,755	385,092	747,183	22,678,030
Additions	-	-	-	1,400	-	3,880	6,300	-	-	11,580
At 30 June 2006	178,000	3,105,914	-	16,711,907	100,944	896,515	564,055	385,092	747,183	22,689,610
<b>Accumulated Depreciation</b>										
At 1 July 2005	178,000	49,041	-	7,909,694	87,777	708,205	450,497	324,392	-	9,707,606
Depreciation	-	32,694	-	1,768,460	1,463	38,890	60,078	15,174	-	1,916,759
At 30 June 2006	178,000	81,735	-	9,678,154	89,240	747,095	510,575	339,566	-	11,624,365
<b>Net Carrying Amount</b>										
	-	3,024,179	-	7,033,753	11,704	149,420	53,480	45,526	747,183	11,065,245

## 10. ACCOUNTANTS' REPORT (cont'd)

## 10.5 NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF BHS GROUP (CONTD.)

## 10.5.9 Property, Plant and Equipment (Contd.)

	At Deemed Cost		At Cost					Total RM
	Plant and machinery RM	Leaschold land RM	Factory equipment, plant and machinery RM	Renovation and signboard RM	Office equipment, furniture and fittings and electrical installations RM	Computers RM	Motor vehicles RM	
<b>At 30 April 2007</b>								
<b>Cost/Deemed Cost</b>								
At 1 July 2006	178,000	3,105,914	16,711,907	100,944	896,515	564,055	385,092	22,689,610
Effects of adopting FRS 138	-	-	-	-	-	-	-	(747,183)
At 1 July 2006 (restated)	178,000	3,105,914	16,711,907	100,944	896,515	564,055	385,092	21,942,427
Additions	-	-	7,896,743	-	36,269	111,169	-	8,044,181
Disposals	-	-	(1,292,000)	-	-	-	-	(1,292,000)
At 30 April 2007	178,000	3,105,914	23,316,650	100,944	932,784	675,224	385,092	28,694,608
<b>Accumulated Depreciation</b>								
At 1 July 2006	178,000	81,735	9,678,154	89,240	747,095	510,575	339,566	11,624,365
Effects of adopting FRS 138	-	-	-	-	-	-	-	-
At 1 July 2006 (restated)	178,000	81,735	9,678,154	89,240	747,095	510,575	339,566	11,624,365
Depreciation	-	27,245	1,369,179	1,219	36,849	38,410	12,645	1,485,547
Disposals	-	-	(604,498)	-	-	-	-	(604,498)
At 30 April 2007	178,000	108,980	10,442,835	90,459	783,944	548,985	352,211	12,505,414
<b>Net Carrying Amount</b>								
At 30 April 2007	-	2,996,934	12,873,815	10,485	148,840	126,239	32,881	16,189,194

## 10. ACCOUNTANTS' REPORT (cont'd)



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## 10.5 NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF BHS GROUP (CONTD.)

## 10.5.9 Property, Plant and Equipment (Contd.)

- (a) Included in property, plant and equipment of the Group is a motor vehicle held under hire purchase arrangement, with a net book value as follows:

	As at 30 June			As at 30 April
	2004	2005	2006	2007
	RM	RM	RM	RM
Motor vehicle	-	60,678	45,524	32,879

- (b) Included in property, plant and equipment are factory equipment, plant and machinery pledged for borrowings, with net book values as follows:

	As at 30 June			As at 30 April
	2004	2005	2006	2007
	RM	RM	RM	RM
Factory equipment, plant and machinery	6,351,750	7,600,750	6,056,751	4,305,916

## 10.5.10 Intangible Assets

	As at 30 June			As at 30 April
	2004	2005	2006	2007
	RM	RM	RM	RM
Development costs				
At 1 July	-	-	-	-
Effects of adopting FRS 138	-	-	-	747,183
At 1 July (restated)	-	-	-	747,183
Addition	-	-	-	-
At 30 June / 30 April	-	-	-	747,183

## 10.5.11 Other Investments

Shares quoted in Malaysia, at cost	21,149	21,149	21,149	21,149
Less: Accumulated impairment losses	(8,461)	(8,461)	(8,461)	(8,461)
	12,688	12,688	12,688	12,688

## 10. ACCOUNTANTS' REPORT (cont'd)



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### 10.5 NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF BHS GROUP (CONTD.)

#### 10.5.12 Deferred Tax Assets

	← As at 30 June →			As at
	2004	2005	2006	30 April
	RM	RM	RM	2007 RM
At 1 July	(20,708)	(181,422)	(23,415)	(23,415)
Recognised in income statement	(160,714)	158,007	-	-
At 30 June/30 April	<u>(181,422)</u>	<u>(23,415)</u>	<u>(23,415)</u>	<u>(23,415)</u>
Presented after appropriate offsetting as follows:				
Deferred tax assets	(1,152,204)	(25,381)	(23,602)	(24,024)
Deferred tax liabilities	970,782	1,966	187	609
	<u>(181,422)</u>	<u>(23,415)</u>	<u>(23,415)</u>	<u>(23,415)</u>

The components and movements of deferred tax assets of the Group during the financial year/period prior to offsetting are as follows:

#### Deferred tax liabilities of the Group

	Property, Plant and Equipment RM
At 1 July 2006	187
Recognised in the income statement	<u>422</u>
At 30 April 2007	<u>609</u>
At 1 July 2005	1,966
Recognised in the income statement	<u>(1,779)</u>
At 30 June 2006	<u>187</u>
At 1 July 2004	970,782
Recognised in the income statement	<u>(968,816)</u>
At 30 June 2005	<u>1,966</u>
At 1 July 2003	474,953
Recognised in the income statement	<u>495,829</u>
At 30 June 2004	<u>970,782</u>

## 10. ACCOUNTANTS' REPORT (cont'd)



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## 10.5 NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF BHS GROUP (CONTD.)

## 10.5.12 Deferred Tax Assets (Contd.)

## Deferred tax assets of the Group

	Unutilised Reinvestment Allowances RM	Unabsorbed Losses and Capital Allowances RM	Total RM
At 1 July 2006	-	(23,602)	(23,602)
Recognised in the income statement At 30 April 2007	-	(422)	(422)
	-	(24,024)	(24,024)
At 1 July 2005	-	(25,381)	(25,381)
Recognised in the income statement At 30 June 2006	-	1,779	1,779
	-	(23,602)	(23,602)
At 1 July 2004	(1,125,231)	(26,973)	(1,152,204)
Recognised in the income statement At 30 June 2005	1,125,231	1,592	1,126,823
	-	(25,381)	(25,381)
At 1 July 2003	(472,000)	(23,661)	(495,661)
Recognised in the income statement At 30 June 2004	(653,231)	(3,312)	(656,543)
	(1,125,231)	(26,973)	(1,152,204)

## 10.5.13 Inventories

	← As at 30 June →			As at
	2004	2005	2006	30 April
	RM	RM	RM	RM
<b>Cost</b>				
Raw materials	3,804,117	5,481,156	9,440,185	5,593,154
Work-in-progress	-	336,750	-	-
Finished goods	1,925,628	2,045,712	3,568,427	1,975,407
	5,729,745	7,863,618	13,008,612	7,568,561
<b>Net realisable value</b>				
Finished goods	-	-	-	146,501
	5,729,745	7,863,618	13,008,612	7,715,062

## 10. ACCOUNTANTS' REPORT (cont'd)



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## 10.5 NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF BHS GROUP (CONTD.)

## 10.5.14 Trade Receivables

	← As at 30 June →			As at
	2004 RM	2005 RM	2006 RM	30 April 2007 RM
Trade receivables	8,965,520	13,997,081	14,345,655	15,086,803
Less: Allowance for doubtful debts	-	(30,060)	(19,292)	(385,951)
	<u>8,965,520</u>	<u>13,967,021</u>	<u>14,326,363</u>	<u>14,700,852</u>

- (a) Included in trade receivables is an amount due from companies in which the directors have interest as follows:

	← As at 30 June →			As at
	2004 RM	2005 RM	2006 RM	30 April 2007 RM
Director related companies	889,942	618,269	443,915	679,275

- (b) A director of the Group had provided undertakings to pay to a subsidiary company the outstanding amounts of trade debts or the amounts as reduced by any sum subsequently received from the said trade receivables as follows:

	← As at 30 June →			As at
	2004 RM	2005 RM	2006 RM	30 April 2007 RM
Trade receivables	-	715,547	626,044	618,545

Subsequent to 30 April 2007, the director has fulfilled these undertakings.

- (c) The trade receivables ageing as at 30 April 2007 is as follows:

	Credit period (days)	← Trade receivables ageing analysis →					Total RM	Allowance for doubtful debts RM	30 April 2007 RM
		0 - 30 days days	31 - 60 days days	61 - 90 days days	91 - 120 days days	> 120 days days			
Group	30 - 120	2,999,436	3,349,124	1,369,012	1,862,635	5,506,596	15,086,803	(385,951)	14,700,852
Percentage		20%	22%	9%	12%	36%	100%		



## 10. ACCOUNTANTS' REPORT (cont'd)



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## 10.5 NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF BHS GROUP (CONTD.)

## 10.5.15 Other Receivables

Included in other receivables are rental deposits placed with a company in which the directors have interest as follows:

	← As at 30 June →			As at
	2004	2005	2006	30 April
	RM	RM	RM	2007
				RM
Rental deposits	-	-	40,800	40,800

## 10.5.16 Other Payables

(a) Included in other payables are amounts due to directors of the Group as follows:

	← As at 30 June →			As at
	2004	2005	2006	30 April
	RM	RM	RM	2007
				RM
Amounts due to directors	-	3,008	10,860	15,455

The amounts due to directors are unsecured, interest-free and have no fixed term of repayment.

(b) Included in other payables as at 30 April 2007 is an amount of RM7,380,000 that forms part of the consideration payable for the acquisition of a printing machine.

## 10.5.17 Amount Due To Holding Company

The amount due to holding company is unsecured, interest-free and has no fixed term of repayment.

## 10. ACCOUNTANTS' REPORT (cont'd)



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## 10.5 NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF BHS GROUP (CONTD.)

## 10.5.18 Borrowings

	← As at 30 June →			As at
	2004 RM	2005 RM	2006 RM	30 April 2007 RM
<b>Short Term Borrowings (Secured)</b>				
Bank overdrafts	406,398	449,523	294,855	224,688
Trust receipts	3,361,135	5,038,245	5,073,192	-
Bankers' acceptances	-	-	664,000	-
Term loans	1,114,161	1,250,735	951,865	450,185
Hire purchase payables (Note 10.5.19)	-	21,006	21,006	10,485
	4,881,694	6,759,509	7,004,918	685,358
<b>Long Term Borrowings (Secured)</b>				
Term loans	767,454	1,091,572	467,568	53,614
Hire purchase payables (Note 10.5.19)	-	27,990	6,984	-
	767,454	1,119,562	474,552	53,614
<b>Total Borrowings (Secured)</b>				
Bank overdrafts	406,398	449,523	294,855	224,688
Trust receipts	3,361,135	5,038,245	5,073,192	-
Bankers' acceptances	-	-	664,000	-
Term loans	1,881,615	2,342,307	1,419,433	503,799
Hire purchase payables (Note 10.5.19)	-	48,996	27,990	10,485
	5,649,148	7,879,071	7,479,470	738,972
Maturity of borrowings (excluding hire purchase):				
Within one year	4,898,672	6,738,503	6,983,912	674,873
More than 1 year and less than 2 years	609,330	803,915	426,427	53,614
More than 2 years and less than 5 years	141,146	287,657	41,141	-
	5,649,148	7,830,075	7,451,480	728,487

(a) The bank borrowings are secured by way of the following:

- (i) fixed legal charge over certain properties of a company in which the directors have interest;
- (ii) joint and several guarantee of directors of the Group;
- (iii) corporate guarantee by a company in which the directors have interest;
- (iv) facilities agreements; and
- (v) specific debenture on certain plant and machineries of the Group.

## 10. ACCOUNTANTS' REPORT



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## 10.5 NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF BHS GROUP (CONTD.)

## 10.5.18 Borrowings (Contd.)

- (b) The bank overdrafts bear interest at 1.25% to 2.25% per annum above the base lending rate of the bank.
- (c) The term loans obtained from local licensed banks bear interest at rates ranging from 1.0% to 2.25% per annum above the base lending rate of the banks and 2.25% to 3.50% per annum above the Bank Negara Malaysia Funding Rate.

## 10.5.19 Hire Purchase Payables

	← As at 30 June →			As at
	2004	2005	2006	30 April
	RM	RM	RM	RM
<b>Minimum lease payments:</b>				
Not later than 1 year				
Later than 1 year and not later than 2 years	-	24,156	24,156	12,060
Later than 2 years and not later than 5 years	-	24,156	8,034	-
	-	8,034	-	-
	-	56,346	32,190	12,060
Less: Future finance charges	-	(7,350)	(4,200)	(1,575)
Present value of finance lease liabilities	-	48,996	27,990	10,485
<b>Present value of finance lease liabilities:</b>				
Not later than 1 year	-	21,006	21,006	10,485
Later than 1 year and not later than 2 years	-	21,006	6,984	-
Later than 2 years and not later than 5 years	-	6,984	-	-
	-	48,996	27,990	10,485
<b>Analysed as:</b>				
Due within 12 months	-	21,006	21,006	10,485
Due after 12 months	-	27,990	6,984	-
	-	48,996	27,990	10,485

The hire purchase liabilities bear interest at rate of 5.0% per annum.

## 10. ACCOUNTANTS' REPORT (cont'd)



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## 10.5 NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF BHS GROUP (CONTD.)

## 10.5.20 Deferred Tax Liabilities

	←	As at 30 June		→	As at 30 April
	2004	2005	2006		2007
	RM	RM	RM		RM
At 1 July	45,300	75,746	469,739		1,215,284
Recognised in income statement	30,446	393,993	745,545		313,000
At 30 June/30 April	<u>75,746</u>	<u>469,739</u>	<u>1,215,284</u>		<u>1,528,284</u>
Presented after appropriate offsetting as follows:					
Deferred tax assets	-	(831,742)	-		(8,721)
Deferred tax liabilities	75,746	1,301,481	1,215,284		1,537,005
	<u>75,746</u>	<u>469,739</u>	<u>1,215,284</u>		<u>1,528,284</u>

The components and movements of deferred tax liability of the Group during the financial years/period prior to offsetting are as follows:

## Deferred tax liabilities of the Group

	Property, Plant and Equipment RM
At 1 July 2006	1,215,284
Recognised in the income statement	321,721
At 30 April 2007	<u>1,537,005</u>
At 1 July 2005	1,301,481
Recognised in the income statement	(86,197)
At 30 June 2006	<u>1,215,284</u>

## 10. ACCOUNTANTS' REPORT (cont'd)



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## 10.5 NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF BHS GROUP (CONTD.)

## 10.5.20 Deferred Tax Liabilities (Contd.)

## Deferred tax liabilities of the Group (Contd.)

	Property, Plant and Equipment RM
At 1 July 2004	75,746
Recognised in the income statement	1,225,735
At 30 June 2005	<u>1,301,481</u>
At 1 July 2003	45,300
Recognised in the income statement	30,446
At 30 June 2004	<u>75,746</u>

## Deferred tax assets of the Group

	Provision for Doubtful Debts RM	Unutilised Reinvestment Allowances RM	Total RM
At 1 July 2006	-	-	-
Recognised in the income statement	(8,721)	-	(8,721)
At 30 April 2007	<u>(8,721)</u>	<u>-</u>	<u>(8,721)</u>
At 1 July 2005	-	(831,742)	(831,742)
Recognised in the income statement	-	831,742	831,742
At 30 June 2006	<u>-</u>	<u>-</u>	<u>-</u>
At 1 July 2004	-	(1,125,231)	(1,125,231)
Recognised in the income statement	-	293,489	293,489
At 30 June 2005	<u>-</u>	<u>(831,742)</u>	<u>(831,742)</u>
At 1 July 2003	-	-	-
Recognised in the income statement	-	-	-
At 30 June 2004	<u>-</u>	<u>-</u>	<u>-</u>

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**10. ACCOUNTANTS' REPORT (cont'd)**

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**10.5 NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF BHS GROUP (CONTD.)****10.5.21 Financial Instruments****(a) Financial Risk Management Objectives and Policies**

The Group's financial risk management policies seek to ensure that adequate financial resources are available for the development of the Group's business whilst managing its interest rate, foreign exchange, liquidity and credit risks. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions.

**(b) Interest Rate Risk**

The Group's primary interest rate risks relate to interest-bearing debts.

The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. Borrowings are monitored and varied according to changes in interest rates to ensure that the Group's cost of financing is kept at the lowest possible. The Group does not hedge interest rate risks.

**(c) Foreign Exchange Risk**

The Group has trade sales and purchases transactions in United States Dollar and Euro which give rise to foreign exchange exposures. The Group does not engage in trading of or speculation in foreign currencies therefore the Group's exposure to foreign currency is minimal.

**(d) Liquidity Risk**

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements.

**(e) Credit Risk**

Credit risks, or the risk of counterparties defaulting, are controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored by limiting the Group's associations to business partners with high credit-worthiness. Trade receivables are monitored on an ongoing basis via the Group management reporting procedures.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial instruments.

**10. ACCOUNTANTS' REPORT (cont'd)**

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**10.5 NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF BHS GROUP (CONTD.)****10.5.21 Financial Instruments (Contd.)**

## (f) Fair Values

The carrying amounts of financial assets and liabilities of the Group as at 30 April 2007 approximated their fair values except for the following:

	Carrying Amount RM	Fair Value RM
Other investments	12,688	15,160

In the opinion of the directors, it is not practical to estimate the fair value of the amount due to holding company due principally to a lack of fixed repayment term entered into by the parties involved.

The fair value of quoted shares is determined by reference to stock exchange quoted market bid prices at the close of the business on the balance sheet date.

**11. SIGNIFICANT RELATED PARTY TRANSACTIONS**

	← Financial year ended 30 June →			Period from
	2004	2005	2006	1.7.2006
	RM	RM	RM	to 30.4.2007 RM
Sales to companies in which the directors have interest:				
- System Publishing House Pte Ltd	(119,706)	(99,828)	(110,815)	(67,733)
- System Trade Info Sdn Bhd	(10,000)	(176,000)	(252,000)	(189,600)
Rental of premises paid to a company in which the directors have interest,				
Rakan Bersatu Sdn Bhd	522,000	522,000	489,600	408,000

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**10. ACCOUNTANTS' REPORT (cont'd)**

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**12. AUDITED FINANCIAL STATEMENTS**

No audited financial statements have been prepared in respect of any period subsequent to 30 April 2007.

Yours faithfully



ERNST & YOUNG  
AF:0039  
Chartered Accountants

Kuala Lumpur, Malaysia



YEO ENG SENG  
1212/12/08(J)  
Partner



## 10. ACCOUNTANTS' REPORT (cont'd)

Appendix I



**KPMG (Firm No. AF 0758)**  
Chartered Accountants  
Wisma KPMG  
Jalan Dungun, Damansara Heights  
50490 Kuala Lumpur, Malaysia

Telephone +60 (3) 2095 3388  
Fax +60 (3) 2095 0971  
Internet www.kpmg.com.my

### Report of the auditors to the members of Pustaka Sistem Pelajaran Sdn. Bhd.

(Company No. 42445 - T)  
(Incorporated in Malaysia)

We have audited the financial statements set out on pages 7 to 19. The preparation of the financial statements is the responsibility of the Company's Directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report. The financial statement of the Company as at 30 June 2003, were audited by another auditor whose report dated 15 March 2004, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with approved Standards on Auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations which we consider necessary to provide us with evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and significant estimates made by the Directors as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:
  - i) the state of affairs of the Company at 30 June 2004 and its results and cash flows for the year ended on that date; and
  - ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.

**KPMG**  
Firm Number: AF 0758  
Chartered Accountants

Kuala Lumpur,  
Date: 6 MAY 2005

**Abdullah Abu Samah**  
Partner  
Approval Number: 2013/06/06(J)

**10. ACCOUNTANTS' REPORT (cont'd)**

■ Chartered Accountants  
4th Floor, Kompleks Antarabangsa  
Jalan Sultan Ismail  
50250 Kuala Lumpur, Malaysia

**Appendix II**

■ Phone : (03) 2144-2333  
Fax : (03) 2144-0709  
www.ey.com/my

Mail Address:  
P.O. Box 11040  
50734 Kuala Lumpur, Malaysia

**Company No: 42445-T**

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
PUSTAKA SISTEM PELAJARAN SDN. BHD.  
(Incorporated in Malaysia)**

We have audited the financial statements set out on pages 4 to 20. These financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.


We conducted our audit in accordance with applicable Approved Standards on Auditing in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable MASB Approved Accounting Standards in Malaysia so as to give a true and fair view of:
- (i) the financial position of the Company as at 30 June 2005 and of the results and the cash flows of the Company for the year then ended; and
- (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.



ERNST & YOUNG  
AF: 0039  
Chartered Accountants



Yeo Eng Seng  
1212/12/06(J)  
Partner

Kuala Lumpur, Malaysia  
3 November 2005

## 10. ACCOUNTANTS' REPORT (cont'd)



AF: 0039

### Appendix III

■ Chartered Accountants

4th Floor, Kompleks Antarabangsa  
Jalan Sultan Ismail  
50250 Kuala Lumpur, Malaysia

■ Phone : (03) 2144-2333

Fax : (03) 2144-0709  
www.ey.com/my

Mail Address:

P.O. Box 11040

50734 Kuala Lumpur, Malaysia

Company No: 42445-T

### REPORT OF THE AUDITORS TO THE MEMBERS OF PUSTAKA SISTEM PELAJARAN SDN. BHD. (Incorporated in Malaysia)

We have audited the financial statements set out on pages 4 to 19. These financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

We conducted our audit in accordance with applicable Approved Standards on Auditing in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable MASB Approved Accounting Standards in Malaysia so as to give a true and fair view of:
  - (i) the financial position of the Company as at 30 June 2006 and of the results and the cash flows of the Company for the year then ended; and
  - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

ERNST & YOUNG  
AF: 0039  
Chartered Accountants

Yeo Eng Seng  
1212/12/06(J)  
Partner

Kuala Lumpur, Malaysia  
11 December 2006

**10. ACCOUNTANTS' REPORT (cont'd)**

■ Chartered Accountants  
4th Floor, Kompleks Antarabangsa  
Jalan Sultan Ismail  
50250 Kuala Lumpur, Malaysia

Mail Address:  
P.O. Box 11040  
50734 Kuala Lumpur, Malaysia

**Appendix IV**

■ Phone : (03) 2144-2333  
Fax : (03) 2144-0709  
www.ey.com/my

Company No: 42445-T

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
PUSTAKA SISTEM PELAJARAN SDN. BHD.  
(Incorporated in Malaysia)**

We have audited the financial statements set out on pages 1 to 20. These financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

We conducted our audit in accordance with applicable Approved Standards on Auditing in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements have been properly drawn up in accordance with applicable Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Company as at 30 April 2007 and of the results and the cash flows of the Company for the period then ended.

ERNST & YOUNG  
AF: 0039  
Chartered Accountants

Kuala Lumpur, Malaysia  
3 August 2007

Yeo Eng Seng  
1212/12/08(J)  
Partner

**11. VALUATION CERTIFICATE***(Prepared for inclusion in the prospectus)*

Our Ref: VSJ07.117.01

**5 October 2007**

The Board of Directors  
**BHS INDUSTRIES BERHAD**  
 Lot 17-22 & 17-23, Jalan Satu  
 Bersatu Industrial Park  
 Cheras Jaya  
 53200 Cheras  
 Selangor Darul Ehsan

Dear Sirs,

**Valuation Of PT 23677, Mukim Of Ceras, District Of Hulu Langat, Selangor Darul Ehsan**

This certificate has been prepared for inclusion in the Prospectus of BHS Industries Berhad ("BHS") to be dated 29 October 2007 in conjunction with the Listing of BHS on the Second Board of Bursa Malaysia Securities Berhad.

In accordance with the instructions from BHS, we have assessed the Market Value of the abovementioned property. We are pleased to confirm that we have valued the property vide our valuation report bearing reference nos. VSJ07.117.01 dated 18 January 2007, using the Comparison Method of Valuation in arriving at the Market Value which forms the basis of our valuation.

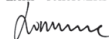
**Market Value** is defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The Valuation Report has been prepared in accordance with the Guidelines on Asset Valuation for Submission to the Securities Commission and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia and with the necessary professional responsibility and due diligence.

In our opinion, the Market Value of the subject property as at 18 January 2007 is RM3,400,000.00 (Ringgit Malaysia Three Million and Four Hundred Thousand). A summary of the valuation is set out in the following attachment.

There have been no breaches of land use conditions.

Yours faithfully  
**RAINE & HORNE INTERNATIONAL**  
**ZAKI + PARTNERS SDN BHD**



**HO SEK CHUEN, FISM**  
**REGISTERED VALUER**  
**REG NO. V-373**

**Perunding Harta Tanah Antarabangsa • International Property Consultants**

Done by Zaki Hg Bank DFTZ, JP, BSC (London), FISM, Sr Wong Yiu Fook BSC (London), MSM, MRICS, Sr Chow Yee Sang BSc (2 years), MSM, Sr Brock Chek Hai FISM, FRICS, IRVV, Sr Tajul Ariffin Mohd Isnie MBS (Dubai), Adv. Dip. Est. Mgt (UK), MSM, MRICS, Sr Jackson Lim Heong Teng MBA (UK), MSM, MRICS, Sr Chawneh Chinnappa B Sc (Hons) Prop. Mgt, BSc, Real Estate (Reading) MSM, Sr Lim Lian Hong B Sc Land Econ, CMA, FISM, MRICS, Sr Ho Sek Chuen Assoc. Dip. Valuation (Aus.), FISM, Sr Michael Goh Thuan Peng B Sc (Valuation & Land Econ.), FISM, MRICS, Sr Aam Omar BSc (Hons) Land Mgt. (Reading), MSM, MRICS, Sr Ram Osman ADM, MBA (Edin Cowar), BSc (Hons) Land Mgt (Reading), FISM, MRICS, Sr Shephard Ng Khe Yau MSM, Sr Rajdeep Singh B Sc (Hons) Prop. Mgt, FISM

KUALA LUMPUR

PULAU PINANG

BUTTERWORTH

IPOH

KLANG

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SUBANG JAYA

SEREMBAN

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K. KINABALU



VE (1) 0067711

Representative offices throughout Asia, Australia, New Zealand, Europe, Americas &amp; Africa

## II. VALUATION CERTIFICATE (cont'd)

Reference No. & Date of Valuation	Description of Property/Buildings/ Contravention of Statutory Requirements	Address/ Location	Title Particulars/ Developer's Lot No.	a) Category of Land Use b) Tenure c) Registered/ Beneficial Owner d) Existing Use	Express Condition/ Restriction In Interest	Encumbrances	Land Area	Methods of Valuation / Assumption Used	Market Value RM
VSJ07.117.01 & 18-Jan-07	A parcel of vacant industrial land.	PT 23677, Jalan Cheras Jaya 1/1, Kawasan Perusahaan Cheras Jaya Cheras, Selangor Darul Ehsan.	HSM 13156, PT 23677, Mukim of Ceras, District of Hulu Langat, Selangor Darul Ehsan.	a) Perusahaan / Perindustrian b) Leasehold interest for a term of 99 years, expiring on 30/12/2098 c) BHS Book Printing Sdn. Bhd. d) Vacant	Industri / The land cannot be transferred, leased or charged, except with the consent of the State Authority.	Nil	8,210 sq.m	Comparison Method	3,400,000

## 12. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT



Decide with Confidence

15 OCT 2007

The Board of Directors  
BHS Industries Berhad  
312, 3<sup>rd</sup> Floor  
Block C, Kelana Square  
17 Jalan SS7/26  
47301 Petaling Jaya  
Selangor Darul Ehsan

Dear Sirs

### EXECUTIVE SUMMARY OF THE INDEPENDENT MARKET RESEARCH REPORT ("EXECUTIVE SUMMARY") FOR BHS INDUSTRIES BERHAD ("BHS" OR "THE COMPANY")

Dun & Bradstreet (D&B) Malaysia Sdn Bhd ("D&B Malaysia") has prepared an Independent Market Research report ("Report") dated 22 March 2007, of which the Executive Summary dated 1 October 2007 which contains extracts updated from the said Report has been prepared for inclusion in the Prospectus to be dated **29 OCT 2007** pursuant to the listing of BHS on the Second Board of Bursa Malaysia Securities Berhad.

This research is undertaken with the purpose of providing an overview of the web offset printing industry in Malaysia. The research methodology includes both primary research, involving in-depth interviews with pertinent companies, as well as secondary research such as reviewing press articles, periodicals, Government literatures, in-house databases, Internet research and online databases.

D&B Malaysia has prepared this Executive Summary in an independent and objective manner and has taken all reasonable consideration and care to ensure the accuracy and completeness of the Executive Summary. In addition, D&B Malaysia acknowledges that if there are significant changes affecting the contents of the Executive Summary between the date hereof and the issue date of the Prospectus or after the issue of the Prospectus and before the issue of securities offered pursuant to the Prospectus, then D&B Malaysia has an on-going obligation to either cause the Executive Summary to be updated for the changes and, where applicable, cause the Company to issue a Supplementary Prospectus, or withdraw our consent to the inclusion of the Executive Summary in the Prospectus.

The Executive Summary is highlighted in the following sections.

For and on behalf  
**Dun & Bradstreet (D&B) Malaysia Sdn Bhd**

A handwritten signature in black ink, appearing to read 'Tan Sze Chong', is written over a light-colored background.

**Tan Sze Chong**  
Managing Director

### **Dun & Bradstreet (D&B) Malaysia Sdn Bhd**

Level 9-3A, Menara Milenium, Jalan Damania, Pusat Bandar Damansara, 50490 Kuala Lumpur, Malaysia  
T 603.2080.6000 F 603.2080.6001 www.dnb.com.my  
Company Registration No.527570-M

A Member of Infocredit Group

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## 12. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (cont'd)

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### 1. BROAD INDUSTRY OVERVIEW

#### 1.1 THE MALAYSIAN PRINTING & PUBLISHING INDUSTRY

##### 1.1.1 Introduction

The printing and graphic arts industry in Malaysia is well established with a long history dating back to the late 19th century. The early printers were craftsman who had mastered their craft in China, and they were able to perform simple print jobs. The make-up of the printing industry began to change in the 1970s and 1980s as a few larger companies, which were well capitalised began to pull ahead. Using the latest printing machines, the bigger players also started to venture overseas. This is basically the situation of the Malaysian printing and publishing industry today. By having in-house prepress and design capabilities, as well as the most up-to-date technology, the bigger players are able to serve the international market successfully.

##### 1.1.2 Definition

Printing is an industrial process for mass production of texts and images, typically with ink on paper using a printing machine. It is an essential part of publishing, which is defined by Webster as the business or profession of the commercial production and issuance of literature, information, musical scores or sometimes recordings or arts. It however does not cover printing or producing of a family history bound in book form without commercial intent.

Printing companies produce newspapers, periodicals, books, custom print jobs, business forms, greeting cards, blank books, and other bound materials. They provide services such as typesetting, plate-making, and book-binding.

##### **Printing includes three (3) steps of production:**

- **Prepress** = involving the preparation of materials for printing;
- **Press** = the actual printing process; and
- **Post-press** = the finishing process which comprises the folding, binding, and trimming of sheets into final form.

#### 1.2 INDUSTRY STRUCTURE AND CLASSIFICATION

##### 1.2.1 Paper, Printing and Publishing Industry

According to Malaysian Industrial Development Authority (“MIDA”), the paper, printing and publishing industry can be segregated into three (3) major sub-sectors namely, paper-manufacturing, paper products and printing and publishing.



## 12. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (cont'd)



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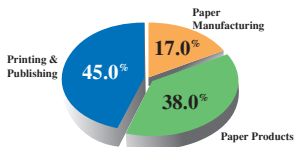
Figure 1: Paper, Printing & Publishing Industry Structure

Source: MIDA

In 2006, the paper, printing and publishing industry generated about RM10.2 billion (2005: 10.12 billion) in revenue. According to the Department of Statistics Malaysia (“DOS”), this industry employed about 47,102 (2005: 45,289) workers in the same year.

The paper manufacturing sub-sector involves the manufacturing of paper such as testliner, corrugating medium paper, printing and writing paper and newsprint. Currently, it supplies 60% of the local paper products demand. The paper products sub-sector manufactures packaging products including corrugated cartons, inner packaging and cushioning materials.

Amongst the three (3) sub-sectors, the printing and publishing sub-sector generates the most in terms of sales value. In 2006, the printing and publishing sub-sector represented 45.0% of the broad industry compared with the paper products and paper manufacturing sub-sectors, representing 38.0% and 17.0% respectively.



Sales value: RM10.2 billion

Figure 2: Sales Value of the Paper, Printing & Publishing Industry, 2006

Source: DOS

To facilitate the purpose of this study, the “printing and publishing sub-sector within the broad paper, printing and publishing industry” is termed as the “printing and publishing industry” hereon.

### 1.2.2 Printing and Publishing Industry Overview

In Malaysia, the printing and publishing industry covers a broad spectrum of printing and publication products and services varying from language, genre, topics, markets covered to media type. The complexity is aggravated by the convergence of the conventional and electronic publishing industry, sparked by the rapid growth of the Internet and alternative content delivery channels. In the publishing industry, distribution represents the key fundamental activity, whereas all others are considered as supporting

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## 12. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (cont'd)

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activities. In some cases, players in the market play the dual role of publisher and printer while others may be either involved in either printing or publishing only, owing to the different cost requirements and regulations involved in the operation of each business activity.

In general, the local printing and publishing industry comprises a handful of large-sized players and a large number of small-sized players. The smaller players are usually involved in providing a narrow range of products due to limited capacity and resources while the bigger players are able to provide a wider range of products that are of better quality and cost effective. The bigger players also have access to better technology thus further improving the quality of their products as compared to small-scale players. As such, both these types of players cater to relatively different market segments. As most of the players in the market have established strong relationships with their respective customer base, they are able to continue their businesses. In terms of raw materials, the domestic paper-manufacturing sub-sector plays a supporting role in providing papers and ink for the printing and publishing industry.

Locally, the players in the printing and publishing industry have formed various associations, namely, the Malaysian Printers Association, Selangor and Federal Territory Printing Press Association of Malaysia, National Bumiputra Book Publisher Association and Malaysia Book Publishers Association. These associations provide a medium for their members to understand the industry's current environment and latest developments, as well as challenges facing the industry. Furthermore, the establishment of these associations also enable effective communication and exchange of viewpoints between the government and printing/publishing companies within the private sector such as issues concerning fair trade practices, copyright issues, book pricing and discount structures.

### 1.3 INDUSTRY CHARACTERISTICS

In 2006, the printing and publishing industry has generated a sales value of RM4.6 billion compared to RM4.7 billion in 2005, representing a slight drop of 1.7% in absolute terms.

The printing and publishing industry mainly caters to the local market. The types of printing and publishing activities include printing of newspaper, books and magazines, packaging materials and security printing. In addition, this industry also involves other printing activities such as printing of greeting cards, calendars, diaries, signages, labels and stickers as well as wall coverings.

In general, the printing and publishing industry can be broadly divided into printing and publishing. In Malaysia, there are currently more than 500 players that are individually servicing varying market segments depending on the type of print media involved, out of which only about a third is active. The majority of them are represented by privately-owned, family-owned SMEs employing less than 50 people. The remaining comprise bigger companies which include listed companies, foreign-owned publishing houses and full or semi-government institutions, which include university presses or publishing departments. Based on information collected by DOS, there are a total of 129 establishments within the industry employing 24,979 people in 2006<sup>1</sup>. Majority of the active players are located in the Klang Valley, while the remaining is spread out across the rest of the country.

<sup>1</sup> Survey conducted based on establishments with employment coverage of 50 and more people

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## 12. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (cont'd)

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Decide with Confidence

The export market for the printing and publishing industry is generally considered to be relatively small compared to the local market. This is mainly due to the language barrier, whereby the country's official language is Bahasa Malaysia and the nature of the industry. Despite being a multi-racial country consisting of three (3) main races, namely Malay, Chinese and Indian, most of the local publications are mainly in Bahasa Malaysia. These publications cater mainly to the local education sector, which comprise school textbooks, reference/guide books, workbooks and language books.

As the Malaysian market is fairly competitive, some of the local players have taken the initiative to tap into the overseas market. Currently Malaysia exports printed and published products to countries such as Singapore, UK, US, Thailand and Indonesia.

### 1.4 INDUSTRY LIFE CYCLE

The local publishing industry is almost entirely domestically-oriented, with a large proportion of book production directed to the educational and school market and in the national language and curriculum. The focus on the domestic market indicates that local firms have been largely shielded from foreign competition.

The overall printing and publishing industry is relatively stagnant, with existing family-owned and other small enterprises operating with low to medium technology involved. The advancement in technology and printing equipment has significantly improved the productivity and quality of products and services within this industry. Printing companies that embrace the introduction of the latest printing technologies, such as web-offset and digital printing are expected to benefit from improved productivity and process efficiencies. Coupled with strong technical skills and years of printing experience in ensuring quality and prompt delivery needs are strictly and consistently met, established printers that invest in high-end printing presses could gain positive growth in business revenues and expansion of clientele base.

### 1.5 GOVERNMENT LEGISLATIONS, POLICIES & INCENTIVES

The printing and publishing industry is subject to the jurisdiction of the Ministry of Internal Security, ("KDN"), as well as the Printing Presses and Publications Act, 1984. The latter requires all print media to obtain a publishing permit and printing press licence and to renew it annually. The KDN is empowered to restrict or ban any publication which is deemed prejudicial to public order or against national interest.

#### 1.5.1 Government Legislations

The following are legislations related to the printing and publishing industry:

- (a) Internal Security Act 1960;
- (b) Printing Presses and Publications Act 1984;
- (c) Intellectual Property Rights Protection:
  - Copyright Act 1987;
  - Trade Mark Act 1976;

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## 12. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (cont'd)

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- Other related cyber-laws and intellectual property laws, including Digital Signature Act 1997, Computer Crimes Act 1997, The Copyright (Amendment) Act 1997, The Communications and Multimedia Act 1998, The Malaysian Communications and Multimedia Commission Act 1998, Penal Code and Sedition Act 1948;
- (d) Environmental Quality Act 1974; and
- (e) Occupational Safety and Health Act 1994.

### 1.5.2 Government Policies

The Malaysian government has been very supportive towards the growth of the printing and publishing industry. Amongst the policies implemented by the government are:

- Equity Policy for Manufacturing Licence; and
- National Book Policy.

### 1.5.3 Government Incentives

The following are some of the incentives related to the printing and publishing industry:

- Incentives for a Knowledge-Based Economy;
- Additional Incentives for Environment Management;
- Tariff-related Incentives:
  - Exemption from Import Duty on Raw Materials / Components;
  - Exemption from Import Duty and Sales Tax on Machinery and Equipment; and
  - Common Effective Preferential Tariff Scheme.

## 1.6 KEY MARKET TRENDS AND OPPORTUNITIES

The market trend in the printing and publishing industry is moving towards digital workflows and improving operating efficiencies and product marketing.

### 1.6.1 Technology Trends

The printing industry is an important representative of the media and information industries. The industry has changed over the past decade, in particular moving from analogue processes to 'digital workflows' in which content is received and processed in electronic form. A wide variety of technologies are available to graphic companies for the production of printed products and to help them extend their scope of activities into such things as CD-ROM or website production.

Important recent and ongoing developments include: computer-based typesetting, composing and imaging manipulation; and computer-to-plate technology, hence eliminating the need to use films. Electronic publishing, on CD-ROMs and the Internet, for example, has created an alternative means of distribution for publishers.

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## 12. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (cont'd)

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### 1.6.2 Demand and Supply Conditions

The demand trend of the publishing industry varies, depending largely on the type of publishing involved. For general book publishers, one (1) major risk is not being able to forecast the market accurately due to the changing consumer preferences and short product life-cycles of "titles". The established players are in a better position to anticipate the market trend.

On the contrary, the demand for school books, namely the textbooks and reference books market segment shows a unique characteristic as demand is known well in advance. The risk of cost fluctuations is also small as cost of paper only forms a small part of the total price of a book and most costs can be fixed at the time of signing of contract. The textbook and reference book market is dominated by a small pool of established players.

Demand for printing services is a consequence of the demand for books and magazines, which is what is termed as 'derived' demand. The level of the Malaysian printing activity, therefore, is influenced by books and magazines sales in the Malaysian market, import penetration, and overseas demand for Malaysian printing services.

### 1.6.3 Growing Consumer Magazine Sector

While printing volumes in general are not expected to increase significantly, demand in certain sectors such as consumer magazines and business-to-business printing will rise. Generally, studies conducted show strong loyalty between magazines and the reader. This loyalty seems to be stronger than that between newspapers and their readers. Another interesting aspect is that people keep magazines for far longer than other media publications, and they also share them amongst each other.

### 1.6.4 Opportunities in Primary & Secondary Schools Sector

The primary and secondary schools segment offers tremendous opportunities for textbook printing companies. In 2006, the Malaysian Government spent about RM2.92 billion (2005: RM2.63 billion) on services and supplies for the education sector. Of this amount, about 1.96 billion (2005: RM1.89 billion) or 67.1% (2005: 71.9%) of the total services and supplies expenditure was for services and supplies provided to primary and secondary education<sup>2</sup>. Furthermore, the number of primary and secondary schools has been increasing consistently over the years, leading to the increasing need for the Government to increase the allocation for expenditure on school textbooks, which will in turn benefit the printing industry as a whole. In addition, the education sector is recession-proof. This is because primary and secondary education is a basic requirement that is a priority for both the Government and parents. As such, printers are expected to continue to benefit from the growing needs for their services.

<sup>(2)</sup>Source: Malaysian Educational Statistics 2006

## 12. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (cont'd)



Decide with Confidence

### 1.6.5 Export Opportunities

Certain local printers have had some notable export successes, with recorded exports of books and dictionaries to countries such as Republic of South Africa, Nigeria and Ghana. Since 2000, Malaysian exports of books in general have fluctuated considerably. The value of exports in 2006 was some 26.0% above that of 2005. Malaysian companies could take advantage of their expertise in printing and pre-press technology through overseas investments. In the pre-press area, particularly, there could be greater opportunities for Malaysia. Electronic delivery can make transport costs negligible in this activity, and Malaysia's skilled labour could be a competitive advantage.

## 2. FOCUS INDUSTRY OVERVIEW

### 2.1 TYPES OF PRINTING TECHNOLOGIES USED

The printing sub-sector can be further illustrated according to the various printing technologies used, as follows:

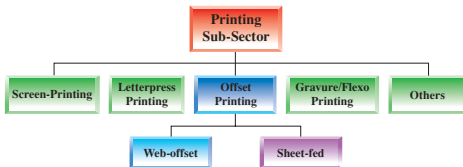


Figure 3: Printing Sub-sector, by Printing Technology

Source: Dun & Bradstreet (D&B) Malaysia Sdn Bhd ("D&B Malaysia") Research

### 2.2 KEY ADVANTAGES OF WEB-OFFSET OVER SHEET-FED PRINTING

Advantages of web-offset printing over sheet-fed printing include the ability to print faster than most sheet-fed methods, having an in-line folding feature where printed paper is auto-folded after printing using the same machine, and allowing automated double-sided printing, amongst others.

The key advantages of web offset printing are highlighted below:

Web-offset	Sheet-fed
<ul style="list-style-type: none"> <li>In-line folding comes as a standard feature of web-offset printing presses where printed paper is auto-folded after printing using the same machine</li> </ul>	<ul style="list-style-type: none"> <li>Printed sheets of paper have to be sent to a separate machine for folding</li> </ul>

## 12. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (cont'd)



Decide with Confidence

Web-offset	Sheet-fed
<ul style="list-style-type: none"> <li>Allows double-sided printing and is fully automated, unlike in sheet-fed printing</li> </ul>	<ul style="list-style-type: none"> <li>Usually allows only single-side printing except when perfectors are used. Double-sided printing on sheet-fed presses involve manually turning over printed sheets for printing on the other side</li> </ul>
<ul style="list-style-type: none"> <li>Available in many sizes, some presses can print both sides and sheeted and auto-folded to 8-, 16-, 24- and even up to 32-page</li> </ul>	<ul style="list-style-type: none"> <li>Available in many sizes, some presses print both sides of the paper in one pass</li> </ul>
<ul style="list-style-type: none"> <li>Prints on continuous paper rolls that are primarily white and is available only on rolls</li> </ul>	<ul style="list-style-type: none"> <li>Prints on individual sheets of paper, and is available in a wide variety of stocks, including various paper grammage and colours</li> </ul>
<ul style="list-style-type: none"> <li>Faster than most sheet-fed presses</li> </ul>	<ul style="list-style-type: none"> <li>Slower than web-offset printing</li> </ul>
<ul style="list-style-type: none"> <li>Inks formulated dry via heat (Heat-set), air and absorption (cold-set)</li> </ul>	<ul style="list-style-type: none"> <li>Inks formulated dry via air</li> </ul>
<ul style="list-style-type: none"> <li>Ideal for high-volume printing, high-quality printing for medium to long runs</li> </ul>	<ul style="list-style-type: none"> <li>Suited for short to medium runs</li> </ul>
<ul style="list-style-type: none"> <li>Ideal for: magazines, catalogues, books, newsletters, direct mail promotions, newspapers</li> </ul>	<ul style="list-style-type: none"> <li>Ideal for: short-run inserts, cover-wraps, brochures, covers, posters, direct mail pieces, business cards, flyers, pamphlets, booklets</li> </ul>

**Table 3.1:** Web-offset Printing vs. Sheet-fed Printing – The Advantages

Source: D&B Malaysia Research

### 2.3 CAPITAL / LABOUR INTENSIVENESS

With rapid changes in printing technology, printing and associated activities are becoming far more capital-intensive. In future, ongoing technical change could be expected to reduce overall numbers in the printing and finishing operations. Technology innovation in equipment and graphic machinery has put the printing industry in the forefront of technological progress. Equipment has, therefore, a major impact on the type, quantity and flexibility of the work carried out, as well as on the professional skills and the organisation of the work in general. Many aspects of the print production process are now commonly automated, measured and controlled by computers.

Further adoption of digital and computer-to-plate technology could render many traditional pre-press skills obsolete, and necessitate the adoption of new skills. In summary, it is likely that adoption of new technology will continue to reduce total employment, particularly in pre-press operations, but increase overall skills levels.

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## 12. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (cont'd)

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Decide with Confidence

### 2.4 BARRIERS TO ENTRY

Traditionally, the printing and publishing industry has moderately low barriers to entry. The high level of competition also results in the existence of 'price-squeezes', whereby prices lack the flexibility needed to increase easily. However, companies which have been able to capture a significant share of the market are those which have invested in high-technology printing equipment which are capable of producing quality products.

#### 2.4.1 Technical Know-How

Acquiring technical know-how and skilled human resource commitment is an essential attribute for a company to sustain its competitiveness and keep up with technological advancements. Players need to acquire in-depth understanding of the technical aspects to operate a successful printing and publishing business. The depth of knowledge could involve research on material (paper, ink and typesetting) characteristics by seeking the best practical composition to suit a particular application and enhance manufacturing processes through the latest printing technologies. In this aspect, printing machine operators who possess the necessary qualifications are widely sought after by established printing companies.

#### 2.4.2 Established Network of Clientele Base with Proven Track Record

Establishing a first-class track record in producing high-quality printed books and magazines, and delivering reliable services is an important attribute in securing customers' loyalty and acceptance. In addition, existing customers may bring in referral opportunities and recurring orders if a good track record and long-term business relationship is established. New players that do not have such track records may find it difficult to gain customers' trust and approval of their products and services. In addition, they may require a longer time to establish a solid customer base compared to the more established key players in the industry.

#### 2.4.3 Stringent Quality Requirements

In order to gain acceptance from reputable local and international customers, it is of paramount importance for industry players to implement strict QC measures at all stages of the production processes from receipt of raw materials right up to the final product delivery. QC procedures are important to control ink density, print quality and performance that conform to customers' specifications with the help of QC devices. Established players, including BHS Industries Berhad together with its group of companies (herein collectively referred to as "BHS Group"), that have consistently met the stringent quality requirements imposed by customers would have an advantage over newcomers in securing large print-runs that demand high-quality printing within very tight delivery timeframes.

#### 2.4.4 Requirement for High Capital Investment

Companies need to invest in high capital cost to set up and operate a web-offset printing outfit. Web-offset printing companies, in particular, require large working areas to accommodate printing machineries as well as storage space for continuous in-coming stocks of raw materials (primarily paper in reel forms) to meet ongoing production needs.



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## 12. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (cont'd)

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Decide with Confidence

A small set-up may require about RM10 million to operate while a medium to large web-offset printing company requires up to RM50 million or more to set up an integrated facility. This level of investment is usually beyond the reach of smaller backyard printing players, and would pose a barrier to new entrants that have limited financial resources as they would inevitably face difficulties in competing with the financially competent and established players.

### 2.4.5 Cashflow Management Requirements

Within the highly capital intensive web-offset printing sector, it is crucial that players are able to manage and maintain sufficient liquidity to ensure that daily operations are not interrupted due to inadequate working capital and poor cash flow management. Companies with efficient cash flow management would not only be able to withstand the impact of an economic slowdown or financial crisis but also comfortably position themselves to continuously support and expand their business horizon when such opportunity arises.

## 2.5 SUBSTITUTE SERVICES

The electronic media now compete with traditional printing in ways that are changing both the inner structure and the retail face of the industry. Customers are buying more print materials in digital form such as electronic databases, CD-ROMs, and cassettes. They purchase online through Internet booksellers. CD-ROMs already have displaced some sales of encyclopaedias and reference books, but in other areas electronic publishing has enhanced the demand for printed books, such as computer manuals.

However, electronic media, despite being the main substitute to traditional printing, has its drawbacks. Reading news published electronically is neither as quick nor convenient as it takes a longer time and much more effort to boot up a computer, connect it to the Internet and then download the required data. This can be compared to the few seconds required to get hold of a book or a magazine, or the fraction of a second needed to turn over a printed page. Paper is versatile, economical and, above all, has the overriding attribute of "tangibility". A paper message also connotes a leisure appeal, for example, the reading of a newspaper is not only about getting news but for many people, is also a form of leisure and learning experience. No electronic forms can offer textural characteristics, such as gloss, sheen and lustre – all of which are attributes that advertisers value.

Despite an estimated 30% of printed text that could be replaced ultimately by electronic versions, it is widely regarded that electronic publishing is largely complementary to printed books and magazines, and even helps stimulate demand for books and magazines. While the growth in electronic publishing is expected to expand much faster due to its present growth stage, traditional printing is foreseen to continue to exist for a very long time.

## 2.6 MARKET CHALLENGES

The following are some of the key challenges that are faced by the web-offset printing sector:

### 2.6.1 Reliance on and Vulnerability to Imports

Paper, which constitutes the bulk of raw materials used in the printing industry, is sourced locally and internationally. Malaysia still imports paper despite the presence

## 12. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (cont'd)



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of local production of paper by local paper mills, with at least 60% of domestic paper consumption being sourced locally for use in a wide application base<sup>3</sup>.

The local paper manufacturing industry involves mainly waste paper recycling, whereby waste paper is the major raw material used. Paper is still imported mainly due to varying paper quality requirements used in the printing and publishing industry. For example, high-end consumer magazines and professional publications that involve high-quality, glossy-finish paper will require imported art paper as compared to recycled woodfree/simili paper which can be readily available locally.

Malaysia is still a net importer of paper although it has an extensive natural resource with forests covering some 61% of its area and plantations including rubber and oil palm accounting for another 16%. In 2006, Malaysia imported about RM5.6 billion worth of coated and uncoated paper and paperboard in rolls or sheets<sup>4</sup>.

In efforts to increase domestic production of printing paper, the Government has, over the past three (3) years, approved a total of 85 projects in the pulp, paper, printing and publishing industry, involving total investments of RM6.4 billion. Amongst the significant projects approved is a diversification project in 2004 that was worth RM133 million by Malaysian Paperboard Industries Sdn Bhd ("MPISB"), a wholly-owned Malaysian company, to produce uncoated woodfree printing and writing paper using imported pulp. Second only to SFI, which produces paper from its own manufactured virgin pulp, MPISB's paper mill is expected to bring about a combined capacity that would meet almost 90% of the domestic demand for uncoated woodfree printing and writing paper.

<sup>3</sup> Source: Malaysian Industrial Development Authority  
– Performance of the Manufacturing and Services Sectors 2006 ("MIDA Report 2006")

<sup>4</sup> Source: Department of Statistics, Malaysia ("DOS") and MIDA Report 2006

### 2.6.2 Market Competition

Competitors in Asian countries that include Singapore and Hong Kong have generally become more expensive to operate, largely because of higher labour costs, although this has been partly offset by their subcontracting to companies in lower-cost countries. Malaysian printers such as BHS Group have an advantage where large printing runs are involved, where they are able to benefit from economies of scale.

### 2.6.3 Price Competition

Generally, local printers face a challenge in their ability to differentiate themselves in a competitive market. The current situation where there is widespread price undercutting will result in lower profit margins, and where capacity exceeds demand, the ultimate effect on the industry is to force selling prices down. This is especially so given the need to incur higher costs involved in purchasing printing machinery with the latest technology and higher speeds to achieve better productivity and quality levels, as well as reduce turnaround time, so as to remain competitive.

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## 12. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (cont'd)

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### 2.6.4 Other Key Challenges

Other key challenges faced by the web-offset printing sector are:

- Fluctuating/increasing raw material prices;
- Emergence of new technology / rapid technological changes;
- Skilled labour shortages in local printing & publishing industry;
- Strict regulation of government laws & legislations; and
- Absence of long term written contracts.

### 2.7 MARKET GROWTH FACTORS

The market growth factor of the web-offset printing industry is as follows:

- Economic growth drives consumer spending
  - The Malaysian web-offset printing industry has the potential to grow along with the nation's income and increase in standard of living.
- Increased literacy rate
  - The increase in literacy rate and the nation's goal towards k-economy would encourage consumers to cultivate reading habits thus having wider exposure on current issues.
- Roles played by book trade associations
  - The establishment of these associations provide a medium for members to understand the industry's current environment and latest developments, as well as challenges facing the industry.
- Increase in advertising expenditure for magazines
  - There is a positive market demand for magazine advertising, hence indicating further the growth prospects in magazine printing services.

### 3. MARKET POSITIONING AND COMPARATIVE ANALYSIS

The printing and publishing industry is highly fragmented, with hundreds of players ranging from sole-proprietorship concerns, mid-sized private companies up to large-scale printing and publishing entities which are renowned even in the global scene. One of the players in this industry is the BHS Group.

For the five (5)-year period from FYE 2002 to FYE 2006, the BHS Group derived between 60% and 78% of its total revenue from printing services that cater primarily to the commercial sector. For the purpose of the listing exercise, the BHS Group is positioned against key players which also offer primarily commercial printing services, namely for books, magazines/periodicals, brochures and pamphlets. These players are selected based on, amongst other factors, the primary printing technology adopted, scale of operations, range of services provided and similarities in target markets.

The BHS Group operates within the web offset printing industry particularly catering to the commercial printing market, with its track record of quality and reliable performance, as well as industry knowledge and experience accumulated over three (3) decades in a niche market. Research findings suggest that there are only a handful of printing companies that operate web-offset printing outfits that serve the commercial printing market within Malaysia. In 2006, the sales value of the

## 12. EXECUTIVE SUMMARY OF INDEPENDENT MARKET RESEARCH REPORT (cont'd)



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local web-offset commercial printing services industry, primarily for books and magazine printing was estimated at RM271 million, of which the BHS Group commanded a market share estimated at 13.2%<sup>(1)</sup>. The remaining 86.8% is serviced by other players offering web-offset commercial printing services both locally as well as to customers that are located in overseas countries.

Meanwhile, it is found that for the three (3)-year period from FYE 2004 to FYE 2006, the BHS Group has consistently achieved the highest pre-tax profit margin. On average, its 16.3% margin for the period from FYE 2004 to FYE 2006 is the highest amongst the selected players, and is significantly above the industry average of 3.9%. This is partially substantiated by the efficient use of property, plant and equipment ("PPE") to generate sales throughout its years of operations. Within the same period from FYE 2004 to FYE 2006, the Group achieved PPE ratios well above 2.50 which indicate that for every RM1.00 of capital cost invested, the Group is able to generate sales of more than RM2.50 in the said period.

Research conducted also shows that the printing industry is predominantly a capital intensive industry, in which major investments in plant, printing machinery and equipment account for between 70% and 80% of a company's fixed assets. Presently, the BHS Group is one (1) of the leading players within the local web-offset printing industry, and has invested more in some of the most up-to-date web-offset printing machines to cater for high-volume and high-speed printing.

#### 4. CONCLUSION ON MARKET OUTLOOK

The outlook in commercial printing depends on the demand for advertising and the costs of doing business. Demand for advertising depends on business activity. Other factors are the costs of equipment, labour, ink, paper and methods to meet safety and environmental standards.

Demand for printed products continues because people like to read. Interests in books, for instance, are expected to rise with the increasing literacy rate. The outlook largely depends on population growth, higher personal incomes, and bigger school enrolments. People are becoming more actively involved in life-long learning in pursuit of endless knowledge. The Malaysian printing and publishing industry is expected to continue its positive growth as the nation aspires to be fully developed and industrialised by 2020. The industry is constantly working to improve turnaround time, and many have invested in state-of-the-art technology to provide in-house finishing and bindery services. Many printers and publishers also stay abreast of new developments in the printing and publishing technology and this has greatly increased efficiency and productivity, as well as export competitiveness.

The real expansion of the printing and publishing industry in Malaysia requires major players to act on foresight of the market and seize such opportunities associated with increasing prosperity, sophistication, and educational levels of the nation. In the longer term, the industry will have to keep pace with the real market demand from export markets and reduce its dependency on Government's assistance and support.

Similar to selling other products, the key success factors for printing exports are high-quality printing, competitive pricing and reliable delivery. In addition, industry players are required to understand foreign languages as well as the culture and business practices of their counterparts. Clear and effective communication is paramount to avoid problems from order negotiations right up to production, quality control, packaging, shipping, delivery and payment.

<sup>(1)</sup> Note: Derived based on the comparable companies' latest audited financial statements for their respective financial year ends and estimates made by D&B Malaysia based on its research findings.

### 13. DIRECTORS' REPORT



(719660-W)

#### **BHS INDUSTRIES BERHAD**

Lot 17-22 & Lot 17-23, Jalan Satu,  
Bersatu Industrial Park, Cheras Jaya, Balakong  
43200 Cheras, Selangor Darul Ehsan,  
Malaysia. Tel: (603) 9074 7018  
Fax: (603) 9074 7573 E-mail: info@bhsprint.com

24 October 2007

The Shareholders of  
BHS Industries Berhad ("BHS")  
312, 3<sup>rd</sup> Floor  
Block C, Kelana Square  
17 Jalan SS7/26  
47301 Petaling Jaya  
Selangor Darul Ehsan

Dear Sir/Madam,

On behalf of the Board of Directors of BHS, I wish to report after due enquiry that between the period from 30 April 2007 (being the date to which the last audited financial statements of BHS and its subsidiaries ("Group") have been made up) to 24 October 2007 (being a date not earlier than 14 days before the issuance of this Prospectus), that:

- (a) the business of the Group has, in the opinion of the Directors, been satisfactorily maintained;
- (b) in the opinion of the Directors, no circumstances have arisen since the last audited financial statements of the Group which have adversely affected the trading or the value of the assets of the Group;
- (c) the current assets of the Group appear in the books at values which are believed to be realisable in the ordinary course of business;
- (d) save as disclosed in Section 9.4(iv) of this Prospectus, there are no contingent liabilities by reason of any guarantees or indemnities given by the Group;
- (e) there have been, since the last audited financial statements of the Group, 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
- (f) save as disclosed in this Prospectus, there have been, since the last audited financial statements of the Group, no material changes in the published reserves or any unusual factors affecting the profits of the Group.

Yours faithfully,

For and on behalf of the Board of Directors of

**BHS INDUSTRIES BERHAD**

A handwritten signature in black ink, appearing to read 'Heng Song Khoon'.

**Heng Song Khoon**

Executive Chairman/Managing Director

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**14. ADDITIONAL INFORMATION**

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**14.1 SHARE CAPITAL**

- (i) No shares will be allotted or issued on the basis of this Prospectus later than twelve (12) months after the date of issue of this Prospectus.
- (ii) We only have one class of shares namely, ordinary shares of RM0.50 each, all of which rank equally with one another.
- (iii) Save as disclosed in Sections 1.5, 2.4, 4.1.2, 4.1.5 and 4.2 of this Prospectus, no shares, debentures, warrants, options, convertible securities or uncalled capital of our Company and our subsidiaries have been issued or are proposed to be issued as fully or partly paid-up in cash or otherwise, within the two (2) years preceding from the date thereof.
- (iv) Save for the Public Issue Shares reserved for the eligible Directors and employees of our Group as well as our business associates, as disclosed in Sections 2.7 and 4.1.5 of this Prospectus, no person including Directors or employees of our Group has been or is entitled to be given or has exercised any option to subscribe for any shares, stocks or debentures of the Company or its subsidiaries.
- (v) Save for the Public Issue Shares reserved for the eligible Directors and employees of our Group as well as our business associates, as disclosed in Sections 2.7 and 4.1.5 of this Prospectus, there is currently no other scheme for or involving the Directors or employees of the Company or its subsidiaries.
- (vi) As at this date hereof, we do not have any outstanding convertible debt securities, options, warrants or uncalled capital.

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## 14. ADDITIONAL INFORMATION (cont'd)

### 14.2 ARTICLES OF ASSOCIATION

The provision in the Articles of Association of our Company (the words and expressions appearing in the following provisions shall bear the same meanings used in the Company's Articles of Association), the Listing Requirements, the Act and the Rules of Bursa Depository in respect of the arrangements for transfer of securities and restrictions on their free transferability are as follows:

	<b>TRANSFERS OF SECURITIES</b>	
25	The transfer of any listed security or class of listed security of the Company, shall be by way of book entry by the Central Depository in accordance with the Rules of the Central Depository and, notwithstanding Sections 103 and 104 of the Act but subject to sub-section 107C (2) and any exemption that may be made from compliance with sub-section 107C (1) of the Act, the Company shall be precluded from registering and effecting any transfer of the listed securities.	Transfer
26	Subject to the Rules and the requirements of the Exchange, the transfer of any securities may be suspended at such times and for such periods as the Directors may from time to time determine. Notice shall be given of such closure in accordance with the requirements of the Exchange.	Suspension of Registration
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.	Refusal to register transfer
28	Subject to any law in Malaysia for the time being in force, neither the Company nor the Directors nor any of its officers shall incur any liability for the act of the Central Depository in registering or acting upon a transfer of securities apparently made by a Member or any person entitled to the securities by reason of death, bankruptcy or insanity of a Member although the same may by reason of any fraud or other causes not known to the Company or the Directors or the Central Depository or other officers be legally inoperative or insufficient to pass the property in the securities proposed or professed to be transferred, and although the transfer may, as between the transferor Member and the transferee be liable to be set aside and notwithstanding that the Central Depository or the Company may have notice that such instrument or transfer was signed or executed and delivered by the transferor Member in the blank as to the name of the transferee, of the particulars of the securities transferred or otherwise in defective manner.	Indemnity
29	Subject to the provisions of these Articles, the Directors may recognise a renunciation of any security by the allottee thereof in favour of some other person.	Renunciation

## 14. ADDITIONAL INFORMATION (cont'd)

	TRANSMISSION OF SECURITIES	
36	<p>(1) Where:</p> <p>(a) the securities of the company are listed on another stock exchange; and</p> <p>(b) such company is exempted from compliance with section 14 of the <i>Securities Industry (Central Depositories) Act, 1991</i> or section 29 of the <i>Securities Industries (Central Depositories) (Amendment) Act, 1998</i>, as the case may be, under the Rules of the Depository in respect of such securities,</p> <p>such company shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the company in the jurisdiction of the other stock exchange to the register of holders maintained by the registrar of company in Malaysia and <i>vice versa</i> provided that there shall be no change in the ownership of such securities.</p>	Transmission of securities from Foreign Register
	REMUNERATION OF DIRECTORS	
93	<p>(1) The Directors shall be paid by way of fees for their services, such fixed sums (if any) as shall from time to time be determined by an ordinary resolution of the Company in general meeting and shall (unless such resolution otherwise provide) be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall be entitled only to rank in such division for a proportion of the fees related to the period during which he has held office PROVIDED ALWAYS that:</p> <p>(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;</p> <p>(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;</p>	



**14. ADDITIONAL INFORMATION (cont'd)**

	<b>REMUNERATION OF DIRECTORS (cont'd)</b>	
	<p>(c) a Director may appoint a person approved by a majority of his co-directors to act as his alternate, provided that any fee paid by the company to the alternate director shall be deducted from that director's remuneration.</p> <p>(2) The Directors shall be entitled to be reimbursed all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or general meeting or otherwise howsoever incurred in the course of the performance of their duties as Directors.</p> <p>(3) Any Directors who is appointed to any executive office or serves on any committee or who otherwise performs or renders services, which in the opinion of the Directors are outside his ordinary duties as a Director, may be paid such extra remuneration as the Directors may determine, subject however as is hereinafter provided in this Article.</p> <p>(4) Any fee paid to an alternate Director shall be such as agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.</p>	
94	Fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where the notice of the proposed increase has been given in the notice convening the meeting.	Increase in Directors' remuneration

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**14. ADDITIONAL INFORMATION (cont'd)**

<b>REMUNERATION OF DIRECTORS (cont'd)</b>		
95	If any Director, being willing and having been called upon to do so, shall render or perform extra or special services of any kind, including services on any committee established by the Board of Directors, or shall travel or reside abroad for any business or purposes of the Company, he shall be entitled to receive such sum as the Board of Directors may think fit for expenses, and also such remuneration as the Board of Directors may think fit, either as a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) 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.	
122	The remuneration of the Managing Director shall be subject to the terms of any agreement entered into in any particular case and may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes remuneration shall not include a commission on or percentage of turnover but it may be a term of his appointment that he shall receive pension, gratuity or other benefits upon his retirement.	Remuneration of Managing Director
<b>POWERS AND DUTIES OF DIRECTORS</b>		
97	The business of the Company shall be managed by Directors who may pay all expenses incurred in promoting and registering the Company, and exercise all such powers of the Company as are not 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 resolutions, not being inconsistent with these Articles or the provisions of the Act as may be prescribed by the Company in general meeting but no resolution made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such resolution had not been made.	Business of Company to be managed by Directors
98	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;	Limitation on Directors' Powers

## 14. ADDITIONAL INFORMATION (cont'd)

	POWERS AND DUTIES OF DIRECTORS (cont'd)	
	<p>(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.</p> <p>(c) execute any transaction for the acquisition of an undertaking or property of a substantial value or the sale or disposal of a substantial portion of the Company's main undertaking or property which would materially and adversely affect the performance or financial position of the Company.</p>	
99	<p>(1) 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 any related company as may be thought fit.</p> <p>(2) The Directors may borrow or raise any such money as aforesaid, upon such terms and conditions in all respects as the Directors may think fit, upon or by the issue or sale of any bonds, debentures, debenture stocks or securities. The Company may in general meeting grant a right for the holders of bonds, debentures, debenture stocks or securities to exchange the same for shares in the Company or any class authorized to be issued. The Directors may secure or provide for the payment of any moneys to be borrowed or raised by a mortgage or a charge upon all or any part of the undertaking or property of the Company, both present and future and upon any capital remaining unpaid upon the shares of the Company, whether called up or not or by any other security and the Directors may confer upon any mortgages or persons in whom any debentures, debenture stock or security is vested, such rights and powers as they think necessary or expedient; and they may vest any property of the Company in trustees for the purpose of securing any moneys so borrowed or so raised and confer upon the trustees or any receiver to be appointed by them or by any debenture holder, such rights and powers as the Directors may think necessary or expedient in relation to the undertaking or property of the Company,</p>	Directors' borrowing powers

**14. ADDITIONAL INFORMATION (cont'd)**

	<b>POWERS AND DUTIES OF DIRECTORS (cont'd)</b>	
	<p>or the management or the realization thereof, or the making, receiving or enforcing of calls upon the members in respect of unpaid capital and otherwise, and may make and issue debentures to trustees for the purpose of further security, and any such trustees may be remunerated.</p> <p>(3) The Directors shall not borrow any money or mortgage or charge any of the Company's or the subsidiaries' 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.</p>	
100	<p>The Directors may establish or arrange any contributory or non-contributory pension or superannuation scheme for the benefit of, or pay a gratuity, pension or emolument to any person who is or has been employed by or in the service of the Company or any subsidiary of the Company, or to any person who is or has been a Director or other officer of and holds or has held salaried employment in the Company or any such subsidiary, and the widow, family or dependants of any such person. The Directors may also subscribe to any association or fund which they consider to be for the benefit of the Company or any such subsidiary or any such person as aforesaid and make payments for or towards any hospital or scholastic expenses and any Director holding such salaried employment shall be entitled to retain any benefit received by him hereunder subject only, where the Act requires, to proper disclosure to the Members and the approval of the Company in general meeting.</p>	Power to maintain pension fund
	<b>SHARE CAPITAL AND VARIATION OF RIGHTS</b>	
3	<p>The authorized capital of the Company at the date of adoption of these Articles is RM100,000,000.00 divided into 200,000,000 ordinary shares of RM0.50 each. The Company may from time to time by Ordinary Resolution change its authorized share capital.</p>	Authorised capital
4	<p>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</p>	Power to issue shares

## 14. ADDITIONAL INFORMATION (cont'd)

	SHARE CAPITAL AND VARIATION OF RIGHTS (cont'd)	
	<p>and conditions, with such preferred, deferred or other special rights, and subject to such restrictions, whether with regard to dividend, voting, return of capital or otherwise, and at such times as the Directors may determine but the Directors in making any issue of shares shall comply with the following conditions :</p> <p>(a) no shares shall be issued at a discount except in compliance with the provisions of Section 59 of the Act;</p> <p>(b) in the case of shares offered to the public for subscription, the amount payable on application for each share shall not be less than five per cent (5%) of the nominal amount of the share;</p> <p>(c) in the case of shares of any class, other than ordinary shares, no special rights shall be attached until the same have been expressed in these Articles;</p> <p>(d) no director shall participate in a share scheme for employees unless shareholders in general meeting have approved the allotment to be made to such director.</p>	
5	<p>(1) Subject to the Act, any preference shares may with the sanction of an ordinary resolution of shareholders in general meeting, 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. The Company may also on any issue of shares pay such brokerage as may be lawful.</p> <p>(2) (a) Preference shareholders shall have the right to attend and vote at any meeting convened for the purpose of sanctioning:</p> <p>(i) a resolution or proposal in respect of dividend or part of the dividend on the preference shares which are in arrears for more than six (6) months;</p> <p>(ii) a proposal to reduce the capital of the Company;</p>	Rights of preference shareholders

## 14. ADDITIONAL INFORMATION (cont'd)

	SHARE CAPITAL AND VARIATION OF RIGHTS (cont'd)	
	<p>(iii) a proposal for the disposal of the whole of the Company's property, business and undertaking;</p> <p>(iv) a proposal or resolution which affects the rights and privileges attached to the preference share;</p> <p>(v) a proposal to wind up the Company; and</p> <p>(vi) during the winding-up of the Company.</p> <p>(b) Preference shareholders shall be entitled to a return of capital in preference to holders of ordinary shares in the event that the Company is wound up.</p> <p>(c) Preference shareholders shall have the same rights as ordinary shareholders as regards to receiving notices, reports and audited accounts and attending meetings of the Company.</p>	
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 obtained from the holders of three-fourths of the preference shares concerned within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.	Repayment of preference capital
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 the class. To every such separate general meeting, the provisions of these Articles relating to general meetings shall <i>mutatis mutandis</i> 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.	Modification of class rights

## 14. ADDITIONAL INFORMATION (cont'd)

INCREASE OF CAPITAL		
50	The Company may from time to time, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully paid up or not, by ordinary resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company by the resolution authorising such increase directs.	Power to increase capital
ALTERATION OF CAPITAL		
53	The Company may by ordinary resolution: <ol style="list-style-type: none"> <li>increase the share capital by such sum to be divided into shares of such amount as the resolution shall prescribe;</li> <li>consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</li> <li>divide its share capital or any part thereof into shares of smaller amount than is fixed by the Memorandum of Association by subdivision of its existing shares or any of them subject nevertheless to the provisions of the Act and so that as between the resulting shares, one or more of such shares may, by the resolution by which such subdivision 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; and</li> <li>cancel shares which at the date of the passing of the resolution in that behalf have not been 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.</li> </ol>	Power to alter capital
54	Subject to and in accordance with the provisions of the Act and the requirements of the Exchange and such other relevant law, regulation or guideline, the Company is allowed and shall have power, to the fullest extent permitted, to purchase its own shares or give financial assistance to any person for the purpose of acquiring shares in the Company. Any shares in the Company so purchased by the Company shall be dealt with as provided by the Act, the requirements of the Exchange and any other relevant authority.	Share buy-back
55	The Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with, and subject to, any authorization, and consent required by law.	Power to reduce capital

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**14. ADDITIONAL INFORMATION (cont'd)**

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**14.3 DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

- (i) The names, addresses and occupations of our Directors are set out in the Corporate Directory of this Prospectus.
- (ii) A Director is not required to hold any qualification share in our Company unless otherwise so fixed by our Company in general meeting.
- (iii) Save as disclosed in Sections 2.11, no commission, discounts, brokerages or other special terms have been paid, granted or are payable by our Company or our subsidiaries within the two (2) years immediately preceding the date of this Prospectus for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares in or debentures of our Company or our subsidiaries or in connection with the issue or sale of any capital of our Company or any of our subsidiaries and no Directors, proposed Directors, promoters or experts is or are entitled to receive any such payment.
- (iv) Other than salary and employment related benefits as disclosed in Section 5.3.3 of this Prospectus, no amount or benefit has been paid or given within the two (2) years immediately preceding the date hereof, nor is it intended to be so paid or given, to any Directors.
- (v) Save and except for the dividends payable to the Promoters as shareholders of our Company and the remuneration payable to the Promoters as Directors of the Company and as detailed in Section 5.3.3 (all of which is disclosed in this Prospectus), no other amounts or benefits are paid or intended to be paid or given to any promoter within two (2) years preceding the date of this Prospectus.
- (vi) Save as disclosed in Section 7 of this Prospectus, none of our Directors and/or substantial shareholders have any interest in any contract or arrangement subsisting at the date of this Prospectus in which our Directors or substantial shareholders are interested and which is significant in relation to the business of our Company or our Group taken as a whole.
- (vii) Save as disclosed in Section 3.13 of this Prospectus, our Directors and substantial shareholders are not aware of any persons who are able, directly or indirectly, jointly or severally, to exercise control over our Company and our subsidiaries.
- (viii) The details of our Directors' and substantial shareholders' direct and indirect interests in our Shares before and after the Public Issue are set out in Sections 5.3.1 and 5.2.1 of this Prospectus respectively.

**14.4 MATERIAL CONTRACTS**

Save as disclosed below, there are no other material contracts (including contracts not reduced into writing), not being contracts entered into in the ordinary course of business which have been entered into by our Company and our subsidiary companies within two (2) years preceding the date of this Prospectus:

- (a) A conditional Sale and Purchase Agreement entered into between BHS as the purchaser and Harta as the vendor on 21 March 2007, wherein BHS acquired the entire equity interest of the shareholders of Sistem, comprising 3,618,890 ordinary shares of RM1.00 each for a purchase consideration of RM20,704,769, to be satisfied by the issuance of 41,409,539 new ordinary shares of RM0.50 only each in BHS;
- (b) A conditional Sale and Purchase Agreement entered into between BHS as the purchaser and Sistem as the vendor on 21 March 2007, BHS acquired the entire equity interest of Sistem in BBP and Star for cash, comprising 3,950,000 and 150,000 ordinary shares of RM1.00 each respectively for a purchase consideration of RM17,802,790;



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#### 14. ADDITIONAL INFORMATION (cont'd)

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- (c) An Agreement dated 8 August 2007 entered into between BHS and Harta wherein Harta agreed to assign debts owed to it by BBP and Sistem, amounting to RM600,000 and RM4,320,000 respectively, to BHS in consideration of 9,840,000 new shares in BHS to be issued to Harta;
- (d) An Underwriting Agreement dated 13 September 2007 between the Company and the Managing Underwriter and Underwriter for the underwriting of 7,000,000 Public Issue Shares at a managing underwriter's fee of 0.5% of the Issue Price multiplied by the total number of Public Issue Shares underwritten, payable to PIVB, and underwriting commission at the rate of 2.0% for the total underwritten shares at the Issue Price, payable to the Underwriters;
- (e) A Supplemental Agreement dated 21 September 2007 to the conditional Sale and Purchase Agreement dated 21 March 2007 entered into between BHS and Harta (as mentioned in section 14.4(a) above), wherein, Recitals B (vi) and B (vii) were amended by deleting "indicative price of RM0.60" and replaced with "issue price of RM0.68"; and
- (f) A Supplemental Agreement dated 21 September 2007 to the conditional Sale and Purchase Agreement dated 21 March 2007 entered into between BHS and Sistem (as mentioned in section 14.4(b) above), wherein, Recitals B (vi) and B (vii) were amended by deleting "indicative price of RM0.60" and replaced with "issue price of RM0.68".

#### 14.5 MATERIAL LITIGATION

As at 24 September 2007, being the latest practicable date to the printing of the Prospectus, neither our Company nor our subsidiaries are engaged in any material litigation and arbitration, either as plaintiff or defendant, which has a material effect on the financial position of our Company or our subsidiaries and our Directors do not know of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect the position or business of our Company or our subsidiaries.

#### 14.6 PUBLIC TAKE-OVER OFFERS

During the last financial year and the current financial year to date, there were no:

- (i) public take-over offers by third parties in respect of our Company's shares; and
- (ii) public take-over offers by our Company in respect of other companies' shares (*save for the Acquisitions which is part of the Flotation Exercise*).

#### 14.7 CONSENTS

The written consent of the Adviser, Managing Underwriter, Underwriters and Placement Agent, Company Secretaries, Principal Bankers, Solicitors, Share Registrars and Issuing House to the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.

The written consent of the Auditors and Reporting Accountants to the inclusion in this Prospectus of their names, Accountants' Report and letters relating to the consolidated profit estimate for the financial year ended 30 June 2007 and the consolidated profit forecast for the financial year ending 30 June 2008, and the proforma consolidated financial information in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

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**14. ADDITIONAL INFORMATION (cont'd)**

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The written consent of the Independent Market Researcher to the inclusion in this Prospectus of its name, Executive Summary of the Independent Market Research ("IMR") Report and extracts of the IMR Report in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

The written consent of the Valuer to the inclusion in this Prospectus of its name, Valuation Certificate and extracts of the Valuation Report dated 18 January 2007 in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

**14.8 DOCUMENTS FOR INSPECTION**

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

- (a) The Memorandum and Articles of Association of our Company;
- (b) The material contracts referred to in Section 14.4 of this Prospectus;
- (c) The Directors' Report referred to in Section 13 of this Prospectus;
- (d) The Accountants' Report as included in Section 10 of this Prospectus;
- (e) The Reporting Accountants' letters relating to the consolidated profit estimate for the financial year ended 30 June 2007 and consolidated profit forecast for the financial year ending 30 June 2008, and the proforma consolidated financial information as at 30 April 2007 set out in Sections 9.6 and 9.10 respectively of this Prospectus;
- (f) The audited financial statements of BHS for financial period from 30 December 2005 (being the date of incorporation of BHS) to 30 June 2006 and the ten (10) months FPE 30 April 2007;
- (g) The audited financial statements of Sistem, BBP, Star, Yakin, SPH and Multimedia for the past three (3) financial years ended 30 June 2006 and the ten (10) months FPE 30 April 2007;
- (h) The letters of consent referred to in Section 14.7 of this Prospectus;
- (i) The full market research report by the Independent Market Researcher and the executive summary of the same for inclusion in Section 12 of this Prospectus; and
- (j) The Valuation Report dated 18 January 2007 by the Valuer, and the Valuation Certificate of the same for inclusion in Section 11 of this Prospectus.

**14.9 RESPONSIBILITY STATEMENT**

This Prospectus has been seen and approved by our Promoters and Directors, and the Offerors and they collectively and individually accept full responsibility for the accuracy of the information contain herein and confirm that, after having made all reasonable enquiries, that to the best of their knowledge and belief, there are no false or misleading statement or other facts the omission of which would make any statement herein false or misleading. Our Directors hereby accept full responsibility for the consolidated profit estimate and forecast included in this Prospectus and confirm that the consolidated profit estimate and forecast have been prepared based on the assumptions made.

PIVB acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the initial public offering and is satisfied that the consolidated profit estimate and forecast (for which our Directors are fully responsible), prepared for inclusion in this Prospectus have been stated by our Directors after due and careful enquiry and have been duly reviewed by the Reporting Accountants.

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## 15. PROCEDURES FOR APPLICATION AND ACCEPTANCE

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### 15.1 OPENING AND CLOSING OF APPLICATION

The Application will open at **10.00 a.m.** on **Monday, 29 October 2007** and will remain open until **5.00 p.m.** on **Monday, 5 November 2007** or for such further periods as our Directors together with the Managing Underwriter in their absolute discretion may mutually decide. Late applications will not be accepted.

### 15.2 METHODS OF APPLICATION

Applications for the Public Issue Shares may be made using either of the following ways:

- (i) Application Form; or
- (ii) Electronic Share Application.

### 15.3 TYPES OF APPLICATION FORMS

The following relevant Application Forms issued with the notes and instructions printed therein are enclosed with this Prospectus and are deemed to form part thereof:

- (i) **White** Application Forms for application by the Malaysian public;
- (ii) **Pink** Application Forms for application by the eligible Directors, employees and/or business associates of our Group;
- (iii) **Blue** Application Forms for application by placees under the private placement and Bumiputera investors approved by MITI.

**White** Application Forms together with copies of this Prospectus may be obtained, subject to availability, from PIVB, participating organisations of the Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and MIH.

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE** (cont'd)

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**15.4 GENERAL CONDITIONS FOR APPLICATIONS**

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

**(i) Application by the Malaysian Public**

Applications for our 6,000,000 Public Issue Shares made available for application by the Malaysian public must be made on the **White** Application Forms provided or by way of Electronic Share Application through a Participating Financial Institution's ATM. A corporation or institution cannot apply for shares by way of Electronic Share Application through a Participating Financial Institution's ATM.

**(ii) Application by Eligible Directors, Employees and Business Associates of Our Group**

Applications for our 6,000,000 Public Issue Shares reserved for the eligible Directors, employees and business associates of our Group must be made on the **Pink** Application Forms provided, and **NOT** on any other Application Form or by way of Electronic Share Application through a Participating Financial Institution's ATM.

**(iii) Application By Bumiputera Investors Approved by the MITI for the Public Issue Shares**

Applications for our 4,400,000 Public Issue Shares made available for application by the Bumiputera investors approved by the MITI must be made on the **Blue** Application Forms provided, and **NOT** on any other Application Form or by way of Electronic Share Application through a Participating Financial Institution's ATM.

**(iv) Application by Bumiputera Investors Approved by the MITI for the Offer Shares**

Applications for the 19,600,000 Offer Shares reserved for Bumiputera investors approved by the MITI must be made only on the **Blue** Application Forms provided and **NOT** on any other Application Forms or by way of Electronic Share Application through a Participating Financial Institution's ATM.

**(v) Application By Selected Investors Under Private Placement**

Applications for our 3,600,000 Shares via private placement must be made on the **Blue** Application Forms provided, and **NOT** on any other Application Form or by way of Electronic Share Application through a Participating Financial Institution's ATM. The completed **Blue** Application Forms are to be delivered to the Placement Agent and **NOT** to any other party so as to arrive not later than 5.00 pm on 5 November 2007 or such other dates as the Directors together with the Managing Underwriter in their absolute discretion may mutually decide, at the following address:

Public Investment Bank Berhad (20027-W)  
25<sup>th</sup> Floor, Menara Public Bank  
146 Jalan Ampang  
50450 Kuala Lumpur

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## 15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (*cont'd*)

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We will only consider one Application Form from you and applications must be for 100 ordinary shares or multiples thereof. **Multiple applications will not be accepted. We wish to caution you that if you submit multiple applications in your own name or by using the name of others, with or without their consent, you will be committing an offence under Section 179 of the Capital Markets and Services Act, 2007 (“CMSA”) and if convicted, may be punished with a minimum fine of RM1,000,000 and to a jail term of up to ten (10) years under Section 182 of the CMSA.**

The amount payable in full on application is RM0.68 per Share.

If you submit applications by way of Application Form, you **may not** submit applications by way of Electronic Share Application and vice versa.

Persons submitting applications by way of Application Form or by way of Electronic Share Application **must have a CDS Account.**

Corporation or institution cannot apply for the Shares by way of Electronic Share Application.

Your applications shall be made in relation with and subject to the terms of this Prospectus and our Memorandum and Articles of Association.

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

- (a) (i) THE APPLICANT’S NATIONAL REGISTRATION IDENTITY CARD (“NRIC”);
  - (ii) ANY VALID TEMPORARY IDENTITY DOCUMENT AS ISSUED BY THE NATIONAL REGISTRATION DEPARTMENT FROM TIME TO TIME; OR
  - (iii) THE APPLICANT’S RESIT PENGENALAN SEMENTARA (JPN 1/9) ISSUED PURSUANT TO PERATURAN 5(5) PERATURAN-PERATURAN PENDAFTARAN NEGARA 1990; AND
- (b) THE RECORDS OF BURSA DEPOSITORY.

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

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

No acknowledgement of the receipt of Application Forms or application monies will be made by us and/or the Issuing House.

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE** (*cont'd*)

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**15.5 TERMS AND CONDITIONS FOR APPLICATION USING APPLICATION FORMS**

Application by way of Application Forms shall be made on, and subject to, the terms and conditions appearing below:

- (a) Applicant who is an individual must be a Malaysian Citizen residing in Malaysia, with Malaysian address and with CDS Account.
- (b) Applicant which is a corporation/institution incorporated in Malaysia must have a CDS Account and be subject to the following:
  - (i) if the corporation/institution has a share capital, more than half of the issued share capital (excluding preference share capital) is held by Malaysian citizens; and
  - (ii) there is a majority of Malaysian citizens on the board of Directors/trustee.
- (c) Applicant which is a superannuation, provident or pension fund must be established or operating in Malaysia and with a CDS Account.
- (d) Applications will not be accepted from trustees, any person under 18 years of age, sole proprietorships, partnership or other incorporated bodies or associations, other than corporations/institutions referred to in item 15.5 (b) and (c) above or the trustees thereof.
- (e) The Application Form must be completed in accordance with the Notes and Instructions printed on the reverse side of the Application Forms. In accordance with Section 232(2) of the Capital Markets and Services Act 2007, the Application Form together with the Notes and Instructions printed thereon are accompanied by this Prospectus. Applications which **do not strictly** conform to the terms of this Prospectus or Application Form or Notes and Instructions printed thereon or which are illegible may not be accepted.
- (f) EACH COMPLETED APPLICATION FORM MUST BE ACCOMPANIED BY REMITTANCES IN RINGGIT MALAYSIA FOR THE FULL AMOUNT PAYABLE EITHER BY:
  - BANKER'S DRAFT OR CASHIER'S ORDER PURCHASED WITHIN MALAYSIA ONLY AND DRAWN ON A BANK IN KUALA LUMPUR (differentiated by a special red band for Bumiputera applicants); OR
  - CHEQUES ISSUED BY PARTICIPATING LICENSED FINANCE COMPANIES IN MALAYSIA AND DRAWN ON A BANK IN KUALA LUMPUR (differentiated by a special red band for Bumiputera applicants); OR
  - MONEY ORDER OR POSTAL ORDER (for applicants from Sabah and Sarawak only); OR
  - GUARANTEED GIRO ORDER ("GGO") from Bank Simpanan Nasional Malaysia Berhad (differentiated by a special red band for Bumiputera applicants); OR

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## 15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (*cont'd*)

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- ATM STATEMENT OBTAINED FROM ANY OF THE FOLLOWING FINANCIAL INSTITUTIONS:
  - Affin Bank Berhad (formerly known as Affin-ACF Finance Berhad);
  - Alliance Bank Malaysia Berhad;
  - AmBank (M) Berhad;
  - CIMB Bank Berhad (formerly known as Bumiputra-Commerce Bank Berhad);
  - EON Bank Berhad;
  - Hong Leong Bank Berhad;
  - Malayan Banking Berhad;
  - Public Bank Berhad;
  - RHB Bank Berhad.

MADE OUT IN FAVOUR OF:

**"MIH SHARE ISSUE ACCOUNT NO: 449"**

AND CROSSED "**A/C PAYEE ONLY**" (EXCLUDING ATM STATEMENTS) AND ENDORSED ON THE REVERSE SIDE WITH THE NAME AND ADDRESS OF THE APPLICANT.

APPLICATIONS ACCOMPANIED BY ANY MODE OF PAYMENT OTHER THAN THOSE STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCE OR INAPPROPRIATE BANKER'S DRAFT/CASHIER'S ORDERS/MONEY ORDERS/POSTAL ORDER/GGO WILL NOT BE ACCEPTED. DETAILS OF THE REMITTANCE MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE APPLICATION FORMS.

- (g) AN APPLICANT **MUST** STATE HIS/HER CDS ACCOUNT NUMBER IN THE SPACE PROVIDED IN THE APPLICATION FORM AND HE/SHE SHALL BE DEEMED TO HAVE AUTHORISED BURSA DEPOSITORY TO DISCLOSE INFORMATION PERTAINING TO THE CDS ACCOUNT TO THE ISSUING HOUSE/COMPANY.
- (h) THE NAME AND ADDRESS OF THE APPLICANT MUST BE WRITTEN ON THE REVERSE SIDE OF THE BANKER'S DRAFT, CASHIER'S ORDER, ATM STATEMENT, MONEY ORDER, POSTAL ORDER, CHEQUES ISSUED BY PARTICIPATING LICENSED FINANCE COMPANIES OR GGO FROM BANK SIMPANAN NASIONAL MALAYSIA BERHAD.
- (i) Our Directors reserve the right to require any successful applicant to appear in person at the registered office of MIH within 14 days of the date of the notice issued to him to ascertain the regularity or propriety of the Application. Our Directors shall not be responsible for any loss or non-receipt of the said notice nor shall they be accountable for any expenses incurred or to be incurred by the successful applicant for the purpose of complying with this provision.

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**


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- (j) The issuing house on the authority of our Directors reserves the right to reject Applications which do not conform to these instructions or which are illegible or which are accompanied by remittances improperly drawn.
- (k) The issuing house on the authority of our Directors reserves the right not to accept any application in part only without assigning any reason therefor. Due consideration will be given to the desirability of allotting the Public Issue Shares to a reasonable number of applicants with a view to establishing an adequate market for our Shares.
- (l) Where an Application is not accepted or accepted in part only, the full amount or the balance of the Application monies, as the case may be, without interest, will be returned and despatched to the applicant within ten (10) market days from the date of the final ballot of the Application by ordinary post to the Applicant's address last maintained with Bursa Depository or where the Application is not accepted due to the Applicant not having provided a CDS Account, to the address as per the National Registration Identity Card or "Resit Pengenalan Sementara (JPN 1/9)" or any valid temporary identity document as issued by the National Registration Department from time to time.
- (m) The applicant shall ensure that his/her personal particulars as stated in the Application Form are identical with the records maintained by Bursa Depository. The applicant must inform Bursa Depository promptly of any change in address failing which the notification letter of successful allocation will be sent to his/her registered or correspondence address last maintained with Bursa Depository.
- (n) MIH on the authority of our Directors reserves the right to bank in all application monies from unsuccessful Bumiputera applicants and partially successful applicants, which would subsequently be refunded without interest by registered post.
- (o) Each completed Application Form accompanied by the appropriate remittance and legible photocopy of the relevant documents must be despatched by **ORDINARY POST** in the official envelopes provided to the following address:

Malaysian Issuing House Sdn Bhd  
27<sup>th</sup> Floor, Menara Multi-Purpose  
Capital Square  
No.8, Jalan Munshi Abdullah  
50100 Kuala Lumpur  
P.O. Box 13269  
50804 Kuala Lumpur

**OR DELIVERED BY HAND AND DEPOSITED** in the Drop-in Boxes provided at the back portion of Menara Multi-Purpose, Capital Square, No.8, Jalan Munshi Abdullah, 50100 Kuala Lumpur, so as to arrive not later than 5.00 p.m. on 5 November 2007 or such further period or periods as our Directors together with the Managing Underwriter in their absolute discretion may mutually decide.

Applications may also be delivered in a drive-in-manner at Stadium Hoki Tun Razak, Jalan Duta, Kuala Lumpur on 5 November 2007 between 10.00 a.m. to 5.00 p.m. only.

**We will not accept late applications.**

- (p) Directors and employees of MIH and their immediate families are strictly prohibited from applying for our Shares.
- (q) **PLEASE DIRECT ALL ENQUIRIES IN RESPECT OF THE WHITE APPLICATION FORM TO MIH.**



## 15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (*cont'd*)

### 15.6 TERMS AND CONDITIONS FOR ELECTRONIC SHARE APPLICATIONS

#### 15.6.1 Steps For Electronic Share Application Through A Participating Financial Institution's ATM

- (a) Applicant must have an account with a Participating Financial Institution and an ATM card issued by that Participating Financial Institution to access the account;
- (b) Applicant **must** have a CDS Account; and
- (c) Applicant is to apply for the Public Issue Shares via the ATM of the Participating Financial Institution by choosing the Electronic Share Application option. Mandatory statements required in the Application are set out in Section 15.6.3 below. Applicant is to enter at least the following information through the ATM where the instructions on the ATM screen at which he enters his Electronic Share Application requires him to do so:
  - Personal Identification Number (“PIN”);
  - **MIH Share Issue Account No: 449**;
  - CDS Account Number;
  - Number of BHS Shares applied for and/or the RM amount to be debited from the account; and
  - Confirmation of several mandatory statements.

#### 15.6.2 Participating Financial Institutions

Electronic Share Applications may be made through an ATM of the following Participating Financial Institutions and their branches:

- Affin Bank Berhad (formerly known as Affin-ACF Finance Berhad);
- AmBank (M) Berhad;
- Bank Muamalat Malaysia Berhad;
- CIMB Bank Berhad (formerly known as Bumiputra-Commerce Bank Berhad);
- EON Bank Berhad;
- HSBC Bank Malaysia Berhad;
- Malayan Banking Berhad;
- OCBC Bank (Malaysia) Berhad;
- RHB Bank Berhad;
- Standard Chartered Bank Malaysia Berhad (at selected branches only).

#### 15.6.3 Terms And Conditions For Electronic Share Applications

The procedures for Electronic Share Applications at ATMs of the Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions (“Steps”). For illustration purposes, the procedures for Electronic Share Applications at ATMs are set out in “Steps for Electronic Share Application through a Participating Financial Institution’s ATM” in section 15.6.1 above. The steps set out the actions that the applicant must take at the ATM to complete an Electronic Share Application.

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE** (*cont'd*)

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Please read carefully the terms of this Prospectus, the steps and the terms and conditions for Electronic Share Applications set out below before making an Electronic Share Application. Any reference to the “applicant” in the terms and conditions for Electronic Share Applications and the Steps shall mean the applicant who applies for shares through an ATM of any of the Participating Financial Institutions.

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

The applicant must have an existing bank account with, and be an ATM cardholder of, one of the Participating Financial Institutions before he/she can make an Electronic Share Application at an ATM of the Participating Financial Institution. An ATM card issued by one (1) of the Participating Financial Institutions cannot be used to apply for shares at an ATM belonging to other Participating Financial Institutions. Upon the completion of his/her Electronic Share Application transaction, the applicant will receive a computer-generated transaction slip (“Transaction Record”), confirming the details of his/her Electronic Share Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Share Application or any data relating to such an Electronic Share Application by our Company or MIH. The Transaction Record is for retention by the applicant and should not be submitted with any Application Form.

Upon the closing of the offer for the Application for our Shares on 5 November 2007 at 5.00 p.m. (“Closing Date and Time”), the Participating Financial Institution shall submit a magnetic tape containing its respective customers’ Applications for our Shares to MIH as soon as practicable but not later than 12.00 p.m. of the 2<sup>nd</sup> Business Day after the Closing Date and Time.

An applicant will be allowed to make an Electronic Share Application for our Shares via an ATM that accepts the ATM cards of the Participating Financial Institution with which he/she has an account and its branches, subject to the applicant making only one (1) Application.

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

The Electronic Share Application shall be made on, and subject to, the above terms and conditions as well as the terms and conditions appearing below:

- (a) The Electronic Share Application shall be made in relation with and subject to the terms of this Prospectus and the Memorandum and Articles of Association of BHS.
- (b) The applicant is required to confirm the following statements (by depressing pre-designated keys (or buttons) on the ATM keyboard) and undertake that the following information given is true and correct:

## 15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (*cont'd*)

- You have attained 18 years of age as at the closing date of the share application;
- You are a Malaysian citizen residing in Malaysia;
- You have read the Prospectus and understood and agreed with the terms and conditions of the application;
- This is the only application that you are submitting; and
- You thereby give consent to the Participating Financial Institution and Bursa Depository to disclose information pertaining to yourself and your account with the Participating Financial Institution and Bursa Depository to MIH and other relevant authorities.

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

- (c) THE APPLICANT CONFIRMS THAT HE/SHE IS NOT APPLYING FOR SHARES AS NOMINEE OF ANY OTHER PERSON AND THAT ANY ELECTRONIC SHARE APPLICATION THAT HE/SHE MAKES IS MADE BY HIM/HER AS BENEFICIAL OWNER. THE APPLICANT SHALL ONLY MAKE ONE (1) ELECTRONIC SHARE APPLICATION AND SHALL NOT MAKE ANY OTHER APPLICATION FOR THE SHARES, WHETHER AT THE ATMs OF ANY PARTICIPATING FINANCIAL INSTITUTION OR ON THE PRESCRIBED APPLICATION FORMS.
- (d) The applicant must have sufficient funds in his/her account with the relevant Participating Financial Institution at the time he/she makes his/her Electronic Share Application, failing which his/her Electronic Share Application will not be completed. Any Electronic Share Application, which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Share Application is being made will be rejected.
- (e) The applicant agrees and undertakes to subscribe for or purchase and to accept the number of Shares applied for as stated on the Transaction Record or any lesser number of Shares that may be allotted or allocated to him/her in respect of his/her Electronic Share Application. In the event that our Company decides to allot or allocate any lesser number of such shares or not to allot or allocate any shares to the applicant, the applicant agrees to accept any such decision as final. If the applicant's Electronic Share Application is successful, his/her confirmation (by his/her action of pressing the designated key on the ATM) of the number of shares applied for shall signify, and shall be treated as, his/her acceptance of the number of Shares that may be allotted or allocated to him and to be bound by the Memorandum and Articles of Association of BHS.

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE** (*cont'd*)

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- (f) The issuing house on the authority of our Directors reserves the right to reject any Electronic Share Application or accept any Electronic Share Application in part only without assigning any reason therefor. Due consideration will be given to the desirability of allotting or allocating the shares to a reasonable number of applicants with a view to establishing an adequate market for our Shares.
- (g) Where an Electronic Share Application is not successful or successful in part only, the relevant Participating Financial Institution will be informed of the non-successful or partially successful applications. Where the Electronic Share Application is not successful, the relevant Participating Financial Institution will credit the full amount of the application monies without interest into the applicant's account with that Participating Financial Institution within two (2) market days after the receipt of confirmation from MIH. MIH shall inform the Participating Financial Institutions of the non-successful or partially successful applications within two (2) market days after the balloting date. The applicants may check their accounts on the fifth market day from the balloting day.

Where an Electronic Share Application is accepted in part only, the relevant Participating Financial Institution will credit the balance of the application monies without interest into the applicant's account with the Participating Financial Institution within two (2) market days after the receipt of confirmation from MIH. A number of applications will, however, be held in reserve to replace any successfully balloted applications which are subsequently rejected. For such applications which are subsequently rejected, the application monies without interest will be refunded to applicants by MIH by way of cheques issued by MIH. The cheques will be issued to the applicants not later than ten (10) market days from the day of the ballot of the applications. Should applicants encounter any problems in their applications, they may refer to the Participating Financial Institutions.

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

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## 15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (*cont'd*)

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the applicant shall be deemed not to have made an Electronic Share Application and the applicant shall have no claim whatsoever against our Company, MIH or the Participating Financial Institution for the Shares applied for or for any compensation, loss or damage.

- (j) All particulars of the applicant in the records of the relevant Participating Financial Institution at the time he/her makes his/her Electronic Share Application shall be deemed to be true and correct and our Company, MIH and the relevant Participating Financial Institution shall be entitled to rely on the accuracy thereof.
- (k) The applicant shall ensure that his/her personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institution are correct and identical. The applicant must inform Bursa Depository promptly of any change in address failing which the notification letter of successful allotment or allocation will be sent to his/her registered or correspondence address last maintained with Bursa Depository.
- (l) By making and completing an Electronic Share Application, the applicant agrees that:
  - (i) in consideration of our Company agreeing to allow and accept the making of any Application for the shares via the Electronic Share Application facility established by the Participating Financial Institutions at their respective ATMs, his Electronic Share Application is irrevocable;
  - (ii) our Company, the Participating Financial Institutions, Bursa Depository and MIH shall not be liable for any delays, failures or inaccuracies in the processing of data relating to his Electronic Share Application to our Company due to a breakdown or failure of transmission or communication facilities or to any cause beyond their control;
  - (iii) notwithstanding the receipt of any payment by or on behalf of our Company, the acceptance of the offer made by the applicant to subscribe for the Public Issue Shares for which the applicant's Electronic Share Application has been successfully completed shall be constituted by the issue of notices of successful allocation for prescribed securities, in respect of the said shares;
  - (iv) the applicant irrevocably authorises Bursa Depository to complete and sign on his behalf as transferee or renounee any instrument of transfer and/or other documents required for the issue or transfer of the shares allocated to the applicant; and
  - (v) the Company agrees that, in relation to any legal action or proceedings arising out of or in relation with the contract between the parties and/or the Electronic Share Application and/or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that the Company irrevocably submit to the jurisdiction of the Courts of Malaysia.

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE** (*cont'd*)

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- (m) Our Directors reserve the right to require any successful applicant to appear in person at the registered office of MIH within 14 days of the date of the notice issued to him to ascertain the regularity or propriety of the application. Our Directors shall not be responsible for any loss or non-receipt of the said notice nor shall they be accountable for any expenses incurred or to be incurred by the successful applicant for the purpose of complying with this provision.
- (n) The issuing house on the authority of our Directors reserves the right to reject Applications, which do not conform to these instructions.
- (o) A surcharge of RM2.50 per Electronic Share Application will be charged by the respective Participating Financial Institutions.

**15.7 APPLICATIONS AND ACCEPTANCES**

The issuing house on the authority of our Directors reserves the right not to accept any application, which does not strictly comply with the instructions, or to accept any Application in part only without assigning any reason therefor.

THE SUBMISSION OF AN APPLICATION FORM DOES NOT NECESSARILY MEAN THAT THE APPLICATION WILL BE SUCCESSFUL.

ALL APPLICATIONS MUST BE FOR 100 ORDINARY SHARES OR MULTIPLES THEREOF.

In the event of an over-subscription, acceptance of Applications by the public shall be subject to ballot to be conducted in a fair and equitable manner and as approved by our Directors. Due consideration will be given to the desirability of distributing the Shares to a reasonable number of applicants with a view to broadening the shareholding base and establishing an adequate market in the shares of the Company.

Pursuant to the Listing Requirements of Bursa Securities, at least 25% of the enlarged issued and paid-up share capital of the Company must be held by a minimum number of 1,000 public shareholders holding not less than 100 shares each at the point of Listing. However, in the event that the above requirement is not met pursuant to this Flotation Exercise, the Company may not be allowed to proceed with its listing plan. In the event thereof, monies paid in respect of all Applications will be returned without interest if the said permission for listing and quotation is not granted. The Applicants will be selected in a manner to be determined by our Directors.

Any portion of the Underwritten Pink Form Shares not subscribed by the eligible employees and/or business associates of our Group will be made available for subscription by the Malaysian public. Thereafter, any remaining underwritten Public Issue Shares not subscribed for will be made available for subscription by the places under the private placement. Any further Public Issue Shares not subscribed for will be made available for subscription by the Underwriters in the proportions specified in the Underwriting Agreement dated 13 September 2007.

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

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## 15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

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WHERE AN APPLICATION IS NOT ACCEPTED OR PARTIALLY ACCEPTED, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST TO THE APPLICANT WITHIN TEN (10) MARKET DAYS FROM THE DATE OF THE FINAL BALLOT OF THE APPLICATION BY ORDINARY POST OR REGISTERED POST RESPECTIVELY, TO THE APPLICANT'S ADDRESS REGISTERED WITH BURSA DEPOSITORY AT THE APPLICANT'S OWN RISK.

THE ISSUING HOUSE RESERVES THE RIGHT TO BANK IN ALL APPLICATION MONIES FROM UNSUCCESSFUL AND PARTIALLY SUCCESSFUL APPLICANTS WHICH WOULD SUBSEQUENTLY BE REFUNDED WITHOUT INTEREST TO THE APPLICANT WITHIN TEN (10) MARKET DAYS FROM THE DATE OF THE FINAL BALLOT OF THE APPLICATION BY REGISTERED POST TO THE APPLICANTS ADDRESS REGISTERED WITH BURSA DEPOSITORY AT THE APPLICANT'S OWN RISK.

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

### 15.8 CDS ACCOUNTS

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991, Bursa Securities has prescribed the securities of BHS as Prescribed Securities. In consequence thereof, the Shares issued/offered through this Prospectus will be deposited directly with Bursa Depository and any dealings in these shares will be carried out in accordance with aforesaid Act and Rules of Bursa Depository.

Following the above, in accordance with Section 29 of Securities Industry (Central Depositories) Act 1991, all dealings in the securities of BHS including the Public Issue Shares and Offer Shares will be by book entries through CDS Accounts. No share certificates will be issued to successful applicants.

Only an applicant who has a CDS Account can make an application by way of Application Form. The applicant shall furnish his/her CDS Account number in the space provided in the Application Form and he/she shall be deemed to have authorised Bursa Depository to disclose information pertaining to the CDS Account to MIH or the Company. Where an applicant does not presently have a CDS Account, he/she should open a CDS Account at an ADA prior to making an Application for our Shares. Failure to comply with these specific instructions as the Application Form requires or inaccuracy in the CDS Account number arising from use of invalid, third party or nominee accounts, may result in the application being rejected. If a successful applicant fails to state his/her CDS Account number, MIH under the instruction of the Company will reject the application.

For applications by way of Electronic Share Application, only an applicant who has a CDS Account can make an Electronic Share Application and the applicant shall furnish his/her CDS Account number to the Participating Financial Institution by way of keying in his/her CDS Account number if the instructions on the ATM screen at which he/she enters his/her Electronic Share Application requires him/her to do so. Failure to comply with these specific instructions as the Electronic Share Application requires or inaccuracy in the CDS Account number may result in the Application being rejected.

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE** *(cont'd)*

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The Issuing House on the authority of our Directors reserves the right to reject any incomplete and inaccurate Application. Applications may also be rejected if the applicants' particulars provided in their Application Forms, or in the case of Electronic Share Applications, if the records of the Participating Financial Institutions at the time of making the Electronic Share Applications differ from those in Bursa Depository's records, such as the NRIC number, name and nationality.

**15.9 NOTICE OF ALLOTMENT**

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

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

Applicants may also check the status of their application by logging on to MIH website at [www.mih.com.my](http://www.mih.com.my) or by calling their respective ADAs at the telephone number as stated in Section 15.10 of the Prospectus or MIH Enquiry Services at 03-2693 2075 (10 lines), between five (5) to ten (10) market days (during office hours only) after the balloting date.

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## 15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (*cont'd*)

### 15.10 LIST OF ADAS

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

Name	Address and telephone number	Broker Code
<b>Kuala Lumpur</b>		
A.A. ANTHONY SECURITIES SDN BHD	N-1-3, Plaza Damas 60 Jalan Sri Hartamas 1, Sri Hartamas 50480 Kuala Lumpur Tel No.: 03-62011155	078-004
AFFIN INVESTMENT BANK BERHAD ( <i>formerly known as Affin Securities Sdn Bhd</i> )	3rd Floor, Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No.: 03-21438668	028-001
ALLIANCE INVESTMENT BANK BERHAD ( <i>formerly known as Kuala Lumpur City Securities Sdn Bhd</i> )	No. 8, Jalan Binjai, Off Jalan Ampang, 50450 Kuala Lumpur Tel No.: 03-21667922	076-001
ALLIANCE INVESTMENT BANK BERHAD ( <i>formerly known as Kuala Lumpur City Securities Sdn Bhd</i> )	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor No. 33, Plaza Crystalville Jalan 23/70A, Desa Sri Hartamas 50480 Kuala Lumpur Tel No.: 03-62033366	076-010
AMINVESTMENT BANK BERHAD ( <i>formerly known as AmSecurities Sdn Bhd</i> )	15 <sup>th</sup> Floor, Bangunan AmBank Group55, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-20782788	086-001
ASEAMBANKERS MALAYSIA BERHAD ( <i>formerly known as Mayban Securities Sdn Bhd</i> )	Level 8, MaybanLife Tower Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No.: 03-22978888	098-001
BIMB SECURITIES SDN BHD	1 <sup>st</sup> & 2 <sup>nd</sup> Floor, Podium Block Bangunan AMDB, No. 1 Jalan Lumut, 50400 Kuala Lumpur Tel No.: 03-40433533	024-001
CIMB INVESTMENT BANK BERHAD ( <i>formerly known as CIMB Securities Sdn Bhd</i> )	9 <sup>th</sup> Floor, Commerce Square Jalan Semantan, Damansara Heights, 50490 Kuala Lumpur Tel No.: 03-20849999	065-001
ECM LIBRA AVENUE SECURITIES SDN BHD ( <i>formerly known as Avenue Securities Sdn Bhd</i> )	3 <sup>rd</sup> Floor, Wisma Genting Jalan Sultan Ismail 50250 Kuala Lumpur Tel No.: 03-21781888	052-001

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**


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<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Kuala Lumpur (cont'd)</b>		
ECM LIBRA AVENUE SECURITIES SDN BHD <i>(formerly known as Avenue Securities Sdn Bhd)</i>	Ground Floor & Level 1, THB Satu, Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur Tel No.: 03-20891800	052-009
HLG SECURITIES SDN BHD	Level 8, Menara HLA, No. 3, Jalan Kia Peng 50450 Kuala Lumpur Tel No.: 03-21681168	066-001
HWANGDBS INVESTMENT BANK BERHAD <i>(formerly known as Hwang-DBS Investment Bank Berhad)</i>	2 <sup>nd</sup> Floor, Bangunan AHP No. 2, Jalan Tun Mohd Fuad 3 Taman Tun Dr Ismail 60000 Kuala Lumpur Tel No.: 03-77106688	068-009
HWANGDBS INVESTMENT BANK BERHAD <i>(formerly known as Hwang-DBS Investment Bank Berhad)</i>	No. 34-5, 36-5, 38-5, 40-5, 42-5 & 44-55 <sup>th</sup> Floor Cheras Commercial Centre Jalan 5/101C, Off Jalan Kaskas, 5 <sup>th</sup> Mile Cheras 56100 Kuala Lumpur Tel No.: 03-91303399	068-012
HWANGDBS INVESTMENT BANK BERHAD <i>(formerly known as Hwang-DBS Investment Bank Berhad)</i>	Suite 7-03, 7 <sup>th</sup> Floor Suite 12-02 & Part of Suite 12-01 12 <sup>th</sup> Floor, Menara Keck Seng 203 Jalan Bukit Bintang 55100 Kuala Lumpur Tel No.: 03-27112775	068-014
INTER-PACIFIC SECURITIES SDN BHD	West Wing, Level 13 Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Tel No.: 03-21171888	054-001
INTER-PACIFIC SECURITIES SDN BHD	Ground Floor, 7-0-08 Jalan 3/109F Danau Business Centre, Danau Desa 58100 Kuala Lumpur Tel No.: 03-79847796	054-003
INTER-PACIFIC SECURITIES SDN BHD	Stesyen Minyak PROJET Jalan 1/116B, Off Jalan Kuchai Lama Kuchai Entrepreneur Park 58200 Kuala Lumpur Tel No.: 03-79818811	054-005

**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Kuala Lumpur (cont'd)</b>		
JUPITER SECURITIES SDN BHD	7 <sup>th</sup> - 9 <sup>th</sup> Floor Menara Olympia 8, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-20341888	055-001
KAF-SEAGROATT & CAMPBELL SECURITIES SDN BHD	11th-14 <sup>th</sup> Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur	053-001
KENANGA INVESTMENT BANK BERHAD ( <i>formerly known as K &amp; N Kenanga Bhd</i> )	8 <sup>th</sup> Floor Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur Tel No.: 03-21649080	073-001
KENANGA INVESTMENT BANK BERHAD ( <i>formerly known as K &amp; N Kenanga Bhd</i> )	No. 57-10, Level 10 The Boulevard Mid Valley City Lingkarang Syed Putra 59000 Kuala Lumpur Tel No.: 03-22871799	073-015
M & A SECURITIES SDN BHD	Level G-2, No. 45 & 47 The Boulevard Mid Valley City Lingkarang Syed Putra 59200 Kuala Lumpur Tel No.: 03-22821820	057-002
MERCURY SECURITIES SDN BHD	Lot 6-05, Level 6, Tower Block Menara Milenium 8, Jalan Damanlela Bukit Damansara 50490 Kuala Lumpur Tel No.: 03-20942828	093-002
MIDF MS SDN BHD ( <i>formerly known as MIDF Sisma Securities Sdn Bhd</i> )	17 <sup>th</sup> & 18 <sup>th</sup> Floor Empire Tower 182, Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-21668888	026-001
MIMB INVESTMENT BANK BERHAD ( <i>formerly known as EONCAP Securities Sdn Bhd</i> )	Level 18 Menara EON Bank 288, Jalan Raja Laut 50350 Kuala Lumpur Tel No.: 03-26928899	061-001

**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Kuala Lumpur (cont'd)</b>		
OSK INVESTMENT BANK BERHAD (formerly known as OSK Securities Berhad)	20 <sup>th</sup> Floor, Plaza OSK Jalan Ampang 50450 Kuala Lumpur Tel No.: 03-21624388	056-001
OSK INVESTMENT BANK BERHAD (formerly known as OSK Securities Berhad)	No. 62 & 64, Vista Magna Jalan Prima, Metro Prima 52100 Kuala Lumpur Tel No.: 03-62575869	056-028
OSK INVESTMENT BANK BERHAD (formerly known as OSK Securities Berhad)	Ground Floor No. M3-A-7 & M3-A-8 Jalan Pandan Indah 4/3A Pandan Indah 55100 Kuala Lumpur Tel No.: 03-42804798	056-054
OSK INVESTMENT BANK BERHAD (formerly known as OSK Securities Berhad)	Ground, 1 <sup>st</sup> , 2 <sup>nd</sup> & 3 <sup>rd</sup> Floor No. 55, Zone J4 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel No.: 03-90587222	056-058
PM SECURITIES SDN BHD	Ground, Mezzanine 1 <sup>st</sup> & 10 <sup>th</sup> Floor Menara PMI No. 2, Jalan Changkat Ceylon 50250 Kuala Lumpur Tel No.: 03-21463000	064-001
PUBLIC INVESTMENT BANK BERHAD (formerly known as PB Securities Sdn Bhd)	27 <sup>th</sup> Floor Public Bank Building No. 6, Jalan Sultan Sulaiman 50000 Kuala Lumpur Tel No.: 03-20313011	051-001
RHB INVESTMENT BANK BERHAD (formerly known as RHB Securities Sdn Bhd)	Level 10, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-92852233	087-001
TA SECURITIES HOLDINGS BERHAD	Floor 13,15-18, 20, 23, 28-30, 34 &35 Menara TA One No. 22, Jalan P. Ramlee 50250 Kuala Lumpur Tel No.: 03-20721277	058-003

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**


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<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Selangor Darul Ehsan</b>		
AFFIN INVESTMENT BANK BERHAD ( <i>formerly known as Affin Securities Sdn Bhd</i> )	2 <sup>nd</sup> , 3 <sup>rd</sup> & 4 <sup>th</sup> Floor Wisma Amsteel Securities No. 1, Lintang Pekan Baru Off Jalan Meru, 41050 Klang Selangor Darul Ehsan Tel No.: 03-33439999	028-002
AFFIN INVESTMENT BANK BERHAD ( <i>formerly known as Affin Securities Sdn Bhd</i> )	Lot 229, 2 <sup>nd</sup> Floor, The Curve No. 6, Jalan PJU 7/3, Mutiara Damansara, 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-77298016	028-003
AFFIN INVESTMENT BANK BERHAD ( <i>formerly known as AmSecurities Sdn Bhd</i> )	No. 1, Jalan 52/16, 46200 Petaling Jaya, Selangor Darul Ehsan Tel No.: 03-79553281	028-004
ALLIANCE INVESTMENT BANK BERHAD ( <i>formerly known as Kuala Lumpur City Securities Sdn Bhd</i> )	Ground Floor No. 1503B, Jalan Besar 43300 Seri Kembangan Selangor Darul Ehsan Tel No.: 03-89457922	076-013
AMINVESTMENT BANK BERHAD ( <i>formerly known as AmSecurities Sdn Bhd</i> )	4 <sup>th</sup> Floor, Plaza Damansara Utama No 2, Jalan SS 21/60, 47400 Petaling Jaya, Selangor Darul Ehsan Tel No.: 03-77106613	086-003
HWANGDBS INVESTMENT BANK BERHAD ( <i>formerly known as Hwang-DBS Investment Bank Berhad</i> )	16 <sup>th</sup> , 18 <sup>th</sup> -20 <sup>th</sup> Floor, Plaza Masalam, No. 2, Jalan Tengku Ampuan Zabedah, E9/E Section 9 40100 Shah Alam Selangor Darul Ehsan Tel No.: 03-55133288	068-002
HWANGDBS INVESTMENT BANK BERHAD ( <i>formerly known as Hwang-DBS Investment Bank Berhad</i> )	East Wing & Centre Link Floor 3A, Wisma Consplant 2 No. 7, Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-56356688	068-010
JF APEX SECURITIES BERHAD	6 <sup>th</sup> Floor, Menara Apex Off Jalan Semenyih Bukit Mewah 43000 Kajang Selangor Darul Ehsan Tel No.: 03-87361118	079-001
JF APEX SECURITIES BERHAD KENANGA INVESTMENT	15 <sup>th</sup> & 16 <sup>th</sup> Floor, Menara Choy Fook On No. 1B Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-76201118	079-002

**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Selangor Darul Ehsan (cont'd)</b>		
KENANGA INVESTMENT BANK BERHAD (formerly known as K & N Kenanga Bhd)	13 <sup>th</sup> Floor, Menara Yayasan Selangor, No 18A, Jalan Persiaran BaratOff Jalan Timur 46000 Petaling Jaya, Selangor Darul Ehsan Tel No.: 03-79562169	073-005
KENANGA INVESTMENT BANK BERHAD (formerly known as K & N Kenanga Bhd)	1 <sup>st</sup> Floor, Wisma UEP Pusat Perniagaan USJ 10 Jalan USJ 10/1A 47620 Subang Jaya Selangor Darul Ehsan Tel No.: 03-80241682	073-006
KENANGA INVESTMENT BANK BERHAD (formerly known as K & N Kenanga Bhd)	Room 7.02, Level 7, Menara ING Intan Millenium Square No. 68, Jalan Batai Laut 4 Taman Intan41300 Klang Selangor Darul Ehsan Tel No.: 03-30057550	073-007
KENANGA INVESTMENT BANK BERHAD (formerly known as K & N Kenanga Bhd)	Lot 240, 2 <sup>nd</sup> Floor, The Curve No. 6, Jalan PJU 7/3 Mutiar Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-77259095	073-016
OSK INVESTMENT BANK BERHAD (formerly known as OSK Securities Berhad)	24, 24M, 24A, 26M, 28M, 28A & 30, Jalan SS2/63 47300 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-78736366	056-011
OSK INVESTMENT BANK BERHAD (formerly known as OSK Securities Berhad)	No. 37, Jalan Semenyih 43000 Kajang Selangor Darul Ehsan Tel No.: 03-87363378	056-045
OSK INVESTMENT BANK BERHAD (formerly known as OSK Securities Berhad)	Ground & 1 <sup>st</sup> Floor No. 15, Jalan Bandar Rawang 4 48000 Rawang Selangor Darul Ehsan Tel No.: 03-60928916	056-047

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Selangor Darul Ehsan (cont'd)</b>		
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground & Mezzanine Floor No. 87 & 89, Jalan Susur Pusat Perniagaan NBC Batu 1 ½, Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No.: 03-33439180	056-048
PM SECURITIES SDN BHD	No. 157 & 159 Jalan Kenari 23/A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No.: 03-80700773	064-003
PM SECURITIES SDN BHD	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No.: 03-33415300	064-007
PM SECURITIES SDN BHD	No. 44G, 42G & 42B Jalan SS 21/35 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-77223081	064-010
SBB SECURITIES SDN BHD	1 <sup>st</sup> , 2 <sup>nd</sup> & 3 <sup>rd</sup> Floor Plaza Damansara Utama, No.2, Jalan SS21/60 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-77297345	090-002
SJ SECURITIES SDN BHD	Level 3, Holiday Villa No. 9, Jalan SS 12/1 Subang Jaya 47500 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-56340202	096-001
TA SECURITIES HOLDINGS BERHAD	No. 2-1, 2-2, 2-3 & 4-2 Jalan USJ 9/5T Subang Business Centre 47620 UEP Subang Jaya Selangor Darul Ehsan Tel No.: 03-80251880	058-005

**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Perak Darul Ridzuan</b>		
ALLIANCE INVESTMENT BANK BERHAD ( <i>formerly known as Kuala Lumpur City Securities Sdn Bhd</i> )	No. 43 & 44, Ground Floor Taman Sentosa Jalan Lumut 32000 Sitiawan, Perak Darul Ridzuan Tel No.: 05-6910910	076-008
ASEAMBANKERS MALAYSIA BERHAD ( <i>formerly known as Mayban Securities Sdn Bhd</i> )	B-G-04 (Ground Floor) Level 1 & 242 Persiaran Greentown 1 Pusat Dagangan Greentown 30450 Ipoh, Perak Darul Ridzuan Tel No.: 05-2453400	098-002
ECM LIBRA AVENUE SECURITIES SDN BHD ( <i>formerly known as Avenue Securities Sdn Bhd</i> )	No. 63, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2422828	052-002
ECM LIBRA AVENUE SECURITIES SDN BHD ( <i>formerly known as Avenue Securities Sdn Bhd</i> )	No. 7B-1, Jalan Laman Intan Bandar Baru Teluk Intan 36000 Teluk Intan Perak Darul Ridzuan Tel No.: 05-6222828	052-006
HWANGDBS INVESTMENT BANK BERHAD ( <i>formerly known as Hwang-DBS Investment Bank Berhad</i> )	21, Jalan Stesen 34000 Taiping Perak Darul Ridzuan Tel No.: 05-8060888	068-003
HWANGDBS INVESTMENT BANK BERHAD ( <i>formerly known as Hwang-DBS Investment Bank Berhad</i> )	Ground & 1 <sup>st</sup> Floor No. 22, Persiaran Greentown 1 Greentown Business Centre 30450 Ipoh, Perak Darul Ridzuan Tel No.: 05-2559988	068-015
M & A SECURITIES SDN BHD	M & A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh, Perak Darul Ridzuan Tel No.: 05-2419800	057-001
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	21-25, Jalan Seenivasagam Greentown 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2415100	056-002
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground & 1 <sup>st</sup> Floor, 17, Jalan Intan 2 Bandar Baru, 36000 Teluk Intan Perak Darul Ridzuan Tel No.: 05-6236498	056-014



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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**


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<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Perak Darul Ridzuan (cont'd)</b>		
OSK INVESTMENT BANK BERHAD ( <i>formerly known as</i> <i>OSK Securities Berhad</i> )	1 <sup>st</sup> Floor, No. 23 & 25 Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel No.: 05-6921228	056-016
OSK INVESTMENT BANK BERHAD ( <i>formerly known as</i> <i>OSK Securities Berhad</i> )	Ground Floor 28, Jalan Maharaja Taman Bagan Serai Baru 34300 Bagan Serai Perak Darul Ridzuan Tel No.: 05-7231888	056-018
OSK INVESTMENT BANK BERHAD ( <i>formerly known as</i> <i>OSK Securities Berhad</i> )	Ground Floor, No. 40 42 & 44, Jalan Berek 34000 Taiping Perak Darul Ridzuan Tel No.: 05-8088229	056-034
OSK INVESTMENT BANK BERHAD ( <i>formerly known as</i> <i>OSK Securities Berhad</i> )	No. 72, Ground Floor Jalan Idris 31900 Kampar Perak Darul Ridzuan Tel No.: 05-4671801	056-044
OSK INVESTMENT BANK BERHAD ( <i>formerly known as</i> <i>OSK Securities Berhad</i> )	Ground & 1 <sup>st</sup> Floor No. 181, Jalan Besar 31100 Sungai Siput Perak Darul Ridzuan Tel No.: 05-5951001	056-049
OSK INVESTMENT BANK BERHAD ( <i>formerly known as</i> <i>OSK Securities Berhad</i> )	Ground Floor No. 2, Jalan Wawasan 4 Taman Wawasan 34200 Parit Bundar Perak Darul Ridzuan Tel No.: 05-7170888	056-052
SBB SECURITIES SDN BHD	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2530888	090-001
TA SECURITIES HOLDINGS BERHAD	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor Plaza Teh Teng Seng No. 227, Jalan Raja Permaisuri Bainun, 30250 Ipoh Perak Darul Ridzuan Tel No.: 05-2531313	058-001

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**


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<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Pulau Pinang</b>		
A.A. ANTHONY SECURITIES SDN BHD	1 <sup>st</sup> Floor, Bangunan Heng Guan 171 Jalan Burmah 10050 Pulau Pinang Tel No.: 04-2299318	078-002
A.A. ANTHONY SECURITIES SDN BHD	No 2, Jalan Perniagaan 2 Pusat Perniagaan Alma 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-5541388	078-003
CIMB INVESTMENT BANK BERHAD ( <i>formerly known as CIMB Securities Sdn Bhd</i> )	Ground Floor Suite 1.01, Menara PSCI39 Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No.: 04-2911833	065-003
ECM LIBRA AVENUE SECURITIES SDN BHD ( <i>formerly known as Avenue Securities Sdn Bhd</i> )	No. 111, Jalan Macalister 10400 Pulau Pinang Tel No.: 04-2281868	052-003
ECM LIBRA AVENUE SECURITIES SDN BHD ( <i>formerly known as Avenue Securities Sdn Bhd</i> )	7 <sup>th</sup> Floor, Menara PSCI 39 Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No.: 04-2283355	052-010
HWANGDBS INVESTMENT BANK BERHAD ( <i>formerly known as Hwang-DBS Investment Bank Berhad</i> )	Level 2, 3, 4, 7 & 8 Wisma Sri Pinang 60, Green Hall 10200 Pulau Pinang Tel No.: 04-2636996	068-001
HWANGDBS INVESTMENT BANK BERHAD ( <i>formerly known as Hwang-DBS Investment Bank Berhad</i> )	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor 1620 & 1621, Jalan Permatang Batu Taman Industri Permatang Batu 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-5372882	068-006
INTER-PACIFIC SECURITIES SDN BHD	Ground, Mezzanine & 8 <sup>th</sup> Floor Mayban Trust Building 3, Penang Street 10200 Pulau Pinang Tel No.: 04-2690888	054-002
KENANGA INVESTMENT BANK BERHAD ( <i>formerly known as K &amp; N Kenanga Bhd</i> )	Lot 1.02, Level 1 Menara KWSP38, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No.: 04-2106666	073-013

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**


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<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Pulau Pinang (cont'd)</b>		
MERCURY SECURITIES SDN BHD	Ground, 1 <sup>st</sup> , 2 <sup>nd</sup> & 3 <sup>rd</sup> Floor Wisma UMNO Lorong Bagan Luar Dua 12000 Butterworth Seberang Prai Pulau Pinang Tel No.: 04-3322123	093-001
MERCURY SECURITIES SDN BHD	2 <sup>nd</sup> Floor, Standard Chartered Bank Chambers, 2, Lebuh Pantai 10300 Pulau Pinang Tel No.: 04-2639118	093-004
OSK INVESTMENT BANK BERHAD (formerly known as OSK Securities Berhad)	64, Bishop Street 20E, 20F & 20G Penang Street 10200 Pulau Pinang Tel No.: 04-2634222	056-004
OSK INVESTMENT BANK BERHAD (formerly known as OSK Securities Berhad)	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Prai, Pulau Pinang Tel No.: 04-3900022	056-005
OSK INVESTMENT BANK BERHAD (formerly known as OSK Securities Berhad)	Ground & Upper Floor 11A, Jalan Keranji Off Jalan Padang Lallang 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-5402888	056-015
OSK INVESTMENT BANK BERHAD (formerly known as OSK Securities Berhad)	834, Jalan Besar Sungai Bakap 14200 Sungai Jawi Seberang Perai Selatan Pulau Pinang Tel No.: 04-5831888	056-032
OSK INVESTMENT BANK BERHAD (formerly known as OSK Securities Berhad)	Ground & 1 <sup>st</sup> Floor No. 15-G-5, 15-G-6, 15-1-5, 15-1-6 Medan Kampung Relau (Bayan Point) 11950 Pulau Pinang Tel No.: 04-6404888	056-042
PM SECURITIES SDN BHD	Level 25, Menara BHL51 Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No.: 04-2273000	064-004

**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Perlis Indera Kayangan</b>		
ALLIANCE INVESTMENT BANK BERHAD ( <i>formerly known as Kuala Lumpur City Securities Sdn Bhd</i> )	2 <sup>nd</sup> Floor, Podium Block KWSP Building 01000 Kangar Perlis Indera Kayangan Tel No.: 04-9765200	076-003
<b>Kedah Darul Aman</b>		
ALLIANCE INVESTMENT BANK BERHAD ( <i>formerly known as Kuala Lumpur City Securities Sdn Bhd</i> )	2 <sup>nd</sup> Floor, Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel No.: 04-7317088	076-004
HWANGDBS INVESTMENT BANK BERHAD ( <i>formerly known as Hwang-DBS Investment Bank Berhad</i> )	No. 70A, B & C Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No.: 04-4256666	068-011
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground Floor, Swiss Inn Hotel No. 1, Jalan Pahlawan 08000 Sungai Petani Kedah Darul Aman Tel No.: 04-4204888	056-017
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	No. 35, Ground Floor Jalan Suria 1, Jalan Bayu 09000 Kulim, Kedah Darul Aman Tel No.: 04-4964888	056-019
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground & 1 <sup>st</sup> Floor 215-A & 215-B Medan Putra, Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7209888	056-021

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Negeri Sembilan Darul Khusus</b>		
HWANGDBS INVESTMENT BANK BERHAD ( <i>formerly known as Hwang-DBS Investment Bank Berhad</i> )	Ground & 1 <sup>st</sup> Floor, 105, 107 & 109, Jalan Yam Tuan 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7612288	068-007
HWANGDBS INVESTMENT BANK BERHAD ( <i>formerly known as Hwang-DBS Investment Bank Berhad</i> )	No. 6, Upper Level Jalan Mahligai, 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-4553188	068-013
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor No. 33, Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7641641	056-024
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	1 <sup>st</sup> Floor, No. 3601, Jalan Besar 73000 Tampin Negeri Sembilan Darul Khusus Tel No.: 06-4421000	056-037
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	1 <sup>st</sup> & 2 <sup>nd</sup> Floor No. 168, Jalan Mewah (Pusat Perniagaan UMNO Bahagian Jempol) 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-4553011	056-040
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground & Mezzanine Floor No. 346 & 347, Batu ½ Jalan Pantai 71000 Port Dickson, Negeri Sembilan Darul Khusus Tel No.: 06-6461234	056-046
PM SECURITIES SDN BHD	1 <sup>st</sup> , 2 <sup>nd</sup> & 3 <sup>rd</sup> Floor 19-21 Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7623131	064-002

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Melaka</b>		
ECM LIBRA AVENUE SECURITIES SDN BHD <i>(formerly known as Avenue Securities Sdn Bhd)</i>	71A & 73A, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2881720	052-008
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM 9 Plaza Pandan Malim (Business Park)Balai Panjang P.O. Box 248 75250 Melaka Tel No.: 06-3371533	012-001
MERCURY SECURITIES SDN BHD	No. 81B & 83B, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2921898	093-003
OSK INVESTMENT BANK BERHAD <i>(formerly known as OSK Securities Berhad)</i>	579, 580 & 581 Taman Melaka Raya 75000 Melaka Tel No.: 06-2825211	056-003
PM SECURITIES SDN BHD	No. 11 & 13, Jalan PM 2 Plaza Mahkota 75000 Melaka Tel No.: 06-2866008	064-006
RHB INVESTMENT BANK BERHAD <i>(formerly known as RHB Securities Sdn Bhd)</i>	Lot 9 & 10, 1 <sup>st</sup> Floor Tabung Haji Building Jalan Bandar Kaba 75000 Melaka Tel No.: 06-2833622	087-002

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**


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<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Johor Darul Takzim</b>		
A.A ANTHONY SECURITIES SDN BHD	Level 6 & 7, Menara MSC Cyberport5 Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Tel No.: 07-3332000	078-001
A.A ANTHONY SECURITIES SDN BHD	42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Tel No.: 07-6636658	078-005
A.A ANTHONY SECURITIES SDN BHD	No. 70, 70-01, 70-02 Jalan Rosmerah 2/17 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3513218	078-006
ALLIANCE INVESTMENT BANK BERHAD ( <i>formerly known as Kuala Lumpur City Securities Sdn Bhd</i> )	No. 46 & 48 Jalan Dato' Kapten Ahmad 86000 Kluang Johor Darul Takzim Tel No.: 07-7717922	076-006
AMINVESTMENT BANK BERHAD ( <i>formerly known as AmSecurities Sdn Bhd</i> )	2 <sup>nd</sup> & 3 <sup>rd</sup> Floor Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4342282	086-002
ECM LIBRA AVENUE SECURITIES SDN BHD ( <i>formerly known as Avenue Securities Sdn Bhd</i> )	No. 57, 59 & 61 Jalan Ali 84000 Muar Johor Darul Takzim Tel No.: 07-9532222	052-004
ECM LIBRA AVENUE SECURITIES SDN BHD ( <i>formerly known as Avenue Securities Sdn Bhd</i> )	Ground Floor No. 234, Jalan Besar Taman Semberong Baru 83700 Yong Peng Johor Darul Takzim Tel No.: 07-4678885	052-005
HWANGDBS INVESTMENT BANK BERHAD ( <i>formerly known as Hwang-DBS Investment Bank Berhad</i> )	Level 7, Johor Bahru City Square (Office Tower) 106-108, Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-2222692	068-004

**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Johor Darul Takzim (cont'd)</b>		
INTER-PACIFIC SECURITIES SDN BHD	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-2231211	054-004
KENANGA INVESTMENT BANK BERHAD ( <i>formerly known as K &amp; N Kenanga Bhd</i> )	Level 2, Menara Pelangi Jalan Kuning Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3333600	073-004
KENANGA INVESTMENT BANK BERHAD ( <i>formerly known as K &amp; N Kenanga Bhd</i> )	No. 31, Lorong Dato' Ahmad Jalan Khalidi 84000 Muar Johor Darul Takzim Tel No.: 07-9542711	073-008
KENANGA INVESTMENT BANK BERHAD ( <i>formerly known as K &amp; N Kenanga Bhd</i> )	No. 34, Jalan Genuang 85000 Segamat Johor Darul Takzim Tel No.: 07-9333515	073-009
KENANGA INVESTMENT BANK BERHAD ( <i>formerly known as K &amp; N Kenanga Bhd</i> )	No. 33 & 35 (Ground & 1 <sup>st</sup> Floor A & B) Jalan Syed Abdul Hamid Sagaff 86000 Kluang Johor Darul Takzim Tel No.: 07-7771161	073-010
KENANGA INVESTMENT BANK BERHAD ( <i>formerly known as K &amp; N Kenanga Bhd</i> )	No. 4, Jalan Dataran 1 Taman Bandar Tangkak 84900 Tangkak Johor Darul Takzim Tel No.: 07-9782292	073-011
MERCURY SECURITIES SDN BHD	Suite 17.1, Level 17, Menara Pelangi No. 1, Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3316992	093-005
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	6 <sup>th</sup> Floor, Wisma Tiong-Hua 8, Jalan Keris Taman Sri Tebrau 80050 Johor Bahru Johor Darul Takzim Tel No.: 07-2788821	056-006



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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**


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<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Johor Darul Takzim (cont'd)</b>		
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	53, 53-A & 53-B Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4380288	056-009
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	No. 33-1, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor Jalan Ali, 84000 Muar Johor Darul Takzim Tel No.: 07-6868018	056-025
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground & 1 <sup>st</sup> Floor 10, Jalan Bendahara 12 Taman Ungku Tun Aminah 81300 Skudai Johor Darul Takzim Tel No.: 07-5577628	056-029
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground & 1 <sup>st</sup> & 2 <sup>nd</sup> Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Tel No.: 07-9321543	056-030
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor No. 17, Jalan Manggis 86000 Kluang Johor Darul Takzim Tel No.: 07-7769655	056-031
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor No. 10, Jalan Anggerik 1 Taman Kulai Utama 81000 Kulai Johor Darul Takzim Tel No.: 07-6626288	056-035
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor No. 343, Jalan Muar 84900 Tangkak Johor Darul Takzim Tel No.: 07-9787180	056-038
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	1 <sup>st</sup> Floor, No. 2, Jalan Makmur Taman Sri Aman 85300 Labis Johor Darul Takzim Tel No.: 07-9256881	056-039

**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Johor Darul Takzim (cont'd)</b>		
OSK INVESTMENT BANK BERHAD (formerly known as OSK Securities Berhad)	Ground & 1 <sup>st</sup> Floor No. 1 & 1-01 Jalan Rosmerah 2/11, Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3522293	056-043
PM SECURITIES SDN BHD	Suite 5.1, Level 5 Menara Pelangi Jalan Kuning Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-2781813	064-005
PM SECURITIES SDN BHD	Ground & 1 <sup>st</sup> Floor No. 43 & 43A, Jalan Penjaja 3Taman Kim's Park Business Centre 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4333608	064-008
PM SECURITIES SDN BHD	Ground Floor No. 118, Jalan Genuang 85000 Segamat Johor Darul Takzim Tel No.: 07-9333418	064-009

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Kelantan Darul Naim</b>		
ALLIANCE INVESTMENT BANK BERHAD ( <i>formerly known as Kuala Lumpur City Securities Sdn Bhd</i> )	Lot 6 & 7, Section 25, Jalan Sultan Yahya Petra, Bandar Kota Bharu 15200 Kota Bharu Kelantan Darul Naim Tel No.: 09-7432588	076-007
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground & 1 <sup>st</sup> Floor, No. 3953-H Jalan Kebun Sultan, 15350 Kota Bharu, Kelantan Darul Naim Tel No.: 09-7430077	056-020
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No.: 09-7432288	058-004
<b>Pahang Darul Makmur</b>		
ALLIANCE INVESTMENT BANK BERHAD ( <i>formerly known as Kuala Lumpur City Securities Sdn Bhd</i> )	A-397, A-399 & A-401 Taman Sri Kuantan III Jalan Beserah 25300 Kuantan Pahang Darul Makmur Tel No.: 09-5660800	076-002
ECM LIBRA AVENUE SECURITIES SDN BHD ( <i>formerly known as Avenue Securities Sdn Bhd</i> )	B62, Ground Floor Lorong Tun Ismail 8 Sri Dagangan II, 25000 Kuantan Pahang Darul Makmur Tel No.: 09-5133289	052-007
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	A-27 & A-29 Lorong Tun Ismail 9 Seri Dagangan Kuantan Business Centre 25000 Kuantan Pahang Darul Makmur Tel No.: 09-5163811	056-007
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground Floor 98, Jalan Pasdec 28700 Bentong Pahang Darul Makmur Tel No.: 09-2234943	056-022
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground Floor No. 76-A Persiaran Camelia 4, Tanah Rata 39000 Cameron Highlands Pahang Darul Makmur Tel No.: 09-4914913	056-041

**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Terengganu Darul Iman</b>		
ALLIANCE INVESTMENT BANK BERHAD ( <i>formerly known as Kuala Lumpur City Securities Sdn Bhd</i> )	No. 1D, Ground & Mezzanine No. 1E, Ground Mezzanine 1 <sup>st</sup> & 2 <sup>nd</sup> Floor, Jalan Air Jerneh 20300 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6317922	076-009
FA SECURITIES SDN BHD	No. 51 & 51A Ground Mezzanine & 1 <sup>st</sup> Floor Jalan Tok Lam 20100 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6238128	021-001
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground & 1 <sup>st</sup> Floor 9651, Cukai Utama Jalan Kubang Kurus 24000 Kemaman Terengganu Darul Iman Tel No.: 09-8502730	056-027
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	31A, Ground Floor 31A & 31B, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6261816	056-055

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Sabah</b>		
ALLIANCE INVESTMENT BANK BERHAD ( <i>formerly known as Kuala Lumpur City Securities Sdn Bhd</i> )	Suite 1-9-E1, 9 <sup>th</sup> Floor, CPS Tower No.1, Jalan Centre Point 88000 Kota Kinabalu Sabah Tel No.: 088-253922	076-005
ECM LIBRA AVENUE SECURITIES SDN BHD ( <i>formerly known as Avenue Securities Sdn Bhd</i> )	Aras 8, Wisma Great Eastern 68 Jalan Gaya 88000 Kota Kinabalu, Sabah Tel No.: 088-236188	052-012
HWANGDBS INVESTMENT BANK BERHAD ( <i>formerly known as Hwang-DBS Investment Bank Berhad</i> )	Room Nos. 106-109, Mezzanine Floorm, Room Nos. 207-212, 2 <sup>nd</sup> Floor Gaya Centre Jalan Tun Fuad Stephens 88400 Kota Kinabalu, Sabah Tel No.: 088-311688	068-008
INNOSABAH SECURITIES BERHAD	11, Equity House, Block K Sadong Jaya, Karamunsing 88100 Kota Kinabalu Sabah Tel No.: 088-234090	020-001
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	5 <sup>th</sup> Floor, Wisma BSN Sabah Jalan Kemajuan, Karamunsing 88000 Kota Kinabalu Sabah Tel No.: 088-269788	056-010
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground Floor, Block 2 Lot 4 & Lot 5, Bandar Indah, Mile 4, North road 91000 Sandakan Sabah Tel No.: 089-222275	056-057

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**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**


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<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Sarawak</b>		
ALLIANCE INVESTMENT BANK BERHAD ( <i>formerly known as Kuala Lumpur City Securities Sdn Bhd</i> )	No. 11-12, (Ground & 1 <sup>st</sup> Floor) Lorong Kampung Datu 396000 Sibu Sarawak Tel No.: 084-313855	076-012
CIMB INVESTMENT BANK BERHAD ( <i>formerly known as CIMB Securities Sdn Bhd</i> )	Level 1, Wisma STA 26 Jalan Datuk Abang Abdul Rahim 93450 Kuching, Sarawak Tel No.: 082-358606	065-004
HWANGDBS INVESTMENT BANK BERHAD ( <i>formerly known as Hwang-DBS Investment Bank Berhad</i> )	Lot 328, Jalan Abell 93100 Kuching, Sarawak Tel No.: 082-236999	068-005
HWANGDBS INVESTMENT BANK BERHAD ( <i>formerly known as Hwang-DBS Investment Bank Berhad</i> )	No. 192, Bintulu Parkcity Commerce Square Lot 3478, Bintulu Town District 97000 Bintulu Sarawak Tel No.: 086-330008	068-016
KENANGA INVESTMENT BANK BERHAD ( <i>formerly known as K &amp; N Kenanga Bhd</i> )	Lot 2465, Jalan Boulevard Utama Boulevard Commercial Centre 98000 Miri Sarawak Tel No.: 085-435577	073-002
KENANGA INVESTMENT BANK BERHAD ( <i>formerly known as K &amp; N Kenanga Bhd</i> )	Wisma Mahmud Jalan Sungai Sarawak 93100 Kuching Sarawak Tel No.: 082-338000	073-003
KENANGA INVESTMENT BANK BERHAD ( <i>formerly known as K &amp; N Kenanga Bhd</i> )	Ground, 1 <sup>st</sup> & 6 <sup>th</sup> Floor Wisma Chinese Chambers Lot 357, Section 47 K.T.L.D. Jalan Bukit Mata Kuching 93100 Kuching Sarawak Tel No.: 082-422252	056-008
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	No. 11-12, (Ground & 1 <sup>st</sup> Floor) Lorong Kampung Datu 396000 Sibu Sarawak Tel No.: 084-313855	073-012

**15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**

<b>Name</b>	<b>Address and telephone number</b>	<b>Broker Code</b>
<b>Sarawak (cont'd)</b>		
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Lot 1268, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor Lot 1269, 2 <sup>nd</sup> Floor Centre Point Commercial Centre Jalan Melayu 98000 Miri Sarawak Tel No.: 085-422788	056-012
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	101 & 102, Pusat Pedada Jalan Pedada 96000 Sibu Sarawak Tel No.: 084-329100	056-013
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground Floor No. 10, Jalan Bersatu 96100 Sarikei Sarawak Tel No.: 084-654100	056-050
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground Floor No. 177, Taman Sri Dagang 97000 Bintulu Sarawak Tel No.: 086-311770	056-053
OSK INVESTMENT BANK BERHAD ( <i>formerly known as OSK Securities Berhad</i> )	Ground & 1 <sup>st</sup> Floor Lot 1085, Jalan Buangsio 198700 Limbang Sarawak Tel No.: 085-213188	056-060
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibu Sarawak Tel No.: 084-319998	058-002
TA SECURITIES HOLDINGS BERHAD	2 <sup>nd</sup> Floor, (Bahagian Hadapan) Bangunan Binamas, Lot 138 Section 54, Jalan Pandung 93100 Kuching Sarawak Tel No.: 082-236333	058-006

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