THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY. If you have sold or transferred all your shares in ML Global Berhad *(formerly known as VTI Vintage Berhad)* ("**ML Global**" or the "**Company**"), you should at once hand this Abridged Prospectus, together with the Notice of Provisional Allotment ("**NPA**") and the Rights Subscription Form ("**RSF**") to the agent/broker through whom you effected the sale or transfer for onward transmission to the purchaser or transferee. All enquiries concerning the Rights Issue with Warrants (as defined herein) should be addressed to our Share Registrar, Tricor Investor Services Sdn Bhd at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

This Abridged Prospectus, together with the NPA and the RSF are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia or to persons who are or may be subject to the laws of any countries or jurisdictions other than the laws of Malaysia. No action has been or will be taken to ensure that the Rights Issue with Warrants complies with laws of any countries or jurisdictions other than the laws of Malaysia. The distribution of this Abridged Prospectus, together with the NPA and the RSF, may be prohibited or restricted (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions or in respect of certain persons under the relevant laws of those jurisdictions. This Abridged Prospectus, together with the NPA and the RSF, does not constitute an offer, solicitation or invitation to subscribe for the Rights Issue with Warrants in any jurisdiction other than Malaysia or to any person to whom it would be unlawful to make such an offer, solicitation or invitation. For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Malaysia where shareholders may have their registered addresses, this Abridged Prospectus, together with the NPA and the RSF, has not been and will not be despatched to shareholders with a registered address outside Malaysia ("**Foreign Shareholders**"), unless they have provided an address in Malaysia for the service of this Abridged Prospectus, together with the NPA and the RSF, by the entitlement date as set out below. However, nothing shall preclude Foreign Shareholders from collecting this Abridged Prospectus, together with the NPA and the RSF, in person, at the office of our Share Registrar, in which event our Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the documents relating to this Rights Issue with Warrants. Our Company and Hong Leong Investment Bank Berhad ("**HLIB**") shall not accept any responsibility or liability in the event that any acceptance or renunciation made by the entitled shareholders and/or their renouncee(s) and/or their transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions.

A copy of this Abridged Prospectus has been registered with the Securities Commission Malaysia ("**SC**"). The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue with Warrants or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Abridged Prospectus. The SC has not, in any way, considered the merits of the securities being offered for investment. A copy of this Abridged Prospectus, together with the NPA and RSF, has also been lodged with the Registrar of Companies, who takes no responsibility for the contents of these documents.

Approval for this Rights Issue with Warrants has been obtained from our shareholders at the Extraordinary General Meeting held on 23 May 2014. Approval has been obtained from Bursa Malaysia Securities Berhad ("**Bursa Securities**") via its letter dated 11 April 2014 for the listing of and quotation for the Rights Shares (as defined herein), Warrants and the new ML Global Shares (as defined herein) to be issued upon the exercise of the Warrants on the Main Market of Bursa Securities. Admission to the Official List of Bursa Securities for the listing of and quotation for the Rights Shares are in no way reflective of the merits of the Rights Issue with Warrants. Neither Bursa Securities nor the SC takes any responsibility for the correctness of statements made or opinions expressed herein.

Our Board of Directors ("**Board**") has seen and approved all the documentation relating to this Rights Issue with Warrants including this Abridged Prospectus together with the NPA and RSF. They collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries, and to the best of their knowledge and belief, there are no false or misleading statements or other facts which, if omitted would make any statements in these documents false or misleading.

HLIB, being the Adviser for the Rights Issue with Warrants, acknowledges that, based on all available information and to the best of its knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning this Rights Issue with Warrants.

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, PLEASE REFER TO "RISK FACTORS" AS SET OUT IN SECTION 6 HEREIN.

ML GLOBAL BERHAD

(Formerly known as VTI Vintage Berhad)
(Company No. 589167-W)
(Incorporated in Malaysia under the Companies Act, 1965)

RENOUNCEABLE RIGHTS ISSUE OF 36,497,200 NEW ORDINARY SHARES OF RM0.50 EACH IN ML GLOBAL ("RIGHTS SHARES") AT AN ISSUE PRICE OF RM0.50 PER RIGHTS SHARE ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 1 EXISTING ORDINARY SHARE OF RM0.50 EACH IN ML GLOBAL HELD AS AT 5.00 P.M. ON 1 OCTOBER 2014, TOGETHER WITH 18,248,600 FREE DETACHABLE WARRANTS ("WARRANTS") ON THE BASIS OF 1 WARRANT FOR EVERY 2 RIGHTS SHARES SUBSCRIBED

Adviser

HongLeong Investment Bank

Hong Leong Investment Bank Berhad (10209-W)

(A Participating Organisation of Bursa Malaysia Securities Berhad)
(A Trading Participant of Bursa Malaysia Derivatives Berhad)

IMPORTANT RELEVANT DATES AND TIMES:

Entitlement Date	:	Wednesday, 1 October 2014at 5.00 p.m.
Last date and time for the sale of provisionally allotted Rights Shares with Warrants	:	Thursday, 9 October 2014 at 5.00 p.m.
Last date and time for the transfer of provisionally allotted Rights Shares with Warrants	:	Tuesday, 14 October 2014 at 4.00 p.m.
Last date and time for acceptance and payment	:	Friday, 17 October 2014 at 5.00 p.m.*
Last date and time for excess application and payment	:	Friday, 17 October 2014 at 5.00 p.m.*

* or such later date and time as our Board and Adviser may decide and announce not less than 2 Market Days (as defined in this Abridged Prospectus) before the stipulated date and time.

This Abridged Prospectus is dated 1 October 2014

BURSA SECURITIES HAS APPROVED THE ADMISSION OF WARRANTS TO THE OFFICIAL LIST OF BURSA SECURITIES, THE LISTING OF AND QUOTATION FOR THE RIGHTS SHARES, WARRANTS AND THE NEW ORDINARY SHARES TO BE ISSUED PURSUANT TO THE EXERCISE OF THE WARRANTS ON THE MAIN MARKET OF BURSA SECURITIES. THE APPROVAL SHALL NOT BE TAKEN TO INDICATE THAT BURSA SECURITIES RECOMMENDS THE RIGHTS ISSUE WITH WARRANTS.

THE SC AND BURSA SECURITIES IS NOT LIABLE FOR ANY NON-DISCLOSURE ON OUR PART AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS ABRIDGED PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS ABRIDGED PROSPECTUS.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE RIGHTS ISSUE WITH WARRANTS AND ANY INVESTMENT IN OUR COMPANY. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

INVESTORS ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE AND MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THE ABRIDGED PROSPECTUS ARE DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CAPITAL MARKETS & SERVICES ACT 2007.

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE ISSUE FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CAPITAL MARKETS & SERVICES ACT 2007 (SUCH AS OUR DIRECTORS AND ADVISERS) ARE RESPONSIBLE.

THE DISTRIBUTION OF THIS ABRIDGED PROSPECTUS TOGETHER WITH THE NPA AND RSF (COLLECTIVELY KNOWN AS THE “DOCUMENTS”) IS SUBJECT TO MALAYSIAN LAWS. WE AND OUR ADVISERS ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT TAKEN ANY ACTION TO PERMIT AN OFFERING OF OUR SECURITIES BASED ON THE DOCUMENTS OR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. THE DOCUMENTS MAY NOT BE USED FOR AN OFFER TO SELL OR AN INVITATION TO BUY OUR SECURITIES IN ANY COUNTRY OR JURISDICTION OTHER THAN MALAYSIA. WE AND OUR ADVISERS REQUIRE YOU TO INFORM YOURSELF OF AND TO OBSERVE SUCH RESTRICTIONS.

THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE WITH WARRANTS UNDER THE LAWS OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THE DOCUMENTS.

ALL TERMS USED ARE AS DEFINED IN THE “DEFINITIONS” PAGE OF THIS ABRIDGED PROSPECTUS.

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Abridged Prospectus:

"Abridged Prospectus"	:	This Abridged Prospectus dated 1 October 2014
"Act"	:	Companies Act, 1965, as amended from time to time and any re-enactment thereof
"Additional Undertaking"	:	The irrevocable undertaking provided by DBHK and LBGB to subscribe for up to 15,741,646 additional Rights Shares with Warrants being the remaining Rights Shares with Warrants not subscribed for under the Entitlement Undertaking
"Agreements to Assign Debts"	:	The 11 agreements to assign debts entered into between the ML Global Group and DTSB on 23 December 2011, whereby in consideration, DTSB agrees to pay the ML Global Group a total sum of RM4,863,980 and the ML Global Group agrees to assign absolutely unto DTSB all the rights, title, interest and benefit of the debt due and payable within the ML Global Group which will be settled via the issuance of 9,727,960 Settlement Shares
"Amendments"	:	Amendments to the Memorandum of Association of ML Global to facilitate the Capital Reduction and Share Consolidation
"Board"	:	Board of Directors of ML Global
"Bursa Depository"	:	Bursa Malaysia Depository Sdn Bhd
"Bursa Securities"	:	Bursa Malaysia Securities Berhad
"Capital Reduction"	:	Share capital reduction of ML Global's issued and paid up capital of approximately RM97.49 million comprising 97,486,002 ordinary shares of RM1.00 each in ML Global via the cancellation of RM0.90 of the par value of each ordinary share of RM1.00 each in ML Global pursuant to Section 64 of the Act
"CDS"	:	A securities account established by Bursa Depository for a depositor for the recording of deposits and dealings in such securities by the depositor
"Code"	:	Malaysian Code on Take-Overs and Mergers, 2010, as amended from time to time and any re-enactment thereof
"Court"	:	High Court of Malaya in Kuala Lumpur
"DBHK"	:	Dato' Beh Hang Kong
"Debt Settlement"	:	The settlement of debts via a formal scheme of arrangement and compromise pursuant to Section 176 of the Companies Act, 1965 in respect of the scheme liabilities as at the cut-off date of 31 August 2009. The settlement mechanism shall be principally based on the terms and conditions stipulated in the letters of arrangement with secured creditors and the issuance of up to 18,556,106 Settlement Shares to the unsecured creditors pursuant to the debt settlement
"Deed Poll"	:	Deed Poll dated 22 July 2014 constituting the Warrants

"DGPL"	:	Datin Goh Phaik Lynn
"DLKW	:	Dato' Leong Kok Wah
"Documents"	:	This Abridged Prospectus and the accompanying NPA and RSF, collectively
"DTSB"	:	Distinct Treasures Sdn Bhd, a company not related to the ML Global Group or its Directors or substantial shareholders. The principal activity of DTSB is that of general trading, land and property investment as well as investment holding
"EGM"	:	Extraordinary general meeting
"Entitled Shareholders"	:	Shareholders whose names appear in our Record of Depositors on the Entitlement Date
"Entitlement Date"	:	1 October 2014 at 5.00 p.m., being the date and time on which the Entitled Shareholders must be registered in our Record of Depositors in order to be entitled to participate in the Rights Issue with Warrants
"Entitlement Undertaking"	:	The Strategic Investors' written irrevocable undertaking to subscribe in full for their rights entitlement under the Rights Issue with Warrants
"EPS"	:	Earnings per share
"Excess Application"	:	Applications for additional Rights Shares in excess of an Entitled Shareholder's entitlement under the Rights Issue as set out in Section 10.6 of this Abridged Prospectus
"Excess Rights Shares with Warrants"	:	Rights Shares with Warrants which are not taken up or not validly taken up by the Entitled Shareholders and/or their renounce(s) and/or transferee(s) (if applicable)
"Exercise Price"	:	Price at which 1 Warrants is exercisable into 1 ML Global Share, being RM0.50, subject to such adjustments as may be allowed under the Deed Poll
"Foreign Entitled Shareholders"	:	Our shareholders whose names appear in our Company's Record of Depositors on the Entitlement Date and having an address outside Malaysia as set out in Bursa Depository's records, which are entitled under the Rights Issue
"FPE"	:	Financial period ended/ending, as the case may be
"FYE"	:	Financial year ended/ending 31 December, as the case may be
"GDP"	:	Gross domestic product
"Government"	:	Government of Malaysia
"HLIB" or "Adviser"	:	Hong Leong Investment Bank Berhad
"Issue Price"	:	Issue price of RM0.50 per Rights Share
"LAT"	:	Loss after tax

"LBGB"	:	LBS Bina Group Berhad
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time
"LPD"	:	5 September 2014, being the latest practicable date prior to the date of this Abridged Prospectus
"LPS"	:	Loss per Share
"Market Day"	:	Any day on which Bursa Securities is open for trading in securities
"ML Global Group" or the "Group"	:	ML Global and its subsidiary companies, collectively
"ML Global Share(s)" or "Share(s)"	:	Ordinary share(s) of RM0.50 each in ML Global
"ML Global" or the "Company"	:	ML Global Berhad *(formerly known as VTI Vintage Berhad)*
"NA"	:	Net assets
"NBS"	:	Newsteel Building Systems Sdn Bhd, and 80% owned subsidiary of ML Global
"NL"	:	Net liabilities
"NPA"	:	Notice of provisional allotment in relation to the Rights Issue
"PAT"	:	Profit after tax
"PBT"	:	Profit before tax
"Placement Share(s)"	:	17,000,000 new Shares to be issued pursuant to the Private Placement
"PN17"	:	Practice Note 17 of the Listing Requirements
"Private Placement"	:	Private placement 17,000,000 Placement Shares to strategic investors together with 8,500,000 Warrants on the basis of 1 Warrant for every 2 Placement Shares subscribed
"Profit Guarantee"	:	Consolidated audited profit after taxation of RM6 million only of the ML Global Group after taking into consideration the operational profit (i.e. excluding write-off/other income/adjustments not in the ordinary course of business), severally furnished by DBHK and LBGB for each of the 2 financial years following the successful implementation of the Regularisation Plan
"Provisional Rights Shares"	:	Rights Shares provisionally allotted to the Entitled Shareholders
"RC"	:	Reinforced concrete
"Record of Depositors"	:	A record of securities holders established by Bursa Depository under the Rules of Bursa Depository

DEFINITIONS *(Cont'd)*

"Reduced Share(s)"	:	Ordinary shares of RM 0.10 each in ML Global after the completion of the Capital Reduction
"Regularisation Plan"	:	The Share Reconstruction, Private Placement, Rights Issue with Warrants, Set-Off and the Debt Settlement, collectively
"Restraining Order"	:	Restraining order under Section 176 of the Act
"Rights Issue with Warrants"	:	Renounceable rights issue of 36,497,200 Rights Shares on the basis of 1 Rights Share for every 1 Share held together with 18,248,600 Warrants on the basis of 1 Warrant for every 2 Rights Shares subscribed, as at the Entitlement Date
"Rights Share(s)"	:	36,497,200 new ML Global Shares to be issued pursuant to the Rights Issue with Warrants
"RM" and "sen"	:	Ringgit Malaysia and sen respectively
"RSF"	:	Rights subscription form in relation to the Rights Issue
"Rules of Bursa Depository"	:	The rules of Bursa Depository as issued pursuant to the SICDA, as amended from time to time
"SC"	:	Securities Commission Malaysia
"Set-Off	:	Set-off of any cash advances to ML Global from its major shareholder, DBHK, against the subscription monies payable by DBHK pursuant to his subscription of the Placement Shares and irrevocable undertaking to subscribe for his Rights Shares entitlement and additional Rights Shares up to a maximum amount of RM10.0 million
"Settlement Shares"	:	Up to 18,556,106 new ML Global Shares to be issued pursuant to the Debt Settlement
"Share Consolidation"	:	Share consolidation via the consolidation of 5 Reduced Shares into 1 Share after the Capital Reduction
"Share Reconstruction"	:	Capital Reduction, Share Consolidation and Amendments, collectively
"Share Registrar"	:	Tricor Investor Services Sdn Bhd
"Shareholder's Advance Agreement"	:	A conditional agreement dated 9 September 2010 entered into by ML Global with DBHK together with the supplement agreement dated 14 February 2013 for the aggregate cash advances of up to RM10.0 million to ML Global in relation to the Set-Off
"SICDA"	:	Securities Industry (Central Depositories) Act, 1991, as amended from time to time and any re-enactment thereof
"SPNB"	:	Syarikat Perumahan Negara Berhad
"Strategic Investors"	:	DBHK, LBGB, DLKW and DGPL, collectively
"TERP"	:	Theoretical ex-rights price

DEFINITIONS *(Cont'd)*

"Tuaran Property"	:	Leasehold industrial land held under title CL045086379, Kampung KM27, Jalan Telipok Lama, Off Jalan Tuaran, Mukim of Telipok, district of Tuaran Sabah together with several light industrial buildings constructed on the said land
"VRC"	:	Vintage Roofing & Construction Sdn Bhd
"VTH"	:	Vintage Tiles Holdings Sdn Bhd
"VTI"	:	Vintage Tiles Industries Sdn Bhd
"VTIEM"	:	Vintage Tiles Industries (EM) Sdn Bhd
"Warrants"	:	Free detachable warrants to be issued pursuant to the Private Placement and Rights Issue with Warrants

All references to "**our Company**" in this Abridged Prospectus are to ML Global, and references to "**our Group**" are to our Company and our subsidiaries. References to "**we**", "**us**", "**our**" and "**ourselves**" are to our Company and, where the context requires otherwise, our Group.

All references to "**you**" in this Abridged Prospectus are to our Entitled Shareholders and/or where the context otherwise requires, their renouncee(s) and/or transferee(s).

Words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. Reference to persons shall include corporations.

Any reference in this Abridged Prospectus to any statute is a reference to that statute as for the time being amended or re-enacted. Any reference to a time of day or date in this Abridged Prospectus shall be a reference to Malaysian time and date respectively, unless otherwise specified.

Any discrepancies in the tables included in this Abridged Prospectus between the amounts listed, actual figures and the totals thereof are due to rounding.

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APPENDICES

CORPORATE DIRECTORY

OUR BOARD

Name *(Designation)*	**Address**	**Nationality**	**Age**	**Occupation**
Dato' Abdul Majit Bin Ahmad Khan *(Independent Non-Executive Chairman)*	5, Jalan SS7/4 Kelana Jaya 47301 Petaling Jaya Selangor Darul Ehsan	Malaysian	68	Company Director
Dato' Beh Hang Kong *(Managing Director)*	21, Jalan Serindit Kawasan 17 Taman Eng Ann 41150 Klang Selangor Darul Ehsan	Malaysian	57	Company Director
Lim Kim Hoe *(Executive Director)*	No. 9, Legenda Putera Jalan PJU 1A/57 Damansara Legenda 47410 Petaling Jaya Selangor Darul Ehsan	Malaysian	29	Company Director
Chin Sui Yin *(Independent Non-Executive Director)*	No. 20, USJ 3/1C 47600 Subang Jaya Selangor Darul Ehsan	Malaysian	52	Company Director
Heng Chee Wei (AMP) *(Independent Non-Executive Director)*	12A, Legenda Putera Jalan PJU 1A/57 Damansara Legenda 47410 Petaling Jaya Selangor Darul Ehsan	Malaysian	43	Company Director
Datuk Tan Choon Hwa (JMK,JP) *(Independent Non-Executive Director)*	No. 1771, Taman Paya Bemban Jalan Hospital 15200 Kota Bahru Kelantan Darul Naim	Malaysian	57	Company Director
Dato' Sri Lim Hock San JP *(Non-Independent Non-Executive Director)*	No. 9, Legenda Putera Jalan PJU 1A/57 Damansara Legenda 47410 Petaling Jaya Selangor Darul Ehsan	Malaysian	56	Company Director
Datuk Lim Hock Guan JP *(Non-Independent Non-Executive Director)*	83 Jalan SS7/2 Kelana Jaya 47301 Petaling Jaya Selangor Darul Ehsan	Malaysian	53	Company Director

AUDIT COMMITTEE

Name	**Designation**	**Directorship**
Heng Chee Wei (AMP)	Chairman	Independent Non-Executive Director
Chin Sui Yin	Member	Independent Non-Executive Director
Dato' Sri Lim Hock San JP	Member	Non-Independent Non-Executive Director
Datuk Tan Choon Hwa (JMK, JP)	Member	Independent Non-Executive Director

CORPORATE DIRECTORY *(Cont'd)*

COMPANY SECRETARIES	:	Tan Tong Lang (MAICSA 7045482) Chong Voon Wah (MAICSA 7055003) Suite 10.03, Level 10 The Gardens South Tower Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Tel no: (603) 2279 3080 Fax no: (603) 2279 3090
REGISTERED OFFICE	:	Suite 10.03, Level 10, The Gardens South Tower Mid Valley City, Lingkaran Syed Putra 59200 Kuala Lumpur Tel no: (603) 2279 3080 Fax no: (603) 2279 3090
HEAD OFFICE	:	3A-A, 4th Floor, Wisma One Alliance No 1, Lorong Kasawari 4B Taman Eng Ann 41150 Klang Selangor Darul Ehsan Tel no: (603) 3342 5522 Fax no: (603) 3342 3522 Website: www.vintagegroup.com.my Email: enquiry@vintagegroup.com.my
REPORTING ACCOUNTANTS	:	Baker Tilly Monteiro Heng (AF 0117) Baker Tilly MH Tower Level 10, Tower 1, Avenue 5 Bangsar South City 59200 Kuala Lumpur Tel no: (603) 2297 1000 Fax no: (603) 2282 9980
AUDITORS	:	CHI-LLTC (AF 1114) (formerly known as Messrs LLTC) No. 61-6C, Jalan ss2/75 47300 Petaling Jaya Selangor Darul Ehsan Tel no: (603) 7873 9898 Fax no: (603) 7874 8602
SHARE REGISTRAR	:	Tricor Investor Services Sdn Bhd Level 17, The Gardens North Tower Mid Valley City, Lingkaran Syed Putra 59200 Kuala Lumpur Tel no: (603) 2264 3883 Fax no: (603) 2282 1886

CORPORATE DIRECTORY *(Cont'd)*

PRINCIPAL BANKER	:	Public Bank Berhad 27th Floor, Menara Public Bank 146 Jalan Ampang 50450 Kuala Lumpur Tel no: (603) 2176 7130 Fax no: (603) 2163 9916
SOLICITORS FOR THE RIGHTS ISSUE WITH WARRANTS	:	Messrs Bahari & Bahari Advocates & Solicitors D4-U3-13, Solaris Dutamas Jalan Dutamas 1 50480 Kuala Lumpur Tel no: (603) 6205 4777 Fax no: (603) 6205 4555
PRINCIPAL ADVISER	:	Hong Leong Investment Bank Berhad Level 23, Menara HLA No. 3, Jalan Kia Peng 50450 Kuala Lumpur Tel no: (603) 2168 1168 Fax no: (603) 2164 8880
AUTHOR OF THE INDEPENDENT VIEW OF THE ROOF TILES MANUFACTURING INDUSTRY MALAYSIA REPORT	:	Vanhuey Consulting Asia Sdn Bhd 22A-2, Wisma Rapid Jalan 30/70A Desa Sri Hartamas 50480 Kuala Lumpur Tel no: (603) 6203 5566 Fax no: (603) 6203 1110
STOCK EXCHANGE LISTED	:	Main Market of Bursa Securities

Company No. 589167-W

ML GLOBAL BERHAD
(formerly known as VTI Vintage Berhad)
(Company No. 589167-W)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office:

Suite 10.03, Level 10
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

1 October 2014

Board of Directors:

Dato' Abdul Majit Bin Ahmad Khan	*(Independent Non-Executive Chairman)*
Dato' Beh Hang Kong	*(Managing Director)*
Lim Kim Hoe	*(Executive Director)*
Chin Sui Yin	*(Independent Non-Executive Director)*
Heng Chee Wei (AMP)	*(Independent Non-Executive Director)*
Datuk Tan Choon Hwa (JMK, JP)	*(Independent Non-Executive Director)*
Dato' Sri Lim Hock San JP	*(Non-Independent Non-Executive Director)*
Datuk Lim Hock Guan JP	*(Non-Independent Non-Executive Director)*

To: Our Shareholders of ML Global

Dear Sir/Madam,

RENOUNCEABLE RIGHTS ISSUE OF 36,497,200 RIGHTS SHARES AT AN ISSUE PRICE OF RM0.50 PER RIGHTS SHARE ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 1 ML GLOBAL SHARE HELD AS AT 5.00 P.M. ON 1 OCTOBER 2014 TOGETHER WITH 18,248,600 WARRANTS ON THE BASIS OF 1 WARRANT FOR EVERY 2 RIGHTS SHARES SUBSCRIBED

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1. INTRODUCTION

On 25 February 2010, it was announced that ML Global was classified as an affected listed issuer pursuant to PN17 of the Listing Requirements in view that our Company triggered Paragraph 2.1(a) of PN17 whereby the shareholders' equity of our Group on a consolidated basis was lesser than 25% of the issued and paid-up share capital of our Company and our shareholders' equity was less than RM40.0 million.

Bursa Securities had vide its letters dated 24 July 2012 and 11 April 2014 approved the Regularisation Plan and the following:

(i) the admission of 28,748,600 Warrants to the Official List of Bursa Securities;

(ii) the listing of and quotation for:

(a) up to 72,053,306 new ML Global Shares to be issued pursuant to the Private Placement, Rights Issue with Warrants and Debt Settlement;

(b) 26,748,600 Warrants to be issued pursuant to the Private Placement and Rights Issue with Warrants; and

(c) up to 26,748,600 new ML Global Shares to be issued pursuant to the exercise of the Warrants;

on the Main Market of Bursa Securities.

The approval of Bursa Securities is subject to, *inter alia*, the following conditions:

No.	Conditions imposed	Status of compliance
(1)	ML Global and HLIB to ensure compliance with Paragraph 8.02 of the Listing Requirements prior to the quotation for all the new ML Global Shares to be issued pursuant to the Private Placement, Rights Issue with Warrants and Debt Settlement;	Noted
(2)	ML Global and HLIB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Regularisation Plan;	To be complied
(3)	ML Global and HLIB to inform Bursa Securities upon the completion of the Regularisation Plan; and	To be complied
(4)	ML Global and HLIB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Regularisation Plan is completed.	To be complied

Our shareholders had, at our EGM held on 23 May 2014, approved the Regularisation Plan comprising the following:

(i) Capital Reduction;
(ii) Share Consolidation;
(iii) Amendments;
(iv) Private Placement;
(v) Rights Issue with Warrants;
(vi) Set-Off; and
(vii) Debt Settlement.

A certified true extract of the ordinary resolution pertaining to the Rights Issue with Warrants passed at the said EGM is set out in Appendix I of this Abridged Prospectus.

On 23 June 2014, the Court granted an order confirming the Capital Reduction pursuant to Section 64 of the Act. The advertisement as required under the aforementioned order was published in the New Straits Times and Berita Harian on 23 July 2014 and a copy of the sealed court order has been duly lodged with the Companies Commission of Malaysia on 2 July 2014, which marks the effective date of the Capital Reduction.

On 2 July 2014, HLIB, had on our behalf, announced that the entitlement date for the Share Consolidation has been fixed at 5.00 p.m. on 17 July 2014.

On 18 July 2014, HLIB, had on our behalf, announced that the Share Reconstruction was completed. Pursuant to the Capital Reduction and Share Consolidation, the new issued and paid-up share capital of our Company is RM9,748,600 comprising 19,497,200 ML Global Shares.

On 24 July 2014, the Company had issued and allotted 17,000,000 Placement Shares to the Strategic Investors. However, the 8,500,000 Warrants to be issued pursuant to the Private Placement will be issued concurrently with the 18,248,600 Warrants to be issued pursuant to the Rights Issue with Warrants. Further, the Placement Shares issued will only be listed and quoted on the Main Market of Bursa Securities together with the Rights Shares, Settlement Shares and Warrants. For avoidance of doubt, the Placement Shares will be entitled to the Rights Shares and Warrants to be issued pursuant to the Rights Issue with Warrants.

On 17 September 2014, HLIB, had on behalf of our Board, announced that the Entitlement Date for the Rights Issue with Warrants had been fixed at 5.00 p.m. on 1 October 2014.

The official listing of and quotation for the Rights Shares with Warrants to be issued pursuant to the Rights Issue with Warrants will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS accounts of our Entitled Shareholders and/or their renouncee(s) and/or transferee(s) are ready for crediting and notices of allotment have been despatched to them.

No person is authorised to give any information or make any representation not contained in the Documents in connection with the Rights Issue with Warrants and if given or made, such information or representation must not be relied upon as having been authorised by us and/or HLIB.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

2. RIGHTS ISSUE WITH WARRANTS

2.1 Details of the Rights Issue with Warrants

In accordance with the terms of the Rights Issue with Warrants, as approved by the relevant authorities and our shareholders at the EGM held on 23 May 2014 and subject to the terms of this Abridged Prospectus and the accompanying documents, we will provisionally allot 36,497,200 Rights Shares for the subscription by the Entitled Shareholders on the basis of 1 Rights Share for every 1 ML Global Share held on the Entitlement Date, at an issue price of RM0.50 per Rights Share, together with 18,248,600 Warrants on the basis of 1 Warrant for every 2 Rights Shares subscribed.

The Rights Issue with Warrants is renounceable in full or in part. Accordingly, you can subscribe for and/or renounce and/or transfer your entitlements for the Rights Shares in full or in part. The Warrants will be immediately detached from the Rights Shares upon issuance and will be separately traded. The renunciation of the Rights Shares by the Entitled Shareholders will accordingly entail the renunciation of the Warrants to be issued together with the Rights Shares pursuant to the Rights Issue with Warrants. For avoidance of doubt, the Rights Shares and the Warrants cannot be renounced separately. However, if the Entitled Shareholders decide to accept only part of their Rights Shares entitlements, they shall be entitled to the Warrants in the proportion of their acceptance of their Rights Shares entitlements.

Shareholders whose names appear in our Record of Depositors as at the Entitlement Date are entitled to participate in the Rights Issue with Warrants. However, only Entitled Shareholders who have an address in Malaysia as stated in our Record of Depositors or who have provided our Share Registrar with an address in Malaysia in writing by the Entitlement Date will receive this Abridged Prospectus, together with the NPA and RSF.

Any unsubscribed Rights Shares with the attached Warrants shall be offered to the other Entitled Shareholders and/or their renouncee(s) under the excess Rights Shares application. It is the intention of the Board to allocate the excess Rights Shares with the attached Warrants in a fair and equitable manner at their absolute discretion as they deem fit and expedient and in the best interest of the Company.

Any dealings in our securities will be subject to, *inter-alia*, the provision of the SICDA, the Rules of Bursa Depository and any other relevant legislation. Accordingly, the Rights Shares with Warrants and new ML Global Shares to be issued arising from the exercise of Warrants will be credited directly into the respective CDS Accounts of the successful applicants and exercising Warrant holders (as the case may be). No physical share or warrant certificates will be issued.

As an Entitled Shareholder, you will find enclosed with the Abridged Prospectus a NPA setting out the number of Provisional Rights Shares which you are entitled to subscribed for and an RSF which is to be used for the acceptance of the Provisional Rights Issue and for the Excess Application, should you wish to do so.

YOU SHOULD READ THIS ABRIDGED PROSPECTUS IN ITS ENTIRETY BEFORE MAKING A DECISION.

2.2 Basis of determining the Issue Price of the Rights Shares and the Exercise Price of the Warrants

The Issue Price and the Exercise Price were determined based on various factors, including but not limited to the following:

(i) The proforma consolidated NA per Share after the Regularisation Plan of approximately RM0.39 per Share based on the audited financial statements of the ML Global Group for the FYE 2012;

(ii) The new par value of RM0.50 per Share after the completion of the Share Reconstruction; and

(iii) The future prospects of the ML Global Group after the completion of the Regularisation Plan.

For illustrative purposes, the proforma consolidated NA per Share based on the audited financial statements of the ML Global Group for the FYE 2013 after the Regularisation Plan is approximately RM0.32 per Share.

The Issue Price and Exercise Price represent a premium of approximately 28.21% to the TERP of RM0.39 based on the share price upon the completion of the Share Reconstruction of RM0.10 per Share.

Due consideration was also given in view that the Warrants shall be issued for free to the subscribers of the Rights Shares. The issuance of Warrants is expected to enhance the attractiveness of the Rights Issue with Warrants as well as to enable ML Global to raise further proceeds as and when any of the Warrants are exercised in the future. In addition, the Warrants would also enable the Entitled Shareholders to benefit from the future growth of the Company.

The Warrants are attached to the Rights Shares without any cost and will be issued only to the Entitled Shareholders and/or their renouncee(s) who have successfully subscribed for the Rights Shares.

2.3 Ranking of the Rights Shares and new ML Global Shares to be issued arising from the exercise of the Warrants

The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing ML Global Shares in issue, save and except that they will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid on entitlement dates which are prior to the allotment and issue of the Rights Shares.

The new ML Global Shares to be issued pursuant to the exercise of the Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then existing ML Global Shares in issue, save and except that they will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid on entitlement dates which are prior to the allotment and issue of the said new ML Global Shares.

2.4 Principal terms of the Warrants

The principal terms of the Warrants to be issued in conjunction with the Private Placement and Rights Issue with Warrants are as follows:

Issue size	:	26,748,600 Warrants to be issued in conjunction with the Private Placement and Rights Issue with Warrants in the following manner: (i) 8,500,000 Warrants to be issued pursuant to the Private Placement to the Strategic Investors on the basis of 1 Warrant for every 2 Placement Shares subscribed; and (ii) 18,248,600 Warrants to be issued pursuant to the Rights Issue with Warrants to the Entitled Shareholders and/or their renounce(s) on the basis of 1 Warrant for every 2 Rights Shares successfully subscribed.
Form and denomination	:	The Warrants to be issued with the Rights Shares will be immediately detached from the Rights Shares upon its issuance and will be separately traded together with the Warrants to be issued pursuant to the Private Placement. The Warrants will be issued in registered form and constituted by the Deed Poll.
Exercise Rights	:	Each Warrant shall entitle the registered holder, at any time during the Exercise Period, to subscribe for 1 new ML Global Share at the Exercise Price, subject to adjustments in accordance with the provisions of the Deed Poll.
Exercise Price	:	RM0.50 per Warrant, being the par value of ML Global Shares, subject to further adjustments (where applicable) in accordance with the provisions of the Deed Poll.
Exercise Period	:	The Warrants can be exercised at any time during the period of 5 years commencing from and including the date of issue of the Warrants and up to and including the Expiry Date.
Expiry Date	:	The day falling immediately before the 5th anniversary of the date of the issuance of the Warrants. Any Warrants which have not been exercised and delivered to the registrar will lapse and cease to be valid for any purpose.
Board lot	:	For the purpose of trading on Bursa Securities, a board lot of Warrants shall comprise 100 Warrants carrying the right to subscribe for 100 new ML Global Shares at any time during the Exercise Period, or such denomination as determined by Bursa Securities.
Listing status	:	The Warrants will be listed on the Main Market of Bursa Securities.
Rights of Warrant holders	:	The registered holders of the Warrants are not entitled to any voting rights or to participate in any distribution and/or offer of further securities in ML Global until and unless the registered holders of the Warrants exercise their Warrants into new ML Global Shares.

Adjustment in the Exercise Price and/or number of Warrants	:	Subject to the provisions of the Deed Poll, the Exercise Price and/or the number of Warrants held by each Warrant holder shall be adjusted by the Board in consultation with the adviser and if deemed necessary, certification of the external auditors appointed by ML Global, in the event of alteration to the share capital of ML Global in accordance with the provisions set out in the Deed Poll.
Rights in the event of winding up, amalgamation, reconstruction	:	Where a resolution has been passed for a members' voluntary winding-up of the Company or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with 1 or more companies, then: (a) for the purpose of such a winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation) to which the Warrant holders, or some persons designated by them for such purposes by a Special Resolution, will be a party, the terms of such winding-up, compromise or arrangement will be binding on all the Warrant holders; and (b) in any other case, every Warrant holder will be entitled to elect to be treated as if he had immediately prior to the commencement of such winding-up, compromise or arrangement exercised the Exercise Rights represented by that Warrant to the extent specified in the Exercise Forms and be entitled to receive out of the assets of the Company which would be available in liquidation if he had on such date been the holder of the new Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company will give effect to such election accordingly.
Further Issues	:	Subject to the provisions of the Deed Poll, the Company will be at liberty to issue Shares or other securities convertible to Shares to shareholders either for cash or as a bonus distribution and further subscription rights upon such terms and conditions as the Company sees fit but the Warrant holders will not have any participating rights in such issue unless the Warrant holder becomes a shareholder by exercising his Exercise Rights or otherwise resolved by the Company in a general meeting.
Deed Poll	:	The Warrants are constituted by the Deed Poll executed by the Company on 22 July 2014.
Governing law	:	Laws of Malaysia.

For purposes of clarity, the Warrants to be issued pursuant to the Private Placement will be issued concurrently with the issuance of the Warrants to be issued pursuant to the Rights Issue with Warrants to ensure a similar Exercise Period for all Warrant holders.

2.5 Details of other corporate exercises

The Board confirms that save for the Regularisation Plan, which have been approved by our shareholders at the EGM held on 23 May 2014, and those disclosed below, there are no other outstanding corporate exercises that have been announced by the Company but not yet completed as at the LPD:

(i) the proposed special issue of up to 42,000,000 new ordinary shares of RM1.00 each in ML Global to Bumiputera investors to be approved by the Ministry of International Trade and Industry ("**Proposed Special Issue**") as first announced on 29 June 2007; and

(ii) the proposed shareholders' approval for the general mandate for ML Global Group to enter into recurrent related parties transactions of a revenue or trading nature in the ordinary course of business with LBGB and its subsidiaries ("**LBGB Group**"), based on commercial terms which are not more favourable to the LBGB Group than those generally available to the public and which are necessary for ML Global Group's day to day operations ("**Proposed Shareholders' Mandate**") as first announced on 10 September 2014.

In relation to the Proposed Special Issue, the Board is of the view that due to the financial difficulties faced by the ML Global Group over the last few years and the depress in ML Global's share price, the Board strongly believes that it is not possible to implement the Proposed Special Issue at this juncture. At the present moment, it is important for ML Global to invite strategic investors to participate in the regularisation plan of the ML Global Group to reposition the Group in the right direction.

Notwithstanding the above, it is noted that the Proposed Special Issue was to fulfil a condition imposed on our Company by the Foreign Investment Committee ("**FIC**") as part of its approval for our Company's reverse take-over on Penas Corporation Berhad completed in 2003. Subsequently, on 30 June 2009, the Prime Minister of Malaysia announced, inter alia, the deregulation of the FIC Guidelines. As part of the deregulation, the condition imposed by the FIC was no longer applicable as companies listed via a reverse take-over is only required to achieve 12.5% Bumiputera shareholdings on its enlarged issued and paid-up share capital upon listing. Moving forward, we intend to submit a waiver application to the FIC to waive the said condition ("**Waiver Application**") within 1 month from the completion of our regularisation plan. To date, the Company has yet to embark on the implementation of the Proposed Special Issue.

3. STRATEGIC INVESTORS' ENTITLEMENT UNDERTAKING AND ADDITIONAL UNDERTAKING

Pursuant to the Rights Issue with Warrants, our Company had procured the irrevocable written undertakings from the Strategic Investors for the total subscription of 36,497,200 Rights Shares together with 18,248,600 Warrants, being the aggregate number of Rights Shares to be issued by the Company pursuant to the Rights Issue with Warrants. As such, there will not be a minimum level of subscription for the Rights Issue with Warrants.

The details of the Strategic Investors' Entitlement Undertaking and Additional Undertaking are as follows:

Name	Shareholdings as at the LPD		Entitlement Undertakings		Additional Undertakings		Total undertakings	
	No. of Shares ('000)	(1)%	No. of Rights Shares ('000)	(2)%	No. of Rights Shares ('000)	(2)%	No. of Rights Shares ('000)	(2)%
DBHK	10,916	29.91	10,916	29.91	4,871	13.34	15,787	43.25
LBGB	8,000	21.92	8,000	21.92	10,870	29.78	18,870	51.70
DLKW	900	2.47	900	2.47	-	-	900	2.47
DGPL	940	2.58	940	2.58	-	-	940	2.58
Total	20,756	56.88	20,756	56.88	15,741	43.12	36,497	100.00

Notes:

(1) Calculated based on the issued and paid-up share capital of ML Global as at the LPD of 36,497,200 ML Global Shares.

(2) Calculated based on 36,497,200 Rights Shares.

Based on the Entitlement Undertakings and Additional Undertakings, no underwriting will be required for the Rights Issue with Warrants. The Strategic Investors have confirmed that they have sufficient financial resources to subscribe for their entitlements to the Rights Shares and for the additional Rights Shares as stated above pursuant to their Entitlement Undertaking and Additional Undertaking. Based on the documentary evidence provided by the Strategic Investors, HLIB, as the Adviser in relation to the Rights Issue with Warrants, is satisfied that they have sufficient financial resources to subscribe for their respective Rights Shares entitlements and for the additional Rights Shares under the Rights Issue with Warrants.

After taking into consideration the Entitlement Undertakings and Additional Undertakings, ML Global confirms that the subscriptions of the Rights Shares by the Strategic Investors will not give rise to any consequences of mandatory general offer obligations pursuant to the Code.

There will not be any immediate implication under the Code arising from the issuance and allotment of the Warrants to the Strategic Investors as the Warrants are not voting shares until and unless they are exercised.

In the event that either one of the Strategic Investors elect to exercise their Warrants in the future, the number of Warrants exercised and the timing of the exercise of Warrants may result in the said Strategic Investor triggering a mandatory offer obligation under the Code unless otherwise exempted by SC under the provisions of the Code and upon application by the said Strategic Investors, subject to any conditions imposed by the SC. The Strategic Investors have given their confirmation that they will at all times observe and ensure compliance with the provisions of the Code.

4. UTILISATION OF PROCEEDS

The Private Placement and Rights Issue with Warrants have and will raise gross proceeds of RM8.50 million and approximately RM18.25 million respectively at the Issue Price of RM0.50 per Placement Share and Rights Share. However, after the Set-Off, the aggregate cash proceeds to be received by the Company from the Private Placement and Rights Issue with Warrants is approximately RM16.75 million. The proceeds arising from the Agreements to Assign Debts is part of the Debt Settlement whereby the cash proceeds will be paid to the Company who will then distribute the respective entitlements to its subsidiaries.

The gross proceeds arising from the Private Placement and Rights Issue with Warrants are expected to be utilised in the following manner:

	Amount RM'000	**Expected timeframe for utilisation of proceeds from date of listing of Rights Shares**
Proceeds from Private Placement[(i)]	4,000	
Proceeds from Rights Issue with Warrants[(i)]	12,748	
Proceeds from Agreements to Assign Debts	4,864	
Total	**21,612**	
Proposed Utilisation:		
Working capital for construction activities and/or the existing roofing tiles operations[(ii)]	19,662	Within 12 months
Estimated expenses[(iii)]	1,950	Within 1 month
Total	**21,612**	

Notes:

(i) Pursuant to the Set-Off, RM4.50 million is set-off via the Private Placement and RM5.50 million is set-off against the Rights Issue with Warrants. As at the LPD and prior to the Set-Off, DBHK has advanced a total of approximately RM12.97 million.

(ii) *The portion of proceeds allocated for the working capital requirements is to fund ML Global's day-to-day operations. As at the LPD, the Group has identified the following costs for the utilisation of the proceeds to be allocated for working capital purposes:*

	RM'000
Operating and personnel expenses (including salaries)	*10,662*
Payment of trade and other payables	*6,000*
Purchase of raw materials for manufacturing/construction activities	*2,000*
Upgrading and improvement of machinery and tools for manufacturing/construction activities	*1,000*
	19,662

Details of the proceeds allocated to fund operating and personnel expenses (including salaries) are as follows:

	RM'000
Salary and wages	*4,296*
Packing materials required for the roof tile manufacturing business and transportation of finished goods	*1,288*
Utilities and rental of office and hostel	*714*
Upkeep of manufacturing plant and plant related expenses	*742*
Fees to be paid to authorities and professional in relation to our construction business	*3,622*
	10,662

(iii) *Part of the proceeds amounting to RM1.95 million will be utilised to defray the expenses relating to the Regularisation Plan, including professional fees, brokerage and placement fees, fees payable to the relevant authorities, printing, postage and other miscellaneous cost relating to the Regularisation Plan. Any variation surplus or shortfall will be adjusted to or from the portion allocated for working capital for construction activities and/or the existing roofing tiles operations.*

The Company anticipates that the gross proceeds from the Rights Issue with Warrants shall be fully utilised for the above purposes within 12 months from the date of listing of the Rights Shares on the Main Market of Bursa Securities.

The proceeds to be raised from the exercise of the Warrants, the quantum of which is dependent upon the actual number of Warrants exercised, are intended to be utilised for our Group's working capital requirements.

Pending the utilisation of the proceeds by ML Global, the proceeds from the Private Placement, Rights Issue with Warrants and Agreements to Assign Debts will be placed in interest-bearing deposit accounts maintained with licensed financial institutions or investments in money markets as our Board may deem fit.

5. RATIONALE FOR THE RIGHTS ISSUE WITH WARRANTS

On 25 February 2010, it was announced that ML Global has been classified as an affected listed issuer pursuant to PN17 of the Listing Requirements in view that our Company triggered Paragraph 2.1(a) of PN17 whereby the shareholders' equity of our Group on a consolidated basis was lesser than 25% of the issued and paid-up share capital of our Company and our shareholders' equity was less than RM40.0 million.

The Regularisation Plan is intended to regularise our Group's financial condition and return our Group to stronger financial footing through the implementation of the following proposals:

(i) Capital Reduction;
(ii) Share Consolidation;
(iii) Amendments;
(iv) Private Placement;
(v) Rights Issue with Warrants;
(vi) Set-Off; and
(vii) Debt Settlement.

The Rights Issue with Warrants (together with the Private Placement) is undertaken primarily to enable ML Global to raise funds for the purposes as stated in Section 4 of this Abridged Prospectus, which is expected to contribute positively to the earnings potential of ML Global in the future and to defray estimated expenses for the Regularisation Plan.

After due consideration of the various fund raising methods available, our Board is of the view that the Rights Issue with Warrants is the most appropriate method for us as it will:

(i) provide an opportunity for the Entitled Shareholders to increase their equity participation in ML Global through the subscription of the Rights Shares and Warrants;

(ii) to raise immediate funds for our Company without incurring interest costs as compared to other means of financing such as through bank borrowings or the issuance of debt instruments;

(iii) the Warrants are intended to provide an added incentive to the Entitled Shareholders to subscribe for their Rights Shares. The Warrants would also enable the Entitled Shareholders to benefit from the future growth of our Company and any potential capital appreciation arising from the exercise of the Warrants, depending on the future performance of ML Global Shares; and

(iv) the Warrants will enable our Company to raise further proceeds as and when the Warrants are exercised, for the working capital requirements of our Group.

6. RISK FACTORS

The Regularisation Plan is not expected to materially change the risk profile of the ML Global Group as the utilisation of the proceeds from the Rights Issue with Warrants will be utilised mainly for the working capital requirements of the Group. Nevertheless, shareholders should carefully consider the following risk factors (which may not be exhaustive) which may have an impact on the future performance of the Group, in addition to the other information contained elsewhere in this Abridged Prospectus.

6.1 Risks relating to our business

6.1.1 Business risks

Our Group's business is highly dependent and is subject to risks inherent in the construction and manufacturing sectors. These include, but are not limited to, changes in general economic conditions, government regulations, inflation and changes in business conditions such as deterioration in prevailing market conditions, shortage in labour, increase in labour cost, availability and rising cost of financing and fluctuating demand for roof tiling. Any shortages of labour may interrupt our roof tile manufacturing process while rising labour costs may affect our Group's profit margins. Our Group has taken considerable steps to minimise these business risks by providing competitively priced and quality roof tiles and keeping abreast with the changing consumer preference and requirements.

Although we seek to mitigate these risks, there can be no assurance that any change to these factors would not have a material impact on the business and financial performance of our Group. There can also be no assurance that the demand for our Group's products can be sustained.

6.1.2 Dependence on key personnel

The success of our Group is significantly dependent on the efforts, abilities and continued performance of our Directors, managers and key employees. The loss of any of these current personnel could have a material adverse effect on our Group. To mitigate this risk, we concurrently strive to continue attracting and retaining qualified and experienced personnel to support our business operations. We also have in place a succession plan by which we periodically identify potential successors to our key management, including potential candidates within our Group. Further to that, every effort is being made to groom the younger members of our management team to gradually shoulder more responsibilities in preparation for future opportunities and to ensure a smooth transition in the organisation structure of our Group if changes occur.

There can be no assurance that such individual will continue to be employed by our Group or that we will be able to attract and retain qualified personnel in the future.

6.1.3 Political, economic and regulatory risks

Political and economic conditions and development in Malaysia could have a significant effect on the financial performance of our Group. Any adverse development or uncertainties in the above external factors could materially affect the financial condition and business prospects of our Group. These external factors include (but not limited to) expropriation, nationalisation, changes in political leadership and environment, global economic downturn, epidemic outbreaks, social unrests, changes in interest rates and accounting standards and unfavourable changes in government policies such as introduction of new regulations, import duties and tariffs and taxation method.

There can be no assurance that any changes to the political, economic and regulatory factors will not have a material and adverse effect on the business and prospects of our Group even if we continue to take all possible measures to limit the impact of such risks to its business by mitigating these risks including close monitoring of the Government's master plan in respect of long-term economic and development policies so that our Group can stay ahead as well as capitalise on any regulatory changes in the industries that we operate.

6.1.4 Competition risks

Construction and roof tile manufacturing industries are competitive industries in Malaysia due the number of established players in both the said industries as well as the potential entrance of new competitors. Presently, the Company only holds a small portion of the market share in both the construction and roof tile manufacturing industries and is faced with various challenges to compete and grow in these competitive industries. Potential challenges arising from this competitive situation includes (but is not limited to) efficiency of distribution channels, pricing and customer services. There can be no assurance that we will be able to compete effectively against its competitors in the future.

Notwithstanding this, our Group's strategy is to constantly meet and improve on fulfilling customers' need and requirements as well as utilisation of resources efficiently to remain competitive in the industries.

6.1.5 Delays in completion of construction projects

Timely completion of construction projects is dependent on many external factors which may be beyond the control of our Group, such as obtaining approvals from various regulatory authorities as scheduled, sourcing and securing quality construction materials in adequate amounts, favourable credit terms and satisfactory performance of contractors who were appointed to complete the development project.

We monitor the project schedules closely to minimise any delay in completion of our projects. The Group, has in the past, been faced with delays in the completion of the construction projects undertaken due to one or a combination of the abovementioned reasons. To mitigate the above, the Group will strive to appoint reliable and reputable suppliers and sub-contractors to ensure timely delivery of construction materials and the meeting of project completion deadlines. Notwithstanding our monitoring efforts, there can be no assurance that the projects will not be delayed as the above mentioned factors are beyond the control of our Group. Any delays may have an adverse impact on our Group's profitability and reputation.

6.1.6 Fluctuation in price of raw materials

The main raw materials used to produce concrete roof tiles are cement and sand. The prices of cement and sand are known to fluctuate due to increases in production costs and shortages. This results in higher costs of manufacturing concrete roof tiles. Manufacturers should be able to pass on the higher cost to the customer but due to the time required for the selling prices to reflect the increase in the price of raw materials, if any, the transfer of costs to the customer might not be immediate.

The sudden and drastic increase in cement and sand prices can lead to concrete roof manufacturers suffering losses in their dealings due to the inability to quickly and fully pass the higher cost to their customers. Observing past trends, the prices of roof materials has not always been able to keep up with the increases in the prices of cement and sand.

6.1.7 Operational, health and safety risks

Like any other business involved in the construction industry, our Group's operations in roof tile manufacturing and construction is subject to disruption by a variety of risks and hazards, which are beyond our Group's control, such as fires, explosions, machinery breakdown and other accidents at the factory or site of our Group's operations. These risks could ultimately result in personal injury, business interruptions and potential legal proceedings. To address these risks, we have established a safety policy that clearly sets out the safety measures that must be strictly adhered to by our employees.

Our Group believes that these risks are mitigated through the periodic audits of its health and safety procedures and practices, drills, continuous health and safety meetings and reviews, training and other measures. While our Group places heavy emphasis on health and safety throughout all levels of our operations and undertakes continuous health and safety training for our employees, there is no assurance that incidents and damages will not occur.

6.1.8 Licences and registrations

Our Group has obtained certain licences, registration and permits from various authorities and agencies. However, some of these licences, registration and permits are subject to periodic review and renewal by the relevant authorities and agencies. In addition, the standards of compliance required may from time to time be subject to changes. Non-renewal or revocation of our Group's licences, registration and permits may have an adverse impact on our operations, business and reputation, hence affecting our financial performance.

Although our Group has not experienced any revocation and/or non-renewal of the requisite licences, registrations and permits, there is no assurance that the existing licences, registrations and permits will be renewed and obtained in a timely manner.

6.1.9 Dependence on exclusive distributors for roof tiling business

Our Group currently appoints 1 exclusive third party distributor for the marketing and distribution of for the marketing and distribution of our Group's "Victory" and "Zen" roof tiles. The sales to this said exclusive third party distributor contributed to the entire revenue generated from the sales of the Group's "Victory" and "Zen" roof tiles, which amounts to approximately 14.65%, 14.16%, 14.16% and 22.38% of the Group's total revenue generated from its sale of roof tiles for the FYE 2011, FYE 2012, FYE 2013 and FPE 30 June 2014 respectively. There can be no assurance that the services rendered by this third party distributor will be satisfactory or match the quality level expected by us and the end purchasers. Moreover, the third party distributor may experience financial and/or other difficulties that may affect their ability to carry out the work for which they were appointed for thus adversely affecting the reputation of the brands of roof tiles manufactured by our Group which are being distributed by them. Consequently, this might result in a reduction of future orders.

Our Group exercises prudent measures in selecting its third party distributors. Such measures include preliminary screening on the background of these third party distributors, track record and their financial strength.

6.1.10 Dependence on sub-contractor for construction business

Our Group engages sub-contractors to provide it with various services such as design, construction, piling and foundation, mechanical and electrical engineering and interior design services. There can be no assurance that the services rendered by these third party contractors and consultants will be satisfactory or match the quality level expected by our Group and the party awarding the construction contract. In addition, sub-contractors may experience financial and/or other difficulties such as procuring labour that may affect their ability carry out the work for which they were contracted for, thus giving rise to additional costs to be incurred as a result of the delay in completion of the construction projects. Delay by the sub-contractors may cause our Group to absorb the costs and damages which cannot be passed on. Any of these factors could materially and adversely affect the results of our Group's operations.

Our Group exercises prudent measures in selecting and monitoring our sub-contractors and their work in progress. Such measures include preliminary screening on the background of these sub-contractors in terms of experience, track record and qualification as well as financial strength prior to engaging their services. Our Group also practices a monitoring system which requires its sub-contractors to produce periodic updates and reports on work progress.

6.1.11 Dependence on partnership with Beijing Construction Engineering Group International ("BCEGI")

Our Group has in place a business collaboration arrangement which was entered into on 16 August 2013 with BCEGI, a strategic partner with good financial strength, for the purpose of tendering, securing, designing, constructing and managing building construction projects in Malaysia. The agreement is valid for a period of 36 months from 16 August 2013 and renewable for a further 36 months should there be no notice of termination issued by either party. Our Group relies on the technical strength of BCEGI in the IBS technology. Presently, the Group has not embarked on any projects in partnership with BCEGI. There is no assurance that the technology implemented will be well received when we attempt to market and implement this technology.

6.1.12 Insurance coverage

Our Group is aware of the adverse consequences arising from inadequate insurance coverage. Our Group carries out periodic reviews to ensure that our assets and employees are adequately insured. At present, our Group has insurance coverage for its assets and employees to insure against unforeseen events such as fire, burglary and public liability. However, should such an incident occur in relation to which our Group has no insurance coverage or inadequate insurance coverage, our Group could potentially lose its capital invested and anticipated future revenues generated by the impacted property and/or employees.

Our Group mitigates this risk by ensuring that the necessary insurance coverage is in place at all times to protect our Group's interests. However, there can be no assurance that the insurance coverage would be adequate for the replacement costs of the assets or any consequential loss arising from any such isolated or repeated event.

6.1.13 Breakdown of machineries in relation to the Group's roof tile manufacturing business

Our Group's roof tile manufacturing business operations is dependent on the manufacturing machineries in our roof tile manufacturing plant and is exposed to the risks of a breakdown of machineries used in our manufacturing lines. Damage to the manufacturing facility or any significant or prolonged interruption to our roof tile manufacturing operations due to wear and tear of machineries could cause breakdowns which create a bottleneck of orders and impact our ability to meet the demand for our roof tiles. This could adversely affect the Company's profitability and reputation.

To mitigate the above, our Board is of the opinion that based on the current utilisation rate of our manufacturing lines, the current preventive maintenance practiced by the Group is adequate. In addition, in the event of any unscheduled breakdowns, the Board is of the view that the Company has in-house technicians as well as external repair technicians readily available and any such spare parts for the machineries are easily sourced.

6.2 Risks relating to the Rights Issue with Warrants

6.2.1 Investment risks

The market price of the Placement Shares and Rights Shares to be issued pursuant to the Private Placement and Rights Issue with Warrants will be influenced by, amongst others, prevailing market sentiments, volatility of the stock market, the prospects and operating results of our Group and the future outlook of the industry in which our Group operates. In addition, our Shares has been suspended from trading on Bursa Securities since 9 April 2012. Therefore, the future liquidity and trading volume of the shares is unknown at this juncture.

The issue price of RM0.50 per Placement Share and Rights Share was derived after taking into consideration the par value of ML Global Shares of RM0.50 after the Share Reconstruction and the proforma consolidated NA per Share after the Regularisation Plan of approximately RM0.39 per Share based on the audited financial statements of our Group for the FYE 2012.

There is no assurance that the market price of the Placement Shares and the Rights Shares, upon or subsequent to their listing, will remain at or above the issue price, or that the Placement Shares and the Rights Shares can be sold at or above the issue price.

6.2.2 Risk relating to our PN17 classification

The Regularisation Plan was approved by Bursa Securities vide its letter dated 24 July 2012. However, Bursa Securities shall only consider to uplift our PN17 classification after we have complied with the requirements under Paragraph 8.04 and PN17 of the Listing Requirements.

In accordance with Paragraph 8.04(8) of the Listing Requirements, in order for us to be removed from a PN17 classification, we must complete the implementation of our Regularisation Plan, and submit an application to Bursa Securities to demonstrate that our Company is no longer a PN17 company, together with all the necessary documentary evidence. In addition, pursuant to Paragraph 5.2 of PN17, as our Company is undertaking a Regularisation Plan which will not result in a significant change in the business direction or policy of our Company, we must, amongst others, record a net profit in 2 consecutive quarterly results immediately after the completion of the implementation of the Regularisation Plan.

Our Company is expected to complete the implementation of the Regularisation Plan by the 4th quarter of 2014. However, in the event that we are unable to record a net profit in 2 consecutive quarterly results immediately after the completion of the Regularisation Plan, there is a risk that our Company will continue to be classified under PN17 and/or Bursa Securities may suspend the trading of our Shares and delist our Shares from the Official List (subject to our right to appeal against the delisting).

Further, in accordance with Paragraph 8.04(9) of the Listing Requirements, if our Company triggers any 1 or more of the prescribed criteria in PN17 within 3 years after the upliftment of our PN17 classification (subject to Bursa Securities' decision), our Company must undertake a regularisation plan which will result in a significant change in our Group's business direction or policy and submit the plan to the SC for approval.

There is no assurance that our Company will not trigger any 1 or more of the prescribed criteria in PN17 of the Listing Requirements within 3 years after the upliftment of our PN17 classification. Our Board expects our business prospects and financial performance to improve further, due to amongst others, the business relationships with reputable distributors of roofing tiles and contractor for the construction sector and also the introduction of the third income stream, namely the Industrial Building Systems as explained in Section 7 below.

6.2.3 Potential dilution

Our Company will undertake the Private Placement and Debt Settlement which will result in the reduction of percentage of ownership and voting interest of the Entitled Shareholders in our Company. In addition, Entitled Shareholders who do not or are not able to accept their entitlement in respect of the Rights Issue with Warrants will have their proportionate ownership and voting interests in our Company further reduced, and the percentage of the enlarged and paid-up share capital of ML Global represented by their shareholding in our Company will also be reduced accordingly.

6.2.4 Profit guarantee risk

Pursuant to the Profit Guarantee, DBHK and LBGB have severally guaranteed that the consolidated audited PAT of our Group after taking into consideration the operational profit (i.e. excluding write-off/other income/adjustments not in the ordinary course of business) for each of the next 2 consecutive financial years following the successful implementation of the Regularisation Plan will be no less than RM6 million. In the event of any shortfall in the per annum PAT of our Group, the meeting of our Group's PAT is dependent on the fulfilment of DBHK and LBGB's obligations pursuant to the Profit Guarantee. Should the above parties do not, or are unable to fulfil their obligations pursuant to the Profit Guarantee, the PAT of our Group as described above may not be met.

Please refer to Section 2.8.1 of the Circular issued by the Company to its shareholders dated 29 April 2014 for the salient terms of the Profit Guarantee Agreement. In addition, the Profit Guarantee Agreement will be made available for inspection for a period of 12 months from the date of the Abridged Prospectus.

6.2.5 Forward-looking statements

This Abridged Prospectus includes forward-looking statements. All statements other than statements of historical facts included in this Abridged Prospectus, including without limitation, those regarding our financial position, business strategies, plans and objectives of our management for our future operations, are forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". However, you should note that these words are not the exclusive means of identifying forward-looking statements. These forward-looking statements involve risks, uncertainties and other factors that may cause our Group's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such factors include, *inter-alia*, general economic and business conditions, competitions, the impact of new laws and regulations affecting us and the industries we operate in, changes in interest rates and changes in foreign exchange rates.

In light of these uncertainties, the inclusion of such forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by us or our Adviser that such plans and objectives will be achieved.

7. INDUSTRY OVERVIEW AND FUTURE PROSPECTS

7.1 The Malaysian economy

The Malaysian economy expanded by 4.7% in 2013 (2012: 5.6%), driven by the continued strong growth in domestic demand. Despite the weaker external environment in the first half of the year, domestic demand remained resilient throughout the year, led by robust private sector activity. Private consumption was strong, supported mainly by favourable employment conditions and wage growth. Private investment registered a strong growth in 2013, continuing the momentum from the previous year. Growth was underpinned by capital spending in the mining, services and manufacturing sectors. Although the Federal Government's development expenditure declined during the year, growth in public investment remained positive as a result of the continued high capital spending by the public enterprises.

The more moderate growth performance in 2013 was to a large extent attributable to developments in the external sector. Real GDP registered a more moderate growth of 4.3% in the first half of the year (1H 2012: 5.4%), weighed down by prolonged weak external demand. Demand for Malaysia's exports, particularly for electronics and electrical (E&E) products, was affected by the slow growth in the US and weak economic activity in most of the European economies. The prolonged weak demand from the advanced economies had also affected several regional economies, which in turn led to slower demand for Malaysia's non-E&E products. As a result, real exports of goods and services declined by 2.9% in the first half of 2013. Real imports of goods and services, on the other hand, expanded further in the first half-year following sustained growth in domestic investment and consumption. This contributed to a bigger contraction in net exports. As a result of the weak export performance, Malaysia's growth forecast for 2013 was revised downward to 4.5%-5% in August, from the earlier projection of 5%-6%. Growth forecasts were also revised downwards in some other regional economies. As the overall global growth gained momentum at the onset of the second quarter of the year, Malaysia's real exports improved to register a positive growth of 2.3% in the second half of the year. Consequently, despite the stronger expansion in real imports, net exports recorded a smaller contraction in the second half of 2013.

From the supply perspective, the continued firm growth in domestic demand contributed to the expansion in domestic-related activities in the services and manufacturing sectors during the year, while the export-oriented industries in the manufacturing sector benefitted from the improvement in external conditions in the second half-year. Meanwhile, the robust activity in the residential and civil engineering sub-sectors contributed to the continued strong growth in the construction sector.

(Source: Bank Negara Malaysia Annual Report 2013)

7.2 Overview of the roof tiles industry

The roof tiles manufacturing industry is a part of the building materials industry. The industry is generally known to be cyclical depending on the overall performance of the economy. We are able to further categorise roof tiles manufacturing into concrete roof tiles, clay roof tiles, metal roofing, and so forth.

The roof tile manufacturing industry can be divided into different segments according to the different roofing materials. The segments would therefore be:

(a) shingles;
(b) concrete roof tiles;
(c) clay roof tiles; and
(d) metal roofing.

The substitute product for roof tiles is RC. In the case of RC, no roof tiles are used. Instead a flat slab of RC is used as the roof. The advantage of this is the roof becomes a flat surface and can be used as additional open floor space. RC is commonly used for commercial buildings but not normally used for houses due to the heat and poor solar reflectance. It may however be used for parts of the house such as the porch and balcony areas.

In Peninsular Malaysia, concrete roof tiles dominate the market for landed / low rise residential developments. It is estimated that concrete roof tiles make up more than 70% of the roofing material used in new project developments. Concrete roofing tiles has established itself as the 'industry standard' for roofing material. Besides concrete roof tiles, high end residential developments may use clay roof tiles or other more premium imported roof tiles such as ceramic roof tiles. For high rise buildings such as condominiums, apartments and office buildings, roofing material used is mainly made from metal or RC.

The advantages and disadvantages of the various roofing materials are summarised in the table below:

Roofing Material	Advantages	Disadvantages
Shingles	Light and cheap.	Requires replacement, more suitable to steep sloping roofs and four-season climates, reduced popularity after the 1980s as the early shingles were made with asbestos which was found to pose significant health risks.
Concrete	Relatively cheap, non-combustible, large selection of colours and styles, does not rot, curl, rust, withstands high pressure.	Heavy, cannot be used in freeze/thaw areas, tendency of fading builds up moss and algae.
Clay	Good solar reflectance, non-combustible, does not rot, curl or rust.	Heavy, expensive, brittle, easily chipped and cracked.

Roofing Material	Advantages	Disadvantages
Metal	Cheap, non-combustible, does not rot or curl.	Poor solar reflectance, rust, noise, perceived inferior product.
Reinforced Concrete	Cheap, non-combustible, does not rot, usable as additional floor space.	Poor solar reflectance, develops hairline cracks causing leaks.

In Peninsular Malaysia, concrete roof tiles appear to have established itself as the 'industry standard' due to its wide market acceptance. Shingles, metal and reinforced concrete is not normally used in Peninsular Malaysia for low rise residential developments due to its disadvantages highlighted above. The choice is therefore made between concrete and clay roof tiles. Developers and contractors often choose concrete over clay roof tiles mainly because of its pricing and ease in handling the roof tiles. Concrete roof tiles are less susceptible to breakage during transportation and installation.

Pricing of clay roof tiles are more expensive compared to concrete roof tiles due to higher cost of raw material as well as more expensive manufacturing setup cost due to the kiln infrastructure requirements. Clay roof tiles cost more than twice as much as concrete roof tiles.

ML Global has 3 key competitors in the roof tiling industry. The background information on the major industry players are summarised as follows:

(a) Monier Malaysia Sdn Bhd

Monier Malaysia Sdn Bhd is linked to Lafarge S.A., a public-listed company incorporated in France. Lafarge S.A. is also a parent company of Lafarge Malayan Cement Berhad, a company listed on the Main Market of Bursa Securities. Monier Roofing Tiles Sdn Bhd has the advantage of being able to purchase its main raw materials – i.e. sand and cement from its related company. It should be noted that Monier Roofing Tiles Sdn Bhd also has a division handling clay roof tiles.

(b) "Lama Group"

The "Lama Group" comprises Lama Tile-Works (Seremban) Sdn Bhd, Lama Tile (Utara) Sdn Bhd and Lama Tile (Timur) Sdn Bhd. The group has 3 manufacturing facilities in Negeri Sembilan, Penang and Kelantan with a nationwide production capacity of 3 million pieces of tiles monthly.

The Lama Group is the most comparable group to ML Global as they are run independently and have to purchase sand and cement from the open market.

(c) Hume Roofing Products Sdn Bhd

Hume Roofing Products Sdn Bhd is a wholly-owned subsidiary of Hume Industries (Malaysia) Berhad, a company previously listed on the Bursa Malaysia. It is a member of the Hong Leong Group. The company produces concrete roof tiles. Hume Roofing Products Sdn Bhd is currently one of the three main manufacturers of concrete roof tiles in Malaysia.

The financial performance of the three major industry players in the concrete roof tile manufacturing industry have been reporting profits for the past few years, tabled as follows:

Industry Player	FYE 2013 (RM'000)	FYE 2012 (RM'000)	FYE 2011 (RM'000)	FYE 2010 (RM'000)	FYE 2009 (RM'000)
Monier Roofing Tiles Sdn Bhd					
Revenue	164,875	139,651	133,211	134,731	120,087
Pretax Profit	18,703	30,289	25,767	34,755	18,425
Margin	11%	22%	19%	26%	15%
	FYE 2012 (RM'000)	**FYE 2011 (RM'000)**	**FYE 2010 (RM'000)**	**FYE 2009 (RM'000)**	**FYE 2008 (RM'000)**
Lama Group*					
Revenue	62,547	63,210	67,050	63,215	52,659
Pretax Profit	4,411	3,678	3,326	7,498	4,032
Margin	7%	6%	5%	12%	8%

	Financial year ended 30 June				
Industry Player	**2013 (RM'000)**	**2012 (RM'000)**	**2011 (RM'000)**	**2010 (RM'000)**	**2009 (RM'000)**
Hume Roofing Products Sdn Bhd					
Revenue	30,430	30,710	35,011	19,691	-
Pretax Profit	1,138	381	2,973	2,781	(220)
Margin	4%	1%	8%	1%	1%

Note:
* *Simple consolidation done for the 3 companies without any adjustments made for inter-company transactions.*

The concrete roof tiles remains as the "industry standard" for landed housing in Peninsular Malaysia. The concrete roof tile industry currently appears to be a profitable industry dominated by 3 main players. Nevertheless, smaller players are also able to operate profitably within this industry, should the appropriate business strategy be adopted.

While the main substitute product identified is the clay roof tiles, they have their own disadvantages. It will also take time for clay roof tiles to establish itself as the new "industry standard" for roofing material in Peninsular Malaysia. Concerns of a development shift of residential developments to high rise buildings also proved unsubstantiated based on the statistics on the constructions under development in Peninsular Malaysia. Going forward, we expect demand for concrete roof tiles to continue growing in line with the country's economic growth.

(Source: Independent View of the Roof Tiles Manufacturing Industry Malaysia, Vanhuey Consulting Asia Sdn Bhd dated 15 September 2014)

7.3 Overview of the construction industry and the property sector

7.3.1 Overview of the Malaysian construction industry

The construction sector is expected to grow by 4.4% per annum, benefitting primarily from the construction-related activities under the two fiscal stimulus packages. This growth was largely supported by the expansion in civil engineering, residential and non-residential, as well as the special trade works subsectors.

(Source: Tenth Malaysian Plan, 2011-2015)

Value-added of the construction sector grew 12% (January – June 2012: 18.5%) attributed to ongoing civil engineering and residential activities. The total value of construction work during the first half of 2013 rose 13.8% to RM43.3 billion (January – June 2012: 24.6%; RM38.1 billion) with the highest share contributed by civil engineering at 36.1%, followed by the non-residential (31.9%) and residential (27.5%) subsectors.

Growth in the construction sector is projected to increase at a moderate pace of 9.6% in 2014 (2013: 10.6%) due to slower construction activity in the civil engineering subsector following the completion of several major infrastructure projects. However, the acceleration in implementation of transport and oil and gas related civil engineering projects are expected to continue to support growth. Meanwhile, the residential subsector is expected to remain strong in view of the increased demand for housing, particularly from the middle-income group. This is expected to be supported by the accelerated implementation of the 1Malaysia Housing Programme to meet the target of providing 80,000 units of houses for the middle-income group by 2015. Activity in the non-residential subsector is expected to remain stable, albeit at a moderate pace, supported by buoyant business and industrial activities as well as improved consumer sentiment.

(Source: Economic Report 2013/2014)

7.3.2 Overview of the Malaysian property sector

The residential subsector expanded 15.7% (January – June 2012: 22%) supported by strong demand and reflected in higher construction activities with housing starts rising 20.3% to 73,804 units (January – June 2012: 13.8%; 61,351 units). In the residential segment, two and three-storey terraced houses as well as condominiums/apartments accounted for 24.9% (18,401 units) and 22.3% (16,422 units) of the total starts, respectively. During the first six months of the year, the Klang Valley continued to dominate the supply, accounting for 31% of housing starts followed by Johor (23.1%), spurred by ongoing infrastructure development (January – June 2012: 39.1%; 15.3%). To expand the supply of affordable houses, the Government has introduced the 1Malaysia Housing Programme (PR1MA), which is expected to provide 80,000 houses as announced in the 2013 Budget. As at end-June 2013, a total of 20,000 houses under 15 affordable housing projects are being constructed in the Klang Valley, Johor, Pulau Pinang, Sabah and Sarawak. In line with the Government's objective to provide affordable houses to the low-income group, Syarikat Perumahan Negara Berhad (SPNB) has constructed 5,063 units of *Rumah Mesra Rakyat 1Malaysia* as at end-June 2013. In addition, SPNB has targeted to build 7,092 units of low and medium-cost apartments and terraced houses within the next three years. Meanwhile, a total of 45 projects involving 20,454 units of houses under the *Program Perumahan Rakyat* (PPR) will be implemented by Jabatan Perumahan Negara.

Meanwhile, units from new launches dropped 45.4% to 17,105 units (January – June 2012: -6.9%; 31,305 units). Sales of new launches remained favourable with a take-up rate of 21.8% (January – June 2012: 15.6%). In line with the increasing demand, the property overhand declined 9.5% to 14,576 units (end-June 2012: -27.7%; 16,098 units) amid the better sales performance of the residential segment.

Following Government initiatives to curb speculative activity, the volume of residential property transactions contracted 12.6% (January – June 2012: 8%; RM32.6 billion). In addition, the Malaysia My Second Home (MM2H) programme attracted 1,200 foreign buyers, mostly from Japan, China, the UK and Iran. Properties worth RM147 million or 0.5% of total property transactions were made under the programme during the first half of 2013. According to Malaysian Property Incorporated, only 3% of property investors in Malaysia are foreigners and concentrated in the high-end property market. However, recent property purchase by foreigners in prime areas, such as Johor and Pulau Pinang have increased significantly and raised concerns of excessive speculation activity and rising property prices. To address these issues, the Government has responded with measures such as increasing the Real Property Gains Tax (RPGT) rates, lowering the loan-to value ratio, increasing the supply of affordable homes and tightening bank lending regulations.

House prices continue to rise, albeit at a slower pace in 2013. During the second quarter of 2013, the National House Price Index moderated to 7.8% (Q2 2012: 11.2%) with eight states showing increases, including Johor (20%), Kelantan (17.7%), Sarawak (15.6%), Melaka (15.1%), Kuala Lumpur (13.6%), Pulau Pinang (12.6%), Sabah (10.7%) and Kedah (10.6%). Average all-house prices in Malaysia were at RM257,605 (Q2 2012: RM238,810), with Kuala Lumpur continuing to record the highest prices at RM605,711 followed by Sabah (RM389,203), Selangor (RM387,412), Sarawak (RM330,388) and Pulau Pinang (RM298,697).

(Source: Economic Report 2013/2014)

Malaysia is currently on the challenge to ensure that there are enough houses for various segments of society. It is also about having houses in a safe, healthy and comfortable built environment befitting the socio-economic status of the country. With these, the Government will focus on streamlining the affordable housing delivery system whereby to increase the efficiency of housing provision, the Government will rationalise and streamline the role of federal agencies involved in public housing.

The Government would also promote the adoption of the build-then-sell ("BTS") approach where housing developers are encouraged to adopt BTS approach through the provision of additional incentives such as shortening the approval processes for land and building payments for licensing housing developments.

(Source: Tenth Malaysian Plan, 2011-2015)

7.4 Future prospects of ML Global

Our Group intends to pursue our sustainability strategy aggressively by establishing multiple income streams instead of depending on the production of roofing tiles alone. The first income stream is from the manufacturing and sales of roofing tiles. Our management anticipates more construction projects to come on stream with the higher demand for more affordable home.

In respect of our Group's roof tile manufacturing operations, barring any unforeseen circumstances, our management expects that moving forward, the following factors are expected to provide the added advantage to ML Global in the roof tiling business operations:

(a) Extensive sales network

The appointment of exclusive distributors would enable our Company to expand and extend our sales network throughout Malaysia without having the need to employ high number of new sales employees and incur additional expenses to open regional offices to serve our customers. The experience and reputation that these distributors have within the industry would instill customers' confidence to use OEM roofing tile that is manufactured by us for their construction and development projects. The appointment of these distributors would also help our Company to better manage our logistic resources as the deliveries to end-user site will be managed by the distributors. In addition, we would also be able to manage our trade receivables better as the appointed exclusive distributors have strong financial track record.

(b) Standardise moulds

Our management has plans to standardise the moulds for different roof profiles to improve manufacturing efficiency of the production plant. The standardisation is expected to contribute the following to our Company:

(i) Lesser raw material will be required per unit as the new moulds are shorter than the current design in production. This would enable better management of raw materials ordering and would help to reduce the manufacturing cost per unit;

(ii) The roofing tiles being offered by ML Global will be consistent with the standard industry sizing for roof tiles. This would make the roof tiles offered by ML Global to be in line with industry norm and would help to improve the marketability of the roof tiles;

(iii) The standardisation of the moulds would also result in efficiency of the production plant as the same manufacturing line would be able to produce different roof tile profile with minimum disruption or downtime. This would allow flexibility and efficiency for our Company to change the production mix of different roof profile;

(iv) The standardised moulds would also allow flexibility for our Company to introduce new roof tile profile without having the need to incur significant additional capital expenditure; and

(v) The standardisation of moulds will also assist to ensure better quality control in the manufacturing process as there is consistency in the production process of different roof tile profiles. This would also require less training for employees to operate the production tools and machineries.

Aligned with its strategy to compete with bigger players in the roof tile market, our Group intends to double the number of shifts in our existing roof tile production plant as well as upgrade our current machinery and tools with incoming funds from our Company's construction projects and proceeds arising from the Regularisation Plan to facilitate an increase in production. The current monthly production capacity of our Group's roof tile manufacturing facility in Nilai, Negeri Sembilan is as follows:

Product	**Monthly Production Capacity (units)**	**Utilisation (%)**
"Hacienda" roof tiles	900,000	53
"Victory" roof tiles	30,000	49
"Zen" roof tiles	100,000	44

Our Group has appointed a sole distributor for our "Victory" roofing tiles, and has co-developed and launched another "Zen" roofing tiles with this distributor. Another distributor has indicated, through discussions with the Group. of its interest to act as the sole distributor of "Hacienda" roofing tiles, subject to the completion of the Regularisation Plan. Yet another distributor has via a non-binding letter of intent, indicated its interest to be the sole distributor of another new range of tiles upon the successful completion of the Regularisation Plan.

In addition, our Group has developed an environmentally friendly roof tiles which uses recycled materials. This range of roof tiles was officially introduced to the market on 4 December 2013. The management of our Group is of the view that based on the recent trend in the roof tile market, there will be an increasing number of architects and developers who will favour the usage of environmentally friendly products and as such this tile will fit well into the current market trend.

The second income stream is from the construction contracts. In the past, VRC has been appointed as the main contractor or as a sub-contractor for most of our Group's projects which was to provide and lay roof tiles. Recently, our Group has evolved from a roofing solutions provider into a main contractor, taking on full-fledged building contracts, and has completed 2 multi-million construction projects, namely the projects for superstructure works for the above ground car parks in the KL Festival City Mall in Taman Danau Kota, Setapak and roofing works for 90 units of townhouse in Puchong. Our Group is in the midst of securing few construction projects with contract value worth more than RM231.5 million. Should the opportunity arise, ML Global may elect to focus on its construction activities.

In addition, our Group, through VRC, intends to venture into the method of construction via the Industrial Building Systems ("IBS") technology. The IBS technology is the construction system in which components are prefabricated in a factory, on or off site, positioned and assembled into a structure with minimal additional site works. The usage of IBS promotes valuable advantages such as, amongst others, the reduction of unskilled workers, less wastage, less volume of building materials, increased environmental and construction site cleanliness and better quality control.

The 5 main types of IBS are identified as follows:

(i) Pre-cast Concrete Framing, Panel and Box Systems;
(ii) Steel Formwork Systems;
(iii) Steel Framing Systems;
(iv) Prefabricated Timber Framing Systems; and
(v) Block Work Systems.

In view of the abovementioned advantages, our Group has in place a business collaboration arrangement with BCEGI for the purpose of tendering, securing, designing, constructing and managing building construction projects, in particular for construction via the IBS technology. Our Group is presently in the midst of discussion with BCEGI to identify the appropriate type of IBS to introduce into the Malaysian market. We expect that through this strategic partnership with BCEGI coupled with the utilisation of the IBS technology, we will be able to tender for projects of a larger scale which provides a better profit margin.

VRC will also continue to expand its roofing solutions to include the installation of the whole roof comprising the design and installation of the main steel truss, insulation materials, water proofing and rain water drainage systems.

Our Board is of the opinion that the proceeds from the Private Placement and Rights Issue with Warrants will enhance the capital base of our Company and ensures that our Group's future growth is not impeded by lack of working capital.

With the additional funds to be utilised for our working capital, our Group will be able to generate higher sales volume and optimise our production level which may in turn contribute to improved margins and further enhances our financial position. Our Board is of the opinion that the additional funds to be raised from the Private Placement and Rights Issue with Warrants is adequate to support our Group's concerted efforts to turnaround our current financial position.

8. FINANCIAL EFFECTS OF THE RIGHTS ISSUE WITH WARRANTS

For illustrative purposes, the effects of the Rights Issue with Warrants and other components of the Regularisation Plan on our share capital, NA per share, gearing, and EPS are set out below. The Amendments and Set-Off will not have any financial and shareholding effect to us.

8.1 Issued and paid-up share capital

The proforma effects of the Rights Issue with Warrants and other components of the Regularisation Plan on the issued and paid-up share capital of ML Global are as follows:

	No. of shares	RM
As at 31 December 2013	97,486,002	97,486,002
Capital Reduction	-*	(87,737,402)
After the Capital Reduction	97,486,002	9,748,600
Share Consolidation	(77,988,802)	-
After the Share Consolidation	19,497,200	9,748,600
To be issued pursuant to the Private Placement	17,000,000	8,500,000
After the Private Placement	36,497,200	18,248,600
To be issued pursuant to the Rights Issue with Warrants	36,497,200	18,248,600
After the Rights Issue with Warrants	72,994,400	36,497,200
To be issued pursuant to the Debt Settlement	16,640,000	8,320,000
After the Debt Settlement	89,634,400	44,817,200
Assuming the full exercise of Warrants	26,748,600	13,374,300
Enlarged paid up share capital	**116,383,000**	**58,191,500**

Note:
* *There has been no change in the number of shares pursuant to the Capital Reduction.*

8.2 NA per share and gearing

The proforma effects of the Rights Issue with Warrants and other components of the Regularisation Plan on the NA and gearing of our Group based on its audited consolidated financial statements for the FYE 2013 are set out below:

	Audited as at 31 December 2013 (RM'000)	(I) Adjusted as at 31 December 2013 (RM'000)	(II) After (I) and the Private Placement and the Set-Off (RM'000)	(III) After (II) and the Rights Issue with Warrants and the Set-Off (RM'000)	(IV) After (III) and the Debt Settlement (RM'000)	(V) After (IV) and assuming full exercise of Warrants (RM'000)	(VI) After (V) and assuming the Profit Guarantee is achieved (RM'000)
Share capital	97,486	[1]9,749	18,249	36,497	44,817	58,191	58,191
Share premium	-	-	-	-	-	2,675	2,675
Warrant reserves	-	-	-	[2]2,675	2,675	-	-
Accumulated losses	(112,571)	[1](24,389)	(24,389)	[3](29,014)	[4](18,395)	(18,395)	(6,395)
Shareholders' Funds / NA	(15,085)	(14,640)	(6,140)	10,158	29,097	42,471	54,471
No. of shares ('000)	97,486	[1]19,497	36,497	72,994	89,634	116,383	116,383
(NL)/NA per ordinary share (RM)	(0.15)	(0.75)	(0.17)	0.14	0.32	0.36	0.47
Interest bearing borrowings (RM'000)	23,402	23,402	23,402	23,402	22,613	22,613	22,613
Gearing (times)	-	-	-	2.30	0.78	0.53	0.42

Notes:

(1) Adjusted for the following subsequent events:
- *(a) Capital Reduction of RM87.74 million which was effected on 2 July 2014;*
- *(b) Share Consolidation via the consolidation of 5 Reduced Shares into 1 ML Global Share which was completed on 18 July 2014;*
- *(c) Issuance of 17,000,000 Placement Shares which were issued and allotted on 24 July 2014; and*
- *(d) The abortion of the proposed disposal of the Tuaran Property which gave rise to an additional amortisation of approximately RM0.01 million for the period from April 2011 to December 2013 and the reversal of impairment losses of RM0.45 million that would have been recognised had the said property not been disposed.*

(2) After accounting for the warrants reserve based on the issuance of 26,748,600 Warrants pursuant to the Private Placement and Rights Issue with Warrants, at an allocated fair value of RM0.10 per Warrant. The fair value of the Warrants was estimated using the Black-Scholes pricing model based on the following input data:
- *(a) Theoretical ex-rights price: RM0.39*
- *(b) Exercise price per Warrant: RM0.50*
- *(c) Warrant exercise period: 5 years commencing from date of issuance until date of expiry*
- *(d) Interest rate: 4.057% per annum*
- *(e) Volatility: 66.735%*

(3) Part of the proceeds from the Rights Issue with Warrants will be utilised to defray the estimated expenses of RM1.95 million.

(4) After taking into account the waiver of debts of approximately RM10.62 million.

8.3 Earnings and EPS

The Rights Issue with Warrants is not expected to have an immediate or material effect on the earnings and EPS for the FYE 2014 as it is only expected to be completed in the 4th quarter of 2014. However, the Rights Issue with Warrants is expected contribute positively to the future earnings of ML Global as and when the returns/benefits from the utilisation of proceeds, as described in Section 4 of this Abridged Prospectus, are realised. Accordingly, the EPS of ML Global is expected to be enhanced as a result of improved future earnings.

Purely for illustrative purposes only, based on the consolidated financial statements of the ML Global Group for the FYE 31 December 2013, the proforma effects of the Regularisation Plan on the basic and diluted LPS of ML Global are as set out as follows:

	Audited as at 31 December 2013	(I) Adjusted as at 31 December 2013	(II) After (I) and the Private Placement and the Set-Off	(III) After (II) and the Rights Issue with Warrants and the Set-Off	(IV) After (III) and the Debt Settlement	(V) After (IV) and assuming full exercise of Warrants	(VI) After (V) and assuming the Profit Guarantee is achieved
(Loss)/Profit attributable to the owners of the Group (RM'000)	(2,734)	(2,289)	(2,289)	(3)(4,239)	(4)6,380	6,380	(5) 18,380
Number of Shares in issue ('000)	97,486	(1)19,497	36,497	72,994	89,634	116,383	116,383
Number of Warrants in issue ('000)	-	-	-	(2)26,749	26,749	-	-
Basic (LPS)/EPS (sen)	(2.80)	(11.74)	(6.27)	(5.81)	7.12	5.48	15.79
Diluted (LPS)/EPS (sen)	N/A	N/A	N/A	(4.25)	5.48	N/A	N/A

Note:

N/A *Not applicable.*

(1) *Adjusted for the following subsequent events:*
- *(a)* *Capital Reduction of RM87.74 million which was effected on 2 July 2014;*
- *(b)* *Share Consolidation via the consolidation of 5 Reduced Shares into 1 ML Global Share which was completed on 18 July 2014;*
- *(c)* *Issuance of 17,000,000 Placement Shares which were issued and allotted on 24 July 2014; and*
- *(d)* *The abortion of the proposed disposal of the Tuaran Property which gave rise to an additional amortisation of approximately RM0.01 million for the period from April 2011 to December 2013 and the reversal of impairment losses of RM0.45 million that would have been recognised had the said property not been disposed.*

(2) *Based on the assumption that the Warrants to be issued pursuant to the Private Placement will be issued together with the Warrants to be issued pursuant to the Rights Issue with Warrants.*

(3) *Part of the proceeds from the Rights Issue with Warrants will be utilised to defray the estimated expenses of RM1.95 million.*

(4) *After taking into account the waiver of debts of approximately RM10.62 million.*

(5) *After taking into account the aggregate Profit Guarantee of RM12.0 million for the 2 consecutive financial years upon completion of the Regularisation Plan.*

9. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS

9.1 Working capital

Our Board is of the opinion that after taking into consideration the banking facilities available, the financial support from directors, and the proceeds from the Rights Issue with Warrants, Private Placement and Agreements to Assign Debts, our Group will have adequate working capital to meet our business requirements for a period of 12 months from the date of issuance of this Abridged Prospectus.

9.2 Borrowings

As at the LPD, our Group's total interest-bearing borrowings are as follows:

	As at LPD RM'000
Short-term borrowings	23,533

Our Group has no foreign currency borrowings.

Save as disclosed below, and to the best knowledge of our Board, there has not been any default on payments of either interest or principal sums by our Group, in respect of any borrowings during the FYE 2013 and for the subsequent financial period up to the LPD.

	Outstanding principal and interest RM'000
Secured Creditor	
AmBank (M) Berhad	[(1)]3,271
AmIslamic Bank Berhad	[(2)]965
Public Bank Berhad	[(3)]18,460
Unsecured Creditor	
CIMB Bank Berhad	[(4)]837
	23,533

Notes:

(1) The amount due and payable to AmBank (M) Berhad amounting to RM3.27 million consists of the following facilities:

Facility	**Amount owing RM'000**
Term loan	2,002
Overdraft	436
Hire purchase	833
	3,271

The term loan and overdraft facility have been restructured on 17 September 2014 based on the following terms:

(i) The term loan and overdraft facility is to be repaid over a period of 24 months by monthly principal and interest instalments of RM92,000 and RM20,000 each respectively, the first of which is to commence on 1 October 2014.

(ii) Interest on both the term loan and overdraft facility is to be serviced monthly and further interest to accrue thereon at the bank's base lending rate + 2.50% per annum.

The hire purchase facility have also been restructured on 17 September 2014 wherein the full and final settlement amount for the hire purchase facility is RM832,500, which will be repayable via 9 monthly payments of RM92,500 each, the first payment of which shall be payable on or before 30 September 2014 and the subsequent monthly payments on or before 30th of each succeeding month.

(2) The amount due and payable to AmIslamic Bank Berhad amounting to RM0.97 million has been restructured on 17 September 2014 and is to be repaid by 24 monthly equal instalments of RM44,258 each.

(3) VTI had on 12 September 2014 obtained Public Bank Berhad's approval to reschedule the repayment tenure for the outstanding principal and interest amounting to approximately RM18.46 million as follows:

(i) The bullet principal repayment of the term loan of RM13.95 million is deferred for 18 months from 22 October 2014 to 22 April 2016 with monthly interest servicing.

(ii) The pricing of both the term loan and overdraft facility will be revised upwards with effect from 22 October 2014 as follows:

Facility	**Amount owing**	**Existing**	**Revised**
Term loan	RM13.95 million	Bank's Cost of Fund + 1.80% per annum	Bank's Cost of Fund + 3.30% per annum
Overdraft	RM4.51 million	Bank's Base Lending Rate - 1.55% per annum	Bank's Base Lending Rate + 0% per annum

(4) The amount due and payable to CIMB Bank Berhad will be fully settled through the Debt Settlement.

9.3 Contingent liabilities

Save as disclosed below, as at the LPD, our Board is not aware of any contingent liabilities, incurred or known to be incurred by our Company that has not been provided for, which upon becoming enforceable, may have a material impact on the results or financial position of our Group.

	RM'000
Corporate guarantees given to banks for credit facilities granted to subsidiaries	21,512
Corporate guarantees issued to third parties in respect of trade facilities of subsidiaries	5,000
	26,512

9.4 Material commitments

Save for the following contracts, our Board is not aware of any material commitments incurred or known to be incurred by our Group that has not been provided for, which upon becoming enforceable, may have a material impact on the results or financial position of our Group.

(i) The Shareholder's Advance Agreement dated 9 September 2010 and supplemental agreement dated 14 February 2013; and

(ii) The Agreements to Assign Debts dated 23 December 2011 and Supplemental Agreements dated 30 December 2013.

10. INSTRUCTIONS FOR ACCEPTANCE, PAYMENT, SALE OR TRANSFER AND EXCESS APPLICATION

10.1 General

The Provisional Rights Shares with Warrants are prescribed securities pursuant to Section 14(5) of the SICDA and therefore, all dealings in such Provisional Rights Shares with Warrants will be by book entries through CDS accounts and will be governed by the SICDA and the Rules of Bursa Depository. As an Entitled Shareholder, you and/or your renouncee(s) and/or transferee(s) (if applicable) are required to have valid and subsisting CDS accounts when making applications to subscribe for the Rights Shares with Warrants.

If you are an Entitled Shareholder, your CDS account will be duly credited with the number of provisionally allotted Rights Shares with Warrants, which you are entitled to subscribe for in full or in part under the terms of the Rights Issue with Warrants.

If you are an Entitled Shareholder, you will find enclosed with this Abridged Prospectus the NPA notifying you of the crediting of such Provisional Rights Shares with Warrants into your CDS account and the RSF to enable you to subscribe for such Rights Shares with Warrants provisionally allotted to you, as well as to apply for Excess Rights Shares with Warrants if you choose to do so.

10.2 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the Provisional Rights Shares with Warrants (whether in full or in part) is **Friday, 17 October 2014** at **5.00 p.m.**, or such extended date and time as may be decided and announced by our Board and Adviser at their absolute discretion not less than two (2) Market Days before the stipulated date and time.

10.3 Procedures for acceptance and payment

ACCEPTANCE AND PAYMENT FOR THE PROVISIONAL RIGHTS SHARES WITH WARRANTS TO YOU AS AN ENTITLED SHAREHOLDER MUST BE MADE ON THE RSF ENCLOSED WITH THIS ABRIDGED PROSPECTUS AND MUST BE COMPLETED IN ACCORDANCE WITH THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF. ACCEPTANCES WHICH DO NOT CONFORM TO THE TERMS OF THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN OR WHICH ARE ILLEGIBLE MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL RIGHTS SHARES WITH WARRANTS, EXCESS APPLICATION FOR THE RIGHTS ISSUE WITH WARRANTS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU AND/OR YOUR RENOUNCEE(S) AND/OR TRANSFEREE(S) (IF APPLICABLE) WISH TO SELL/TRANSFER ALL OR ANY PART OF YOUR ENTITLEMENT ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF.

YOU ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS THEREIN CAREFULLY.

You and/or your renouncee(s) and/or transferee(s) (if applicable) accepting the Provisional Rights Shares with Warrants are required to complete Parts I(a) and II of the RSF in accordance with the notes and instructions provided therein. Each completed RSF together with the relevant payment must be despatched by **ORDINARY POST** or **DELIVERED BY HAND** using the envelope provided (at your own risk) to our Share Registrar at the following address:

Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

Tel no: (603) 2264 3883
Fax no: (603) 2282 1886

so as to arrive **not later than 5.00 p.m. on Friday, 17 October 2014**, being the last time and date for acceptance and payment, or such later time and date as may be decided and announced by our Board and Adviser at their absolute discretion not less than two (2) Market Days before the stipulated time and date.

One (1) RSF can only be used for acceptance of Provisional Rights Shares with Warrants standing to the credit of one (1) CDS account. Separate RSFs must be used for separate CDS account(s). The Rights Shares with Warrants subscribed by you in accordance with the procedures set out in the RSF will be credited into the respective CDS accounts where the Provisional Rights Shares with Warrants are standing to the credit.

A reply envelope is enclosed in this Abridged Prospectus. In order to facilitate the processing of the RSF by our Share Registrar, you are advised to use one (1) reply envelope for each completed RSF.

You should take note that a trading board lot for the Rights Shares and Warrants comprises one hundred (100) Rights Shares and one hundred (100) Warrants, respectively. Successful applicants of the Rights Shares will be given the free attached Warrants on the basis of one (1) Warrant for every two (2) Rights Share successfully subscribed for. The minimum number of Rights Shares that can be accepted is one (1) Rights Share. However, fractions of a Rights Share and/or Warrant (if any) arising from the Rights Issue with Warrants will be dealt by our Board as they may deem fit and expedient in the best interest of the Company.

If acceptance and payment for the Provisional Rights Shares with Warrants (whether in full or in part) is not received by our Share Registrar by 5.00 p.m. on Friday, 17 October 2014, being the last time and date for acceptance and payment, or such later time and date as may be decided and announced by our Board and Adviser at their absolute discretion not less than two (2) Market Days before the stipulated time and date, you will be deemed to have declined the Provisional Rights Shares with Warrants made to you and it will be cancelled. Such Rights Shares and Warrants not taken up will be allotted to the applicants applying for Excess Rights Shares with Warrants, if the Rights Shares with Warrants are not fully taken up by such applicants in the manner as set out in Section 10.6 of this Abridged Prospectus.

If you lose, misplace or for any other reasons require another copy of the Abridged Prospectus and/or the RSF, you may obtain additional copies from your stockbrokers, Bursa Securities' website at http://www.bursamalaysia.com or our Share Registrar at the address stated above or our Registered Office.

Each completed RSF must be accompanied by remittance in RM for the full and exact amount payable for the Rights Shares accepted, in the form of banker's draft(s), cashier's order(s), money order(s) or postal order(s) drawn on a bank or post office in Malaysia crossed "**ACCOUNT PAYEE ONLY**" and made payable to "**ML GLOBAL RIGHTS SHARES ACCOUNT**" and endorsed on the reverse side with the name and CDS account of the applicant in block letters to be received by our Share Registrar.

APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE WITH WARRANTS. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED THEIR RIGHTS SHARES AND WARRANTS, AND NOTICES OF ALLOTMENT WILL BE ISSUED AND FORWARDED BY ORDINARY POST TO THEM AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN EIGHT (8) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE WITH WARRANTS OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

YOU SHOULD NOTE THAT THE RSF SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

PROOF OF TIME OF POSTAGE SHALL NOT CONSTITUTE PROOF OF TIME OF RECEIPT BY OUR SHARE REGISTRAR. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT OR TO ACCEPT IN PART ONLY ANY APPLICATION WITHOUT PROVIDING ANY REASONS.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

Notification on the outcome of your application for the Provisional Rights Shares with Warrants will be despatched to you by ordinary post to the address as shown in Bursa Depository's record at your own risk within the timelines as follows:

(i) successful application – a notice of allotment will be despatched within eight (8) Market Days from the last day for application and payment for the Provisional Rights Shares with Warrants; or

(ii) unsuccessful/partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within fifteen (15) Market Days from the last day for application and payment for the Provisional Rights Shares with Warrants.

10.4 Procedures for sale or transfer of Provisional Rights Shares with Warrants

As the Provisional Rights Shares with Warrants are prescribed securities, you may sell or transfer all or part of your entitlement to the Provisional Rights Shares with Warrants to one (1) or more persons for the period up to the last date and time for sale or transfer of the Provisional Rights Shares with Warrants (in accordance with the Rules of Bursa Depository).

Should you wish to sell or transfer all or part of your entitlement to one (1) or more person(s), you may do so through your stockbrokers without first having to request for a split of the Provisional Rights Shares with Warrants standing to the credit of your CDS account. You may sell such entitlement on Bursa Securities or transfer to such persons as may be allowed pursuant to the Rules of Bursa Depository, both for the period up to the last date and time for the sale or transfer of the Provisional Rights Shares with Warrants.

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF. IN SELLING OR TRANSFERRING ALL OR PART OF YOUR PROVISIONAL RIGHTS SHARES WITH WARRANTS, YOU NEED NOT DELIVER ANY DOCUMENT INCLUDING THE RSF, TO ANY STOCKBROKER. HOWEVER, YOU MUST ENSURE THAT THERE ARE SUFFICIENT PROVISIONAL RIGHTS SHARES WITH WARRANTS STANDING TO THE CREDIT OF YOUR CDS ACCOUNTS THAT ARE AVAILABLE FOR SETTLEMENT OF THE SALE OR TRANSFER.

If you have sold or transferred only part of the Provisional Rights Shares with Warrants, you may still accept the balance of the Provisional Rights Shares with Warrants by completing Parts I(a) and II of the RSF. Please refer to Section 10.3 of this Abridged Prospectus for the procedures for acceptance and payment.

10.5 Procedures for acceptance by renouncee(s) and/or transferee(s)

Renouncees or transferees who wish to accept the Provisional Rights Shares with Warrants must obtain a copy of the RSF from their stockbrokers, Bursa Securities' website at http://www.bursamalaysia.com, our Share Registrar or our Registered Office.

Please complete the RSF in accordance with the notes and instructions printed therein and submit the same together with the remittance to our Share Registrar at the above-stated address.

As a renouncee or transferee, the procedures for acceptance, payment, selling and transferring of the Provisional Rights Shares with Warrants are the same as that applicable to the Entitled Shareholders as set out in Sections 10.3 and 10.4 of this Abridged Prospectus.

RENOUNCEE(S) AND/OR TRANSFEREE(S) ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS ABRIDGED PROSPECTUS AND RSF CAREFULLY.

10.6 Procedures for application for Excess Rights Shares with Warrants

If you are an Entitled Shareholder, you and/or your renouncee(s) and/or transferee(s) (if applicable) may apply for Excess Rights Shares with Warrants in addition to your Provisional Rights Shares with Warrants. If you wish to do so, please complete Part I(b) of the RSF (in addition to Parts I(a) and II) and forward it (together with a **separate remittance** for the full amount payable in respect of the Excess Rights Shares with Warrants applied for) using the envelope provided (at your own risk) to our Share Registrar at the address set out above, so as to arrive **not later than 5.00 p.m. on Friday, 17 October 2014**, being the last time and date for acceptance and payment, or such extended time and date as may be decided and announced by our Board and Adviser at their absolute discretion not less than two (2) Market Days before the stipulated time and date.

Payment for the Excess Rights Shares with Warrants applied for should be made in the same manner as described in Section 10.3 above, except that the banker's draft(s), cashier's order(s), money order(s) or postal order(s) drawn on a bank or post office in Malaysia should be made payable to "**ML GLOBAL EXCESS RIGHTS SHARES ACCOUNT**" crossed "**ACCOUNT PAYEE ONLY**" and endorsed on the reverse side with the name and CDS account of the applicant in block letters to be received by our Share Registrar.

It is the intention of our Board to allot the Excess Rights Shares with Warrants, if any, in a fair and equitable manner to our Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) who have applied for the Excess Rights Shares with Warrants in the following priority:

(i) firstly, to minimise the incidence of odd lots;

(ii) secondly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares with Warrants on a pro-rata basis and in board lot, calculated based on their respective shareholdings as at the Entitlement Date;

(iii) thirdly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares with Warrants on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares with Warrants applied for; and

(iv) fourthly, for allocation to renouncee(s) and/or transferee(s) who have applied for Excess Rights Shares with Warrants on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares with Warrants applied for.

Nevertheless our Board reserves the right to allot the Excess Rights Shares with Warrants applied for under Part I(b) of the RSF in such manner as our Board deems fit and expedient and in the best interest of our Company subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board set out in (i) to (iv) above is achieved.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE WITH WARRANTS. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED THEIR RIGHTS SHARES AND WARRANTS, AND NOTICES OF ALLOTMENT WILL BE ISSUED AND FORWARDED BY ORDINARY POST TO THEM AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN EIGHT (8) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.

YOU SHOULD NOTE THAT THE RSF SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

PROOF OF TIME OF POSTAGE SHALL NOT CONSTITUTE PROOF OF TIME OF RECEIPT BY OUR SHARE REGISTRAR. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT OR TO ACCEPT IN PART ONLY ANY APPLICATION WITHOUT PROVIDING ANY REASONS.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

Notification on the outcome of your application for the Excess Rights Shares with Warrants will be despatched to you by ordinary post to the address as shown in Bursa Depository's records at your own risk within the timelines as follows:

(i) successful application – a notice of allotment will be despatched within eight (8) Market Days from the last day for application and payment for the Excess Rights Shares with Warrants; or

(ii) unsuccessful/partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within fifteen (15) Market Days from the last day for application and payment for the Excess Rights Shares with Warrants.

10.7 Form of issuance

Bursa Securities has already prescribed the ML Global Shares listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Rights Shares with Warrants are prescribed securities and as such, the SICDA and the Rules of Bursa Depository shall apply in respect of the dealings in the said securities.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS account number may result in the application being rejected.

No physical share certificate shall be issued to you under the Rights Issue with Warrants. Instead, the Rights Shares and Warrants will be credited directly into your CDS accounts.

Any person who intends to subscribe for the Rights Shares and Warrants as a renouncee(s) and/or transferee(s) by purchasing the provisional allotment of Rights Shares with Warrants from an Entitled Shareholder will have his Rights Shares with Warrants credited directly as prescribed securities into his CDS account.

If you have multiple CDS accounts into which the Provisional Rights Shares have been credited, you cannot use a single RSF for subscription of all these Provisional Rights Shares with Warrants. Separate RSF must be used for separate CDS accounts. The Excess Rights Shares with Warrants, if allotted to the successful applicant who applies for Excess Rights Shares with Warrants, will be credited directly as prescribed securities into his CDS account.

10.8 Procedures for part acceptance

You can accept part of your Provisional Rights Shares with Warrants. The minimum number of securities that can be subscribed for or accepted is one (1) Rights Share. However, fractions of a Rights Share and/or Warrant (if any) arising from the Rights Issue with Warrants will be dealt by our Board as they may deem fit and expedient in the best interest of the Company.

You must complete both Part I(a) of the RSF by specifying the number of the Rights Shares with Warrants which you are accepting and Part II of the RSF and deliver the completed RSF together with the relevant payment to our Share Registrar in the manner set out in Section 10.3 of this Abridged Prospectus.

The portion of the Provisional Rights Shares with Warrants that have not been accepted shall be allotted to the applicants applying for Excess Rights Shares with Warrants.

10.9 Laws of foreign jurisdictions

The Documents have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any country or jurisdiction other than Malaysia. The Rights Issue with Warrants to which the Documents relate is only available to Entitled Shareholders receiving the Documents electronically or otherwise within Malaysia.

The Documents are not intended to be (and will not be) issued, circulated or distributed in any country or jurisdiction other than Malaysia and no action has been or will be taken to ensure that the Rights Issue with Warrants complies with the laws of any countries or jurisdictions other than the laws of Malaysia.

Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) may accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue with Warrants only to the extent that it would be lawful to do so.

HLIB, our Company and our Directors and officers (collectively, the "**Parties**") would not, in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which the Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) are or may be subject. Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) shall solely be responsible to seek advice as to the laws of the countries or jurisdictions to which they are or may be subject. The Parties shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable), is or shall become unlawful, unenforceable, voidable or void in any such country or jurisdiction.

If you are a Foreign Entitled Shareholder who does not have a registered address in Malaysia, our Company will not make or be bound to make any enquiry as to whether you have an address or an address for service in Malaysia if not otherwise stated in our Record of Depositors as at the Entitlement Date and will not accept or be deemed to accept any liability whether or not any enquiry or investigation is made in connection therewith. Our Company will assume that the Rights Issue with Warrants and the acceptance thereof by you would be in compliance with the terms and conditions of the Rights Issue with Warrants and would not be in breach of the laws of any jurisdiction. Our Company will further assume that you had accepted the Rights Issue with Warrants in Malaysia and will at all applicable times be subject to the laws of Malaysia.

Accordingly, the Documents has not been (and will not be) sent to the Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) who do not have a registered address in Malaysia. However, such Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) may collect the Documents from our Share Registrar, in which event our Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the Documents.

Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such country or jurisdiction and we shall be entitled to be fully indemnified and held harmless by such Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) for any issue, transfer or other taxes or duties as such person may be required to pay. They will have no claims whatsoever against the Parties in respect of their rights and entitlements under the Rights Issue with Warrants. Such Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue with Warrants.

By signing any of the forms in the Documents, the Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) are deemed to have represented, warranted, acknowledged and declared in favour of (and which representations, warranties, acknowledgements and declarations will be relied upon by) the Parties that:

(i) the Parties would not, by acting on the acceptance or renunciation in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which those Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) are or may be subject to;

(ii) Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation;

(iii) Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) are not a nominee or agent of a person in respect of whom we would, by acting on the acceptance or renunciation, be in breach of the laws of any jurisdiction to which that person is or may be subject to;

(iv) Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) are aware that the Provisional Rights Shares with Warrants can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;

(v) Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) have obtained a copy of this Abridged Prospectus and have had access to such financial and other information and have been afforded the opportunity to pose such questions to the Parties and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the Rights Shares with Warrants; and

(vi) Foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Shares with Warrants, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights Shares with Warrants.

Persons receiving the Documents (including without limitation custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any jurisdiction where to do so would or might contravene local securities, exchange control or relevant laws or regulations.

No person in any territory outside of Malaysia receiving this Abridged Prospectus and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for or acquire any Rights Shares with Warrants unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other regulatory or legal requirements in such territory.

We reserve the right, in our absolute discretion, to treat any acceptance as invalid, if we believe that such acceptance may violate applicable legal or regulatory requirements. The Provisional Rights Shares with Warrants relating to any acceptance which is treated as invalid will be included in the pool of Excess Rights Shares with Warrants available for excess application by the other Entitled Shareholders. You and/or your renouncee(s) and/or transferee(s) (if applicable) will also have no claims whatsoever against the Parties in respect of your and/or your renouncee(s)'s and/or transferee(s)'s entitlement under the Rights Issue with Warrants or to any net proceeds thereof.

11. TERMS AND CONDITIONS

The issuance of the Rights Shares and Warrants pursuant to the Rights Issue with Warrants is governed by the terms and conditions as set out in the Documents.

12. FURTHER INFORMATION

You are requested to refer to the attached appendices for further information.

Yours faithfully,
For and on behalf of the Board of
ML GLOBAL BERHAD
(Formerly known as VTI Vintage Berhad)

LIM KIM HOE
Executive Director

CERTIFIED TRUE EXTRACT OF THE ORDINARY RESOLUTION PERTAINING TO THE RIGHTS ISSUE WITH WARRANTS PASSED AT OUR EGM HELD ON 23 MAY 2014

VTI VINTAGE BERHAD

(Company No: 589167-W)
(Incorporated in Malaysia)

EXTRACT OF THE MINUTES OF THE EXTRAORDINARY GENERAL MEETING HELD ON 23 MAY 2014

SPECIAL RESOLUTION 1

PROPOSED SHARE CAPITAL REDUCTION OF VVB'S EXISTING ISSUED AND PAID-UP SHARE CAPITAL OF RM97,486,002 COMPRISING 97,486,002 ORDINARY SHARES OF RM1.00 EACH VIA THE CANCELLATION OF RM0.90 OF THE PAR VALUE OF VVB PURSUANT TO SECTION 64 OF THE COMPANIES ACT, 1965 ("ACT") ("PROPOSED CAPITAL REDUCTION")

The Chairman informed the meeting that first item on the Agenda is to seek for the shareholders' approval pertaining to the proposed capital reduction of the par value of every existing ordinary shares of RM1.00 each in VVB to ordinary shares of RM0.10 each by cancellation of RM0.90 of the par value. The details and rationale on the proposed capital reduction have been provided in the Circular to Shareholders dated 29 April 2014.

After due discussion, the Special Resolution 1 has been duly proposed by Gary Fong Chin Lim and seconded by Yong Shew Mooi.

SPECIAL RESOLUTION 2

PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF VVB TO FACILITATE THE CHANGE IN THE PAR VALUE OF THE SHARES RESULTING FROM THE PROPOSED CAPITAL REDUCTION AND PROPOSED SHARE CONSOLIDATION ("PROPOSED AMENDMENTS")

The Chairman informed the meeting that Special Resolution 2 is to seek for the shareholders' approval pertaining to the the proposed amendment to the Memorandum and Articles of Association of VVB resulting from the proposed capital reduction and proposed share consolidation. The details and rationale of the said amendments are provided in the Circular to Shareholders dated 29 April 2014.

After due discussion, the Special Resolution 2 has been duly proposed by Cheah Lee Ting and seconded by Mohd Taufik B Basaruddin.

ORDINARY RESOLUTION 1

PROPOSED SHARE CONSOLIDATION OF 97,486,002 ORDINARY SHARES OR VVB OF RM0.10 EACH AFTER THE PROPOSED CAPITAL REDUCTION INTO 19,497,200 ORDINARY SHARES OF RM0.50 EACH ("SHARES") ("PROPOSED SHARE CONSOLIDATION")

The Chairman informed the meeting that Ordinary Resolution 1 is to seek for the shareholders' approval pertaining to the proposed share consolidation of every 5 ordinary shares of RM0.10 into 1 ordinary share of RM0.50 each. The details and rationale of the said proposal are provided in the Circular to Shareholders dated 29 April 2014.

After due discussion, the Ordinary Resolution 1 has been duly proposed by Cheong Weng Khong and seconded by Kok Lee Hua .

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CERTIFIED TRUE EXTRACT OF THE ORDINARY RESOLUTION PERTAINING TO THE RIGHTS ISSUE WITH WARRANTS PASSED AT OUR EGM HELD ON 23 MAY 2014 *(Cont'd)*

VTI Vintage Berhad
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(Page 2)

ORDINARY RESOLUTION 2

PROPOSED PRIVATE PLACEMENT OF 17,000,000 NEW ORDINARY SHARES OF RM0.50 EACH IN VVB ("SHARES") ("PLACEMENT SHARES") TOGETHER WITH 8,500,000 FREE DETACHABLE WARRANTS ("WARRANTS") ON THE BASIS OF 1 WARRANTS FOR EVERY 2 PLACEMENT SHARES SUBSCRIBED AT AN ISSUE PRICE OF RM0.50 PER PLACEMENT SHARE ("PROPOSED PRIVATE PLACEMENT")

The Chairman informed the meeting that Ordinary Resolution 2 is to seek for the shareholders' approval pertaining to the proposed private placement of 17,000,000 new ordinary shares of RM0.50 each in VVB together with 8,500,000 free detachable warrants on the basis of 1 warrant for every 2 placement shares subscribed at an issue price of RM0.50 per placement share. The details and rationale of the said proposal are provided in the Circular to Shareholders dated 29 April 2014.

After due discussion, the Ordinary Resolution 2 has been duly proposed by Wong Jen Wen and seconded by Yap Hwee Sin.

ORDINARY RESOLUTION 3

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF 36,497,200 NEW ORDINARY SHARES OF RM0.50 EACH IN VVB ("SHARES") ("RIGHTS SHARES") ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 1 SHARE HELD AT A DATE TO BE DETERMINED AFTER THE COMPLETION OF THE PROPOSED PRIVATE PLACEMENT TOGETHER WITH 18,248,600 WARRANTS ON THE BASIS OF 1 WARRANT FOR EVERY 2 RIGHTS SHARES SUBSCRIBED ("PROPOSED RIGHTS ISSUE WITH WARRANTS")

The Chairman informed the meeting that Ordinary Resolution 3 is to seek for the shareholders' approval pertaining to the proposed renounceable rights issue of 36,497,200 new ordinary shares of RM0.50 each in VVB on the basis of 1 rights share for every 1 share held at a date to be determined after the completion of the proposed private placement together with 18,248,600 warrants on the basis of 1 warrant for every 2 rights shares subscribed. The details and rationale of the said proposal are provided in the Circular to Shareholders dated 29 April 2014.

After due discussion, the Ordinary Resolution 3 has been duly proposed by Siti Norain Binti Kemat and seconded by Yong Shew Mooi.

ORDINARY RESOLUTION 4

PROPOSED SET-OFF OF ANY CASH ADVANCES TO VVB FROM ITS MAJOR SHAREHOLDER, DATO' BEH HANG KONG ("DBHK"), AGAINST DBHK'S IRREVOCABLE UNDERTAKING TO SUBSCRIBE AND/OR PROCURE SUBSCRIPTION FOR UP TO ITS MAXIMUM COMMITMENT OF RM10.00 MILLION UNDER THE PROPOSED PRIVATE PLACEMENT AND PROPOSED RIGHTS ISSUE WITH WARRANTS ("PROPOSED SET-OFF")

The Chairman informed the meeting that Ordinary Resolution 4 is to seek for the shareholders' approval pertaining to the proposed set-off of any cash advances to VVB from its major shareholder, DBHK, against his irrevocable undertaking to subscribe and/or procure subscription for up to its maximum commitment of RM10.00 million under the proposed private placement and proposed rights issue with warrants. The details and rationale of the said proposal are provided in the Circular to Shareholders dated 29 April 2014.

After due discussion, the Ordinary Resolution 4 has been duly proposed by Gary Fong Chin Lam and seconded by Kok Lee Hua.

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CERTIFIED TRUE EXTRACT OF THE ORDINARY RESOLUTION PERTAINING TO THE RIGHTS ISSUE WITH WARRANTS PASSED AT OUR EGM HELD ON 23 MAY 2014 *(Cont'd)*

VTI Vintage Berhad
Extract of the Minutes of the Extraordinary General Meeting Held on 23 May 2014
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ORDINARY RESOLUTION 5

PROPOSED DEBT SETTLEMENT VIA A FORMAL SCHEME OF ARRANGEMENT AND COMPROMISE PURSUANT TO SECTION 176 OF THE COMPANIES ACT, 1965 IN RESPECT OF THE AMOUNTS OWING TO THE SECURED AND UNSECURED CREDITORS OF VVB VIA THE ISSUANCE OF UP TO 18,556,106 NEW ORDINARY SHARES OF RM0.50 EACH ("SETTLEMENT SHARES") ("PROPOSED DEBT SETTLEMENT")

The Chairman informed the meeting that Ordinary Resolution 5 is to seek for the shareholders' approval pertaining to the proposed debt settlement via a formal scheme of arrangement and compromise pursuant to Section 176 of the Companies Act, 1965 in respect of the amounts owing to the secured and unsecured creditors of Vintage via the issuance of up to 18,556,106 new ordinary shares of RM0.50 each. The details and rationale of the said proposal are provided in the Circular to Shareholders dated 29 April 2014.

After due discussion, the Ordinary Resolution 5 has been duly proposed by Cheah Lee Ting and seconded by Cheong Weng Khong.

ORDINARY RESOLUTION 6

PROPOSED ALLOTMENT AND ISSUANCE OF 9,000,000 PLACEMENT SHARES AND 3,209,000 SETTLEMENT SHARES TO THE MANAGING DIRECTOR

The Chairman informed the meeting that Ordinary Resolution 6 is to seek for the shareholders' approval pertaining to the proposed allotment and issuance of 9,000,000 placement shares and 3,209,000 settlement shares to DBHK, the Managing Director of the Company. The details and rationale of the said proposal are provided in the Circular to Shareholders dated 29 April 2014.

After due discussion, the Ordinary Resolution 6 has been duly proposed by Kok Lee Hua and seconded by Yap Hwee Sin.

As there were no further questions raised by the members, the Chairman has put the motion to approve all the resolutions set out in the Notice of EGM dated 29 April 2014 to vote by way of poll.

DECLARATION OF RESULTS

After counting of votes by the Scrutineers, the result of the poll was passed to the Chairman and announced as per *Appendix I*.

The Chairman informed the meeting that majority in number of the shareholder/proxy present have voted in favour for all the resolutions set out in the Notice of EGM dated 29 April 2014. In relation thereto, he hereby declared all the resolutions set out in the Notice of EGM dated 29 April 2014 were carried.

Certified as a True Extract of the original

CHIN SUI YIN COMPANY DIRECTOR	CHONG VOON WAH (MAICSA 7055003) COMPANY SECRETARY
Dated : - 8 JUL 2014	Dated : - 8 JUL 2014

CERTIFIED TRUE EXTRACT OF THE ORDINARY RESOLUTION PERTAINING TO THE RIGHTS ISSUE WITH WARRANTS PASSED AT OUR EGM HELD ON 23 MAY 2014 ***(Cont'd)***

Appendix I

VTI Vintage Berhad
- Minutes of Extraordinary General Meeting (23 May 2014)

The result of all the resolutions voted by way of poll was as follows:-

	Vote For		Vote Against		Votes Spoilt		Votes Abstained		Total Attended Votes
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%	
Special Resolution 1	22,806,448	100.00 %	0	0.00%	0	0.00%	0	0.00%	22,806,448
Special Resolution 2	22,806,448	100.00 %	0	0.00%	0	0.00%	0	0.00%	22,806,448
Ordinary Resolution 1	22,806,448	100.00 %	0	0.00%	0	0.00%	0	0.00%	22,806,448
Ordinary Resolution 2	22,806,448	100.00 %	0	0.00%	0	0.00%	0	0.00%	22,806,448
Ordinary Resolution 3	22,806,448	100.00 %	0	0.00%	0	0.00%	0	0.00%	22,806,448
Ordinary Resolution 4	22,806,448	100.00 %	0	0.00%	0	0.00%	0	0.00%	22,806,448
Ordinary Resolution 5	22,806,448	100.00 %	0	0.00%	0	0.00%	0	0.00%	22,806,448
Ordinary Resolution 6	22,362,848	99.05%	443,600	1.95%	0	0.00%	0	0.00%	22,806,448

INFORMATION ON OUR COMPANY

1. HISTORY OF OUR BUSINESS

ML Global was incorporated in Malaysia on 12 August 2002 under the Act as a public limited company under the name of VTI Vintage Berhad. Subsequently, VTI Vintage Berhad was listed on the Main Market of Bursa Securities on 6 November 2003 after it assumed the listing status of Penas Corporation Berhad. On 9 September 2014, our Company had assumed its present name of ML Global Berhad.

2. PRINCIPAL ACTIVITIES

ML Global is principally engaged in the business of investment holding and the provision of management services to its subsidiaries while its subsidiaries are principally involved in the manufacturing and trading of roof tiles, supply and laying of roof tiles and installation of roofing on a consignment basis and contractors for building and works of any kinds, manufacture, supply and installation of steel related building materials and trading of roof tiles and roof related products.

Details of the principal activities of our subsidiaries are set out in Section 6 of this appendix.

3. AUTHORISED AND ISSUED AND PAID-UP CAPITAL

The authorised and issued and paid-up ordinary share capital of our Company as at the LPD are as follows:

	Number Of ML Global Shares	Par Value RM	Amount RM
Authorised	1,000,000,000	0.50	500,000,000
Issued and fully paid-up	36,497,200	0.50	18,248,600

Details of the changes in our Company's authorised share capital or issued and fully paid up share capital for the last 3 years up to the LPD are as follows:

Date of allotment	No. of shares allotted	Par value RM	Consideration	Cumulative issued and paid-up share capital RM
As at 01.01.2014	-	1.00	-	97,486,002
02.07.2014	-	0.10	Par value reduction	9,748,600
17.07.2014	-	0.50	Consolidation of shares	9,748,600
24.07.2014	17,000,000	0.50	Cash	18,248,600

4. SUBSTANTIAL SHAREHOLDERS

The effects of the Rights Issue with Warrants, Debt Settlement and the subsequent full exercise of the Warrants on the shareholdings of the substantial shareholders of Company in the issued and paid-up share capital in the Company (assuming they take up their respective rights entitlement) are as follows:

Scenario 1 – Assuming that the Entitlement Undertaking and Additional Undertaking is called upon and that all other shareholders save for the Strategic Investors will not subscribe for their respective entitlement of Rights Shares

	As at the LPD				(I) After the Rights Issue with Warrants				(II) After (I) and the Debt Settlement				(III) After (II) and assuming the full exercise of the Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect		Direct		Indirect	
Substantial Shareholders	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)
DBHK	10,916	29.91	-	-	(1)26,702	36.58	-	-	(2)29,911	32.67	-	-	42,304	35.76	-	-
LBGB	8,000	21.92	-	-	(1)26,871	36.81	-	-	26,871	29.35	-	-	40,306	34.07	-	-
Dato' Sri Lim Hock San JP	-	-	*8,000	21.92	-	-	*26,871	36.81	-	-	*26,871	29.35	-	-	*40,306	34.07
Datuk Lim Hock Guan JP	-	-	*8,000	21.92	-	-	*26,871	36.81	-	-	*26,871	29.35	-	-	*40,306	34.07
Datuk Lim Hock Seong	-	-	*8,000	21.92	-	-	*26,871	36.81	-	-	*26,871	29.35	-	-	*40,306	34.07
Mej. (K) Dato' Sri Lim Hock Sing	-	-	*8,000	21.92	-	-	*26,871	36.81	-	-	*26,871	29.35	-	-	*40,306	34.07
Gaterich Sdn Bhd *(Formerly known as Intelrich Sdn Bhd)*	-	-	*8,000	21.92	-	-	*26,871	36.81	-	-	*26,871	29.35	-	-	*40,306	34.07
DTSB	-	-	-	-	-	-	-	-	9,728	10.63	-	-	9,728	8.22	-	-

Notes:

* *Deemed interested by virtue of their shareholdings in LBGB pursuant to Section 6A of the Act*

(1) *Pursuant to the Entitlement Undertaking and Additional Undertaking and assuming that all other shareholders who have not provided Entitlement Undertaking will not subscribe for the Rights Shares pursuant to the Proposed Right Issue with Warrants.*

(2) *Pursuant to the issuance of 3,209,000 Settlement Shares to DBHK arising from the Debt Settlement as approved by the shareholders of ML Global at the EGM of ML Global held on 23 May 2014.*

Scenario 2 – Assuming that all entitled shareholders subscribed for their respective entitlement of Rights Shares

	As at the LPD				(I) After the Rights Issue with Warrants				(II) After (I) and the Debt Settlement				(III) After (II) and assuming the full exercise of the Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect		Direct		Indirect	
Substantial Shareholders	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)
DBHK	10,916	29.91	-	-	(1)21,831	29.91	-	-	(2)25,040	27.35	-	-	34,998	29.58	-	-
LBGB	8,000	21.92	-	-	(1)16,000	21.92	-	-	16,000	17.48	-	-	24,000	20.29	-	-
Dato' Sri Lim Hock San JP	-	-	*8,000	21.92	-	-	*16,000	21.92	-	-	*16,000	17.48	-	-	*24,000	20.29
Datuk Lim Hock Guan JP	-	-	*8,000	21.92	-	-	*16,000	21.92	-	-	*16,000	17.48	-	-	*24,000	20.29
Datuk Lim Hock Seong	-	-	*8,000	21.92	-	-	*16,000	21.92	-	-	*16,000	17.48	-	-	*24,000	20.29
Mej. (K) Dato' Sri Lim Hock Sing	-	-	*8,000	21.92	-	-	*16,000	21.92	-	-	*16,000	17.48	-	-	*24,000	20.29
Gaterich Sdn Bhd *(Formerly known as Intelrich Sdn Bhd)*	-	-	*8,000	21.92	-	-	*16,000	21.92	-	-	*16,000	17.48	-	-	*24,000	20.29
DTSB	-	-	-	-	-	-	-	-	9,728	10.63	-	-	9,728	8.22	-	-

Notes:

* *Deemed interested by virtue of their shareholdings in LBGB pursuant to Section 6A of the Act*

(1) Pursuant to the Entitlement Undertaking and assuming all other shareholders of ML Global subscribe for their respective entitlements pursuant to the Proposed Rights Issue with Warrants.

(2) Pursuant to the issuance of 3,209,000 Settlement Shares to DBHK arising from the Debt Settlement as approved by the shareholders of ML Global at the EGM of ML Global held on 23 May 2014.

5. DIRECTORS

5.1 Details of our Directors

The details of our Board as at the LPD are as follows:

Directors	Address	Age	Nationality	Profession	Designation
Dato' Abdul Majit Bin Ahmad Khan	5, Jalan SS7/4 Kelana Jaya 47310 Petaling Jaya Selangor Darul Ehsan	68	Malaysian	Company Director	Independent Non-Executive Chairman
Dato' Beh Hang Kong	21, Jalan Serindit Kawasan 17 Taman Eng Ann 41150 Klang Selangor Darul Ehsan	57	Malaysian	Company Director	Managing Director
Lim Kim Hoe	No. 9, Legenda Putera Jalan PJU 1A/57 Damansara Legenda 47410 Petaling Jaya Selangor Darul Ehsan	29	Malaysian	Company Director	Executive Director
Chin Sui Yin	No. 20, USJ 3/1C 47600 Subang Jaya Selangor Darul Ehsan	52	Malaysian	Company Director	Independent Non-Executive Director
Heng Chee Wei (AMP)	12A, Legenda Putera Jalan PJU 1A/57 Damansara Legenda 47410 Petaling Jaya Selangor Darul Ehsan	43	Malaysian	Company Director	Independent Non-Executive Director
Datuk Tan Choon Hwa (JMK, JP)	No. 1771 Taman Paya Bemban Jalan Hospital 15200 Kota Bahru Kelantan Darul Naim	57	Malaysian	Company Director	Independent Non-Executive Director
Dato' Sri Lim Hock San JP	No. 9, Legenda Putera Jalan PJU 1A/57 Damansara Legenda 47410 Petaling Jaya Selangor Darul Ehsan	56	Malaysian	Company Director	Non-Independent Non-Executive Director
Datuk Lim Hock Guan JP	83 Jalan SS7/2 Kelana Jaya 47301 Petaling Jaya Selangor Darul Ehsan	53	Malaysian	Company Director	Non-Independent Non-Executive Director

5.2 Directors' shareholdings

The direct and indirect shareholdings of the Directors in the issued and paid-up share capital in the Company as at the LPD and the subsequent proforma effects due to the Rights Issue with Warrants, Debt Settlement and the subsequent full exercise of the Warrants are as follows:

Scenario 1 – Assuming that the Entitlement Undertaking and Additional Undertaking is called upon and that all other shareholders save for the Strategic Investors will not subscribe for their respective entitlement of Rights Shares

	As at the LPD				(I) After the Rights Issue with Warrants				(II) After (I) and the Debt Settlement				(III) After (II) and assuming the full exercise of the Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect		Direct		Indirect	
Substantial Shareholders	**No. of shares held ('000)**	**(%)**	**No. of shares held ('000)**	**(%)**	**No. of shares held ('000)**	**(%)**	**No. of shares held ('000)**	**(%)**	**No. of shares held ('000)**	**(%)**	**No. of shares held ('000)**	**(%)**	**No. of shares held ('000)**	**(%)**	**No. of shares held ('000)**	**(%)**
Dato' Abdul Majit Bin Ahmad Khan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DBHK	10,916	29.91	-	-	(1)26,702	36.58	-	-	(2)29,911	32.67	-	-	42,304	35.76	-	-
Lim Kim Hoe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chin Sui Yin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Heng Chee Wei (AMP)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Datuk Tan Choon Hwa (JMK, JP)	53	0.15	-	-	53	0.07	-	-	53	0.06	-	-	53	0.04	-	-
Dato' Sri Lim Hock San JP	-	-	*8,000	21.92	-	-	*(1)26,871	36.81	-	-	*26,871	29.35	-	-	*40,306	34.07
Datuk Lim Hock Guan JP	-	-	*8,000	21.92	-	-	*(1)26,871	36.81	-	-	*26,871	29.35	-	-	*40,306	34.07

Notes:

* *Deemed interested by virtue of their shareholdings in LBGB pursuant to Section 6A of the Act*

(1) *Pursuant to the Entitlement Undertaking and Additional Undertaking and assuming that all other shareholders who have not provided Entitlement Undertaking will not subscribe for the Rights Shares pursuant to the Proposed Right Issue with Warrants.*

(2) *Pursuant to the issuance of 3,209,000 Settlement Shares to DBHK arising from the Debt Settlement as approved by the shareholders of ML Global at the EGM of ML Global held on 23 May 2014.*

Scenario 2 – Assuming that all entitled shareholders subscribed for their respective entitlement of Rights Shares

	As at the LPD				(I) After the Rights Issue with Warrants				(II) After (I) and the Debt Settlement				(III) After (II) and assuming the full exercise of the Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect		Direct		Indirect	
Substantial Shareholders	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)	No. of shares held ('000)	(%)
Dato' Abdul Majit Bin Ahmad Khan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DBHK	10,916	29.91	-	-	(1)21,831	29.91	-	-	(2)25,040	27.35	-	-	34,998	29.58	-	-
Lim Kim Hoe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chin Sui Yin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Heng Chee Wei (AMP)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Datuk Tan Choon Hwa (JMK, JP)	53	0.15	-	-	106	0.15	-	-	106	0.12	-	-	133	0.11	-	-
Dato' Sri Lim Hock San JP	-	-	*8,000	21.92	-	-	*(2)16,000	21.92	-	-	*16,000	17.48	-	-	*24,000	20.29
Datuk Lim Hock Guan JP	-	-	*8,000	21.92	-	-	*(2)16,000	21.92	-	-	*16,000	17.48	-	-	*24,000	20.29

Notes:

* *Deemed interested by virtue of their shareholdings in LBGB pursuant to Section 6A of the Act*

(1) *Pursuant to the Entitlement Undertaking and assuming all other shareholders of ML Global subscribe for their respective entitlements pursuant to the Proposed Rights Issue with Warrants.*

(2) *Pursuant to the issuance of 3,209,000 Settlement Shares to DBHK arising from the Debt Settlement as approved by the shareholders of ML Global at the EGM of ML Global held on 23 May 2014.*

Save for DBHK, Datuk Tan Choon Hwa (JMK, JP), Dato' Sri Lim Hock San JP and Datuk Lim Hock Guan JP, no other Directors of ML Global has any direct or indirect shareholdings in ML Global as at the LPD nor will they be allotted any ML Global Shares pursuant to the Corporate Exercises.

6. SUBSIDIARIES AND ASSOCIATED COMPANY

The subsidiaries company of our Company as at the LPD are as follows:

Company	Date / Place of incorporation	Issued and paid-up share capital RM (unless stated otherwise)	Effective equity interest %	Principal activities
(i) Direct subsidiaries of ML Global				
Vintage Tiles Industries Sdn Bhd	07.12.1995/ Malaysia	150,000,000	100.00	Manufacturing and trading of roof tiles
Vintage Tiles Industries (EM) Sdn Bhd	13.09.2004/ Malaysia	1,000,000	100.00	Manufacturing and trading of roof tiles
Vintage Roofing & Construction Sdn Bhd	23.10.1999/ Malaysia	1,000,000	100.00	Supply and laying of roof tiles and installation of roofing on a consignment basis and contractors for building and works of any kinds
Newsteel Building Systems Sdn Bhd	12.01.2001/ Malaysia	1,000,000	80.00	Manufacture, supply and installation of steel related building materials
Vintage Tiles Holdings Sdn Bhd	08.06.1998/ Malaysia	100,000	100.00	Investment holding and trading of roof tiles and roof related products
(ii) Indirect subsidiaries of ML Global				
Tirai Impresif Sdn. Bhd. (subsidiary of VRC)	06.12.2005/ Malaysia	2	100.00	Borrow and raise money by issuance of debt securities and debentures
VTI Consortium Sdn. Bhd. (subsidiary of VRC)	13.03.2006/ Malaysia	2	100.00	Dormant

As at the LPD, ML Global does not have any associated companies.

7. PROFIT AND DIVIDEND RECORD

A summary of the results of ML Global based on its audited consolidated results for the past 3 FYEs up to FYE 2013 and the unaudited consolidated 6-Month FPE 30 June 2014 are as follows:

		Audited		Unaudited 6-Month FPE
	FYE 2011	**FYE 2012**	**FYE 2013**	**30 June 2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	34,731	22,348	9,921	4,099
Cost of sales	(33,655)	(19,068)	(8,567)	(4,257)
Gross profit/(loss)	1,076	3,280	1,354	(158)
Other income	5,234	3	2,567	2,027
	6,310	3,283	3,921	1,869
Administrative expenses	(4,964)	(3,693)	(4,550)	(4,889)
Finance costs	(1,172)	(1,363)	(2,004)	(727)
Profit/(Loss) before taxation	174	(1,773)	(2,633)	(3,747)
Income tax expense	-	-	(101)	-
Profit/(Loss) for the year	174	(1,773)	(2,734)	(3,747)
Other comprehensive income	-	-	-	-
Total comprehensive income/(expense)	174	(1,773)	(2,734)	(3,747)
Earnings/(loss) before interest, taxation, depreciation and amortisation	2,562	738	648	(2,376)
Profit/(Loss) for the year attributable to:				
Owner of the Company	174	(1,773)	(2,734)	(3,747)
Non-controlling interests	-	-	-	-
	174	(1,773)	(2,734)	(3,747)
Total comprehensive income/ (expense) attributable to:				
Owner of the Company	174	(1,773)	(2,734)	(3,747)
Non-controlling interests	-	-	-	-
	174	(1,773)	(2,734)	(3,747)
Gross profit/(loss) margin (%)	3.10	14.67	13.65	(3.85)
PAT/(LAT) margin (%)	0.50	(7.93)	(27.56)	(91.41)
No. of ordinary shares of RM1.00 each in ML Global in issue ('000)	97,486	97,486	97,486	97,486
Weighted average number of shares ('000)	97,486	97,486	97,486	97,486
Basic earnings/(loss) per share (sen)	0.18	(1.82)	(2.80)	(3.84)
Dividend per share	-	-	-	-

Commentary on the financial performance

Audited FYE 2011

During the FYE 2011, the Group's overall revenue had significantly improved by 358.78% from RM7.57 million for FYE 2010 to RM34.73 million for the FYE 2011. This was mainly attributable to the successful commencement of 2 projects secured under the construction sector, namely the superstructure works in Taman Danau Kota and 90 units townhouse in Puchong which contributed RM24.07 million and RM2.67 million respectively during the financial year under review. The revenue generated from the roof tile division increased marginally by RM0.26 million or 3.76% from RM6.92 million for FYE 2010 to RM7.18 million for FYE 2011. Correspondingly due to the significant increase in revenue, the Group's gross profit for the financial year under review increased by RM0.47 million or 76.97% from RM0.61 million during the FYE 2010 to RM1.08 million during the FYE 2011.

The PBT of the Group had also experienced a significant increase from a LBT of RM10.99 million during the FYE 2010 to a PBT of RM0.17 million, representing an increase of RM11.16 million or 101.58%. In addition to the successful commencement of the 2 projects mentioned above, the increase in PBT was also due to the reduction in administrative and other expenses which decrease by RM5.85 million or 54.12% from RM10.81 million in the FYE 2010 to RM4.96 million in the FYE 2011. This was mainly due to the reduction in administrative expenses of RM5.72 million as a result of the write off of property, plant and equipment and the decrease of impairment of receivables as well as the increase in other income due to the reversal of impairment made on trade receivables amounting to RM4.86 million in FYE 2011.

Audited FYE 2012

During the FYE 2012, the Group's overall revenue had subsequently decreased by 35.65% from RM34.73 million for FYE 2011 as compared to RM22.35 million in the corresponding year of FYE 2012. This was mainly due to the completion of a major project in the FYE 2011, namely the superstructure work in Taman Danau Kota which had contributed RM24.07 million of the revenue for FYE 2011. The revenue contribution from the Group's roof tile manufacturing activities had remained constant within the range of RM7.18 million and RM7.19 million for the FYE 2012 as compared to the FYE 2011. Notwithstanding the above, the gross profit of the Group had increased in the FYE 2012 from RM1.08 million in the FYE 2011 to RM3.28 million while the gross profit margin of the Group had increased from 3.10% in the FYE 2011 to 14.68% for the FYE 2012. The improvement in gross profit and gross profit margin was due to the greater decrease in cost of sales as compared to the decrease in revenue generated from the construction contracts. In addition, the Group had also undertaken additional smaller scale projects which commanded a higher gross profit margin. The Group had also enjoyed cost savings arising from the improved formulation of mixture used in the production of roof tiles.

Albeit the Group's improvement in gross profit and gross profit margin, it had recorded a decrease in PBT of RM1.94 million from a PBT of RM0.17 million in FYE 2011 to a LBT of RM1.77 million in FYE 2012. This was mainly due to the decrease in the Group's other income by RM5.23 million or 99.94% to approximately RM3,303 due to the one of reversal of impairment made on trade receivables.

Audited FYE 2013

The Group's revenue had further decreased by 55.62% or RM12.43 million from RM22.35 million for the FYE 2012 to RM9.92 million in the FYE 2013. The decrease was mainly due to the completion of a construction project in the FYE 2012, namely the construction contract for 90 units of townhouses in Puchong, while no major projects (other than a renovation project) were being undertaken during the FYE 2013. In addition, the Group's roof tile division revenue had decreased from RM7.19 million for the FYE 2012 to RM6.64 million for the FYE 2013 due to the slowdown in the sales to hardware dealers as a result of increased competition from other roof tile manufacturers.

The Group's gross profit had decreased by RM1.77 million or 53.87% from RM3.28 million in the FYE 2012 to RM1.51 million in the FYE 2013. This was mainly because the Group was faced with the postponement and/or termination of construction contracts mainly as a result of the Group's current cash flow position which resulted in a major decrease of gross profit.

The Group's LBT had further deteriorated from RM1.77 million in the FYE 2012 to RM2.62 million in the FYE 2013. This was mainly due to the decrease in gross profits as mentioned above and the increase in finance costs of RM0.82 million or 60.29% from RM1.36 million in FYE 2012 to RM2.18 million in the FYE 2013 due to the recognition of interest charged on overdue bank borrowings drawn down in prior years.

Unaudited 6-month FPE 30 June 2014

The Group recorded a revenue for the 6-month FPE 30 June 2014 of RM4.10 million compared to the preceding year's corresponding quarter of RM6.87 million. This represented a decrease of RM2.77 million or 40.32% mainly as a result of the Company not taking on any new construction projects which resulted in a decrease in revenue generated from construction activities from RM3.55 million to RM2,000. However, this was mitigated by the increase in revenue generated from the sales of roof tiles from RM3.32 million to RM4.10 million, representing an increase of 23.49%. This was due to an increase in the Group's roof tile sales quantity and unit price of 12% and 10% respectively. However, due to the absence of new construction projects which had significantly impacted the revenue of the Company during the 6-month FPE 30 June 2014 and a greater increase in cost of the Company's roof tile manufacturing activities as compared to the increase in its sales, the Group had incurred a gross loss of RM0.16 million as compared to a gross profit of RM0.54 million for the corresponding period under review.

The LBT of the Group had also increased from RM1.44 million to RM3.75 million during the 6-month FPE 30 June 2014 representing an increase in LBT of RM2.31 million or 160.42%. In addition to the gross loss, the Group had also experienced an increase in administrative expenses of RM3.34 million from RM0.71 million to RM4.05 million during the 6-month FPE 30 June 2014 as a result of the increase in salary overhead as a result of new recruitment and also the incurrence of professional fee in relation to the restructuring exercise. In addition, our Company incurred impairment of receivables and property, plant and equipment written off which amounted to RM1.23 million.

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8. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of the Existing Shares as traded on Bursa Securities for the past 12 months prior to its suspension of trading on 10 April 2012 are as follows:

	Highest (RM)	Lowest (RM)
2011		
April	0.090	0.075
May	0.100	0.080
June	0.080	0.065
July	0.085	0.070
August	0.085	0.030
September	0.085	0.030
October	0.100	0.060
November	0.140	0.070
December	0.100	0.070
2012		
January	0.080	0.065
February	0.075	0.055
March	0.130	0.055

The last transacted price of the Shares on 9 April 2012, being the last trading day prior to the suspension of trading on 10 April 2012, was RM0.02 per share. The trading of the securities of the Company had been suspended since Tuesday, 10 April 2012 pursuant to Paragraph 8.04(5) of the Listing Requirements until further notice.

(Source: Bloomberg)

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BAKER TILLY

Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

Date: 22 SEP 2014

The Board of Directors
ML Global Berhad
(formerly known as VTI Vintage Berhad)
Suite 10.03, Level 10
The Garden South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

STRICTLY CONFIDENTIAL

Dear Sirs,

ML GLOBAL BERHAD (*formerly known as VTI Vintage Berhad*) **AND ITS SUBSIDIARIES**
Report on the Compilation of the Proforma Consolidated Statements of Financial Position as at 31 December 2013

We have completed our assurance engagement to report on the compilation of the Proforma Consolidated Statements of Financial Position of ML Global Berhad (*formerly known as VTI Vintage Berhad*) ("ML Global" or "the Company") and its subsidiaries ("the Group") as at 31 December 2013 for which the directors of ML Global are solely responsible. The Proforma Consolidated Statements of Financial Position consists of the proforma consolidated statements of financial position as at 31 December 2013 together with the accompanying notes thereon, as set out in the accompanying statements, for which we have stamped for the purpose of identification. The applicable criteria on the basis of which the directors of ML Global have compiled the Proforma Consolidated Statements of Financial Position are as described in Note 1 to the Proforma Consolidated Statements of Financial Position ("Applicable Criteria").

The Proforma Consolidated Statements of Financial Position of the Group has been compiled by the directors of ML Global to illustrate the impact of the renounceable rights issue of 36,497,200 new ordinary shares of RM0.50 each in ML Global ("Rights Shares") at an issue price of RM0.50 per Rights Share on the basis of 1 Rights Share for every 1 existing ordinary share of RM0.50 each in ML Global held as at 5.00 p.m. on 1 October 2014, together with 18,248,600 free detachable warrants ("Warrants") on the basis of 1 Warrant for every 2 Rights Shares subscribed ("Rights Issue with Warrants") on the Group's financial position as at 31 December 2013, as if the Rights Issue with Warrants had taken place at 31 December 2013.

As part of this process, information about the Group's financial position has been extracted by the directors of ML Global from the financial statements of the Group for the financial year ended 31 December 2013, which was audited by another firm of Chartered Accountants, whose report dated 30 April 2014 contained the following qualifications:-

"Basis for Qualified of Opinion

We draw attention to Note 3(b) to the financial statements, which disclosed the premises upon which the Group and the Company have prepared their financial statements by applying the going concern assumption, notwithstanding that during the financial year ended 31 December 2013, the Group have incurred losses of RM2,733,898 and as of that date, the Group's and the Company's current liabilities exceeded their current assets by RM50,119,357 and RM10,074,659 respectively.

In addition, the Company is considered an Affected Listed Issuer pursuant to the Practice Note 17 ("PN17") Paragraph 2.1(a) and Paragraph 8.04 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). A regularisation plan was submitted to Bursa Securities on 22 April 2011 and had gone through numerous revision and application for extension of time to implement the proposed regularisation plan as disclosed in Note 31(a). On 5 December 2013, Bursa Securities approved an extension of time until 31 August 2014 to implement the proposed regularisation plan.

We were unable to ascertain the ability of the Group and of the Company to continue as going concern which is dependent on the successful completion of the proposed regularisation plan, achieving sustainable and viable operations and generating adequate cash flows from its operating activities.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis of Qualified Opinion paragraph, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2013 and of their financial performances and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

Extraction from Note 3(b) to the financial statements

Going Concern

The Group incurred a loss for the year of RM2,733,898 during the financial year ended 31 December 2013. As at 31 December 2013, the Group's and the Company's current liabilities exceeded their current assets by RM50,119,357 and RM10,074,659 respectively. The Group's and the Company's shareholders' deficit as at 31 December 2013 amounted to RM15,085,458 and RM9,757,512 respectively.

Extraction from Note 3(b) to the financial statements (Continued)

The Company has triggered paragraph 2.1(a) of Practice Note 17 ("PN 17") criteria's and is therefore classified under PN17. The Company has submitted a regularisation plan to Bursa Malaysia Securities Berhad ("Bursa Securities") on 22 April 2011. On 23 December 2011, the Company announced a variation of the regularisation plan. On 2 April 2012, Bursa Securities rejected the Company's regularisation plan and the Board of Directors had made an appeal on the said rejection on 30 April 2012. On 24 July 2012, Bursa Securities approved the Company's regularisation plan. On 14 February 2013, the Company announced a variation of the regularisation plan as disclosed in Note 31(a)(iii) to the financial statements. On 5 December 2013, Bursa Securities approved an extension of time until 31 August 2014 to implement its proposed regularisation plan.

Given that preparation of the financial statements of the Company on a going concern basis is significantly dependent on the outcome of the Company's regularisation plan, these conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as going concern and therefore, may be unable to realise their assets and discharge their liabilities in the normal course of business. The continuation of the Group and the Company as going concern is dependent upon the Group's and the Company's ability to implement its proposed regularisation plan and operate profitably in the foreseeable future.

Extraction from Note 31(a) to the financial statements

Practice Note 17

The Company on 25 February 2010 announced that the Company is considered an Affected Listed Issuer pursuant to the Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") as it has triggered Paragraph 2.1(a) of the PN17.

(i) Obligation of the Company as an Affected Listed Issuer

Pursuant to the PN17, the Company as an Affected Listed Issuer is required to comply with the following:

(i) within 12 months from the date of Announcement:

(a) submit a regularisation plan to Securities Commission ("SC") if the plan will result in a significant change in the business direction or policy of the Company; or

(b) submit a regularisation plan to Bursa Securities if the plan will not result in a significant change in the business direction or policy of the Company, and obtain Bursa Securities's approval to implement the plan;

(ii) implement the regularisation plan within the timeframe stipulated by the SC or Bursa Securities, as the case may be;

(iii) announce with three (3) months from the First Announcement, on whether the regularisation plan will result in a significant change in the business direction or policy of the Company;

Extraction from Note 31(a) to the financial statements (Continued)

(iv) *announce the status of its regularisation plan and the number of months to the end of the relevant timeframes on a monthly basis ("monthly announcement") until further from Bursa Securities;*

(v) *announce its compliance or non-compliance with a particular obligation imposed pursuant to the PN17, on an immediate basis;*

(vi) *announce the details of the regularisation plan ("Requisite Announcement") and sufficient information to demonstrate that the Company is able to comply with all the requirements set out under paragraph 3.1 of PN17 after implementation of the regularisation plan, which shall include a timeline for the complete implementation of the regularisation plan. The Requisite Announcement must be made by a corporate finance adviser that may act as principal adviser under the Securities Commission's Guidelines on Principal Adviser for Corporate Proposals; and*

(vii) *where the Company fails to regularise its condition, announce the dates of suspension and de-listing of its listed securities immediately upon notification of suspension and de-listing by Bursa Securities.*

(ii) *Consequence of non-compliance*

In the event the Company fails to comply with the obligations to regularise its condition, all its listed securities will be suspended from trading on the next market day after five (5) market days from the date of notification of suspension by Bursa Securities and de-listing procedures shall be taken against the Company, subject to the Company's right to appeal against the de-listing.

(iii) *Status of plan to regularise condition*

On 13 April 2010, the Company announced a preliminary scheme to regularise the current financial condition of the Company. In compliance with Paragraph 3.1 and 4.1 of the PN17, as an Affected Listed Issuer, the Company is required to make a requisite announcement and submit a regularisation plan to the relevant authorities for approval with twelve (12) months from the date of the First Announcement on 25 February 2010. As such, on behalf of the Board of Directors, Hong Leong Investment Bank Berhad (formerly known as MIMB Investment Bank Berhad) ("HLIBB") on 9 September 2010, announced that the Company has proposed to implement a proposed regularisation plan which comprises the following:

(i) *Proposed Capital Reduction;*
(ii) *Proposed Share Consolidation;*
(iii) *Proposed M&A Ammendments;*
(iv) *Proposed Private Placement;*
(v) *Proposed Rights Issue;*
(vi) *Proposed Debt Settlement; and*
(vii) *Proposed Set-Off.*

(Herein referred to as the "Proposals")

Extraction from Note 31(a) to the financial statements (Continued)

(iii) Status of plan to regularise condition (Continued)

Details of the Proposals are attached to the announcement dated 9 September 2010.

On 10 February 2011, HLIBB on behalf of the Company submitted an application for an extension of time to Bursa Securities to submit the proposed regularisation plan.

Bursa Securities has vide its letter dated 14 March 2011, approved the Company's application for an extension of time until 24 April 2011 to submit its regularisation plan.

In the event that:

(i) The Company fails to submit the regularisation plan to the regulatory authorities for approval on or before 24 April 2011;

(ii) The Company fails to obtain the approval from any of the regulatory authorities necessary for the implementation of its regularisation plan; or

(iii) The Company fails to implement its regularisation plan within the time frame or extended time frames stipulated by the regulatory authorities,

Bursa Securities reserves the right to proceed with the suspension of the trading of the securities of the Company and to commence de-listing procedures against the Company.

Upon occurrence of any of the events set out in (i) to (iii) above, a suspension shall be imposed on the trading of the listed securities of the Company upon the expiry of five (5) market days from the date the Company is notified by Bursa Securities and de-listing procedures shall be commenced against the Company.

The Company submitted its regularisation plan to Bursa Securities for approval on 22 April 2011 which comprises of:

(i) Proposed reduction of VTI Vintage Berhad's ("VVB") existing issued and paid-up share capital from approximately RM97.49 million comprising 97,486,002 Existing Shares to approximately RM9.75 million comprising 97,486,002 ordinary shares of RM0.10 each via the cancellation of RM0.90 of the par value of each Existing Share pursuant to Section 64 of the Act;

(ii) Proposed share consolidation via the consolidation of five (5) Reduced Shares into one (1) VVB's share after the Proposed Capital Reduction;

(iii) Proposed amendments to the M&A of VVB to facilitate the change in the par value of the VVB's Shares resulting from the Proposed Capital Reduction and Proposed Share Consolidation;

(iv) Proposed Private Placement of 12,000,000 new VVB shares;

Extraction from Note 31(a) to the financial statements (Continued)

(iii) *Status of plan to regularise condition (Continued)*

(v) *Proposed renounceable right issue of up to 31,497,200 new VVB's Shares on the basis of one (1) new VVB's Share for every one (1) existing VVB's Share held by the shareholders of VVB after the Proposed Shareholders' Scheme and Proposed Private Placement;*

(vi) *Proposed formal scheme of arrangement and compromise pursuant to Section 176 of the Act in respect to the amounts owing to the secured and unsecured creditors of VVB via the issuance of up to 18,556,106 new VVB Shares after a seventy five percent (75%) debt waiver by the unsecured creditors;*

(vii) *Proposed set-off of any cash advances against the subscription monies payable by a Director pursuant to his irrevocable undertaking to subscribe for his rights entitlement and/or procure subscriptions for the Proposed Rights Issue up to a maximum amount of RM5.0 million.*

On 2 November 2011, HLIBB on behalf of the holding company had announced on the following variation to the Proposals. It was previously announced in Section 2.7(ii)(d) of the announcement dated 9 September 2010 that if any of the unsecured creditors is a subsidiary of VVB, its entitlement to the VVB's Shares shall be allotted and issued to a trustee and/or an agent for the creditor who will subsequently dispose of the shares allotted and issued to it and remit the proceeds to the subsidiary concerned.

After further deliberation by the Board, the Company has decided to vary the said distribution such that if any of the unsecured creditors is the holding company itself or a subsidiary of the holding company, its entitlement to the VVB's Shares will be allotted and issued to a placee to be identified ("Placee") and the cash proceeds therefrom will be paid to the Company who will then distribute the respective entitlement to its subsidiaries ("Proposed Variation"). The Proposed Variation was decided by the Board to avoid any possible infringement of Section 17 of the Companies Act 1965.

On 23 December 2011, HLIBB on behalf of the Company had announced that the variation of the regularisation plan as the following:

(i) *variations on the inter-conditionality of the Proposals; and*

(ii) *assignment of the VVB's Group inter-company debt to Distinct Treasures Sdn. Bhd.*

On 2 April 2012, Bursa Securities rejected the Company's proposed regularisation plan which was submitted to Bursa Securities on 22 April 2011.

In the circumstances and pursuant to Rule 8.04(5) of the Bursa Securities Main Market Listing Requirements ("MLR"):

(i) *the trading in the securities of the Company will be suspended with effect from 10 April 2012; and*

Extraction from Note 31(a) to the financial statements (Continued)

(iii) *Status of plan to regularise condition (Continued)*

(ii) *the securities of the Company will be de-listed on 4 May 2012 unless an appeal against the rejection of the regularisation plan and de-listing is submitted to Bursa Securities on or before 1 May 2012 ("the Appeal Timeframe"). Any appeal submitted after the Appeal Timeframe will not be considered by Bursa Securities.*

In the event of the Company submits an appeal to Bursa Securities within the Appeal Timeframe, the removal of the securities of the Company from the official list of Bursa Securities on 4 May 2012 shall be deferred pending the decision on the Company's appeal.

On 3 April 2012, HLIBB on behalf of the Company had announced that Bursa Securities had vide its letter dated 2 April 2012, rejected the application by the Company in relation to regularisation plan.

Bursa Securities' rejection was premised on the concern that the regularisation plan does not comply with Paragraph 3.1 of Practice Note 17 of the MLR and in particular sub-paragraph (a) of 3.1 which specifies that the regularisation plan must be sufficiently comprehensive and capable of resolving all the problems, financial or otherwise that has caused the Company to trigger the Prescribed Criteria (as defined in the MLR). In deciding to reject the Company's regularisation plan, Bursa Securities has considered that the Company or principal adviser has failed to demonstrate to the satisfaction of Bursa Securities the ability of the existing businesses of the Company and its subsidiary companies ("the Group") to sustain the Group post completion of its Proposals given the following:

(i) *the proposed regularisation plan is solely reliant on the existing businesses of the Group and it is noted that there is no material changes to the business plan of the Group. It is further noted that the Group has been incurring losses for the past seven (7) audited financial years up to the financial year ended 31 December 2010 and continued to incur losses (net write back of allowance of doubtful debts) for its unaudited financial year ended 31 December 2011. This also raises concerns as to the ability of the Company to record a net profit immediately after completion of the implementation of the proposed regularisation plan; and*

(ii) *the Company or principal adviser have not satisfactorily demonstrated to Bursa Securities the ability of its existing businesses or operations such as its manufacturing and sales of roof tiles and construction divisions to compete, increase and sustain the Company and its growth in the long term. In particular, it is noted amongst others, that the Company has only secured a few construction contracts, mostly with relatively small contract sum or value and the revenue and profits of the construction division of the Group in the immediate years are largely dependent on contracts which have not been secured or based on a memorandum of understanding.*

Extraction from Note 31(a) to the financial statements (Continued)

(iii) *Status of plan to regularise condition (Continued)*

The Board of Directors of the Company will deliberate on the next course of action and is expected to appeal to Bursa Securities on the rejection within the timeframe stipulated in paragraph 8.04(4) of the MLR.

In accordance with the listing circular issued on 2 April 2012 against the Company, Bursa Securities wishes to clarify that the imposition of suspension and de-listing against the Company were pursuant to paragraph 8.04(5) of the Bursa Securities MLR.

In the event of the Company submits an appeal to Bursa Securities within the Appeal Timeframe, the removal of the securities of the Company from the official list of Bursa Securities on 4 May 2012 shall be deferred pending the decision on the Company's appeal.

On 30 April 2012, the Company had made an appeal on the said rejection. On 24 July 2012, Bursa Securities approved the Company's proposed regularisation plan which consists of the following:

(i) *Proposed share capital reduction of the Company's issued and paid up share capital via cancellation of RM0.90 of the par value of each existing ordinary share of RM1.00 each in the Company pursuant to Section 64 of the Companies Act 1965;*

(ii) *Proposed share consolidation via the consolidation of five (5) ordinary shares of RM0.10 each into one (1) share of RM0.50 each in the Company;*

(iii) *Proposed amendments to the Memorandum and Articles of Association;*

(iv) *Proposed private placement of 17,000,000 new consolidated ordinary shares of RM0.50 each in the Company together with 8,500,000 free detachable warrants on the basis of one (1) warrant for every two (2) placement shares held to strategic investors at an issue price of RM0.50 per share;*

(v) *Proposed renounceable rights issue of 36,497,200 new consolidated shares of RM0.50 each in the Company on the basis of one (1) Right Share for every one (1) existing Company share held together with 18,248,600 free detachable warrants on the basis of one (1) warrant for every two (2) Rights Share subscribed by the entitled shareholders on an entitlement date to be determined;*

(vi) *Proposed debt settlement pursuant to Section 176 of the Act in respect of the amount owing to the secured and unsecured creditors of the Company via the issuance of up to 18,556,106 new ordinary shares of RM0.50 each in the Company after obtaining a 75% haircut from the unsecured creditors; and*

(vii) *Proposed set-off of any cash advance to the Company from its major shareholder, Dato' Beh Hang Kong ("DBHK"), against the subscription monies payable by DBHK pursuant to his irrevocable undertaking to subscribe and/or procure subscription for the proposed rights issue up to a maximum of RM5.0 million.*

Extraction from Note 31(a) to the financial statements (Continued)

(iii) Status of plan to regularise condition (Continued)

Bursa Securities' approval of the appeal was made after due consideration of relevant facts and circumstances including:

(i) The changes of the Company's business model for its manufacturing and distribution of tiles division;

(ii) The growth of the Company's secured order book for its construction division;

(iii) The changes and improvements to the Company's proposed regularisation plan including addition fund raising for the Company's business operations and a proposed profit guarantee of RM6 million profit after taxation (i.e. excluding write off/other income/adjustments not in the ordinary course of business) for 2 consecutive financial years following the successful implementation of the proposed regularisation plan;

(iv) The approval of the secured and unsecured creditors of the Company and its subsidiary companies for the Company's proposed debt settlement which forms part of the proposed regularisation plan; and

(v) The Group's plan to add diversification to its revenue stream.

On 14 February 2013, HLIBB on behalf of the Company had announced that the Company proposes to revise the allocations of the Proposed Private Placement and the Proposed Rights Issue and the terms of the Proposed Set-Off. In addition, the Board of Directors of the Company also decided to undertake a Proposed Exemption (as defined within), pursuant to the revised allocations of the Proposed Private Placement and Proposed Rights Issue.

On 10 July 2013, 19 September 2013 and 25 September 2013 the Company in relation to the application to Bursa Securities for the extension of time to implement the proposed regularisation plan ("EOT Application"). On 5 December 2013, Bursa Securities approved an extension of time until 31 August 2014 to implement its proposed regularisation plan which consists of the following:

(i) The new secured contracts coupled with the existing secured contracts amounting RM650.51 million and the representations by the Company on the strategic collaboration with BCEG International (M) Sdn. Bhd. to jointly participate and undertake construction projects;

(ii) The financial commitment from the Managing Director/substantial shareholder of VVB, together with the strategic investor in relation to the proposed private placement, proposed right issue with warrants and the profit guarantee, and the Managing Director's financial advances provided to-date and his representations and commitment to provide additional financial advances to the Company; and

(iii) The confirmation from the principal adviser, HLIBB, that the proposed regularisation plan would comply with paragraph 3.1 of Practice Note 17 of the MLR of Bursa Securities.

Extraction from Note 31(a) to the financial statements (Continued)

(*iii*) *Status of plan to regularise condition (Continued)*

In the event the Company fails to implement its regularisation plan within the time frame or extended time frame stipulated by Bursa Securities, the securities of VVB shall be removed from the Official List of Bursa Securities upon expiry of two (2) market days from the date of notification or such other date specified by Bursa Securities to the Company.

On 25 April 2014 VVB entered into a profit guarantee agreement with Dato' Beh Hang Kong and LBS Bina Group Berhad and Messrs. Bahari & Bahari, to guarantee a consolidated audited profit after taxation of RM6.0 million of VVB and its subsidiaries after taking into consideration the operational profit for each of the 2 financial years following the successful implementation of the proposed regularization plan of VVB."

Directors' Responsibility for the Proforma Consolidated Statements of Financial Position

The directors of ML Global are responsible for compiling the Proforma Consolidated Statements of Financial Position based on the Applicable Criteria.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion about whether the Proforma Consolidated Statements of Financial Position has been compiled, in all material respects, by the directors of ML Global based on the Applicable Criteria.

We conducted our engagement in accordance with *International Standard on Assurance Engagements (ISAE) 3420: Assurance Engagements to Report on the Compilation of Proforma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the directors of ML Global have compiled, in all material respects, the Proforma Consolidated Statements of Financial Position based on the Applicable Criteria.

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Proforma Consolidated Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Proforma Consolidated Statements of Financial Position.

The purpose of Proforma Consolidated Statements of Financial Position included in the Abridged Prospectus of ML Global is solely to illustrate the impact of the Rights Issue with Warrants on unadjusted financial information of the Group as if the Rights Issue with Warrants had occurred or had been undertaken at an earlier date selected for illustrative purposes only. Accordingly, we do not provide any assurance that the actual outcome of the Rights Issue with Warrants would have been as presented.

A reasonable assurance engagement to report on whether the Proforma Consolidated Statements of Financial Position has been compiled, in all material respects, based on the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the directors of ML Global in the compilation of the Proforma Consolidated Statements of Financial Position of the Group provide a reasonable basis for presenting the significant effects directly attributable to the Rights Issue with Warrants, and to obtain sufficient appropriate evidence about whether:-

(a) The related proforma adjustments give appropriate effect to those criteria; and

(b) The Proforma Consolidated Statements of Financial Position reflect the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the event or transaction in respect of which the Proforma Consolidated Statements of Financial Position has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Proforma Consolidated Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:-

(i) the Proforma Consolidated Statements of Financial Position of the Group have been properly compiled on the basis set out in the accompanying notes to the Proforma Consolidated Statements of Financial Position based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2013 (which have been prepared in accordance with the Malaysian Financial Reporting Standards and the International Financial Reporting Standards) and in a manner consistent with both the format of the financial statements and the accounting policies adopted by the Group in the preparation of its audited financial statements for the financial year ended 31 December 2013, and the adoption of a new accounting policy as disclosed in Note 1.2 of the Proforma Consolidated Statements of Financial Position; and

(ii) each material adjustment made to the information used in the preparation of the Proforma Consolidated Statements of Financial Position is appropriate for the purposes of preparing the Proforma Consolidated Statements of Financial Position.

BAKER TILLY

ML GLOBAL BERHAD (*formerly known as VTI Vintage Berhad*) **AND ITS SUBSIDIARIES**
Report on the Compilation of the Proforma Consolidated Statements of Financial Position as at 31 December 2013

Other matters

This letter has been prepared for inclusion in the Abridged Prospectus of ML Global in connection with the Rights Issue with Warrants and is not to be used, circulated, quoted or otherwise referenced to in any document or used for any other purpose without the prior written consent from us. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully,

....
BAKER TILLY MONTEIRO HENG

ML GLOBAL BERHAD (*formerly known as VTI Vintage Berhad*) **AND ITS SUBSIDIARIES**

PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

The Proforma Consolidated Statements of Financial Position of ML Global Berhad (*formerly known as VTI Vintage Berhad*) ("ML Global" or "the Company") and its subsidiaries ("the Group") as at 31 December 2013 as set out below, for which the directors of ML Global are solely responsible, have been prepared for illustrative purposes only to show the effects on the audited consolidated statement of financial position of ML Global as at 31 December 2013 had the Rights Issue with Warrants as described in Note 2, the transactions as described in Note 3 and the other corporate exercises as describe in Note 4 been effected on that date, and should be read in conjunction with the notes accompanying to the Proforma Consolidated Statements of Financial Position of ML Global.

	Audited Consolidated Statement of Financial Position as at 31 December 2013 RM'000	Adjusted Consolidated Statement of Financial Position as at 31 December 2013 RM'000	Proforma I After the Private Placement and the Set-off RM'000	Proforma II After I and the Rights Issue with Warrants and the Set-off RM'000	Proforma III After II and the Debt Settlement RM'000	Proforma IV After III and Assuming Full Exercise of Warrants RM'000	Proforma V After IV and Assuming the Profit Guarantee are Achieved RM'000
Non-Current Assets							
Property, plant and equipment	32,884	35,479	35,479	35,479	35,479	35,479	35,479
Current Assets							
Inventories	1,384	1,384	1,384	1,384	1,384	1,384	1,384
Trade receivables	7,369	7,369	7,369	7,369	7,369	7,369	7,369
Other receivables, deposits and prepayments	531	531	531	531	531	531	531
Current tax asset	22	22	22	22	22	22	22
Fixed deposit	4	4	4	4	4	4	4
Cash and bank balances	153	153	4,153	14,951	19,815	33,189	45,189
	9,463	9,463	13,463	24,261	29,125	42,499	54,499
Non-current assets held for sale	2,150	-	-	-	-	-	-
Total current assets	11,613	9,463	13,463	24,261	29,125	42,499	54,499
Total Assets	44,497	44,942	48,942	59,740	64,604	77,978	89 978

BAKER TILLY MONTEIRO HENG • For Identification Purposes Only •

ML GLOBAL BERHAD (*formerly known as VTI Vintage Berhad*) **AND ITS SUBSIDIARIES**

PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

			Proforma I	Proforma II	Proforma III	Proforma IV	Proforma V
	Audited Consolidated Statement of Financial Position as at 31 December 2013 RM'000	Adjusted Consolidated Statement of Financial Position as at 31 December 2013 RM'000	After the Private Placement and the Set-off RM'000	After I and the Rights Issue with Warrants and the Set-off RM'000	After II and the Debt Settlement RM'000	After III and Assuming Full Exercise of Warrants RM'000	After IV and Assuming the Profit Guarantee are Achieved RM'000
Equity and Liabilities							
Equity Attributable to the owners of ML Global							
Share capital	97,486	9,749	18,249	36,497	44,817	58,191	58,191
Share premium	-	-	-	-	-	2,675	2,675
Warrant reserves	-	-	-	2,675	2,675	-	-
Accumulated losses	(112,571)	(24,389)	(24,389)	(29,014)	(18,395)	(18,395)	(6,395)
Total Equity	(15,085)	(14,640)	(6,140)	10,158	29,097	42,471	54,471
Current Liabilities							
Trade and other payables	35,813	35,813	31,313	25,813	12,527	12,527	12,527
Hire purchase payables	843	843	843	843	843	843	843
Term loans	16,837	16,837	16,837	16,837	16,837	16,837	16,837
Provision for taxation	367	367	367	367	367	367	367
Bank overdrafts	5,722	5,722	5,722	5,722	4,933	4,933	4,933
	59,582	59,582	55,082	49,582	35,507	35,507	35,507
Total Liabilities	59,582	59,582	55,082	49,582	35,507	35,507	35,507
Total Equity and Liabilities	44,497	44,942	48,942	59,740	64,604	77,978	89,978

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REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 *(Cont'd)*

ML GLOBAL BERHAD (*formerly known as VTI Vintage Berhad*) **AND ITS SUBSIDIARIES**

PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

			Proforma I	Proforma II	Proforma III	Proforma IV	Proforma V
	Audited Consolidated Statement of Financial Position as at 31 December 2013 RM'000	Adjusted Consolidated Statement of Financial Position as at 31 December 2013 RM'000	After the Private Placement and the Set-off RM'000	After I and the Rights Issue with Warrants and the Set-off RM'000	After II and the Debt Settlement RM'000	After III and Assuming Full Exercise of Warrants RM'000	After IV and Assuming the Profit Guarantee are Achieved RM'000
Number of ordinary shares							
of RM1.00 each ('000)	97,486	-	-	-	-	-	-
of RM0.50 each ('000)	-	19,497	36,497	72,994	89,634	116,383	116,383
Net (liabilities)/assets (RM'000)	(15,085)	(14,640)	(6,140)	10,158	29,097	42,471	54,471
Net (liability)/asset per share (RM)	(0.15)	(0.75)	(0.17)	0.14	0.32	0.36	0.47

ML GLOBAL BERHAD *(formerly known as VTI Vintage Berhad)* **AND ITS SUBSIDIARIES**

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

1. **Basis of Preparation**

1.1 The Proforma Consolidated Statements of Financial Position of the Group as at 31 December 2013, for which the directors of ML Global are solely responsible, have been prepared for illustrative purposes only, to show the effects on the audited consolidated statement of financial position of the Group as at 31 December 2013 had the Rights Issue with Warrants as described in Note 2, the transactions as described in Note 3 and the other corporate exercises as described in Note 4 been effected on that date, and should be read in conjunction with the notes accompanying the Proforma Consolidated Statements of Financial Position.

1.2 The Proforma Consolidated Statements of Financial Position of the Group have been prepared in a manner consistent with both the format of the financial statements and the accounting policies adopted by the Group in the preparation of its audited consolidated financial statements for the financial year ended 31 December 2013, which have been prepared in accordance with the Malaysian Financial Reporting Standards and the International Financial Reporting Standards and the adoption of the following new accounting policy:-

Warrants Reserve

The allocated fair values of free warrants are credited to a warrant reserve, which is non-distributable. The warrant reserve will be transferred to the share premium account upon the exercise of the warrants.

1.3 The audited financial statements of the Group for the financial year ended 31 December 2013 were audited by another firm of Chartered Accountants whose report dated 30 April 2014 contained the following qualified opinion:-

"Basis for Qualified of Opinion

We draw attention to Note 3(b) to the financial statements, which disclosed the premises upon which the Group and the Company have prepared their financial statements by applying the going concern assumption, notwithstanding that during the financial year ended 31 December 2013, the Group have incurred losses of RM2,733,898 and as of that date, the Group's and the Company's current liabilities exceeded their current assets by RM50,119,357 and RM10,074,659 respectively.

In addition, the Company is considered an Affected Listed Issuer pursuant to the Practice Note 17 ("PN17") Paragraph 2.1(a) and Paragraph 8.04 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). A regularisation plan was submitted to Bursa Securities on 22 April 2011 and had gone through numerous revision and application for extension of time to implement the proposed regularisation plan as disclosed in Note 31(a). On 5 December 2013, Bursa Securities approved an extension of time until 31 August 2014 to implement the proposed regularisation plan.

We were unable to ascertain the ability of the Group and of the Company to continue as going concern which is dependent on the successful completion of the proposed regularisation plan, achieving sustainable and viable operations and generating adequate cash flows from its operating activities.

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ML GLOBAL BERHAD (*formerly known as VTI Vintage Berhad*) **AND ITS SUBSIDIARIES**

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

1. **Basis of Preparation**

1.3 (Continued)

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis of Qualified Opinion paragraph, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2013 and of their financial performances and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

Extraction from Note 3(b) to the financial statements

Going Concern

The Group incurred a loss for the year of RM2,733,898 during the financial year ended 31 December 2013. As at 31 December 2013, the Group's and the Company's current liabilities exceeded their current assets by RM50,119,357 and RM10,074,659 respectively. The Group's and the Company's shareholders' deficit as at 31 December 2013 amounted to RM15,085,458 and RM9,757,512 respectively.

The Company has triggered paragraph 2.1(a) of Practice Note 17 ("PN 17") criteria's and is therefore classified under PN17. The Company has submitted a regularisation plan to Bursa Malaysia Securities Berhad ("Bursa Securities") on 22 April 2011. On 23 December 2011, the Company announced a variation of the regularisation plan. On 2 April 2012, Bursa Securities rejected the Company's regularisation plan and the Board of Directors had made an appeal on the said rejection on 30 April 2012. On 24 July 2012, Bursa Securities approved the Company's regularisation plan. On 14 February 2013, the Company announced a variation of the regularisation plan as disclosed in Note 31(a)(iii) to the financial statements. On 5 December 2013, Bursa Securities approved an extension of time until 31 August 2014 to implement its proposed regularisation plan.

Given that preparation of the financial statements of the Company on a going concern basis is significantly dependent on the outcome of the Company's regularisation plan, these conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as going concern and therefore, may be unable to realise their assets and discharge their liabilities in the normal course of business. The continuation of the Group and the Company as going concern is dependent upon the Group's and the Company's ability to implement its proposed regularisation plan and operate profitably in the foreseeable future.

ML GLOBAL BERHAD (*formerly known as VTI Vintage Berhad*) AND ITS SUBSIDIARIES

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

1. **Basis of Preparation**

1.3 (Continued)

Extraction from Note 31(a) to the financial statements

Practice Note 17

The Company on 25 February 2010 announced that the Company is considered an Affected Listed Issuer pursuant to the Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") as it has triggered Paragraph 2.1(a) of the PN17.

(i) Obligation of the Company as an Affected Listed Issuer

Pursuant to the PN17, the Company as an Affected Listed Issuer is required to comply with the following:

(i) within 12 months from the date of Announcement:

(a) submit a regularisation plan to Securities Commission ("SC") if the plan will result in a significant change in the business direction or policy of the Company; or

(b) submit a regularisation plan to Bursa Securities if the plan will not result in a significant change in the business direction or policy of the Company, and obtain Bursa Securities's approval to implement the plan;

(ii) implement the regularisation plan within the timeframe stipulated by the SC or Bursa Securities, as the case may be;

(iii) announce with three (3) months from the First Announcement, on whether the regularisation plan will result in a significant change in the business direction or policy of the Company;

(iv) announce the status of its regularisation plan and the number of months to the end of the relevant timeframes on a monthly basis ("monthly announcement") until further from Bursa Securities;

(v) announce its compliance or non-compliance with a particular obligation imposed pursuant to the PN17, on an immediate basis;

(vi) announce the details of the regularisation plan ("Requisite Announcement") and sufficient information to demonstrate that the Company is able to comply with all the requirements set out under paragraph 3.1 of PN17 after implementation of the regularisation plan, which shall include a timeline for the complete implementation of the regularisation plan. The Requisite Announcement must be made by a corporate finance adviser that may act as principal adviser under the Securities Commission's Guidelines on Principal Adviser for Corporate Proposals; and

(vii) where the Company fails to regularise its condition, announce the dates of suspension and de-listing of its listed securities immediately upon notification of suspension and de-listing by Bursa Securities.

ML GLOBAL BERHAD (*formerly known as VTI Vintage Berhad*) **AND ITS SUBSIDIARIES**

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

1. **Basis of Preparation**

1.3 (Continued)

Extraction from Note 31(a) to the financial statements (Continued)

(ii) Consequence of non-compliance

In the event the Company fails to comply with the obligations to regularise its condition, all its listed securities will be suspended from trading on the next market day after five (5) market days from the date of notification of suspension by Bursa Securities and de-listing procedures shall be taken against the Company, subject to the Company's right to appeal against the de-listing.

(iii) Status of plan to regularise condition

On 13 April 2010, the Company announced a preliminary scheme to regularise the current financial condition of the Company. In compliance with Paragraph 3.1 and 4.1 of the PN17, as an Affected Listed Issuer, the Company is required to make a requisite announcement and submit a regularisation plan to the relevant authorities for approval with twelve (12) months from the date of the First Announcement on 25 February 2010. As such, on behalf of the Board of Directors, Hong Leong Investment Bank Berhad (formerly known as MIMB Investment Bank Berhad) ("HLIBB") on 9 September 2010, announced that the Company has proposed to implement a proposed regularisation plan which comprises the following:
(i) Proposed Capital Reduction;
(ii) Proposed Share Consolidation;
(iii) Proposed M&A Ammendments;
(iv) Proposed Private Placement;
(v) Proposed Rights Issue;
(vi) Proposed Debt Settlement; and
(vii) Proposed Set-Off.

(Herein referred to as the "Proposals")

Details of the Proposals are attached to the announcement dated 9 September 2010.

On 10 February 2011, HLIBB on behalf of the Company submitted an application for an extension of time to Bursa Securities to submit the proposed regularisation plan.

Bursa Securities has vide its letter dated 14 March 2011, approved the Company's application for an extension of time until 24 April 2011 to submit its regularisation plan.

In the event that:

(i) The Company fails to submit the regularisation plan to the regulatory authorities for approval on or before 24 April 2011;

(ii) The Company fails to obtain the approval from any of the regulatory authorities necessary for the implementation of its regularisation plan; or

(iii) The Company fails to implement its regularisation plan within the time frame or extended time frames stipulated by the regulatory authorities;

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ML GLOBAL BERHAD (*formerly known as VTI Vintage Berhad*) **AND ITS SUBSIDIARIES**

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

1. **Basis of Preparation**

1.3 (Continued)

Extraction from Note 31(a) to the financial statements (Continued)

(iii) Status of plan to regularise condition (Continued)

Bursa Securities reserves the right to proceed with the suspension of the trading of the securities of the Company and to commence de-listing procedures against the Company.

Upon occurrence of any of the events set out in (i) to (iii) above, a suspension shall be imposed on the trading of the listed securities of the Company upon the expiry of five (5) market days from the date the Company is notified by Bursa Securities and de-listing procedures shall be commenced against the Company.

The Company submitted its regularisation plan to Bursa Securities for approval on 22 April 2011 which comprises of:

(i) Proposed reduction of VTI Vintage Berhad's ("VVB") existing issued and paid-up share capital from approximately RM97.49 million comprising 97,486,002 Existing Shares to approximately RM9.75 million comprising 97,486,002 ordinary shares of RM0.10 each via the cancellation of RM0.90 of the par value of each Existing Share pursuant to Section 64 of the Act;

(ii) Proposed share consolidation via the consolidation of five (5) Reduced Shares into one (1) VVB's share after the Proposed Capital Reduction;

(iii) Proposed amendments to the M&A of VVB to facilitate the change in the par value of the VVB's Shares resulting from the Proposed Capital Reduction and Proposed Share Consolidation;

(iv) Proposed Private Placement of 12,000,000 new VVB shares;

(v) Proposed renounceable right issue of up to 31,497,200 new VVB's Shares on the basis of one (1) new VVB's Share for every one (1) existing VVB's Share held by the shareholders of VVB after the Proposed Shareholders' Scheme and Proposed Private Placement;

(vi) Proposed formal scheme of arrangement and compromise pursuant to Section 176 of the Act in respect to the amounts owing to the secured and unsecured creditors of VVB via the issuance of up to 18,556,106 new VVB Shares after a seventy five percent (75%) debt waiver by the unsecured creditors;

(vii) Proposed set-off of any cash advances against the subscription monies payable by a Director pursuant to his irrevocable undertaking to subscribe for his rights entitlement and/or procure subscriptions for the Proposed Rights Issue up to a maximum amount of RM5.0 million.

ML GLOBAL BERHAD (*formerly known as VTI Vintage Berhad*) **AND ITS SUBSIDIARIES**

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

1. **Basis of Preparation**

1.3 (Continued)

<u>*Extraction from Note 31(a) to the financial statements (Continued)*</u>

(iii) Status of plan to regularise condition (Continued)

On 2 November 2011, HLIBB on behalf of the holding company had announced on the following variation to the Proposals. It was previously announced in Section 2.7(ii)(d) of the announcement dated 9 September 2010 that if any of the unsecured creditors is a subsidiary of VVB, its entitlement to the VVB's Shares shall be allotted and issued to a trustee and/or an agent for the creditor who will subsequently dispose of the shares allotted and issued to it and remit the proceeds to the subsidiary concerned.

After further deliberation by the Board, the Company has decided to vary the said distribution such that if any of the unsecured creditors is the holding company itself or a subsidiary of the holding company, its entitlement to the VVB's Shares will be allotted and issued to a placee to be identified ("Placee") and the cash proceeds therefrom will be paid to the Company who will then distribute the respective entitlement to its subsidiaries ("Proposed Variation"). The Proposed Variation was decided by the Board to avoid any possible infringement of Section 17 of the Companies Act 1965.

On 23 December 2011, HLIBB on behalf of the Company had announced that the variation of the regularisation plan as the following:

(i) variations on the inter-conditionality of the Proposals; and

(ii) assignment of the VVB's Group inter-company debt to Distinct Treasures Sdn. Bhd.

On 2 April 2012, Bursa Securities rejected the Company's proposed regularisation plan which was submitted to Bursa Securities on 22 April 2011.

In the circumstances and pursuant to Rule 8.04(5) of the Bursa Securities Main Market Listing Requirements ("MLR"):

(i) the trading in the securities of the Company will be suspended with effect from 10 April 2012; and

(ii) the securities of the Company will be de-listed on 4 May 2012 unless an appeal against the rejection of the regularisation plan and de-listing is submitted to Bursa Securities on or before 1 May 2012 ("the Appeal Timeframe"). Any appeal submitted after the Appeal Timeframe will not be considered by Bursa Securities.

In the event of the Company submits an appeal to Bursa Securities within the Appeal Timeframe, the removal of the securities of the Company from the official list of Bursa Securities on 4 May 2012 shall be deferred pending the decision on the Company's appeal.

On 3 April 2012, HLIBB on behalf of the Company had announced that Bursa Securities had vide its letter dated 2 April 2012, rejected the application by the Company in relation to regularisation plan.

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ML GLOBAL BERHAD (*formerly known as VTI Vintage Berhad*) **AND ITS SUBSIDIARIES**

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

1. **Basis of Preparation**

1.3 (Continued)

Extraction from Note 31(a) to the financial statements (Continued)

(iii) Status of plan to regularise condition (Continued)

Bursa Securities' rejection was premised on the concern that the regularisation plan does not comply with Paragraph 3.1 of Practice Note 17 of the MLR and in particular sub-paragraph (a) of 3.1 which specifies that the regularisation plan must be sufficiently comprehensive and capable of resolving all the problems, financial or otherwise that has caused the Company to trigger the Prescribed Criteria (as defined in the MLR). In deciding to reject the Company's regularisation plan, Bursa Securities has considered that the Company or principal adviser has failed to demonstrate to the satisfaction of Bursa Securities the ability of the existing businesses of the Company and its subsidiary companies ("the Group") to sustain the Group post completion of its Proposals given the following:

(i) the proposed regularisation plan is solely reliant on the existing businesses of the Group and it is noted that there is no material changes to the business plan of the Group. It is further noted that the Group has been incurring losses for the past seven (7) audited financial years up to the financial year ended 31 December 2010 and continued to incur losses (net write back of allowance of doubtful debts) for its unaudited financial year ended 31 December 2011. This also raises concerns as to the ability of the Company to record a net profit immediately after completion of the implementation of the proposed regularisation plan; and

(ii) the Company or principal adviser have not satisfactorily demonstrated to Bursa Securities the ability of its existing businesses or operations such as its manufacturing and sales of roof tiles and construction divisions to compete, increase and sustain the Company and its growth in the long term. In particular, it is noted amongst others, that the Company has only secured a few construction contracts, mostly with relatively small contract sum or value and the revenue and profits of the construction division of the Group in the immediate years are largely dependent on contracts which have not been secured or based on a memorandum of understanding.

The Board of Directors of the Company will deliberate on the next course of action and is expected to appeal to Bursa Securities on the rejection within the timeframe stipulated in paragraph 8.04(4) of the MLR.

In accordance with the listing circular issued on 2 April 2012 against the Company, Bursa Securities wishes to clarify that the imposition of suspension and de-listing against the Company were pursuant to paragraph 8.04(5) of the Bursa Securities MLR.

In the event of the Company submits an appeal to Bursa Securities within the Appeal Timeframe, the removal of the securities of the Company from the official list of Bursa Securities on 4 May 2012 shall be deferred pending the decision on the Company's appeal.

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NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

1. **Basis of Preparation**

1.3 (Continued)

<u>*Extraction from Note 31(a) to the financial statements (Continued)*</u>

(iii) Status of plan to regularise condition (Continued)

On 30 April 2012, the Company had made an appeal on the said rejection. On 24 July 2012, Bursa Securities approved the Company's proposed regularisation plan which consists of the following:

(i) Proposed share capital reduction of the Company's issued and paid up share capital via cancellation of RM0.90 of the par value of each existing ordinary share of RM1.00 each in the Company pursuant to Section 64 of the Companies Act 1965;

(ii) Proposed share consolidation via the consolidation of five (5) ordinary shares of RM0.10 each into one (1) share of RM0.50 each in the Company;

(iii) Proposed amendments to the Memorandum and Articles of Association;

(iv) Proposed private placement of 17,000,000 new consolidated ordinary shares of RM0.50 each in the Company together with 8,500,000 free detachable warrants on the basis of one (1) warrant for every two (2) placement shares held to strategic investors at an issue price of RM0.50 per share;

(v) Proposed renounceable rights issue of 36,497,200 new consolidated shares of RM0.50 each in the Company on the basis of one (1) Right Share for every one (1) existing Company share held together with 18,248,600 free detachable warrants on the basis of one (1) warrant for every two (2) Rights Share subscribed by the entitled shareholders on an entitlement date to be determined;

(vi) Proposed debt settlement pursuant to Section 176 of the Act in respect of the amount owing to the secured and unsecured creditors of the Company via the issuance of up to 18,556,106 new ordinary shares of RM0.50 each in the Company after obtaining a 75% haircut from the unsecured creditors; and

(vii) Proposed set-off of any cash advance to the Company from its major shareholder, Dato' Beh Hang Kong ("DBHK"), against the subscription monies payable by DBHK pursuant to his irrevocable undertaking to subscribe and/or procure subscription for the proposed rights issue up to a maximum of RM5.0 million.

Bursa Securities' approval of the appeal was made after due consideration of relevant facts and circumstances including:

(i) The changes of the Company's business model for its manufacturing and distribution of tiles division;

(ii) The growth of the Company's secured order book for its construction division;

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NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

1. **Basis of Preparation**

1.3 (Continued)

Extraction from Note 31(a) to the financial statements (Continued)

(iii) Status of plan to regularise condition (Continued)

(iii) The changes and improvements to the Company's proposed regularisation plan including addition fund raising for the Company's business operations and a proposed profit guarantee of RM6 million profit after taxation (i.e. excluding write off/other income/adjustments not in the ordinary course of business) for 2 consecutive financial years following the successful implementation of the proposed regularisation plan;

(iv) The approval of the secured and unsecured creditors of the Company and its subsidiary companies for the Company's proposed debt settlement which forms part of the proposed regularisation plan; and

(v) The Group's plan to add diversification to its revenue stream.

On 14 February 2013, HLIBB on behalf of the Company had announced that the Company proposes to revise the allocations of the Proposed Private Placement and the Proposed Rights Issue and the terms of the Proposed Set-Off. In addition, the Board of Directors of the Company also decided to undertake a Proposed Exemption (as defined within), pursuant to the revised allocations of the Proposed Private Placement and Proposed Rights Issue.

On 10 July 2013, 19 September 2013 and 25 September 2013 the Company in relation to the application to Bursa Securities for the extension of time to implement the proposed regularisation plan ("EOT Application"). On 5 December 2013, Bursa Securities approved an extension of time until 31 August 2014 to implement its proposed regularisation plan which consists of the following:

(i) The new secured contracts coupled with the existing secured contracts amounting RM650.51 million and the representations by the Company on the strategic collaboration with BCEG International (M) Sdn. Bhd. to jointly participate and undertake construction projects;

(ii) The financial commitment from the Managing Director/substantial shareholder of VVB, together with the strategic investor in relation to the proposed private placement, proposed right issue with warrants and the profit guarantee, and the Managing Director's financial advances provided to-date and his representations and commitment to provide additional financial advances to the Company; and

(iii) The confirmation from the principal adviser, HLIBB, that the proposed regularisation plan would comply with paragraph 3.1 of Practice Note 17 of the MLR of Bursa Securities.

In the event the Company fails to implement its regularisation plan within the time frame or extended time frame stipulated by Bursa Securities, the securities of VVB shall be removed from the Official List of Bursa Securities upon expiry of two (2) market days from the date of notification or such other date specified by Bursa Securities to the Company.

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ML GLOBAL BERHAD (*formerly known as VTI Vintage Berhad*) **AND ITS SUBSIDIARIES**

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

1. **Basis of Preparation**

1.3 (Continued)

Extraction from Note 31(a) to the financial statements (Continued)

(iii) Status of plan to regularise condition (Continued)

On 25 April 2014 VVB entered into a profit guarantee agreement with Dato' Beh Hang Kong and LBS Bina Group Berhad and Messrs. Bahari & Bahari, to guarantee a consolidated audited profit after taxation of RM6.0 million of VVB and its subsidiaries after taking into consideration the operational profit for each of the 2 financial years following the successful implementation of the proposed regularization plan of VVB."

2. **Rights Issue with Warrants**

The Board of Directors of ML Global has undertaken the renounceable rights issue of 36,497,200 new ordinary shares of RM0.50 each in ML Global ("ML Global Share(s)") ("Rights Shares") at an issue price of RM0.50 per Rights Share on the basis of 1 Rights Share for every 1 existing ML Global Share held as at 5.00 p.m. on 1 October 2014, together with 18,248,600 free detachable warrants ("Warrants") on the basis of 1 Warrant for every 2 Rights Shares subscribed ("Rights Issue with Warrants").

Utilisation of proceeds

The proceeds to be raised from the Private Placement (as described in Note 3.3), Rights Issue with Warrants and the Agreements to Assign Debts (as described in Note 5.1.2(iii)(e)) will be utilised in the following manner:-

	RM'000
Proceeds arising from the Private Placement (as described in Note 5.1.1) *	4,000
Proceeds arising from the Rights Issue with Warrants *	12,748
Proceeds arising from the Agreements to Assign Debts (as described in Note 5.1.3(iii)(e))	4,864
Total Proceeds	21,612
Utilisation:	
Working capital for construction activities and/or the existing roofing tiles operations	19,662
Estimated expenses in relation to the Corporate Exercises	1,950
	21,612

* *Assumed a maximum of RM10.0 million to be set off against the amount owing to a director, Dato' Beh Hang Kong ("DBHK") pursuant to the Set-Off (as defined in Note 4(b) below) of which RM4.5 million will be set off against the Private Placement and RM5.5 million will be set off against the Rights Issue with Warrants.*

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NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

3. **Adjusted Consolidated Statement of Financial Position as at 31 December 2013**

The audited consolidated statement of financial position of the Group as at 31 December 2013 had been adjusted for the following transactions prior to the implementation of the Rights Issue with Warrants:-

3.1 Capital Reduction

On 23 June 2014, the High Court of Malaya in Kuala Lumpur granted an order confirming the share capital reduction of the ML Global's existing issued and paid up capital of approximately RM97.49 million comprising 97,486,002 ordinary shares of RM1.00 each in ML Global via the cancellation of RM0.90 of the par value of each ordinary share of RM1.00 each in ML Global pursuant to Section 64 of the Companies Act, 1965 ("Capital Reduction"). The Capital Reduction was effected on 2 July 2014.

The reduction of the issued and paid-up share capital of ML Global amounting to RM87.74 million arising from the Capital Reduction will be credited to the Accumulated Losses Account.

The Capital Reduction had the following impact on the audited consolidated statement of financial position of the Group as at 31 December 2013:-

	Increase/ (Decrease) Effects on Total Equity RM'000
Share capital	(87,737)
Accumulated losses	87,737
	-

3.2 Share Consolidation

On 2 July 2014, ML Global announced that the entitlement date for the share consolidation via the consolidation of 5 ordinary shares of RM0.10 each in ML Global into 1 ML Global Share ("Share Consolidation") had been fixed at 5.00 p.m. on 17 July 2014.

The Share Consolidation does not have any impact on the audited consolidated statement of financial position of the Group except that the number of shares has been consolidated from 97,486,002 to 19,497,200 and the par value of the Company had also correspondingly consolidated from RM0.10 to RM0.50.

ML GLOBAL BERHAD (*formerly known as VTI Vintage Berhad*) **AND ITS SUBSIDIARIES**

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

3. **Adjusted Consolidated Statement of Financial Position as at 31 December 2013 (Continued)**

3.3 Abortion of the Disposal of Tuaran Property

On 7 January 2011, ML Global had announced that Vintage Tiles Industries (EM) Sdn Bhd, a wholly-owned subsidiary of ML Global, had entered into a sale and purchase agreement for the disposal of a leasehold land ("Disposal of Tuaran Property") for a sale consideration of RM2.15 million and accordingly the net carrying amount of the said property was reclassified as non-current assets held for sale.

On 12 August 2014, ML Global announced that the Disposal of Tuaran Property was aborted and on even date, the said property ceased to be classified as non-current assets held for sale and was reclassified to the Property, Plant and Equipment Account at the net carrying amount before the said property was classified as non-current assets held for sale, adjusted for the amortisation of RM0.008 million for the period from April 2011 to December 2013 and the reversal of impairment losses of RM0.45 million that would have been recognised had the said property not been reclassified as non-current assets held for sale.

The abortion of the Disposal of Tuaran Property had the following impact on the audited consolidated Statement of financial position of the Group as at 31 December 2013:-

	Increase/(Decrease) Effects on Total Assets RM'000	Increase/(Decrease) Effects on Total Equity RM'000
Property, plant and equipment	2,595	-
Net current assets held for sale	(2,150)	-
Accumulated losses	-	445
	445	445

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

4. **The Other Corporate Exercise**

ML Global had obtained approvals from the shareholders at the extraordinary general meeting held on 23 May 2014 for the following corporate exercises which are currently pending completion:-

(a) the private placement of 17,000,000 new ML Global Shares ("Placement Shares") to strategic investors together with 8,500,000 Warrants on the basis of 1 Warrant for every 2 Placement Shares subscribed ("Private Placement");

(b) the set-off of any cash advances to ML Global from its major shareholder, DBHK, against the subscription monies payable by DBHK pursuant to his irrevocable undertaking to subscribe and/or procure subscription for the Placement Share and Rights Shares, up to a maximum amount of RM10.0 million ("Set Off"); and

(c) the settlement of debts via a formal scheme of arrangement and compromise pursuant to Section 176 of the Companies Act, 1965 in respect of the amounts owing to the secured and unsecured creditors of ML Global via the issuance of up to 18,556,106 new ML Global Shares after obtaining 75% hair cut from the unsecured creditors ("Debt Settlement").

DBHK and LBS Bina Group Berhad ("the Guarantors") have proposed to unconditionally and irrevocably jointly guarantee that the Group shall achieve an audited operational profit after tax (excluding write-off, other income and any other adjustments not in the ordinary course of business) of RM6.0 million per annum for the two financial years following the successful implementation of the Rights Issue with Warrants, the transactions as described in Note 3 and also other corporate exercises as described in Note 4 ("Corporate Exercises") ("Guaranteed Period") ("Profit Guarantee").

In the event the Group records a loss during the Guaranteed Period, the Guarantors shall be liable on demand to immediately pay the difference between the Guaranteed Profit and the audited operational profit after tax for the 2 financial years following the successful implementation of the Corporate Exercises ("Differential Sum"). In the event of a loss after tax scenario, this amount would be the aggregate sum of the amount of the loss recorded and the guaranteed profit which will when added make the Group records a RM6.0 million profit after tax for each of the 2 financial years following the successful implementation of the Corporate Exercises.

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NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

5. **The Proforma Consolidated Statement of Financial Position**

5.1 For the preparation of the Proforma Consolidated Statements of Financial Position, the directors of ML Global have assumed the following:-

(i) The 8,500,000 Warrants to be issued pursuant to the Private Placement, the Rights Issue with Warrants and the Set-Off will be completed simultaneously together with the completion of the Debt Settlement. For the purpose of the preparation of the Proforma Consolidated Statements of Financial Position, it is assumed that a maximum of RM10.0 million from amount owing to DBHK will be set off against the subscription monies payable by DBHK pursuant to the Set-Off as described in Notes 2 and 4(b).

(ii) For the preparation of the Proforma Consolidated Statements of Financial Position and for illustrative purposes, the Directors have allocated a value of RM0.10 per warrant to the free warrants based on the fair value of the warrant extracted from the Bloomberg as at 5 September 2014, being the latest practicable date prior to date of the Abridged Prospectus ("LPD"). The assumptions used to arrive at this fair value of the warrants is based on the relative fair value of the ML Global Shares by reference to the following information extracted from Bloomberg Finance L.P. as at 5 September 2014:-

Valuation model	:	Black Scholes
Theoretical ex-right price	:	RM0.39
Exercise price	:	RM0.50 per Warrant
Time to expiry	:	5 years
Volatility	:	66.735%
Dividend	:	No dividend
Interest rate	:	4.057% per annum

As the above variables are subject to change upon the implementation of the Private Placement and the Rights Issue with Warrants, the actual quantum of the warrant reserves will only be determined upon issuance of the warrants. As such, the actual quantum may differ from the amount computed above.

(iii) The 8,500,000 Warrants issued pursuant to the Private Placement and the 18,248,600 Warrants issued pursuant to the Rights Issue with Warrants are fully exercised at an exercise price of RM0.50 each.

5.1.1 **Proforma I**

Proforma I incorporates the effects of the adjusted consolidated statement of financial position of the Group as at 31 December 2013 and the Private Placement as described in Note 4(a) and the Set-Off as described in Note 4(b).

The Placement Shares were issued and allotted on 24 July 2014. The 8,500,000 Warrants to be issued pursuant to the Private Placement will be issued and completed simultaneously with the Rights Issue with Warrants as described in Note 5.1(i).

The proceeds arising from the Private Placement of RM4.0 million earmarked for working capital for construction activities and/or the existing roofing tiles operations will be included in the Cash and Bank Balances Account.

ML GLOBAL BERHAD *(formerly known as VTI Vintage Berhad)* **AND ITS SUBSIDIARIES**

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

5. **The Proforma Consolidated Statement of Financial Position (Continued)**

5.1.1 **Proforma I (Continued)**

The Private Placement and the Set-Off will have the following impact on the adjusted consolidated statement of financial position of the Group as at 31 December 2013:-

	Increase/(Decrease) Effects on Total Assets RM'000	Effects on Total Equity RM'000
Cash and bank balances	4,000	-
Amount owing to directors	-	(4,500)
Share capital	-	8,500
	4,000	4,000

5.1.2 **Proforma II**

Proforma II incorporates the cumulative effects of Proforma I and the Rights Issue with Warrants as described in Note 2, the Set-Off as described in Notes 4(b) and 5.1(i) and the utilisation of proceeds as described in Note 2.

The estimated expenses in relation to Corporate Exercises of RM1.95 million will be debited to the Accumulated Losses Account.

The proceeds arising from the Rights Issue with Warrants of RM10.798 million earmarked for working capital for construction activities and/or the existing roofing tiles operations will be included in the Cash and Bank Balances Account.

With the issuance of 8,500,000 Warrants pursuant to the Private Placement and the issuance of 18,248,600 Warrants pursuant to the Rights Issue with Warrants, for illustrative purposes, ML Global has recognised the fair values of the warrants of RM2.68 million based on the basis as described in Note 5.1(ii).

The Rights Issue with Warrants and the Set-off will have the following impact on the Proforma Consolidated Statements of Financial Position of the Group as at 31 December 2013:-

	Increase/(Decrease) Effects on Total Assets RM'000	Effects on Total Equity and Liabilities RM'000
Cash and bank balances	10,798	-
Amount owing to directors	-	(5,500)
Share capital	-	18,248
Warrant reserves	-	2,675
Accumulated losses	-	(4,625)
	10,798	10,798

ML GLOBAL BERHAD *(formerly known as VTI Vintage Berhad)* **AND ITS SUBSIDIARIES**

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

5. **The Proforma Consolidated Statement of Financial Position (Continued)**

5.1.3 **Proforma III**

Proforma III incorporates the cumulative effects of Proforma II and the completion of the Debt Settlement as described in Note 4(c).

The Debt Settlement of the Group entails the formal scheme of arrangement and compromise pursuant to Section 176 of the Companies Act, 1965 in respect of the scheme liabilities as at 31 August 2009 ("Cut-Off Date"). The Debt Settlement comprises the following:-

(i) The term loan and overdraft facility owing to AmBank (M) Berhad have been restructured on 17 September 2014 based on the following terms:

(a) The term loan and overdraft facility is to be repaid over a period of 24 months by monthly principal and interest instalments of RM92,000 and RM20,000 each respectively, the first of which is to commence on 1 October 2014.

(b) Interest on both the term loan and overdraft facility is to be serviced monthly and further interest to accrue thereon at the bank's base lending rate + 2.50% per annum.

The hire purchase facility have also been restructured on 17 September 2014 wherein the full and final settlement amount for the hire purchase facility is RM832,500, which will be repayable via 9 monthly payments of RM92,500 each, the first payment of which shall be payable on or before 30 September 2014 and the subsequent monthly payments on or before 30th of each succeeding month.

The amount due and payable to AmIslamic Bank Berhad amounting to RM0.97 million has been restructured on 17 September 2014 and is to be repaid by 24 monthly equal instalments of RM44,258 each.

(ii) The amount owing to Public Bank Berhad have been restructured on 12 September 2014 to reschedule the repayment tenure for the outstanding principal and interest amounting to approximately RM18.46 million as follows:

(a) The bullet principal repayment of the term loan of RM13.95 million is deferred for 18 months from 22 October 2014 to 22 April 2016 with monthly interest servicing.

(b) The pricing of both the term loan and overdraft facility will be revised upwards with effect from 22 October 2014 as follows:

Facility	Amount owing	Existing	Revised
Term loan	RM13.95 million	Bank's Cost of Fund + 1.80% per annum	Bank's Cost of Fund + 3.30% per annum
Overdraft	RM4.51 million	Bank's Base Lending Rate - 1.55% per annum	Bank's Base Lending Rate + 0% per annum

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

5. **The Proforma Consolidated Statement of Financial Position (Continued)**

5.1.3 **Proforma III (Continued)**

(iii) The unsecured scheme creditors of approximately RM37.11 million as at the Cut-Off Date will be settled in the following manner:-

(a) Accrued interest, if any, up to the Cut-Off Date shall be capitalised together with the principal outstanding amount as total debts to be settled;

(b) All interest, if any, regular or otherwise, penalties, costs, fees and other charges accrued or incurred after the Cut-Off Date shall be waived;

(c) As at the LPD, amounts totalling RM3.832 million had been fully repaid to the unsecured scheme creditors;

(d) The remaining outstanding amount due to the unsecured scheme creditors of approximately RM33.280 million shall be settled via the issuance of 16,640,000 new ML Global Shares ("Settlement Shares") after obtaining a seventy-five percent (75%) hair cut from the amount owed to the unsecured creditors and including settlement for contingent liabilities, if any; and

(e) If any of the unsecured creditors is a member of the Group, the Group would assign to Distinct Treasures Sdn Bhd all of the Group's rights, title, interest and benefit in and to the debt due and payable within the Group in consideration for a sum equal to the net amount owed under the Debt Settlement pursuant to the Agreements to Assign Debts ("Agreements to Assign Debts").

The proceeds arising from the Agreement to Assign Debts of RM4.864 million earmarked for working capital for construction activities and/or the existing roofing tiles operations will be included in the Cash and Bank Balances Account.

Upon the completion of the Debt Settlement, the waiver of debts by the secured and unsecured creditors of RM10.619 million will be credited to the Accumulated Losses Account.

The Debt Settlement will have the following impact on the Proforma Consolidated Statements of Financial Position of the Group as at 31 December 2013:-

	Increase/(Decrease)	
	Effects on Total Assets RM'000	Effects on Total Equity and Liabilities RM'000
Cash and bank balances	4,864	-
Trade and other payables	-	(6,868)
Amount owing to directors	-	(6,418)
Bank overdrafts	-	(789)
Share capital	-	8,320
Accumulated losses	-	10,619
	4,864	4,864

ML GLOBAL BERHAD *(formerly known as VTI Vintage Berhad)* **AND ITS SUBSIDIARIES**

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

5. **The Proforma Consolidated Statement of Financial Position (Continued)**

5.1.4 **Proforma IV**

Proforma IV incorporates the cumulative effects of Proforma III and the full exercise of 8,500,000 Warrants issued pursuant to the Private Placement and 18,248,600 Warrants issued pursuant to the Rights Issue with Warrants at the exercise price of RM0.50 each as described in Note 5.1(iii) above.

The full exercise of 26,748,600 Warrants will have the following impact on the Proforma Consolidated Statements of Financial Position of the Group as at 31 December 2013:-

	Increase/(Decrease)	
	Effects on Total Assets RM'000	Effects on Total Equity RM'000
Cash and bank balances	13,374	-
Share capital	-	13,374
Share premium	-	2,675
Warrant reserves	-	(2,675)
	13,374	13,374

5.1.5 **Proforma V**

Proforma V incorporates the cumulative effects of Proforma IV and the Profit Guarantee as described in Note 4.

The Guarantors have unconditionally and irrevocably jointly guarantee that the audited operational profit after tax of ML Global shall not be less than RM6.0 million per annum for the two financial years following the successful implementation of the Corporate Exercises.

For the preparation of the Proforma Consolidated Statements of Financial Position and for illustrative purposes, the Directors of ML Global assumed that the profit guarantee are fully achieved for the two financial years ending 31 December 2015 and 31 December 2016 and the profits are assumed to be fully debited to the Cash and Bank Balances Account.

The Profit Guarantee will have the following impact on the Proforma Consolidated Statements of Financial Position of the Group as at 31 December 2013:-

	Increase	
	Effects on Total Assets RM'000	Effects on Total Equity RM'000
Cash and bank balances	12,000	-
Accumulated losses	-	12,000
	12,000	12,000

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NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

6. **Movements in Share Capital and Reserves**

	Share Capital				
	Number of Shares '000	Amount RM'000	Share Premium RM'000	Warrant Reserves RM'000	Accumulated Losses RM'000
Audited consolidated statement of financial position as at 31 December 2013	97,486	97,486	-	-	(112,571)
Arising from the Capital Reduction	-	(87,737)	-	-	87,737
Arising from the Share Consolidation	(77,989)	-	-	-	-
Arising from the abortion of the Disposal of Tuaran Property	-	-	-	-	445
Adjusted consolidated statement of financial position as at 31 December 2013	19,497	9,749	-	-	(24,389)
Arising from the Private Placement and the Set-Off					
- issuance of new ML Global Shares	17,000	8,500	-	-	-
Per Proforma I	36,497	18,249	-	-	(24,389)
Arising from the Rights Issue with Warrants and the Set-off					
- 26,748,600 Warrants issued pursuant to the Private Placement and the Rights Issue with Warrants	-	-	-	2,675	(2,675)
- issuance of new ML Global Shares	36,497	18,248	-	-	-
- defrayment of the estimated expenses in relation to the Corporate Exercises	-	-	-	-	(1,950)
Per Proforma II	72,994	36,497	-	2,675	(29,014)
Arising from the Debt Settlement					
- settlement with the unsecured creditors	16,640	8,320	-	-	-
- waiver of debts by the unsecured creditors	-	-	-	-	10,619
Per Proforma III	89,634	44,817	-	2,675	(18,395)
Arising from the full exercise of Warrants					
- issuance of new ML Global Shares	26,749	13,374	2,675	(2,675)	-
Per Proforma IV	116,383	58,191	2,675	-	(18,395)
Arising from the Profit Guarantee	-	-	-	-	12,000
Per Proforma V	116,383	58,191	2,675	-	6 395)

ML GLOBAL BERHAD *(formerly known as VTI Vintage Berhad)* **AND ITS SUBSIDIARIES**

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Continued)

7. **Movements in the Cash and Bank Balances Account**

	RM'000
Audited consolidated statement of financial position as at 31 December 2013	153
Arising from the Capital Reduction	-
Arising from the Share Consolidation	-
Arising from the abortion of the Disposal of Tuaran Property	-
Adjusted consolidated statement of financial position as at 31 December 2013	153
Arising from the Private Placement and the Set-Off	
- proceeds arising from the issuance of ML Global Shares	4,000
Per Proforma I +	4,153
Arising from the Rights Issue with Warrants and the Set-Off	
- proceeds arising from the issuance of ML Global Shares	12,748
- defrayment of the estimated expenses in relation to the Corporate Exercises	(1,950)
Per Proforma II *+	14,951
Arising from the Debt settlement	
- proceeds arising from the Agreements to Assign Debts	4,864
Per Proforma III *+^	19,815
Arising from the full exercise of warrants pursuant to	
- the Private Placement	4,250
- the Rights Issue with Warrants	9,124
Per Proforma IV *+^	33,189
Arising from the Profit Guarantee	12,000
Per Proforma V *+^	45,189

\+ *Included in the cash and bank balances is an amount of RM4.0 million arising from the Private Placement earmarked for working capital for construction activities and/or the existing roofing tiles operations.*

* *Included in the cash and bank balances is an amount of RM10.798 million arising from the Rights Issue with Warrants earmarked for working capital for construction activities and/or the existing roofing tiles operations.*

^ *Included in the cash and bank balances are amounts totalling RM4.864 million arising from the Agreements to Assign Debts earmarked for working capital for construction activities and/or the existing roofing tiles operations.*

BAKER TILLY MONTEIRO HENG - For Identification Purposes Only

ML GLOBAL BERHAD (*formerly known as VTI Vintage Berhad*) AND ITS SUBSIDIARIES

APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors of ML Global Berhad (*formerly known as VTI Vintage Berhad*) in accordance with a resolution dated 22 SEP 2014

..............Lim Kim Hoe..................	..........Chin Sui Yin....................
Name:	**Name:**
Director	**Director**

BAKER TILLY MONTEIRO HENG For Identification Purposes Only

Certified True Copy

Tang Boon Hiap
MIA 14245
Chartered Accountant

VTI VINTAGE BERHAD

(Incorporated in Malaysia)

Company No: 589167- W

FINANCIAL REPORT
for the financial year ended 31 December 2013

VTI VINTAGE BERHAD
(Incorporated in Malaysia)
Company No: 589167- W

Contents

VTI VINTAGE BERHAD
(Incorporated in Malaysia)
Company No: 589167- W

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2013.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services to the subsidiaries. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	The Group RM	The Company RM
(Loss)/Profit for the financial year	(2,733,898)	416,113
Attributable to:		
Owners to the Company	(2,733,898)	416,113
Non-controlling interests	-	-
	(2,733,898)	416,113

DIVIDENDS

No dividends were paid, declared or proposed by the Company since the end of the previous financial year. The directors also do not recommend any final dividend in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year other than those disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) there were no changes in the authorised and issued and paid-up share capital of the Company; and

(b) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that any current assets other than debts, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

The contingent liabilities are disclosed in Note 29 to the financial statements. At the date of this report, there does not exist:-

(a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year.

DIRECTORS

The directors who served since the date of the last report are as follows:-

Dato' Beh Hang Kong
Datuk Tan Choon Hwa (JMK, JP)
Chin Sui Yin
Sor Chen Loong
Freddie Chew Sun Ghee (Appointed on 29.11.2013)
Wong Wai Sang (Resigned on 31.8.2013)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares and options over shares of the Company and its related corporations during the financial year are as follows:-

	<-----Number Of Ordinary Shares Of RM1 Each----->			
	At 1.1.2013	Bought	Sold	At 31.12.2013
Direct Interests In the Company				
Dato' Beh Hang Kong	9,577,700	-	-	9,577,700
Datuk Tan Choon Hwa (JMK, JP)	265,000	-	-	265,000
Indirect Interest In the Company				
Dato' Beh Hang Kong#	1,971,300	-	(1,971,300)	-

By virtue of their shareholdings in the Company, Dato' Beh Hang Kong and Datuk Tan Choon Hwa are deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 6A of the Companies Act 1965.

The other directors holding office at the end of the financial year had no interest in shares and options over shares ofthe Company or its related corporations during the financial year.

Dato' Beh Hang Kong ceased to be deemed interested for the shares held by a shareholder pursuant to Section 6A of the Companies Act 1965.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors as shown in the financial statements. or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 26 to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 31 to the financial statements.

AUDITORS

The auditors, Messrs. CHI-LLTC, have expressed their willingness to continue in office.

Signed in accordance with a resolution of the directors dated 30 APR 2014

Dato' Beh Hang Kong

Chin Sui Yin

VTI VINTAGE BERHAD
(Incorporated in Malaysia)
Company No: 589167 - W

STATEMENT BY DIRECTORS

We, Dato' Beh Hang Kong and Chin Sui Yin, being two of the directors of VTI Vintage Berhad, state that, in the opinion of the directors, the financial statements set out on pages 9 to 74 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standardsand the requirements of the Companies Act 1965 in Malaysia so as to give a true and fair view of thefinancial position of the Group and of the Company at 31 December 2013 and of their financial performanceand cash flows for the financial year ended on that date

The supplementary information set out in Note 32, which is not part of the financial statements, is prepared in all material respects, in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

Signed in accordance with a resolution of the directors dated 30 APR 2014

Dato' Beh Hang Kong

Chin Sui Yin

STATUTORY DECLARATION

I, Koo Siaw Turk, I/C No. 650701-07-5019, being the officer primarily responsible for the financial management of VTI Vintage Berhad, do solemnly and sincerely declare that the financial statements set out on pages 9 to 74are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by
Koo Siaw Turk, I/C No. 650701-07-5019,
At Petaling Jaya in the state of Selangor
Darul Ehsan on this 30 APR 2014

Koo Siaw Turk

Before me

PESURUHJAYA SUMPAH
NO. B 390
S. AROKIADASS A.M.N
MALAYSIA

34A (Tkt 1), Jalan SS2/67
47300 Petaling Jaya
Selangor Darul Ehsan

CH International

CHI-LLTC (AF : 1114)
Chartered Accountants
No. 61 - 6C, Jalan SS2 / 75,
47300 Petaling Jaya,
Selangor Darul Ehsan.
Tel : +603-7873 9898
Fax : +603-7874 8602
Email: nglt@lltc.my
Web: www.lltc.my
(Offices and Affiliate Offices located throughout Malaysia)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VTI VINTAGE BERHAD

(Incorporated in Malaysia)
Company No: 589167- W

Report on the Financial Statements

We have audited the financial statements of VTI Vintage Berhad, which comprise statements of financial position as at 31 December 2013 of the Group and of the Company, and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 9 to 74.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standardsand the requirements of the Companies Act 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

CH Internation

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VTI VINTAGE BERHAD (COND'T)

(Incorporated in Malaysia)
Company No: 589167 - W

Basis for Qualified Opinion

We draw attention to Note 3(b) to the financial statements, which disclosed the premises upon which the Group and the Company have prepared their financial statements by applying the going concern assumption, notwithstanding that during the financial year ended 31 December 2013, the Group have incurred losses of RM2,733,898 and as of that date, the Group's and the Company's current liabilities exceeded their current assets by RM50,119,357 and RM10,074,659 respectively.

In addition, the Company is considered an Affected Listed Issuer pursuant to the Practice Note 17 ("PN17") Paragraph 2.1(a) and Paragraph 8.04 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). A regularisation plan was submitted to Bursa Securities on 22 April 2011 and had gone through numerous revision and application for extension of time to implement the proposed regularisation plan as disclosed in Note 31(a). On 5 December 2013, Bursa Securities approved an extension of time until 31 August 2014 to implement the proposed regularisation plan.

We were unable to ascertain the ability of the Group and of the Company to continue as going concern which is dependent on the successful completion of the proposed regularisation plan, achieving sustainable and viable operations and generating adequate cash flows from its operating activities.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis of Qualified Opinion paragraph, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2013 and of their financial performances and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report the following:-

(a) Except for the matter as described in the Basis for Qualified Opinion paragraph, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the financial statements and the auditors' report of a subsidiary of which we have not acted as auditors, which is indicated in Note 5 to the financial statements.

(c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

CH International

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
VTI VINTAGE BERHAD (COND'T)
(Incorporated in Malaysia)
Company No: 589167 - W

Other Reporting Responsibilities

The supplementary information set out in Note 32 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

CHI-LLTC
Firm No: AF 1114
Chartered Accountants

Tang Boon Hiap
Approval No: 2127/02/15(J)
Chartered Accountant

Selangor Darul Ehsan
30 APR 2014

VTI VINTAGE BERHAD

(Incorporated in Malaysia)
Company No: 589167 - W

STATEMENTS OF FINANCIAL POSITION AT 31 DECEMBER 2013

		The Group		The Company	
		2013	2012	2013	2012
	Note	RM	RM	RM	RM
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	-	-	4	4
Property, plant and equipment	6	32,883,899	33,895,929	317,143	385,903
		32,883,899	33,895,929	317,147	385,907
CURRENT ASSETS					
Inventories	7	1,383,492	1,335,553	-	-
Trade receivables	8	7,368,630	22,443,894	-	-
Other receivables, deposits and prepayments	9	531,421	1,897,538	52,741	51,631
Amount owing by subsidiaries	10	-	-	3,640,432	-
Current tax asset		22,165	156,365	-	-
Fixed deposit	11	4,000	4,000	-	-
Cash and bank balances		153,300	442,226	9,154	9,724
		9,463,008	26,279,576	3,702,327	61,355
Non-current assets held for sale	12	2,150,000	2,150,000	-	-
		11,613,008	28,429,576	3,702,327	61,355
TOTAL ASSETS		44,496,907	62,325,505	4,019,474	447,262

The annexed notes form an integral part of these financial statements.

VTI VINTAGE BERHAD

(Incorporated in Malaysia)
Company No: 589167 - W

STATEMENTS OF FINANCIAL POSITION AT 31 DECEMBER 2013 (CONT'D)

		The Group		The Company	
		2013	2012	2013	2012
	Note	RM	RM	RM	RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	13	97,486,002	97,486,002	97,486,002	97,486,002
Accumulated losses		(112,571,460)	(109,837,562)	(107,243,514)	(107,659,627)
TOTAL EQUITY		(15,085,458)	(12,351,560)	(9,757,512)	(10,173,625)
NON-CURRENT LIABILITIES					
Hire purchase payables	14	-	-	-	-
CURRENT LIABILITIES					
Trade payables	15	13,630,872	16,282,477	-	-
Other payables and accruals	16	22,181,719	33,014,432	12,248,314	8,269,338
Amount owing to a subsidiary	10	-	-	1,263,747	2,086,624
Hire purchase payables	14	843,251	646,925	-	-
Term loans	17	16,836,868	16,093,863	-	-
Provision for taxation		367,612	264,925	264,925	264,925
Bank overdrafts	18	5,722,043	8,374,443	-	-
		59,582,365	74,677,065	13,776,986	10,620,887
TOTAL LIABILITIES		59,582,365	74,677,065	13,776,986	10,620,887
TOTAL EQUITY AND LIABILITIES		44,496,907	62,325,505	4,019,474	447,262

VTI VINTAGE BERHAD
(Incorporated in Malaysia)
Company No: 589167 - W

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

		The Group		The Company	
		2013	2012	2013	2012
	Note	RM	RM	RM	RM
REVENUE	19	9,920,951	22,347,835	1,200,000	1,200,000
COST OF SALES		(8,566,669)	(19,068,486)	-	-
GROSS PROFIT		1,354,282	3,279,349	1,200,000	1,200,000
OTHER INCOME		2,567,154	3,303	735,084	-
		3,921,436	3,282,652	1,935,084	1,200,000
ADMINISTRATIVE EXPENSES		(4,550,020)	(3,692,735)	(1,518,971)	(3,161,084)
FINANCE COSTS		(2,004,002)	(1,362,801)	-	(7,208)
(LOSS)/PROFIT BEFORE TAXATION	20	(2,632,586)	(1,772,884)	416,113	(1,968,292)
INCOME TAX EXPENSE	21	(101,312)	-	-	-
(LOSS)/PROFIT FOR THE YEAR		(2,733,898)	(1,772,884)	416,113	(1,968,292)
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE (EXPENSE)/INCOME		(2,733,898)	(1,772,884)	416,113	(1,968,292)
(LOSS)/PROFIT FOR THE YEAR ATTRIBUTABLE TO:-					
Owner of the Company		(2,733,898)	(1,772,884)	416,113	(1,968,292)
Non-controlling interests		-	-	-	-
		(2,733,898)	(1,772,884)	416,113	(1,968,292)
TOTAL COMPREHENSIVE (EXPENSE)/INCOME ATTRIBUTABLE TO:-					
Owner of the Company		(2,733,898)	(1,772,884)	416,113	(1,968,292)
Non-controlling interests		-	-	-	-
		(2,733,898)	(1,772,884)	416,113	(1,968,292)
LOSS PER SHARE (SEN)	22				
Basic		(2.80)	(1.82)		
Diluted		Not applicable	Not applicable		

The annexed notes form an integral part of these financial statements.

VTI VINTAGE BERHAD

(Incorporated in Malaysia)
Company No: 589167 - W

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

	Non-Distributable	Distributable			
	Share Capital	Accumulated Losses	Attributable to owners of the Company	Non-Controlling Interest	Total Equity
The Group	RM	RM	RM	RM	RM
Balance at 1.1.2012	97,486,002	(108,064,678)	(10,578,676)	-	(10,578,676)
Loss/Total comprehensive expense for the financial year	-	(1,772,884)	(1,772,884)	-	(1,772,884)
Balance at 31.12.2012/1.1.2013	97,486,002	(109,837,562)	(12,351,560)	-	(12,351,560)
Loss/Total comprehensive expense for the financial year	-	(2,733,898)	(2,733,898)	-	(2,733,898)
Balance at 31.12.2013	97,486,002	(112,571,460)	(15,085,458)	-	(15,085,458)
The Company					
Balance at 1.1.2012	97,486,002	(105,691,335)	(8,205,333)	-	(8,205,333)
Loss/Total comprehensive expense for the financial year	-	(1,968,292)	(1,968,292)	-	(1,968,292)
Balance at 31.12.2012/1.1.2013	97,486,002	(107,659,627)	(10,173,625)	-	(10,173,625)
Profit/Total comprehensive income for the financial year	-	416,113	416,113	-	416,113
Balance at 31.12.2013	97,486,002	(107,243,514)	(9,757,512)	-	(9,757,512)

VTI VINTAGE BERHAD
(Incorporated in Malaysia)
Company No: 589167 - W

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

	Note	The Group 2013 RM	The Group 2012 RM	The Company 2013 RM	The Company 2012 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
(Loss)/Profit before taxation:		(2,632,586)	(1,772,884)	416,113	(1,968,292)
Adjustments for:-					
Depreciation		1,096,244	1,148,626	68,760	101,620
Impairment on amount due from subsidiaries		-	-	-	1,206,171
Reversal of allowance for impairment loss on amount owing by subsidiaries		-	-	(735,084)	-
Allowance for impairment losses on trade receivables		1,444,037	280,623	-	-
Reversal of allowance for impairment loss on trade receivables		(3,429,329)	-	-	-
Interest expense		2,004,002	1,362,801	-	7,208
Loss on disposal of property, plant and equipment		5,907	130,752	-	130,752
Bad debts written off		104,747	-	-	-
Operating (loss)/profit before working capital changes		(1,406,978)	1,149,918	(250,211)	(522,541)
(Decrease)/Increase in inventories		(47,939)	590,896	-	-
Increase/(Decrease) in trade and other receivables		14,670,531	(4,961,769)	(1,109)	(2,250)
(Decrease)/Increase in trade and other payables		(9,848,280)	4,963,900	3,978,976	677,164
CASH FROM OPERATIONS		3,367,334	1,742,945	3,727,656	152,373
Interest paid		(1,064,671)	(1,362,801)	-	(7,208)
Income tax refunded		148,800	-	-	-
NET CASH FROM OPERATING ACTIVITIES		2,451,463	380,144	3,727,656	145,165
CASH FLOWS FOR INVESTING ACTIVITIES					
Acquisition of a subsidiary, net of cash and cash equivalents acquired	23	2,132	-	-	-
Advances to subsidiaries		-	-	(3,728,226)	-
Purchase of property, plant and equipment	24	(125,170)	-	-	-
Proceeds from disposal of property, plant and equipment		35,049	-	-	-
NET CASH FOR INVESTING ACTIVITIES		(87,989)	-	(3,728,226)	-
CASH FLOWS FOR FINANCING ACTIVITIES					
Repayment of hire purchase		-	(145,876)	-	(145,876)
Repayment of term loans		-	(13,380)	-	-
NET CASH FOR FINANCING ACTIVITIES		-	(159,256)	-	(145,876)

The annexed notes form an integral part of these financial statements.

VTI VINTAGE BERHAD
(Incorporated in Malaysia)
Company No: 589167 - W

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013 (CONT'D)

		The Group		The Company	
		2013	2012	2013	2012
	Note	RM	RM	RM	RM
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		2,363,474	220,888	(570)	(711)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		(7,932,217)	(8,153,105)	9,724	10,435
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	25	(5,568,743)	(7,932,217)	9,154	9,724

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VTI VINTAGE BERHAD
(Incorporated in Malaysia)
Company No: 589167 - W

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

1. GENERAL INFORMATION

The Company is a public company limited by shares and is incorporated under the Companies Act 1965 in Malaysia. The domicile of the Company is Malaysia. The registered office and principal place of business are as follows:-

Registered office	:	Suite 10.03, Level 10, The Gardens South Tower Mid Valley City, Lingkaran Syed Putra 59200 Kuala Lumpur
Principal place of business	:	3A-A, 4th Floor, Wisma 1 Alliance No. 1, Lorong Kasawari 4B, Taman Eng Ann 41150 Klang, Selangor Darul Ehsan

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 30 APR 2014

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services to the subsidiaries. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF ACCOUNTING

(a) Basis of Preparation

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

(i) During the current financial year, the Group and the Company has adopted the following new accounting standards and interpretations (including the consequential amendments, if any):-

MFRSs and IC Interpretations (Including The Consequential Amendments)

MFRS 10 Consolidated Financial Statements

MFRS 11 Joint Arrangements

MFRS 12 Disclosure of Interests in Other Entities

MFRS 13 Fair Value Measurement

3. BASIS OF ACCOUNTING (CONT'D)

(a) Basis of Preparation (cont'd)

(i) During the current financial year, the Group and the Company has adopted the following new accounting standards and interpretations (including the consequential amendments, if any):-(Cont'd)

MFRS 119 (Revised) Employee Benefits

MFRS 127 Separate Financial Statements

MFRS 128 Investments in Associates and Joint Ventures

Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 10, MFRS 11 and MFRS 12: Transition Guidance

IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

Annual Improvements to MFRSs 2009 – 2011 Cycle

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's and the Company's financial statements except as follows:-

MFRS 10 replaces the consolidation guidance in MFRS 127 and IC Interpretation 112. Under MFRS 10, there is only one basis for consolidation, which is control. Extensive guidance has been provided in the standard to assist in the determination of control. There will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

MFRS 12 is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. MFRS 12 is a disclosure standard and the disclosure requirements in this standard are more extensive than those in the current standards. Accordingly, there will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

MFRS 13 defines fair value, provides guidance on how to determine fair value and requires disclosures about fair value measurements. The scope of MFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other MFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in MFRS 13 are more extensive than those required in the current standards and therefore there will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

3. BASIS OF ACCOUNTING (CONT'D)

(a) Basis of Preparation (cont'd)

(i) During the current financial year, the Group and the Company has adopted the following new accounting standards and interpretations (including the consequential amendments, if any):-(Cont'd)

The amendments to MFRS 7 (Disclosures – Offsetting Financial Assets and Financial Liabilities) require disclosures that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. There will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

The Annual Improvements to MFRSs 2009 – 2011 Cycle contain amendments to MFRS 1, MFRS 101, MFRS 116, MFRS 132 and MFRS 134. These amendments are expected to have no material impact on the financial statements of the Group upon their initial application.

(ii) The Group and the Companyhas not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments	1 January 2015
Amendments to MFRS 9 and MFRS 7: Mandatory Effective Date of MFRS 9 and Transition Disclosures	1 January 2015
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-financial Assets	1 January 2014
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21 Levies	1 January 2014

3. BASIS OF ACCOUNTING (CONT'D)

(a) **Basis of Preparation (cont'd)**

(ii) The above accounting standards and interpretations (including the consequential amendments) are not relevant to the Group's and the Company's operations except as follows:-

MFRS 9 replaces the parts of MFRS 139 that relate to the classification and measurement of financial instruments. MFRS 9 divides all financial assets into 2 categories – those measured at amortised cost and those measured at fair value, based on the entity's business model for managing its financial assets and the contractual cash flow characteristics of the instruments. For financial liabilities, the standard retains most of the MFRS 139 requirement. An entity choosing to measure a financial liability at fair value will present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income rather than within profit or loss. There will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

The amendments to MFRS 10, MFRS 12 and MFRS 127 require investment entities to measure particular subsidiaries at fair value through profit or loss instead of consolidating them. The Company is an investment entity whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both. Accordingly, the Group will deconsolidate its subsidiaries upon the initial application of these amendments and to fair value the investments in accordance with MFRS 139. There will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

The amendments to MFRS 132 provide the application guidance for criteria to offset financial assets and financial liabilities. There will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

The amendments to MFRS 136 remove the requirement to disclosure the recoverable amount when a cash-generating unit (CGU) contains goodwill or intangible assets with indefinite useful lives but there has been no impairment. Therefore, there will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

3. BASIS OF ACCOUNTING (CONT'D)

(b) Going Concern

The Group incurred a loss for the year of RM2,733,898 during the financial year ended 31 December 2013. As at 31 December 2013, the Group's and the Company's current liabilities exceeded their current assets by RM50,119,357 and RM10,074,659 respectively. The Group's and the Company's shareholders' deficit as at 31 December 2013 amounted to RM15,085,458 and RM9,757,512 respectively.

The Company has triggered paragraph 2.1(a) of Practice Note 17 ("PN 17") criteria's and is therefore classified under PN17. The Company has submitted a regularisation plan to Bursa Malaysia Securities Berhad ("Bursa Securities") on 22 April 2011. On 23 December 2011, the Company announced a variation of the regularisation plan. On 2 April 2012, Bursa Securities rejected the Company's regularisation plan and the Board of Directors had made an appeal on the said rejection on 30 April 2012. On 24 July 2012, Bursa Securities approved the Company's regularisation plan. On 14 February 2013, the Company announced a variation of the regularisation plan as disclosed in Note 31(a)(iii) to the financial statements. On 5 December 2013, Bursa Securities approved an extension of time until 31 August 2014 to implement its proposed regularisation plan.

Given that preparation of the financial statements of the Company on a going concern basis is significantly dependent on the outcome of the Company's regularisation plan, these conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as going concern and therefore, may be unable to realise their assets and discharge their liabilities in the normal course of business. The continuation of the Group and the Company as going concern is dependent upon the Group's and the Company's ability to implement its proposed regularisation plan and operate profitably in the foreseeable future.

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4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(b) Income Taxes

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

(c) Impairment of Non-Financial Assets

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

(d) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

(e) Impairment of Trade and Other Receivables

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

(f) Classification of Leasehold Land

The classification of leasehold land as a finance lease or an operating lease requires the use of judgement in determining the extent to which risks and rewards incidental to its ownership lie. Despite the fact that there will be no transfer of ownership by the end of the lease term and that the lease term does not constitute the major part of the indefinite economic life of the land, management considered that the present value of the minimum lease payments approximated to the fair value of the land at the inception of the lease. Accordingly, management judged that the Group has acquired substantially all the risks and rewards incidental to the ownership of the land through a finance lease.

(g) Fair Value Estimates for Certain Financial Assets and Liabilities

The Group carries certain financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgement. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Group uses different valuation methodologies. Any changes in fair value of these assets and liabilities would affect profit and/or equity.

4.2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December 2013.

Subsidiaries are entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 BASIS OF CONSOLIDATION (CONT'D)

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

(a) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

(b) Non-ControllingInterests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

At the end of each reporting period, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

(c) Changes In Ownership Interests In Subsidiaries Without Change of Control

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity of the Group.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 BASIS OF CONSOLIDATION (CONT'D)

(d) Loss of Control

Upon the loss of control of a subsidiary, the Group recognises any gain or loss on disposal in profit or loss which is calculated as the difference between:-

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and

(ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 139 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4.3 FUNCTIONAL AND PRESENTATION CURRENCY

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

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

4.4 FINANCIAL INSTRUMENTS

Financial instruments are recognised in the statements of financial position when the Group has become a party to the contractual provisions of the instruments.

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

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets

On initial recognition, financial assets are classified as either financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables financial assets, or available-for-sale financial assets, as appropriate.

(i) Financial Assets at Fair Value through Profit or Loss

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

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

As at the end of the reporting period, there were no financial assets classified under this category.

(ii) Held-to-maturity Investments

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

As at the end of the reporting period, there were no financial assets classified under this category.

(iii) Loans and Receivables Financial Assets

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets (Cont'd)

(iv) Available-for-sale Financial Assets

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

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

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payments is established.

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

As at the end of the reporting period, there were no financial assets classified under this category.

(b) Financial Liabilities

All financial liabilities are initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

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

(c) Equity Instruments

Ordinary shares classified as equity are measured at cost and are not remeasured subsequently. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FINANCIAL INSTRUMENTS (CONT'D)

(d) Derecognition

A financial asset or part of it is derecongised when, and only when, the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4.5 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable.The cost of the investments includes transaction costs.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

4.6 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, other than freehold land and building work-in-progress, are stated at cost less accumulated depreciation and impairment losses, if any.

Freehold land is stated at cost less impairment losses, if any.

Depreciation is charged to profit or loss on the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Freehold land and building work-in-progress are not depreciated. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Leasehold land	Over the lease periods of 32 and 40 years
Buildings	2%
Motor vehicles	10%
Plant, machinery and equipment	3.33% to 33.33%
Furniture, fittings and office equipment	10% to 20%
Electrical installation and renovation	10%

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset is recognised in profit or loss. The revaluation reserve included in equity is transferred directly to retained profits on retirement or disposal of the asset.

4.7 IMPAIRMENT

(a) Impairment of Financial Assets

All financial assets (other than those categorised at fair value through profit or loss), are assessed at the end of each reporting period whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset.

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

if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.7 IMPAIRMENT (CONT'D)

(b) Impairment of Non-Financial Assets

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

An impairment loss is recognised in profit or loss immediately.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

4.8 ASSETS UNDER HIRE PURCHASE

Assets acquired under hire purchase are capitalised in the financial statements at the lower of the fair value of the leased assets and the present value of the minimum lease payments and, are depreciated in accordance with the policy set out in Note 4.6 above. Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. Finance charges are recognised in profit or loss over the period of the respective hire purchase agreements.

4.9 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in-first-out basis and comprises the purchase price and incidentals incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price lessthe estimated costs necessary to make the sale.

4.10 INCOME TAXES

Income tax for the year comprises current and deferred tax.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.10 INCOME TAXES (CONT'D)

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

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

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

4.11 CASH AND CASH EQUIVALENTS

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.12 PROVISIONS

Provisions are recognised when the Group has a present obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation. The unwinding of the discount is recognised as interest expense in profit or loss.

4.13 EMPLOYEE BENEFITS

(a) Short-term Benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are measured on an undiscounted basis and are recognised in profit or loss in the period in which the associated services are rendered by employees of the Group.

(b) Defined Contribution Plans

The Group's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

4.14 RELATED PARTIES

A party is related to an entity (referred to as the "reporting entity") if:-

(a) A person or a close member of that person's family is related to a reporting entity if that person:-

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:-

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.14 RELATED PARTIES (CONT'D)

(b) An entity is related to a reporting entity if any of the following conditions applies:-(Cont'd)

(v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
(vi) The entity is controlled or jointly controlled by a person identified in (a) above.
(vii) A person identified in (a)(i) above has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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

4.15 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

4.16 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market's participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.16 FAIR VALUE MEASUREMENTS (CONT'D)

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

4.17 REVENUE AND OTHER INCOME

(a) **Sale of Goods**

Revenue is measured at fair value of the consideration received or receivable and is recognised upon delivery of goods and customers' acceptance and where applicable, net of returns and trade discounts.

(b) **Construction contracts**

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, contract revenue and contract cost are recognised in profit or loss in proportion to the stage of completion of the contract. Contract expenses are recognised as incurred unless they create an asset related to future contract activity.

The stage of completion is assessed by reference to the proportion that contract costs incurred for work performed to-date bear to the estimated total contract costs.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

(c) **Management fee**

Management fee is recognised on the accrual basis when services are rendered, unless collectability is in doubt.

4.18 NON-CURRENT ASSETS HELD FOR SALE

Non-current assets (or disposal group comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the non-current assets (or the disposal group) are remeasured in accordance with the Group's accounting policies. Upon classification as held for sale, the non-current assets (the disposal group) are not depreciated and are measured at the lower of their previous carrying amount and fair value less cost to sell. Any differences are recognised in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.19 OPERATING SEGMENTS

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4.20 BORROWING COSTS

Borrowing costs, directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use or sale. Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted.

All other borrowing costs are recognised in profit or loss as expenses in the period in which they incurred.

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2013 RM	2012 RM
Unquoted shares, at cost		
- in Malaysia	61,977,002	61,977,001
Accumulated impairment losses	(61,976,998)	(61,976,997)
	4	4

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5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:-

Name of Subsidiary	Country of Incorporation	Effective Equity Interest 2013 %	2012 %	Principal Activities
Vintage Tiles Industries Sdn. Bhd.#	Malaysia	100	100	Manufacturing and trading of roof tiles
Vintage Tiles Industries (EM) Sdn. Bhd.#	Malaysia	100	100	Manufacturing and trading of roof tiles
Vintage Roofing & Construction Sdn. Bhd.#	Malaysia	100	100	Supply and laying of roof tiles and installation of roofing on a consignment basis and contractors for building and works of any kinds
Newsteel Building Systems Sdn. Bhd.^	Malaysia	80	80	Manufacture, supply and installation of steel related building materials
Vintage Tiles Holdings Sdn. Bhd.# @	Malaysia	100	-	Investment holding and trading of roof tiles and roof related products

^ *This subsidiary was audited by other firm of chartered accountants.*

@ *Court order to wind up the Company was issued on 17 December 2010. Accordingly, liquidator was appointed and this subsidiary has been deconsolidated as at 31 December 2010 onwards. However, Company obtained court approval to set aside the winding up order and regained the control of this subsidiary during the year. As a result, the financial statements of this subsidiary will be consolidated from this year onward.*

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Subsidiaries of Vintage Roofing & Construction Sdn. Bhd.

Name of Subsidiary	Country of Incorporation	Effective Equity Interest 2013 %	2012 %	Principal Activities
Tirai Impresif Sdn. Bhd.#	Malaysia	100	100	Borrow and raise money by issuance of debt securities and debentures
VTI Consortium Sdn. Bhd.	Malaysia	100	100	Dormant

Details of modified opinions in auditors' reports of the subsidiaries are as follows:-

(i) Audited by CHI-LLTC

The audit reports of subsidiaries marked "#" contain an emphasis of matter relating to the appropriateness of the going concern basis of accounting used in the preparation of their financial statements.

(ii) Not audited by CHI-LLTC

The audit report of the subsidiary marked "^" was audited by a firm other than CHI-LLTC and contain an emphasis of matter relating to the appropriateness of the going concern basis of accounting used in the preparation of its financial statements.

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6. PROPERTY, PLANT AND EQUIPMENT

The Group	At 1.1.2013 RM	Additions RM	Disposal RM	Depreciation Charge RM	At 31.12.2013 RM
Net Book Value					
Freehold land	3,894,574	-	-	-	3,894,574
Leasehold land	4,588,778	-	-	(126,401)	4,462,377
Buildings	13,785,365	-	-	(341,735)	13,443,630
Building work-in-progress	94,005	-	-	-	94,005
Motor vehicles	3	-	(3)	-	-
Plant, machinery and equipment	11,097,476	120,000	(40,944)	(536,094)	10,640,438
Furniture, fittings and office equipment	118,995	5,170	(9)	(42,569)	81,587
Electrical installation and renovation	316,733	-	-	(49,445)	267,288
	33,895,929	125,170	(40,956)	(1,096,244)	32,883,899

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At 1.1.2012 RM	Disposal RM	Depreciation Charge RM	At 31.12.2012 RM
Net Book Value				
Freehold land	3,894,574	-	-	3,894,574
Leasehold land	4,715,179	-	(126,401)	4,588,778
Buildings	14,127,099	-	(341,734)	13,785,365
Building work-in-progress	94,005	-	-	94,005
Motor vehicles	163,626	(130,752)	(32,871)	3
Plant, machinery and equipment	11,648,732	-	(551,256)	11,097,476
Furniture, fittings and office equipment	165,386	-	(46,391)	118,995
Electrical installation and renovation	366,706	-	(49,973)	316,733
	35,175,307	(130,752)	(1,148,626)	33,895,929

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
2013			
Freehold land	3,894,574	-	3,894,574
Leasehold land	5,872,248	1,409,871	4,462,377
Buildings	17,086,717	3,643,087	13,443,630
Building work-in-progress	94,005	-	94,005
Plant, machinery and equipment	18,114,025	7,473,587	10,640,438
Furniture, fittings and office equipment	1,490,492	1,408,905	81,587
Electrical installation and renovation	1,058,805	791,517	267,288
	47,610,866	14,726,967	32,883,899
2012			
Freehold land	3,894,574	-	3,894,574
Leasehold land	5,872,248	1,283,470	4,588,778
Buildings	17,086,717	3,301,352	13,785,365
Building work-in-progress	94,005	-	94,005
Motor vehicles	182,191	182,188	3
Plant, machinery and equipment	18,049,221	6,951,745	11,097,476
Furniture, fittings and office equipment	1,515,729	1,396,734	118,995
Electrical installation and renovation	1,058,805	742,072	316,733
	47,753,490	13,857,561	33,895,929

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Company	At 1.1.2013 RM	Depreciation Charge RM	At 31.12.2013 RM
Net Book Value			
Furniture, fittings and office equipment	88,049	28,601	59,448
Electrical installation and renovation	297,854	40,159	257,695
	385,903	68,760	317,143

	At 1.1.2012 RM	Disposal RM	Depreciation Charge RM	At 31.12.2012 RM
Net Book Value				
Motor vehicles	163,623	130,752	32,871	-
Furniture, fittings and office equipment	116,638	-	28,589	88,049
Electrical installation and renovation	338,014	-	40,160	297,854
	618,275	130,752	101,620	385,903

The Company	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
2013			
Furniture, fittings and office equipment	476,089	416,641	59,448
Electrical installation and renovation	401,602	143,907	257,695
	877,691	560,548	317,143
2012			
Furniture, fittings and office equipment	476,089	388,040	88,049
Electrical installation and renovation	401,602	103,748	297,854
	877,691	491,788	385,903

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) Included in the assets of the Group at the end of the reporting period were plant, machinery and equipment with a total net book value of RM1,033,482 (2012-RM1,079,529), which were acquired under hire purchase terms.

(b) The freehold land, leasehold land and buildings of the Group have been pledged to licensed banks as security for banking facilities granted to the Group.

7. INVENTORIES

	The Group	
	2013	2012
	RM	RM
At cost		
Raw materials	444,683	466,241
Finished goods	582,315	497,468
Spare parts	356,494	371,844
	1,383,492	1,335,553

8. TRADE RECEIVABLES

	The Group	
	2013	2012
	RM	RM
Trade receivables	15,916,026	30,971,360
Allowance for impairment losses	(8,547,396)	(8,527,466)
	7,368,630	22,443,894
Allowance for impairment losses:-		
At 1 January	8,527,466	8,246,843
Acquisition of a subsidiary	2,005,222	-
Addition during the financial year	1,444,037	280,623
Reversal during the financial year	(3,429,329)	-
At 31 December	8,547,396	8,527,466

8. TRADE RECEIVABLES (CONT'D)

(a) The Group's normal trade credit terms range from 30 to 90 (2012 - 30 to 90) days.

(b) The allowance for impairment losses is made mainly on those trade receivables in significant financial difficulties and have defaulted on payments.

(c) Included in trade receivables are retention sums totalling RM2,119,632 (2012 -RM2,162,815). The retention sums are unsecured, interest-free and expected to be collected within the next 12 months.

9. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Other receivables	1,596,246	2,942,948	195,976	197,976
Less: Allowance for impairment losses	(1,414,716)	(1,414,716)	(195,726)	(195,726)
	181,530	1,528,232	-	2,250
Deposits	96,020	146,372	52,741	49,381
Prepayments	253,871	222,934	-	-
	531,421	1,897,538	52,741	51,631

Other receivables are non-trade in nature, unsecured, interest-free and repayable on demand.

10. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	The Company	
	2013 RM	2012 RM
<u>Amount Owing By Subsidiaries</u>		
Current		
Non-trade balances	15,167,063	12,261,714
Allowance for impairment losses	(11,526,631)	(12,261,714)
	3,640,432	-

10. AMOUNTS OWING BY/(TO) SUBSIDIARIES (CONT'D)

	The Company	
	2013 RM	2012 RM
Allowance for impairment losses:-		
At 1 January	12,261,714	11,055,543
Addition during the financial year	-	1,206,171
Reversal during the financial year	(735,083)	-
At 31 December	11,526,631	12,261,714

Amount Owing to A Subsidiary

Current

Non-trade balances	1,263,747	2,086,624

The non-trade balances represent unsecured interest-free advances and payments made on behalf. The amounts owing are repayable on demand and are to be settled in cash.

11. FIXED DEPOSIT

The Group's fixed deposit is pledged to a licensed bank for banking facilities granted to a subsidiary.

12. NON-CURRENT ASSETS HELD FOR SALE

	The Group	
	2013 RM	2012 RM
At beginning/end of the financial year	2,162,933	2,162,933
Accumulated depreciation:-		
At 1 January/31 December	12,933	12,933
Net carrying amount	2,150,000	2,150,000

(a) The non-current assets held for sale represent leasehold land where the lease period is until 2926.

(b) The leasehold land is pledged to a licensed bank for banking facilities granted to the Company as disclosed in Note 17 to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
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13. SHARE CAPITAL

The movements in the authorised and paid-up share capital of the Company are as follows:-

	The Company			
	2013	2012	2013	2012
	Number Of Shares		RM	RM
Authorised				
Ordinary shares of RM1 each	500,000,000	500,000,000	500,000,000	500,000,000
Issued And Fully Paid-Up				
Ordinary shares of RM1 each				
At 1 January/31 December	97,486,002	97,486,002	97,486,002	97,486,002

14. HIRE PURCHASE PAYABLES

	The Group	
	2013 RM	2012 RM
Minimum hire purchase payments:		
- not later than one year	905,891	709,565
Less: Future finance charges	(62,640)	(62,640)
Present value of hire purchase payables	843,251	646,925
Current		
Not later than one year	843,251	646,925

15. TRADE PAYABLES

The normal trade credit term granted to the Group and the Company is 30 to 60 (2012-30 to 60) days.

Included in trade payables are retention sums totalling RM907,430 (2012 – RM890,359). The retention sums are unsecured, interest-free and expected to be collected within the next 12 months.

16. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Other payables	4,435,910	6,622,471	2,111,522	2,173,212
Deposits received	190,459	984,993	-	-
Accruals	1,308,229	12,119,396	307,671	710,219
Amount due to directors	16,247,121	13,287,572	9,829,121	5,385,907
	22,181,719	33,014,432	12,248,314	8,269,338

The amount owing to directors represents unsecured interest-free advances granted to the Group and the Company. The amount is repayable on demand.

17. TERM LOANS

	The Group	
	2013	2012
	RM	RM
Current		
Not later than one year	16,836,868	16,093,863

(a) The term loans are secured by way of:

(i) legal charges over the property, plant and equipment and non-current assets held for sale as disclosed in Notes 6 and 12 to the financial statements respectively;
(ii) a debenture by way of fixed and floating charge over all present and future assets belonging to subsidiaries; and
(iii) corporate guaranteed by the Company.

(b) The repayment terms of the term loans are over 60 to 144 monthly instalments ranged from RM28,078.39 to RM56,156.78 each.

18. BANK OVERDRAFTS

The bank overdrafts are secured by way of:

(i) legal charges over the property, plant and equipment as disclosed in Note 6 to the financial statements; and
(ii) corporate guaranteed by the Company.

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NOTES TO THE FINANCIAL STATEMENTS
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19. REVENUE

	The Group 2013 RM	The Group 2012 RM	The Company 2013 RM	The Company 2012 RM
Sales of goods	6,437,693	7,186,516	-	-
Construction contracts	3,483,258	15,161,319	-	-
Management fee	-	-	1,200,000	1,200,000
	9,920,951	22,347,835	1,200,000	1,200,000

20. (LOSS)/PROFIT BEFORE TAXATION

	The Group 2013 RM	The Group 2012 RM	The Company 2013 RM	The Company 2012 RM
(Loss)/Profit before taxation is arrived at after charging/(crediting):-				
Audit fee:				
– current financial year	56,600	53,500	19,992	20,000
– overprovision in the previous financial year	-	(230)	-	-
Bad debts written off	104,747	-	-	-
Depreciation	1,096,244	1,148,626	68,760	101,620
Directors' fee	63,000	19,000	48,000	15,500
Directors' remuneration	5,000	-	5,000	-
Allowance for impairment loss:				
– due from subsidiaries	-	-	-	1,206,171
– trade receivables	1,444,037	280,623	-	-
Interest expense:				
– bank overdrafts	338,660	291,896	-	-
– hire purchase	196,326	7,208	-	7,208
– term loans	1,469,016	709,221	-	-
– others	-	354,476	-	-
Loss on disposal of property, plant and equipment	5,907	130,752	-	130,752
Rental of hostel	24,600	22,800	-	-
Rental of premises	140,200	126,173	140,200	126,173
Rental of tractor and equipment	126,900	219,236	14,760	-
Staff costs:				
– salaries and others benefits	1,971,548	1,104,368	696,877	528,447
Reversal of allowance for impairment loss:				
– trade receivables	(3,429,329)	-	-	-
– amount owing by subsidiaries	-	-	(735,084)	-
Waiver of debt	(1,426,822)	-	-	-

21. INCOME TAX EXPENSE

	The Group		The Company	
	2013	**2012**	**2013**	**2012**
	RM	**RM**	**RM**	**RM**
Income tax:				
- Malaysian tax	101,312	-	-	-

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

	The Group		The Company	
	2013	**2012**	**2013**	**2012**
	RM	**RM**	**RM**	**RM**
(Loss)/Profit before taxation	(2,632,586)	(1,772,884)	416,113	(1,968,292)
Tax at the statutory tax rate of 25% (2012 - 25%)	(658,147)	(443,222)	104,028	(492,073)
Tax effects of:-				
Non-taxable income	(183,976)	-	(183,771)	-
Non-deductible expenses	678,205	885,801	53,543	471,143
Deferred tax assets not recognised during the financial year	-	(710,234)	-	-
Utilisation of current year tax losses	265,230	267,655	26,200	20,930
Income tax expense for the financial year	101,312	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS
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22. LOSS PER SHARE

	The Group 2013	2012
Continuing operations		
Loss attributable to owners of the Company (RM)	(2,733,898)	(1,772,884)
Weighted average number of ordinary shares at 31 December	97,486,002	97,486,002
Basic loss per share (Sen)	(2.80)	(1.82)

The diluted loss per share was not presented as there were no dilutive potential ordinary shares outstanding at the end of the reporting period.

23. ACQUISITION OF A SUBSIDIARY

During the financial year, the Group regained the entire control in Vintage Tiles Holdings Sdn. Bhd. as the court has set aside the winding up order on this subsidiary during the year.

The fair values of the identifiable assets and liabilities of Vintage Tiles Holdings Sdn. Bhd. at the date of regaining control:-

	At Date Of Acquisition Carrying Amount/Fair Value RM
Trade and other receivables	473,836
Cash and cash equivalents	2,132
Trade payables and accruals	(475,968)
Net identifiable assets and liabilities	-
Total purchase consideration	-
Cash and cash equivalents of subsidiary acquired	2,132
Net cash inflow for acquisition of a subsidiary	2,132

23. ACQUISITION OF A SUBSIDIARY (CONT'D)

The non-controlling interests are measured at fair value.

The acquired subsidiary has contributed the following results to the Group:-

	2013 RM
Revenue	-
Loss after taxation	(8,870)

24. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	The Group	
	2013 RM	2012 RM
Cost of plant and equipment purchased	125,170	-
Amount financed through hire purchase	-	-
Cash disbursed for purchase of plant and equipment	125,170	-

25. CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following:-

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Cash and bank balances	153,300	442,226	9,154	9,724
Bank overdrafts	(5,722,043)	(8,374,443)	-	-
	(5,568,743)	(7,932,217)	9,154	9,724

26. DIRECTORS' REMUNERATION

(a) The aggregate amounts of emoluments received and receivable by directors of the Group and the Company during the financial year are as follows:-

	The Group		The Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Executive directors:				
- non-fee emoluments	2,000	-	2,000	-
Non-Executive directors:				
- fee	63,000	6,500	48,000	2,000
- non-fee emoluments	3,000	13,500	3,000	13,500
	68,000	20,000	53,000	15,500

(b) Details of directors' emoluments of the Company received/receivable for the financial year in bands of RM50,000 are as follows:-

	The Company	
	2013	2012
Executive directors:-		
Below RM50,000	2	-
Non-Executive directors:-		
Below RM50,000	3	4
	5	4

27. SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Identities of related parties

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationships with its directors, key management personnel and entities within the same group of companies.

27. SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

(b) Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	The Group		The Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Management fees received/receivable from subsidiaries	-	-	1,200,000	1,200,000
Rental paid/payable to a company in which a Company's director has substantial financial interests	-	-	140,200	126,173
Key management personnel compensation:				
- short-term employee benefits	74,100	20,000	59,100	15,500

28. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Executive Committee as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 3 main business segments as follows:-

(a) Manufacturing segment – involved in the manufacturing and trading of roof tiles.

(b) Construction segment – involved in the construction contracts based on the percentage of completion method.

(c) Corporate segment – involved in management services to the subsidiaries.

The Group Executive Committee assesses the performance of the operating segments based on operating profit or loss which is measured differently from those disclosed in the consolidated financial statements.

Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

28. OPERATING SEGMENTS (CONT'D)

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items. Unallocated items comprise mainly investments and related income, loans and borrowings and related expenses, corporate assets (primarily the Company's headquarters) and head office expenses.

Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties.

BUSINESS SEGMENTS

	Manufacturing & Trading RM	Construction Contract RM	Others RM	Group RM
2013				
Revenue				
External revenue	-	3,483,258	-	3,483,258
Inter-segment revenue	13,079,373	-	1,200,000	14,279,373
	13,079,373	3,483,258	1,200,000	17,762,631
Adjustments and eliminations				(7,841,680)
Consolidated revenue				9,920,951
Results				
Results before following adjustments	632,746	14,974,691	(7,299,630)	8,307,807
Adjustments and eliminations	(696,000)	(7,013,679)	(132,000)	(7,841,679)
Depreciation	(999,683)	(1,352)	(93,677)	(1,094,712)
Segment results	(1,062,937)	7,959,660	(7,525,307)	(628,584)
Finance costs				(2,004,002)
Income tax expense				(101,312)
Consolidated loss after taxation				(2,733,898)

28. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

	Manufacturing & Trading RM	Construction Contract RM	Others RM	Group RM
2013				
Assets				
Segment assets	33,712,054	7,299,850	3,485,003	44,496,907
Consolidated total assets				44,496,907
Liabilities				
Segment liabilities	35,363,303	2,957,960	20,893,490	59,214,753
Provision for taxation				367,612
Consolidated total liabilities				59,582,365
2012				
Revenue				
External revenue	-	15,161,319	-	15,161,319
Inter-segment revenue	14,358,863	-	1,200,000	15,558,863
	14,358,863	15,161,319	1,200,000	30,720,182
Adjustments and eliminations				(8,372,347)
Consolidated revenue				22,347,835
Results				
Results before following adjustments	(2,426,144)	17,944,315	(7,673,573)	7,844,598
Adjustments and eliminations	1,837,555	(7,566,428)	(1,377,182)	(7,106,055)
Depreciation	(1,016,074)	(1,970)	(130,582)	(1,148,626)
Segment results	(1,604,663)	10,375,917	(9,181,337)	(410,083)
Finance costs				(1,362,801)
Consolidated loss after taxation				(1,772,884)

28. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

	Manufacturing & Trading RM	Construction Contract RM	Others RM	Group RM
2012				
Assets				
Segment assets	34,579,623	24,488,785	3,257,097	62,325,505
Consolidated total assets				62,325,505
Liabilities				
Segment liabilities	35,762,488	22,038,535	16,611,117	74,412,140
Provision for taxation				264,925
Consolidated total liabilities				74,677,065

GEOGRAPHICAL INFORMATION

The Group operates predominantly in Malaysia. Accordingly, the information by geographical segment is not presented.

MAJOR CUSTOMERS

The following are major customers with revenue equal to or more than 10% of Group revenue:-

	Revenue 2013 RM	Revenue 2012 RM	Segment
Budimax Sdn. Bhd.	5,801,961	4,464,611	Roofing Tiles

29. CONTINGENT LIABILITIES

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Unsecured				
Corporate guarantees given to licensed banks for credit facilities granted to subsidiaries	-	-	24,512,000	24,512,000
Corporate guarantees issued to third parties in respect of trade facilities of subsidiaries	-	-	7,000,000	7,000,000

30. FINANCIAL INSTRUMENTS

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

30.1 FINANCIAL RISK MANAGEMENT POLICIES

The Group's policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group does not have any transactions or balances denominated in foreign currencies and hence not exposed to foreign currency risk.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities.The Group's policy is to obtain the most favourable interest rates available. Any surplus funds of the Group will be placed with licensed financial institutions to generate interest income.

Information relating to the Group's exposure to the interest rate risk of the financial liabilities is disclosed in Note 30.1(c) to the financial statements.

30. FINANCIAL INSTRUMENTS (CONT'D)

30.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk (Cont'd)

Interest rate risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group		The Company	
	2013	**2012**	**2013**	**2012**
	Increase/ (Decrease) RM	Increase/ (Decrease) RM	Increase/ (Decrease) RM	Increase/ (Decrease) RM
Effects On Profit After Taxation				
Increase of 10 basic points (bp)	239,857	244,683	-	-
Decrease of 10 bp	(239,857)	(244,683)	-	-

(iii) Equity Price Risk

The Group does not have any quoted investments and hence is not exposed to equity price risk.

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of the trade and other receivables as appropriate. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. Impairment is estimated by management based on prior experience and the current economic environment.

30. FINANCIAL INSTRUMENTS (CONT'D)

30.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) **Credit Risk (Cont'd)**

(i) Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by 4 customers which constituted approximately 80% of its trade receivables at the end of the reporting period.

(ii) Exposure to credit risk

As the Group does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets at the end of the reporting period.

(iii) Ageing analysis

The ageing analysis of the Group's trade receivables (including amount owing by related parties) at the end of the reporting period is as follows:-

The Group	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Value RM
2013				
Not past due	115,450	-	-	115,450
Past due:				
1 to 30 days past due	425,910	-	-	425,910
31 to 60 days past due	139,147	-	-	139,147
61 to 90 days past due	83,619	-	-	83,619
More than 91 days past due	15,008,920	(8,404,416)	-	6,604,504
	15,773,046	(8,404,416)	-	7,368,630

30. FINANCIAL INSTRUMENTS (CONT'D)

30.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Ageing analysis (Cont'd)

The Group	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Value RM
2012				
Not past due	10,178,243	-	-	10,178,243
Past due:				
1 to 30 days past due	25,565	-	-	25,565
31 to 60 days past due	-	-	-	-
61 to 90 days past due	312,960	-	-	312,960
More than 91 days past due	20,454,592	(8,527,466)	-	11,927,126
	30,971,360	(8,527,466)	-	22,443,894

At the end of the reporting period, trade receivables that are individually impaired were those in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancement.

The collective impairment allowance is determined based on estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience.

Trade receivables that are past due but not impaired

The Group believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with good collection track record and no recent history of default.

Trade receivables that are neither past due nor impaired

A significant portion of trade receivables that are neither past due nor impaired are regular customers that have been transacting with the Group. The Groups uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due or more than 91 days, which are deemed to have higher credit risk, are monitored individually.

30. FINANCIAL INSTRUMENTS (CONT'D)

30.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	Weighted Average Effective Rate %	Carrying Amount RM	Contractual Undiscounted CashFlows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
2013						
Hire purchase payables	3.90	843,251	843,251	843,251	-	-
Term loans	6.25	16,836,868	16,836,868	16,836,868	-	-
Trade payables		13,630,872	13,630,872	13,630,872	-	-
Other payables and accruals		22,181,719	22,181,719	22,181,719	-	-
Bank overdrafts	6.32	5,722,043	5,722,043	5,722,043	-	-
		59,214,753	59,214,753	59,214,753	-	-
2012						
Hire purchase payables	3.90	646,925	646,925	646,925	-	-
Term loans	6.25	16,093,863	16,093,863	16,093,863	-	-
Trade payables		16,282,477	16,282,477	16,282,477	-	-
Other payables and accruals		33,014,432	33,014,432	33,014,432	-	-
Bank overdrafts	6.32	8,374,443	8,374,443	8,374,443	-	-
		74,412,140	74,412,140	74,412,140	-	-

30. FINANCIAL INSTRUMENTS (CONT'D)

30.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

The Company	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
2013					
Other payables and accruals	12,248,314	12,248,314	12,248,314	-	-
Amount owing to a subsidiary	1,263,747	1,263,747	1,263,747	-	-
	13,512,061	13,512,061	13,512,061	-	-
2012					
Other payables and accruals	8,269,338	8,269,338	8,269,338	-	-
Amount owing to a subsidiary	2,086,624	2,086,624	2,086,624	-	-
	10,355,962	10,355,962	10,355,962	-	-

30.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholder(s) value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as total borrowings from financial institutions divided by total equity.

There was no change in the Group's approach to capital management during the financial year.

30. FINANCIAL INSTRUMENTS (CONT'D)

30.2 CAPITAL RISK MANAGEMENT (CONT'D)

The debt-to-equity ratio of the Group at the end of the reporting period was as follows:-

	The Group	
	2013	2012
	RM	RM
Hire purchase payables	843,251	646,925
Term loans	16,836,868	16,093,863
Bank overdrafts	5,722,043	8,374,443
	23,402,162	25,115,231
Less: Fixed deposit with licensed banks	(4,000)	(4,000)
Less: Cash and bank balances	(153,300)	(442,226)
Net debt	23,244,862	24,669,005
Total equity	(15,085,458)	(12,351,560)
Debt-to-equity ratio	(1.54)	(2.00)

The Group manages its capital based on debt-to-equity ratio. As the Group has significant borrowings but a relative small equity base, the debt-to-equity ratio may not provide a meaningful indicator of the risk of borrowings.

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity (total equity attributable to owners of the Company) equal to or not less than the 25% of the issued and paid-up share capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company has breachedthis requirement. As such, the Company has triggered prescribed criteria of paragraph 2.1(a) of Practice Note 17 ("PN17") and is therefore classified under PN17. Details as per Note 31.

30. FINANCIAL INSTRUMENTS (CONT'D)

30.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Financial Assets				
Loans and receivables financial assets				
Trade receivables	7,368,630	22,443,894	-	-
Other receivables and deposits	531,421	1,897,538	52,741	51,631
Amount owing by subsidiaries	-	-	3,640,432	-
Fixed deposit with licensed banks	4,000	4,000	-	-
Cash and bank balances	153,300	442,226	9,154	9,724
	8,057,351	24,787,658	3,702,327	61,355
Financial Liabilities				
Other financial liabilities				
Trade payables	13,630,872	16,282,477	-	-
Other payables and accruals	22,181,719	33,014,432	12,248,314	8,269,338
Amount owing to a subsidiary	-	-	1,263,747	2,086,624
Bank overdrafts	5,722,043	8,374,443	-	-
Hire purchase payables	843,251	646,925	-	-
Term loans	16,836,868	16,093,863	-	-
	59,214,753	74,412,140	13,512,061	10,355,962

30.4 FAIR VALUE MEASUREMENTS

At the end of the reporting period, there were no financial instruments carried at fair values.

The fair values of the financial assets and financial liabilities approximated their carrying amounts due to the relatively short-term maturity of the financial instruments (maturing within the next 12 months). The fair values are included in level 2 of the fair value hierarchy.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) Practice Note 17

The Company on 25 February 2010 announced that the Company is considered an Affected Listed Issuer pursuant to the Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") as it has triggered Paragraph 2.1(a) of the PN17.

(i) Obligation of the Company as an Affected Listed Issuer

Pursuant to the PN17, the Company as an Affected Listed Issuer is required to comply with the following:

(i) within 12 months from the date of Announcement:

   (a) submit a regularisation plan to Securities Commission ("SC") if the plan will result in a significant change in the business direction or policy of the Company; or

   (b) submit a regularisation plan to Bursa Securities if the plan will not result in a significant change in the business direction or policy of the Company, and obtain Bursa Securities's approval to implement the plan;

(ii) implement the regularisation plan within the timeframe stipulated by the SC or Bursa Securities, as the case may be;

(iii) announce with three (3) months from the First Announcement, on whether the regularisation plan will result in a significant change in the business direction or policy of the Company;

(iv) announce the status of its regularisation plan and the number of months to the end of the relevant timeframes on a monthly basis ("monthly announcement") until further from Bursa Securities;

(v) announce its compliance or non-compliance with a particular obligation imposed pursuant to the PN17, on an immediate basis;

(vi) announce the details of the regularisation plan ("Requisite Announcement") and sufficient information to demonstrate that the Company is able to comply with all the requirements set out under paragraph 3.1 of PN17 after implementation of the regularisation plan, which shall include a timeline for the complete implementation of the regularisation plan. The Requisite Announcement must be made by a corporate finance adviser that may act as principal adviser under the Securities Commission's Guidelines on Principal Adviser for Corporate Proposals; and

(vii) where the Company fails to regularise its condition, announce the dates of suspension and de-listing of its listed securities immediately upon notification of suspension and de-listing by Bursa Securities.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(ii) Consequence of non-compliance

In the event the Company fails to comply with the obligations to regularise its condition, all its listed securities will be suspended from trading on the next market day after five (5) market days from the date of notification of suspension by Bursa Securities and de-listing procedures shall be taken against the Company, subject to the Company's right to appeal against the de-listing.

(iii) Status of plan to regularise condition

On 13 April 2010, the Company announced a preliminary scheme to regularise the current financial condition of the Company. In compliance with Paragraph 3.1 and 4.1 of the PN17, as an Affected Listed Issuer, the Company is required to make a requisite announcement and submit a regularisation plan to the relevant authorities for approval with twelve (12) months from the date of the First Announcement on 25 February 2010. As such, on behalf of the Board of Directors, Hong Leong Investment Bank Berhad (formerly known as MIMB Investment Bank Berhad) ("HLIBB") on 9 September 2010, announced that the Company has proposed to implement a proposed regularisation plan which comprises the following:

(i) Proposed Capital Reduction;
(ii) Proposed Share Consolidation;
(iii) Proposed M&A Ammendments;
(iv) Proposed Private Placement;
(v) Proposed Rights Issue;
(vi) Proposed Debt Settlement; and
(vii) Proposed Set-Off.

(Herein referred to as the "Proposals")

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(iii) Status of plan to regularise condition (Cont'd)

Details of the Proposals are attached to the announcement dated 9 September 2010.

On 10 February 2011, HLIBB on behalf of the Company submitted an application for an extension of time to Bursa Securities to submit the proposed regularisation plan.

Bursa Securities has vide its letter dated 14 March 2011, approved the Company's application for an extension of time until 24 April 2011 to submit its regularisation plan.

In the event that:

(i) The Company fails to submit the regularisation plan to the regulatory authorities for approval on or before 24 April 2011;

(ii) The Company fails to obtain the approval from any of the regulatory authorities necessary for the implementation of its regularisation plan; or

(iii) The Company fails to implement its regularisation plan within the time frame or extended time frames stipulated by the regulatory authorities,

Bursa Securities reserves the right to proceed with the suspension of the trading of the securities of the Company and to commence de-listing procedures against the Company.

Upon occurrence of any of the events set out in (i) to (iii) above, a suspension shall be imposed on the trading of the listed securities of the Company upon the expiry of five (5) market days from the date the Company is notified by Bursa Securities and de-listing procedures shall be commenced against the Company.

The Company submitted its regularisation plan to Bursa Securities for approval on 22 April 2011 which comprises of:

(i) Proposed reduction of VTI Vintage Berhad's ("VVB") existing issued and paid-up share capital from approximately RM97.49 million comprising 97,486,002 Existing Shares to approximately RM9.75 million comprising 97,486,002 ordinary shares of RM0.10 each via the cancellation of RM0.90 of the par value of each Existing Share pursuant to Section 64 of the Act;

(ii) Proposed share consolidation via the consolidation of five (5) Reduced Shares into one (1) VVB's share after the Proposed Capital Reduction;

(iii) Proposed amendments to the M&A of VVB to facilitate the change in the par value of the VVB's Shares resulting from the Proposed Capital Reduction and Proposed Share Consolidation;

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(iii) Status of plan to regularise condition (Cont'd)

The Company submitted its regularisation plan to Bursa Securities for approval on 22 April 2011 which comprises of: (Cont'd)

(iv) Proposed Private Placement of 12,000,000 new VVB shares;

(v) Proposed renounceable right issue of up to 31,497,200 new VVB's Shares on the basis of one (1) new VVB's Share for every one (1) existing VVB's Share held by the shareholders of VVB after the Proposed Shareholders' Scheme and Proposed Private Placement;

(vi) Proposed formal scheme of arrangement and compromise pursuant to Section 176 of the Act in respect to the amounts owing to the secured and unsecured creditors of VVB via the issuance of up to 18,556,106 new VVB Shares after a seventy five percent (75%) debt waiver by the unsecured creditors;

(vii) Proposed set-off of any cash advances against the subscription monies payable by a Director pursuant to his irrevocable undertaking to subscribe for his rights entitlement and/or procure subscriptions for the Proposed Rights Issue up to a maximum amount of RM5.0 million.

On 2 November 2011, HLIBB on behalf of the holding company had announced on the following variation to the Proposals. It was previously announced in Section 2.7(ii)(d) of the announcement dated 9 September 2010 that if any of the unsecured creditors is a subsidiary of VVB, its entitlement to the VVB's Shares shall be allotted and issued to a trustee and/or an agent for the creditor who will subsequently dispose of the shares allotted and issued to it and remit the proceeds to the subsidiary concerned.

After further deliberation by the Board, the Company has decided to vary the said distribution such that if any of the unsecured creditors is the holding company itself or a subsidiary of the holding company, its entitlement to the VVB's Shares will be allotted and issued to a placee to be identified ("Placee") and the cash proceeds therefrom will be paid to the Company who will then distribute the respective entitlement to its subsidiaries ("Proposed Variation"). The Proposed Variation was decided by the Board to avoid any possible infringement of Section 17 of the Companies Act 1965.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(iii) Status of plan to regularise condition (Cont'd)

On 23 December 2011, HLIBB on behalf of the Company had announced that the variation of the regularisation plan as the following:

(i) variations on the inter-conditionality of the Proposals; and

(ii) assignment of the VVB's Group inter-company debt to Distinct Treasures Sdn. Bhd.

On 2 April 2012, Bursa Securities rejected the Company's proposed regularisation plan which was submitted to Bursa Securities on 22 April 2011.

In the circumstances and pursuant to Rule 8.04(5) of the Bursa Securities Main Market Listing Requirements ("MLR"):

(i) the trading in the securities of the Company will be suspended with effect from 10 April 2012; and

(ii) the securities of the Company will be de-listed on 4 May 2012 unless an appeal against the rejection of the regularisation plan and de-listing is submitted to Bursa Securities on or before 1 May 2012 ("the Appeal Timeframe"). Any appeal submitted after the Appeal Timeframe will not be considered by Bursa Securities.

In the event of the Company submits an appeal to Bursa Securities within the Appeal Timeframe, the removal of the securities of the Company from the official list of Bursa Securities on 4 May 2012 shall be deferred pending the decision on the Company's appeal.

On 3 April 2012, HLIBB on behalf of the Company had announced that Bursa Securities had vide its letter dated 2 April 2012, rejected the application by the Company in relation to regularisation plan.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(iii) Status of plan to regularise condition (Cont'd)

Bursa Securities' rejection was premised on the concern that the regularisation plan does not comply with Paragraph 3.1 of Practice Note 17 of the MLR and in particular sub-paragraph (a) of 3.1 which specifies that the regularisation plan must be sufficiently comprehensive and capable of resolving all the problems, financial or otherwise that has caused the Company to trigger the Prescribed Criteria (as defined in the MLR). In deciding to reject the Company's regularisation plan, Bursa Securities has considered that the Company or principal adviser has failed to demonstrate to the satisfaction of Bursa Securities the ability of the existing businesses of the Company and its subsidiary companies ("the Group") to sustain the Group post completion of its Proposals given the following:

(i) the proposed regularisation plan is solely reliant on the existing businesses of the Group and it is noted that there is no material changes to the business plan of the Group. It is further noted that the Group has been incurring losses for the past seven (7) audited financial years up to the financial year ended 31 December 2010 and continued to incur losses (net write back of allowance of doubtful debts) for its unaudited financial year ended 31 December 2011. This also raises concerns as to the ability of the Company to record a net profit immediately after completion of the implementation of the proposed regularisation plan; and

(ii) the Company or principal adviser have not satisfactorily demonstrated to Bursa Securities the ability of its existing businesses or operations such as its manufacturing and sales of roof tiles and construction divisions to compete, increase and sustain the Company and its growth in the long term. In particular, it is noted amongst others, that the Company has only secured a few construction contracts, mostly with relatively small contract sum or value and the revenue and profits of the construction division of the Group in the immediate years are largely dependent on contracts which have not been secured or based on a memorandum of understanding.

The Board of Directors of the Company will deliberate on the next course of action and is expected to appeal to Bursa Securities on the rejection within the timeframe stipulated in paragraph 8.04(4) of the MLR.

In accordance with the listing circular issued on 2 April 2012 against the Company, Bursa Securities wishes to clarify that the imposition of suspension and de-listing against the Company were pursuant to paragraph 8.04(5) of the Bursa Securities MLR.

In the event of the Company submits an appeal to Bursa Securities within the Appeal Timeframe, the removal of the securities of the Company from the official list of Bursa Securities on 4 May 2012 shall be deferred pending the decision on the Company's appeal.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(iii) Status of plan to regularise condition (Cont'd)

On 30 April 2012, the Company had made an appeal on the said rejection. On 24 July 2012, Bursa Securities approved the Company's proposed regularisation plan which consists of the following:

(i) Proposed share capital reduction of the Company's issued and paid up share capital via cancellation of RM0.90 of the par value of each existing ordinary share of RM1.00 each in the Company pursuant to Section 64 of the Companies Act 1965;

(ii) Proposed share consolidation via the consolidation of five (5) ordinary shares of RM0.10 each into one (1) share of RM0.50 each in the Company;

(iii) Proposed amendments to the Memorandum and Articles of Association;

(iv) Proposed private placement of 17,000,000 new consolidated ordinary shares of RM0.50 each in the Company together with 8,500,000 free detachable warrants on the basis of one (1) warrant for every two (2) placement shares held to strategic investors at an issue price of RM0.50 per share;

(v) Proposed renounceable rights issue of 36,497,200 new consolidated shares of RM0.50 each in the Company on the basis of one (1) Right Share for every one (1) existing Company share held together with 18,248,600 free detachable warrants on the basis of one (1) warrant for every two (2) Rights Share subscribed by the entitled shareholders on an entitlement date to be determined;

(vi) Proposed debt settlement pursuant to Section 176 of the Act in respect of the amount owing to the secured and unsecured creditors of the Company via the issuance of up to 18,556,106 new ordinary shares of RM0.50 each in the Company after obtaining a 75% haircut from the unsecured creditors; and

(vii) Proposed set-off of any cash advance to the Company from its major shareholder, Dato' Beh Hang Kong ("DBHK"), against the subcription monies payable by DBHK pursuant to his irrevocable undertaking to subscribe and/or procure subscription for the proposed rights issue up to a maximum of RM5.0 million.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(iii) Status of plan to regularise condition (Cont'd)

Bursa Securities' approval of the appeal was made after due consideration of relevant facts and circumstances including:

(i) The changes of the Company's business model for its manufacturing and distribution of tiles division;

(ii) The growth of the Company's secured order book for its construction division;

(iii) The changes and improvements to the Company's proposed regularisation plan including addition fund raising for the Company's business operations and a proposed profit guarantee of RM6 million profit after taxation (i.e. excluding write off/other income/adjustments not in the ordinary course of business) for 2 consecutive financial years following the successful implementation of the proposed regularisation plan;

(iv) The approval of the secured and unsecured creditors of the Company and its subsidiary companies for the Company's proposed debt settlement which forms part of the proposed regularisation plan; and

(v) The Group's plan to add diversification to its revenue stream.

On 14 February 2013, HLIBB on behalf of the Company had announced that the Company proposes to revise the allocations of the Proposed Private Placement and the Proposed Rights Issue and the terms of the Proposed Set-Off. In addition, the Board of Directors of the Company also decided to undertake a Proposed Exemption (as defined within), pursuant to the revised allocations of the Proposed Private Placement and Proposed Rights Issue.

On 10 July 2013, 19 September 2013 and 25 September 2013 the Company in relation to the application to Bursa Securities for the extension of time to implement the proposed regularisation plan ("EOT Application"). On 5 December 2013, Bursa Securities approved an extension of time until 31 August 2014 to implement its proposed regularisation plan which consists of the following:

(i) The new secured contracts coupled with the existing secured contracts amounting RM650.51 million and the representations by the Company on the strategic collaboration with BCEG International (M) Sdn. Bhd. to jointly participate and undertake construction projects;

(ii) The financial commitment from the Managing Director/substantial shareholder of VVB, together with the strategic investor in relation to the proposed private placement, proposed right issue with warrants and the profit guarantee, and the Managing Director's financial advances provided to-date and his representations and commitment to provide additional financial advances to the Company; and

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(iii) Status of plan to regularise condition (Cont'd)

(iii) The confirmation from the principal adviser, HLIBB, that the proposed regularisation plan would comply with paragraph 3.1 of Practice Note 17 of the MLR of Bursa Securities.

In the event the Company fails to implement its regularisation plan within the time frame or extended time frame stipulated by Bursa Securities, the securities of VVB shall be removed from the Official List of Bursa Securities upon expiry of two (2) market days from the date of notification or such other date specified by Bursa Securities to the Company.

On 25 April 2014 VVB entered into a profit guarantee agreement with Dato' Beh Hang Kong and LBS Bina Group Berhad and Messrs. Bahari & Bahari, to guarantee a consolidated audited profit after taxation of RM6.0 million of VVB and its subsidiaries after taking into consideration the operational profit for each of the 2 financial years following the successful implementation of the proposed regularization plan of VVB.

(b) Restraining Order

The Company and all its subsidiaries (collectively referred to as "Companies") have been granted a restraining order ("Order") for a period of 90 days effective from 22 July 2009 by the Kuala Lumpur High Court pursuant to Section 176(10) of the Companies Act 1965. The Company does not expect the Order to have material effect on the financial and operational matter of the Companies.

The details and sequence of the events leading to the grant of the Order are as follows:

(i) the Companies faced with numerous suit filed by trade creditors who have alleged that outstanding debts are owed to them.

(ii) In an effort to settle the debts and come to an agreement with the creditors, the Companies had prepared an initial scheme for the purpose a debt restructuring scheme under Section 176(10) of the Companies Act 1965.

(iii) On the basis of the proposed scheme, the Companies had filed an application under Section 176(10) of the Companies Act 1965.

(iv) The Company had on 22 July 2009 obtained a restraining order under Section 176(10) of the Companies Act 1965 which restrained and stayed for a period of 90 days further proceedings in any action or the institution or commencement of any proceedings against the Company or any of the companies in the Group or any of the Companies.

(v) The restraining order is for the Companies to finalise its scheme.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(b) Restraining Order (Cont'd)

On 23 November 2009, the High Court granted a further extension to the restraining order for a period of 60 days from 23 November 2009 to 22 January 2010.

On 4 March 2010, the High Court granted a further extension to the restraining order for a period of 60 days from 4 March 2010 to 3 May 2010.

On 4 May 2010, the Company has applied for an application for meeting of the creditors or class of creditors of the Companies pursuant to Section 176(1) of the Companies Act 1965. On 19 May 2010, the High Court also granted the above said application be summoned within 90 days from 19 May 2010. Therefore, the said meeting ought to be summoned on or before 18 August 2010 being 90 days from the date of the Court Order.

In order to conduct the Court Convened Meeting ("CCM"), the holding company had further applied for a fresh Restraining Order. On 19 May 2010, the High Court granted the Restraining Order for a period of 90 days from 19 May 2010 to 18 August 2010.

On 16 July 2010, the Companies had conducted its CCM and obtained approval from its scheme creditors on its Proposed Scheme of Arrangement under Section 176 of the Companies Act 1965 by the requisite majority in number representing three-fourth (3/4) in value of the Scheme Creditors present and voting in that class either in person or by proxy at the CCM.

On 10 November 2010, the Company announced that the application for the extension of the Restraining Order has been dismissed by the Court in the hearing held on 8 November 2010. However, the Company has instructed the solicitors to file a fresh application to the Court for the said Restraining Order.

The Company on 9 February 2011, announced that Order has been granted by the High Court of Malaya at Kuala Lumpur on 8 February 2011 pursuant to Section 176(10) of the Act, to restrain all further proceedings and any and all actions or proceedings against the Company and the following subsidiaries for a period of ninety (90) days from 8 February 2011 to 7 May 2011:

(i) Vintage Tiles Industries Sdn. Bhd.
(ii) Vintage Roofing & Construction Sdn. Bhd.
(iii) Newsteel Building Systems Sdn. Bhd.
(iv) Vintage Tiles Industries (EM) Sdn. Bhd.
(collectively referred to as "Companies")

The Restraining Order is granted in relation to the following events:

The scheme creditors of the Companies had at CCM held on 16 July 2010 approved the Proposed Scheme of Arrangement under Section 176 of the Companies Act 1965 ("the Scheme") and the meetings of the shareholders of the Companies will be convened within three (3) months from 8 February 2011 or any other time period extended by the Court.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(b) Restraining Order (Cont'd)

The Companies were served with the several notices pursuant to Section 218 of the Companies Act 1965 by the creditors since the previous Restraining Order granted to the Companies had expired on 18 August 2011.

The Restraining Order is for the Companies to finalise the Scheme.

Upon expiry of the Restraining Order obtained on 8 February 2011, the Company had further applied for an extension on the Restraining Order. On 11 May 2011, the High Court of Malaya at Kuala Lumpur has granted a further period of another one hundred and twenty (120) days from 11 May 2011 to 7 September 2011.

Upon expiry of the extended Restraining Order obtained on 11 May 2011, the holding company had further applied for an extension of Restraining Order. On 20 September 2011, the High Court of Malaya has been granted a further extension to the Restraining Order for a period of 60 days from 20 September 2011 to 18 November 2011.

On 22 November 2011, the Company had announced that the Company's solicitors notified the Company that an application had been submitted to the Court on 18 November 2011 for the extension of Restraining Order which had been expired on 18 November 2011 and the hearing of the said application has been fixed on 1 December 2011.

On 2 December 2011, the Company had announced that the Company's solicitors notified the Company that the hearing for the application for extension of Restraining Order which expired on 18 November 2011 has been postponed to 8 December 2011.

On 8 December 2011, the Company had announced that the Company's solicitors notified the Company that the hearing for the application for extension of Restraining Order which expired on 8 December 2011 has been postponed to 16 December 2011.

Upon expiry of the extended Restraining Order obtained on 16 December 2011, the Company had further applied for an extension of Restraining Order. On 19 December 2011, the High Court of Malaya has been granted a further extension to the Restraining Order for a period of 60 days from 16 December 2011 to 15 February 2012.

Upon expiry of the Restraining Order obtained on 15 February 2012, the Company had further applied for an extension to Restraining Order. On 15 February 2012, the High Court of Malaya at Kuala Lumpur has granted a further period of another sixty (60) days from 14 February 2012 to 13 April 2012.

On 9 April 2012, the federal Court has rejected Ong Thuan Meng's application for leave to appeal the case to Federal Court with the cost of RM10,000 and deposit was returned to Ong Thuan Meng.

Upon expiry of the Restraining Order on 13 April 2012, the Company had further applied for an extension to Restraining Order. On 16 May 2012, the Court at Kuala Lumpur had granted a further period of sixty (60) days from 16 May 2012 to 14 July 2012.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(b) Restraining Order (Cont'd)

Upon expiry of the Restraining Order on 14 July 2012, another application for extension was made and approval granted by the Court to further extend the Restraining Order for seven (7) days from 19 July 2012 to 25 July 2012. On 25 July 2012 the Kuala Lumpur High Court again granted another extension for a period of sixty (60) days commencing on 25 July 2012 to 25 September 2012.

Upon expiry of the Restraining Order on 25 September 2012, an order has been granted by the High Court of Malaya at Kuala Lumpur on 8 November 2012, to restrain all further proceedings in any action and/or proceedings against the Company and its subsidiary companies, for a period of one hundred and twenty (120) days from 8 November 2012 to 7 March 2013.

The Company on 17 April 2013, announced that an Order has been granted by the High Court of Malaya at Kuala Lumpur on 16 April 2013 pursuant to Section 176(10) of the Act, to restrain all further proceedings in any actions or proceedings against the Company and the following subsidiaries for a period of sixty (60) days from 16 April 2013 to 14 June 2013:

(i) Vintage Tiles Industries Sdn. Bhd.
(ii) Vintage Roofing & Construction Sdn. Bhd.
(iii) Newsteel Building Systems Sdn. Bhd.
(iv) Vintage Tiles Industries (EM) Sdn. Bhd.
(collectively referred to as "Companies")

Upon expiry of the Restraining Order on 14 June 2013, an order has been granted by the High Court of Malaya at Kuala Lumpur on 18 June 2013, to restrain all further proceedings in any action and/or proceedings against the Company and its subsidiary companies, for a period of ninety (90) days from 17 June 2013 to 14 September 2013.

Upon expiry of the Restraining Order on 14 September 2013, an order has been granted by the High Court of Malaya at Kuala Lumpur on 17 September 2013, to restrain all further proceedings in any action and/or proceedings against the Company and its subsidiary companies, for a period of ninety (90) days from 13 September 2013 to 11 December 2013.

Upon expiry of the Restraining Order on 11 December 2013, an order has been granted by the High Court of Malaya at Kuala Lumpur on 15 January 2014, to restrain all further proceedings in any action and/or proceedings against the Company and its subsidiary companies, for a period of ninety (90) days from 15 January 2014 to 14 April 2014.

Upon expiry of the Restraining Order on 14 April 2014, an order has been granted by the High Court of Malaya at Kuala Lumpur on 11 April 2014, to restrain all further proceedings in any action and/or proceedings against the Company and its subsidiary companies, for a period of eighty (80) days from 11 April 2014 to 29 June 2014

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(b) Restraining Order (Cont'd)

The Restraining Order is granted in relation to the following events:

The scheme creditors of the Companies had at CCM held on 16 July 2010 approved the Proposed Scheme of Arrangement under Section 176 of the Companies Act 1965 ("the Scheme") and the meetings of the shareholders of the Companies will be convened within four (4) months from 8 November 2012 for the purpose of considering and if thought fit approving the Scheme, with or without modification.

On the basis of the Scheme, the Companies had filed an application under Section 176 (10) of the Companies Act 1965.

The Restraining Order is for the Companies to finalise the Scheme.

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32. SUPPLEMENTARY INFORMATION – DISCLOSURE OF REALISED AND UNREALISED PROFITS/LOSSES

The breakdown of the retained profits of the Group andthe Company at the end of the reporting period into realised and unrealised profits/(losses) are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:-

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Total retained profits/(accumulated losses) of the Company and its subsidiaries:				
- realised	(112,571,460)	(109,837,562)	(107,243,514)	(107,659,627)
- unrealised	-	-	-	-
	(112,571,460)	(109,837,562)	(107,243,514)	(107,659,627)
Less: Consolidation adjustments	-	-	-	-
At 31 December	(112,571,460)	(109,837,562)	(107,243,514)	(107,659,627)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Note	Unaudited 30 June 2014 RM'000	Audited 31 December 2013 RM'000
ASSETS			
Non Current Assets			
Property, plant & equipment		31,786	32,884
Current Assets			
Inventories		1,539	1,384
Trade receivables		9,065	7,369
Other receivables		492	531
Current tax assets		-	22
Fixed deposit		4	4
Cash and bank balances		261	153
		11,361	9,463
Non current assets held for sale		2,150	2,150
TOTAL ASSETS		45,297	44,497
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		97,486	97,486
Reserves		(116,318)	(112,571)
		(18,832)	(15,085)
Non controlling interests		-	-
Total Equity		(18,832)	(15,085)
Non current liabilities			
Long term borrowings	B8	-	-
Current Liabilities			
Trade payables		14,274	13,631
Other payables		6,813	5,934
Amount owing to directors		18,972	16,247
Current tax liabilities		376	368
Short term borrowings	B8	17,921	17,680
Bank overdraft	B8	5,773	5,722
		64,129	59,582
Total Liabilities		64,129	59,582
TOTAL EQUITY AND LIABILITIES		45,297	44,497
Net assets per share attributable to ordinary equity holders (RM)		(0.19)	(0.15)

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the condensed financial statements.

UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF THE ML GLOBAL GROUP FOR THE 6-MONTH FPE 30 JUNE 2014 *(Cont'd)*

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30 JUNE 2014

	Current Quarter 30-Jun 2014 RM'000	Preceeding Year Corresponding Quarter 30-Jun 2013 RM'000	Current Period To Date 30-Jun 2014 RM'000	Preceeding Year Period To Date 30-Jun 2013 RM'000
Revenue	2,306	5,251	4,099	6,865
Cost of Sales	(2,129)	(4,465)	(4,257)	(6,335)
Gross Profit	177	786	(158)	530
Other income	2,027	-	2,027	-
Operating Expenses	(3,250)	(473)	(4,602)	(1,115)
Depreciation	(143)	(172)	(287)	(346)
Plant & Equipment Written Off	(534)	-	-	-
Profit from Operations	(1,723)	141	(3,020)	(931)
Financial cost	(364)	(307)	(727)	(515)
Profit / (Loss) Before Taxation	(2,087)	(166)	(3,747)	(1,446)
Taxation	-	-	-	-
Profit / (Loss) After Taxation	(2,087)	(166)	(3,747)	(1,446)
Other comprehensive income	-	-	-	-
Total comprehensive profit for the	(2,087)	(166)	(3,747)	(1,446)
Equity holders of the Parent	(2,087)	(166)	(3,747)	(1,446)
Non controlling interests	-	-	-	-
	(2,087)	(166)	(3,747)	(1,446)
Total comprehensive loss attributable to:				
Equity Holders of The Parent	(2,087)	(166)	(3,747)	(1,446)
Non controlling interests	-	-	-	-
	(2,087)	(166)	(3,747)	(1,446)
Basic earnings per ordinary share (sen)	(2.14)	(0.17)	(3.84)	(1.48)
Diluted earnings per ordinary share (sen)	(2.14)	(0.17)	(3.84)	(1.48)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the condensed financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2014

	<- Attributable to Equity Holders of the Parent ->				
	Share Capital RM'000	Accumulated Losses RM'000	Total RM'000	Non Controlling Interests RM'000	Total Equity RM'000
At 1 January 2014	97,486	(112,571)	(15,085)	-	(15,085)
Total comprehensive profit for the period	-	(3,747)	(3,747)	-	(3,747)
At 30 June 2014	97,486	(116,318)	(18,832)	-	(18,832)
At 1 January 2013	97,486	(109,838)	(12,352)	-	(12,352)
Total comprehensive profit for the period	-	(1,446)	(1,446)	-	(1,446)
At 30 June 2013	97,486	(111,284)	(13,798)	-	(13,798)

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the condensed financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE HALF YEAR ENDED 30 JUNE 2014

	Current Period to Date 30 June 2014 RM'000	Preceeding Period To Date 30 June 2013 RM'000
Cash flows from operating activities		
Profit / (Loss) before taxation	(3,747)	(1,446)
Adjustments for:		
Depreciation	546	547
Amortisation of leasehold land	-	
Property, plant and equipment written off	534	-
Impairment on trade receivables	2,014	-
Impairment on leasehold land		-
Loss on disposal of property, plant and equipment	-	-
Reversal of Impairment on trade receivable	(1,319)	-
Bad Debts written off	-	-
Interest expenses	727	515
Operating profit before working capital changes	(1,245)	(384)
Changes in working capital		
Inventories	(155)	33
Receivables	(2,352)	7,934
Payables	1,762	(7,735)
Amount owing to directors	2,725	387
	1,980	619
Cash generated from operations	735	235
Interest paid	(727)	(515)
Tax Refund	31	-
Net cash (used in) / generated from operating activities	39	(280)
Cash flows from investing activities	-	-
Purchase of of property, plant and equipment	-	-
Proceeds from disposal of property, plant and equipment	18	-
Acquisition of subsidiary, net of cash and cash equivalents acquired	-	-
Interest received	-	-
Net cash from/(used in) investing activities	18	-
Cash flows from financing activities		
Repayment of hire purchase	-	-
Drawdown of bank borrowings	-	-
Repayment of bank borrowings	-	-
Net cash from financing activities	-	-
Net (decrease) / increase in cash and cash equivalents	57	(280)
Cash and cash equivalents at the beginning of the year	(5,569)	(7,933)
Cash and cash equivalents at the end of the year	(5,512)	(8,213)

Note:
Closing balance of cash and cash equivalents comprises:

Cash and bank balances	261	188
Fixed deposits	4	4
Bank overdrafts	(5,773)	(8,401)
	(5,508)	(8,209)
Fixed deposits pledged to bank	(4)	(4)
	(5,512)	(8,213)
	0	-

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the condensed financial statements.

VTI VINTAGE BERHAD (Co No. 589167-W)
(Incorporated in Malaysia)

NOTES TO CONDENSED FINANCIAL STATEMENT (UNAUDITED)

A1. Basis of Preparation

The condensed financial statements is unaudited and has been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The condensed financial statements have been prepared on the assumption that the Group is a going concern. The appropriateness of using the going concern assumption is highly dependent upon the sucessful implementation of a regularisation plan. As such, the condensed financial statements have not included any adjustments to the value and classification of assets and liabilities that may be necessary if the going concern assumption is no longer appropriate. Although it is the intention of the Directors to continue to operate the Group as a going concern, this ean only be assured with the support of the lenders and shareholders.

The condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013. These explanatory notes attached to the condensed financial statements provide an explaination of events and transactions that are significant to an understanding of the changes in the financial position and performance of VTI Vintage Berhad ("the Company" or "Vintage") and all its subsidiaries (collectively known as "the Group") since the financial year ended 31 December 2013.

The financial information presented herein has been prepared in accordance with the accounting policies to be used in preparing the annual consolidated financial statements for 31 December 2013 under the Malaysian Financial Reporting Standards ("MFRS") framework. These policies do not differ significantly fro those used in the audited consolidated financial statements for 31 December 2012.

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this condensed financial statements are consistent with those adopted in the financial statements for the financial year ended 31 December 2013 except for the adoption of the following :

During the financial period, the Group have adopted the following applicable new Malaysian Financial Reporting Standards ("MFRSs") , revised MFRSs, Issues Committee ("IC") Interpretations and amendments to MFRSs, issued by the Malaysian Accounting Standards Board that are mandatory for the current financial period:

MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (revised)
MFRS 127	Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures
Amendments to MFRS 7	Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 11	Joint Arrangements: Transition Guidance
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Transition Guidance
Amendments to MFRS 116	Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 132	Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 134	Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)

The adoption of the above pronouncements does not have material impact on the financial statements of the Group.

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A2. Changes in Accounting Policies (cont'd)

The Group and the Company have not adopted the following MFRSs and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (" MASB") but are not yet effective for the Group and the Company : -

		Effective for financial period beginnings on or after
MFRS 9	Financial Instruments	1 January 2015
Amendments to MFRS 9 and MFRS 7	Mandatory Effective Date of MFRS 9 and Transition Disclosures	1 January 2015
Amendments to MFRS 10, MFRS 12 and MFRS 127	Investment Entities	1 January 2014
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21	Levies	1 January 2014

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2013, was qualified as follows :

We draw attention to Note 3(b) to the financial statements, which disclosed the premises upon which the Group and the Company have prepared their financial statements by applying the going convern assumption, notwithstanding that during the financial year ended 31 December 2013, the Group have incurred losses of RM 2,733,898 and as of that date, the Group's and the Company's current liabilities exceeded their current assets by RM 50,119,357 and RM 10,074,659 respectively.

In addition, the Company is considered an Affected Listed issuer pursuant to the Practice Note 17 ("PN 17") Paragraph 2.1(a) and Paragraph 8.04 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad (" Bursa Securities "). A regularisation Plan was submitted to Bursa Securities on 22 April 2011 and had gone through numerous revision and application for extension of time to implement the proposed regularisation plan as disclosed in Note 31(a). On 5 December 2013, Bursa Securities approved an extension of time until 31 August 2014 to implement the proposed regularisation plan.

We were unable to asertain the ability of the Group and of the Company to conitue as going coneern which is dependent on the successful completion of the proposed regularisation plan, achieving sustainable and viable operations and generating adequate cash flows from its operating activities.

A4. Segmental Information

(a) Segment analysis for the financial period to date ended 30 June 2014 :

	Manufacturing & Trading RM'000	Construction Contract RM'000	Inter- segment eliminations RM'000	Total RM'000
Revenue				
External	4,099	-	-	4,099
Inter-segmental sales	600	-	(600)	-
Total Revenue	4,698	-	(600)	4,099
Results				
(Loss)/Profit from operations	(3,020)	-	-	(3,020)
Interest expenses	(727)	-	-	(727)
(Loss)/Profit before taxation	(3,747)	-	-	(3,747)
Taxation	-	-	-	-
(Loss)/Profit after taxation	(3,747)	-	-	(3,747)
Non-Cash Expenses				
Allowance for doubtful debts	-	-	-	-
Depreciation of property, plant and equipment	539	7	-	546

VTI VINTAGE BERHAD (Co No. 589167-W)
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A4. Segmental Information (cont'd)

(b) Segment analysis for the financial period to date ended 30 June 2013 :

	Manufacturing & Trading RM'000	Construction Contract RM'000	Inter-segment eliminations RM'000	Total RM'000
Revenue				
External	3,318	3,547	-	6,865
Inter-segmental sales	600	-	(600)	-
Total Revenue	3,918	3,547	(600)	6,865
Results				
(Loss)/Profit from operations	(710)	(221)	-	(931)
Interest expenses	(479)	(36)	-	(515)
(Loss)/Profit before taxation	(1,189)	(257)	-	(1,446)
Taxation	-	-	-	-
(Loss)/Profit after taxation	(1,189)	(257)	-	(1,446)
Non-Cash Expenses				
Allowance for doubtful debts	-	-	-	-
Depreciation of property, plant and	546	1	-	547
	546	1	-	547

A5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flow that are unusual of their nature, size or incidence during the current quarter.

A6. Changes in estimates

There were no material changes in estimates used for the preparation of the interim financial report.

A7. Comments about Seasonal or Cyclical Factors

The Group's business are generally affected by the various festive seasons.

A8. Dividends Paid

There were no dividends paid during the current quarter ended 31 December 2013.

A9. Valuation of Property, Plant and Equipment

There was no fair value adjustment of property, plant and equipment during the quarter.

A10. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter under review.

VTI VINTAGE BERHAD (Co No. 589167-W)
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A11. Changes in Composition of the Group

There were no changes in the composition of the Group for the quarter under review.

A12. Capital Commitments

There were no outstanding capital commitments for the quarter under review.

A13. Changes in Contingent Liabilities

There is no changes in contingent liabilities since the last annual balance sheet as at 31 December 2013.

A14. Significant Events

(a) **Practice Note 17 - Status of Plan to Regularise Condition**

On 10 February 2011, Vintage had announced that MIMB Investment Bank Berhad ("MIMB") on hehalf of the Company submitted an application for an extension of time to Bursa Malaysia to submit the proposed regularisation plan.

On 18 April 2011, referenee was made to Vintage's requisite announeement dated 9 September 2010 and the announcement dated 15 March 2011, whereby Bursa Malaysia had approved Vintage's application for an extension of time until 24 April 2011 to submit its regularisation plan pursuant to PN17 of the Listing Requirements.

In the event that:

(i) The Company fails to submit the regulation plan to the regulatory authorities for approval on or before 24 April 2011;

(ii) The Company fails to obtain the approval from any of the regulatory authorities necessary for the implementaion of its regularisation plan; or

(iii) The Company fails to implement its regularisation plan within the time frame or extended time frames stipulated by the regulatory authorities.

Bursa Malaysia reserves the right to proceed with the suspension of the trading of the securities of the Company and to commence delisting procedures against the Company.

Upon occurrence of any of the events set out in (i) to (iii) above, the suspension should be imposed on the trading of the listed securities of the Company upon the expiry of five (5) market days from the date the Company was notified by Bursa Malaysia and de-listing procedures shall be commenced against the Company.

The Company submitted its regularisation plan to Bursa Malaysia for approval on 22 April 2011 which comprises of:

(i) Proposed reduction of VTI Vintage Berhad's existing issued and paid-up share capital from approximately RM97.49 million comprising 97,486,002 Existing Shares to approximately RM9.75 million comprising 97,486,002 ordinary shares of RM0.10 each via the cancellation of RM0.90 of the par value of each Existing Share pursuant to Section 64 of the Act;

(ii) Proposed share consolidation via the consolidation of five (5) Reduced Shares into one (1) VTI Vintage Berhad's share after the Proposed Capital Reduction;

(iii) Proposed amendments to the M&A of VTI Vintage Berhad to facilitate the change in the par value of the VTI Vintage Berhad's Shares resulting from the Proposed Capital Reduction and Proposed Sbare Consolidation;

(iv) Proposed Private Placement of 12,000,000 new VTI Vintage Berhad's shares;

(v) Proposed renounceable rights issue of up to 31,497,200 new VTI Vintage Berhad's Shares on the basis of one (1) new VTI Vintage Berhad's for every one (1) existing VTI Vintage Berhad's Share held by the shareholders of Vintage after the Proposed Shareholders' Scheme and Proposed Private Placement;

(vi) Proposed formal scheme of arrangement and compromise pursuant to Section 176 of the Act in respect to the amounts owing to the secured and unsecured creditors of VTI Vintage Berhad via the issuance of up to 18,556,106 new VTI Vintage Berhad's Shares after a seventy five percent (75%) debt waiver by the unsecured creditors; and

(vii) Proposed set-off of any cash advances against the subscription monies payable by a Director pursuant to his irrevocable undertaking to subscribe for his rights entitlement and/or procure subscriptions for the Proposed Rights Issue up to a maximum amount of RM5.0 million.

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A14. Significant Events (Cont'd)

(a) **Practice Note 17 - Status of Plan to Regularise Condition (Cont'd)**

On 2 November 2011, MIMB on behalf of Vintage had announced on the following variation to the Proposals. It was previously announced in Section 2.7(ii)(d) of the announcement dated 9 September 2010 that if any of the unsecured creditors is a subsidiary of Vintage, its entitlement to the VTI Vintage Berhad's Shares shall be allotted and issued to a trustee and/or an agent for the creditor who will subsequently dispose of the shares allotted and issued to it and remit the proceeds to the subsidiary concerned.

After further deliberation by the Board, the Company has decided to vary the said distribution such that if any of the unsecured creditors is the Company itself or a subsidiary of the Company, its entitlement to the VTI Vintage Berhad's Shares will be allotted and issued to a placee to be identified ("Placee") and the cash proceeds therefrom will be paid to the Company who will then distribute the respective entitlement to its subsidiaries ("Proposed Variation"). The Proposed Variation was decided by the Board to avoid any possible infringement of Section 17 of the Companies Act, 1965.

On 23 December 2011, MIMB Investment Bank Berhad on behalf of the Company had announced that the variation of the regularisation plan as the following

(i) variations on the inter-conditionality of the Proposals; and

(ii) assignment of the VTI Vintage Berhad's Group inter-company debt to Distinct Treasures Sdn. Bhd.

On 2 April 2012, Bursa Malaysia rejected the Company proposed regularisation plan which was submitted to Bursa Securities on 22 April 2011

In the circumstances and pursuant to Rule 8.04(5) of the Bursa Malaysia ACE Market Listing Requirments:

(i) the trading in the securities of the Company will be suspended with effect from 10 April 2012; and

(ii) the securities of the Company will be de-listed on 4 May 2012 unless an appeal against the rejection of the regularisation plan and de-listing is submitted to Bursa Malaysia on or before 1 May 2012 ("the Appeal Timeframe"). Any appeal submitted after the Appeal Timeframe will not be considered by Bursa Malaysia.

In the event of the Company submits an appeal to Bursa Malaysia within the Appeal Timeframe, the removal of the securities of the Company from the official list of Bursa Malaysia on 4 May 2012 shall be deferred pending the decision on the Company's appeal.

On 30 April 2012, the Company had made an appeal on the said rejection. On 24 July 2012, Bursa Malaysia approved the Company's proposed regularisation plan after due consideration of relevant facts and circumstances including:
(i) the changes to the Company's business model for its manufacturing and distribution of tiles division;
(ii) the growth of the Company's secured order book for its construction division;
(iii) the changes and improvements to the Company's proposed regularisation plan including addition fund raising for the Company's business operations and a proposed profit guarantee of RM6 million profit after taxation (i.e. excluding write-off/other income/adjustments not in the ordinary course of business) for 2 consecutive financial years following the successful implementation of the proposed regularisation plan;
(iv) the approval of the secured and unsecured creditors of VVB and its subsidiary companies (collectively defined as the "Group") for the Company's proposed debt settlement which forms part of the proposed regularisation plan; and
(v) VVB's plan to add diversification to its revenue stream.

With regards to the Company's appeal against de-listing, the securities of the Company shall be removed from the Official List of Bursa Securities upon expiry of 2 market days from the notification or such other date specified by Bursa Securities to the Company in the event it fails to implement its regularisation plan within the timeframe or extended timeframes stipulated by Bursa Securities.

On 14 February 2013, Hong Leong Investment Bank Berhad ('HLIB', previously known as MIMB Investment Bank Berhad) has made an announcement on behalf of the Company to revise the allocations of the Proposed Private Placement and the Proposed Rights Issue and the terms of the Proposed Set-Off. In addition, the Board has also decided to undertake a Proposed Exemption (as defined within), pursuant to the revised allocations of the Proposed Private Placement and Proposed Rights Issue.

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The Company has submitted an application for the Extension Of Time (EOT) to Bursa Malaysia on 9 July 2013 to facilitate the completion of the Scheme. However, it was rejected by Bursa Malaysia via their letter dated 18 September 2013. The Company has on 25 September 2013 submitted its appeal on the rejection of the EOT Application to Bursa Malaysia, and has requested for an audience with Bursa Malaysia for the Company to present its case to understand better the Company's confidence on the prospects after the completion of the proposed regularisation plan. The meeting was subsequently granted, and the Company has presented its case to Bursa Malaysia on 19 November 2013. The application for the Extension Of Time (EOT) was subsequently approved by Bursa Malaysia until August 2014.

On 18 February 2014, HLIB has made announcement on behalf of the Company further changes as follows:

i) Proposed private placement: Pursuant to the revised allocation of Placement Shares, GYM's subscription of the Placement Shares will be entirely taken up by LBS Bina Group Berhad ("LBGB"), a company listed on the Main Market of Bursa Securities, the incoming strategic investor replacing GYM. The allocation of Placement Shares to Dato' Beh Hang Kong ("DBHK") will remain unchanged.

ii) Proposed rights issue: The irrevocable undertaking and additional undertaking to subscribe for the Rights Shares previously provided by GYM and Dato' Abu Sujak bin Mahmud ("DASM") will be rescinded as their undertakings now will be assumed by LBGB.

iii) Proposed exemption: In view of the change in the placee and the eventual shareholding structure upon completion of the proposed regularisation plan, the Proposed Exemption will no longer be required.

iv) Proposed profit guarantee: As a result of the Revised Allocation and Revised Additional Undertakings, LBGB shall replace GYM as a party, together with DBHK, to provide a profit guarantee, on a proportionate basis, of an audited operational after tax profit of RM6 million per annum of the VVB group for the 2 financial years following the successful implementation of the proposed regularisation plan.

On 23 May 2014, Vti Vintage Berhad ("VVB") had announced that : -

i) The share holders of VVB have at its Extraordinary General Meeting (" EGM") held on 23 May 2014 approved all the resolutions by poll as set out in the Notice of EGM dated 29 April 2014. The results of the resolutions voted by poll was 22,806,448 number of shares (100.00%) vote for and zero number of shares (0.00%) vote against the Special Resolutions 1 and 2 and Ordinary Resolution 1 to 5 . As for the Ordinary Resolution 6, there was 22,362,848 number of shares (99.05%) vote for and 443,600 number of shares (1.95%) vote against the resolution.

ii) The share holders of VVB have at its Court Convene Meeting (" CCM") held on 23 May 2014 approved the resolution by poll as set out in the Notice of CCM dated 29 April 2014. The results of the resolution voted by poll was 21,851,924 number of shares (98.01%) vote for and 443,600 number of shares (1.99%) vote against the resolution.

A14. Significant Events (Cont'd)

(b) **Restraining Order**

The Group has faced with numerous suits filed by trade creditors who have alleged that outstanding debts are owed to them. In an effort to settle the debts and come to an agreement with the creditors, Vintage had prepared an initial scheme for the purposes of a debt restructuring scheme under Section 176 (10) of the Companies Act, 1965. On the basis of the proposed scheme, the Group had filed an application under Section 176 (10) of the Companies Act, 1965. The Company had on 22 July 2009 obtained a Restraining Order under Section 176 (10) of the Companies Act, 1965 which restrained and stayed for a period of 90 days further proceedings in any action or the institution or commencement of any proceedings against the Company or any of the companies in the Group. The Restraining Order had been expired on 19 October 2009.

Upon expiry of the Restraining Order obtained on 22 July 2009, Vintage had further applied for an extension of Restraining Order. On 23 November 2009, the Court has granted Vintage with an extension for another sixty (60) days from 23 November 2009, which had been expired on 22 January 2010.

Upon expiry of the extended Restraining Order obtained on 23 November 2009, Vintage had further applied for an extension of Restraining Order. On 4 March 2010, the High Court granted a further extension to the Restraining Order for a period of 60 days from 4 March 2010 to 3 May 2010.

On 4 May 2010, Vintage had applied for an application for meeting of the creditors or class of creditors of Vintage pursuant to Section 176 (1) of the Companies Act, 1965. On 19 May 2010, the High Court also granted the above said application be summoned within 90 days from 19 May 2010. Therefore, the said meeting ought to be summoned on or before 18 August 2010 being 90 days from the date of the Court Order.

In order to conduct the Creditor Convened Meeting ("CCM"), Vintage had further applied for an fresh Restraining Order. On 19 May 2010, the High Court granted the Restraining Order for a period of 90 days from 19 May 2010 to 18 August 2010.

On 10 November 2010, Vintage had announced that the application for the extension of the Restraining Order has been dismissed by the Court in the hearing held on 8 November 2010. However, the Company has instructed the solicitors to file a fresh application to the Court for the said Restraining Order.

On 9 February 2011, Vintage had announced that Restraining Order has been granted by the High Court of Malaya at Kuala Lumpur on 8 February 2011 pursuant to Section 176(10) of the Act, to restrain all further proceedings, and any and all actions or proceedings against the Company and the following subsidiaries for a period of ninety (90) days from 8 February 2011 to 7 May 2011.

(i) Vintage Tiles Industries Sdn Bhd
(ii) Vintage Roofing & Construction Sdn Bhd
(iii) Newsteel Building Systems Sdn Bhd
(iv) Vintage Tiles Industries (EM) Sdn Bhd

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Upon expiry of the Restraining Order obtained on 8 February 2011, Vintage had further applied for an extension on the Restraining Order. On 11 May, 2011, the High Court of Malaya at Kuala Lumpur has granted a further period of another one hundred and twenty (120) days from 11 May 2011 to 7 September 2011.

Upon expiry of the extended Restraining Order obtained on 11 May 2011, Vintage had further applied for an extension of Restraining Order. On 20 September 2011, the High Court of Malaya has been granted a further extension to the Restraining Order for a period of 60 days from 20 September 2011 to 18 November 2011.

On 22 November 2011, the Board of Directors of Vintage had announced that the Company's solicitors notified the Company that an application bad been submitted to the Court on 18 November 2011 for the extension of Restraining Order which had been expired on 18 November 2011 and the hearing of the said application has been fixed on 1 December 2011.

Pursuant to an order made on the 16 December 2011 by the Kuala Lumpur High Court, an extension of sixty (60) days was granted in respect of the Restraining Order. As it currently stands all proceedings involving VVB and four of its subsidiaries including VTI will be stayed until 15 February, 2012.

Upon expiry of the Restraining Order obtained on 16 Deceber 2011, VVB had further applied for an extension on the Restraining Order. On 15 February 2012, the Court at Kuala Lumpur had granted a further period of sixty (60) days from 14 February 2012 to 13 April 2012.

On 2 December 2011, the Board of Directors of Vintage had announced that the Company's solicitors notified the Company that the hearing for the application for extension of Restraining Order which expired on 18 November 2011 has been postponed to 8 December 2011.

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On 8 December 2011, the Board of Directors of Vintage had announced that the Company's solicitors notified the Company that the hearing for the application for extension of Restraining Order which expired on 8 December 2011 has been postponed to 16 December 2011.

Upon expiry of the extended Restraining Order obtained on 16 December 2011, Vintage had further applied for an extension of Restraining Order. On 19 December 2011, the High Court of Malaya has been granted a further extension to the Restraining Order for a period of 60 days from 16 December 2011 to 15 February 2012.

Upon expiry of the Restraining Order obtained on 15 February 2012, Vintage had further applied for an extension on the Restraining Order. On 15 February 2012, the High Court of Malaya at Kuala Lumpur has granted a further period of another sixty (60) days from 14 February 2012 to 13 April 2012.

Subsequently, another application was made to further extend the Restraining Order and on 13 April 2012 the Kuala Lumpur High Court granted an extension of a period of thirty (30) days commencing on 13 April and expiring on 12 May 2012.

A14. Significant Events (Cont'd)

(b) **Restraining Order (cont'd)**

Upon expiry of the Restraining Order obtained on 13 April 2012, VVB had further applied for an extension on the Restraining Order. On 16 May 2012, the Court at Kuala Lumpur had granted a further period of sixty (60) days from 16 May 2012 to 14 July 2012.

Upon the expiry of Restraining Order on 14 July 2012, another application was made and approval granted by the court to further extend the Restraining Order from 19 July to 25 July 2012. On 25 July 2012 the Kuala Lumpur High Court again granted another extension for a period of sixty (60) days commencing on 25 July and expiring on 25 September 2012.

Upon expiry of Retraining Order on 25 September 2012, an order has been granted by the High Court of Malaya at Kuala Lumpur on 8 November 2012, to restrain all further proceesings in any action and/or proceedings against the Company and its subsidiaries companies, for a period of one hundred and twenty (120) days from 8 November 2012 to 7 March 2013.

Upon the expiry of Retraining Order on 7 March 2013, an order has been granted by the High Court of Malaya at Kuala Lumpur on16 April 2013, to restrain all further proceesings in any action and/or proceedings against the Company and its subsidiaries for a period of sixty (60) days from 16 April 2013 to 14 June 2013.

Upon the expiry of Retraining Order on 14 June 2013, an order has been granted by the High Court of Malaya at Kuala Lumpur on 14 June 2013, to restrain all further proceesing in any action and/or proceedings against the Company and its subsidiaries for a period of ninety (90) days from 14 June 2013 to 14 September 2013.

Upon the expiry of Retraining Order on 14 September 2013, an order has been granted by the High Court of Malaya at Kuala Lumpur on 13 September 2013, to restrain all further proceesing in any action and/or proceedings against the Company and its subsidiaries for a period of ninety (90) days from 13 September 2013 to 11 December 2013.

Upon the expiry of Retraining Order on 11 December 2013, an order has been granted by the High Court of Malaya at Kuala Lumpur on 15 January 2014 , to restrain all further proceesing in any action and/or proceedings against the Company and its subsidiaries for a period of ninety (90) days from 15 January 2014 to 15 April 2014.

Upon the expiry of Retraining Order on 15 April 2014, an order has been granted by the High Court of Malaya at Kuala Lumpur on 11 April 2014 , to restrain all further proceesing in any action and/or proceedings against the Company and its subsidiaries for a period of eignthy (80) days from 11 April 2014 and expiring on 29 June 2014.

Retraining Order had expired on 29 June 2014. However, the Court Sanction Order has been granted by High Court of Malaysia at Kuala Lumpur on on 18 June 2014.

(c) **Disposal of Land**

On 7 January 2011, the Board of Directors of Vintage announced that its wholly-owned subsidiary, Vintage Tiles Industries (EM) Sdn Bhd ("VTIEM") had on 5 January 2011 entered into a Sale and Purchase Agreement ("SPA") with SW 2020 Sdn Bhd (Company No. 861050-M) having its registered address at 3rd Floor, TB 292, Block 30, Fajar Commercial Complex, Jalan Haji Karim, Tawau, Sabah ("SW2020") to dispose of the land held under Country Lease No. 045086379 and measuring a total of 5 acres, 2 roods and 25 perches in the District of Tuaran, Sabah including all structures and buildings erected thereupon ("Land") for a total consideration of Ringgit Malaysia Two Million One Hundred and Fifty Thousand (RM2,150,000.00) only.

(d) **Memorandum of Understanding**

On 3 March 2011, the Board of Directors of Vintage announced that the Company had on 2 March 2011 signed a Memorandum of Understanding ("MOU") with Shenzen Guang Real Estate Group Co., Ltd ("Shenzhen Guang").

Shenzhen Guang is an exempted company organised under the laws of the People's Republic of China ("PRC"). Shenzhen Guang is a well established property development company with the head quarter in Shenzhen.

(Hereinafter, Vintage and Shenzhen Guang are collectively referred to as "the Parties')

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Based on the mutual consent, the Parties agree to reach the MOU as follows:

(i) Shenzhen Guang intends to participate in the restructuring and the private placement of Vintage; and

(ii) Shenzhen Guang, as the proposed strategic investor, intends to explore the possibilities of merger or acquisition of certain PRC companies whose business are involving the interior decoration and trading of the firefighting equipment.

On 25 April 2012, Vintage had announced that VRC had on 24 April 2012 accepted a letter of award from Shenzhen Guang to administer the renovation project for 2 blocks 19 stories condominium cum shoplots in Shansui Mingren Garden, Huizhou, Guang Dong Province, China for a total contract sum of RMB2.4 million or approximately RM1.2 million ("The Contract"). The date of commencement and the date to hand over the site will be mutually agreed and determined later.

On 1 June 2011, the Board of Directors of Vintage announced that Mr Gou Zan Ming, the owner of Shenzen Guang had on 18 April 2011 signed an undertaking letter to subscribe for up to 6,500,000 placements shares of RM0.50 each pursuant to Proposed Private Placement exercise to be undertaken by the Company.

A15. Contingent Liabilities

	As at 30 June 2014 RM'000	As at 30 June 2013 RM'000
Corporate guarantees given to banks for credit facilities granted to subsidiaries	24,512	24,512
Corporate guarantees issued to third parties in respect of trade facilities granted to subsidiaries	7,000	7,000

A16. Significant Related Party Transactions

The significant related party transactions for the current period were summarised as below:

	Amount RM'000
Rental paid to Emedia Corporation Sdn Bhd ("ECSB") *	63

* Dato' Beh Hang Kong is a shareholder of ECSB with a shareholding of 50.0%. He is also the Managing Director and substantial shareholder of Vintage.

These transactions have been entered into in the normal course of business and established on commercial terms.

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ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

B1. Review of performance

For the period ended 30 June 2014, the Group's revenue had decreased by **40% to RM 4.10** million as compared to **RM 6.87** million in corresponding year in 2013. This deerease in revenue was due to the company has not started any new projects and there was no revenue generated from the construction contracts despite there was an increased in roofing tiles sales quantity and unit price by 12% and 10% respectively during the period under review.

For the period ended 30 June 2014, the Group suffered a loss before tax of RM 3.75 million compared to a loss before tax of RM 1.45 million for the same period last year. This was mainly due to the increase in cost of sales by 23.1% and administrative expenses and finance cost by 133% and 40.9% respectively. The increase in loss also due to the impairment of receivables and PPE written off amounted RM 1.23 million.

B2. Variation of results against preceeding quarter

	Current Quarter Ended 30 June 2014 RM'000	Preceeding Quarter Ended 31 March 2014 RM'000	Corresponding Quarter Ended 30 June 2013 RM'000
Revenue	2,306	1,793	5,251
Profit /(Loss) before taxation	(2,087)	(1,659)	(166)

For the quarter under review, the revenue of the Group had increased by 28.6% as compared to the preceeding quarter ended 31 March 2014. This was due to the increase in sales of roofing tiles as compared to the preceding quarter. However, the Company registered a loss before tax amouted to RM 2.09 million as compared to loss before tax of RM 1.66 million in the preceeding quarter ended 31 March 2014 mainly due to the higher Cost of sales and adminstrative expense and finance cost in the quarter under review as compared to the preceding quarter.

B3. Profit forecast

On 22 April 2011, Vintage announced that the Group has submitted its Regularisation Plan for Bursa Malaysia Securities Berhad ("Bursa Malaysia") approval together with the profit forecast. Other than that, there was no profit forecast released to the market.

B4. Taxation

No provision for taxation was provided for the current quarter.

B5. Unquoted investments and properties

A subsidiary, Vintage Tiles Industries (EM) Sdn Bhd had entered into a sale and purchase agreement to dispose its leasehold land having a net book value of RM 2.603 million for a fair value consideration of RM 2.150 million. However, the sale is not completed yet at the date of this report.

B6. Quoted investments

The Group did not deal in any quoted investments.

B7. Corporate Proposals

(a) Status of corporate proposals

On 22 April 2011, Vintage announced that the Group has submitted its Regularisation Plan for Bursa Malaysia approval.

On 2 April 2012, Bursa Malaysia rejected the Company's Proposed Regularisation Plan.

In the circumstances and pursuant to Rule 8.04(5) of the Bursa Malaysia ACE Market Listing Requirments:

(i) the trading in the securities of the Company will be suspended with effect from 10 April 2012; and

(ii) the securities of the Company will be de-listed on 4 May 2012 unless an appeal against the rejection of the regularisation plan and de-listing is submitted to Bursa Malaysia on or before 1 May 2012 ("the Appeal Timeframe"). Any appeal submitted after the Appeal Timeframe will not be considered by Bursa Malaysia.

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In the event of the Company submits an appeal to Bursa Malaysia within the Appeal Timeframe, the removal of the securities of the Company from the official list of Bursa Malaysia on 4 May 2012 shall be deferred pending the decision on the Company's appeal.

On 30 April 2012, the Company had made an appeal on the said rejection. On 24 July 2012, Bursa Malaysia approved the Company's proposed regularisation plan after due consideration of relevant facts and circumstances including:
(i) the changes to the Company's business model for its manufacturing and distribution of tiles division;
(ii) the growth of the Company's secured order book for its construction division;
(iii) the changes and improvements to the Company's proposed regularisation plan including addition fund raising for the Company's business operations and a proposed profit guarantee of RM6 million profit after taxation (i.e. excluding write-off/other income/adjustments not in the ordinary course of business) for 2 consecutive financial years following the successful implementation of the proposed regularisation plan;
(iv) the approval of the secured and unsecured creditors of VVB and its subsidiary companies (collectively defined as the "Group") for the Company's proposed debt settlement which forms part of the proposed regularisation plan; and
(v) VVB's plan to add diversification to its revenue stream.

With regards to the Company's appeal against de-listing, the securities of the Company shall be removed from the Official List of Bursa Securities upon expiry of 2 market days from the notification or such other date specified by Bursa Securities to the Company in the event it fails to implement its regularisation plan within the timeframe or extended timeframes stipulated by Bursa Securities.

The Company has submitted an application for the Extension Of Time (EOT) to Bursa Malaysia on 9 July 2013 to facilitate the completion of the Scheme. However, it was rejected by Bursa Malaysia via their letter dated 18 September 2013. The Company has on 25 September 2013 submitted its appeal on the rejection of the EOT Application to Bursa Malaysia, and has requested for an audience with Bursa Malaysia for the Company to present its case to understand better the Company's confidence on the prospects after the completion of the proposed regularisation plan. The meeting was subsequently granted, and the Company has presented its case to Bursa Malaysia on 19 November 2013. The application for the Extension Of Time (EOT) was subsequently approved by Bursa Malaysia until August 2014.

On 18 February 2014, HLIB has made announcement on behalf of the Company further changes as follows:

i) Proposed private placement: Pursuant to the revised allocation of Placement Shares, GYM's subscription of the Placement Shares will be entirely taken up by LBS Bina Group Berhad ("LBGB"), a company listed on the Main Market of Bursa Securities, the incoming strategic investor replacing GYM. The allocation of Placement Shares to Dato' Beh Hang Kong ("DBHK") will remain unchanged.

ii) Proposed rights issue: The irrevocable undertaking and additional undertaking to subscribe for the Rights Shares previously provided by GYM and Dato' Abu Sujak bin Mahmud ("DASM") will be rescinded as their undertakings now will be assumed by LBGB.

iii) Proposed exemption: In view of the change in the placee and the eventual shareholding structure upon completion of the proposed regularisation plan, the Proposed Exemption will no longer be required.

iv) Proposed profit guarantee: As a result of the Revised Allocation and Revised Additional Undertakings, LBGB shall replace GYM as a party, together with DBHK, to provide a profit guarantee, on a proportionate basis, of an audited operational after tax profit of RM6 million per annum of the VVB group for the 2 financial years following the successful implementation of the proposed regularisation plan.

(b) Status of utilisation of proceeds

Not applicable.

B8. Borrowings and debt securities

The total borrowings of the Group as at 30 June 2014 comprised of the followings:

	30 June 2014 RM'000
Secured bank borrowings:	
Term loans	16,982
Bank overdrafts	5,773
Hire purchase	939
	23,694
Secured bank borrowings:	
Short term borrowing	23,694
Long term borrowings	-
	23,694

B9. Off balance sheet financial instruments

There were no material instruments with off balance sheet risk issued as at the date of this report.

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B10. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

Save as disclosed below, neither VVB nor its subsidiary companies are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Directors of VVB has no knowledge of any proceedings pending or threatened against the VVB Group or of any facts likely to give rise to any proceeding which may materially and adversely affect the financial position or business of the VVB Group as at the LPD.

a) On 29 January 2009, Section 218 Statutory Notice under the Act was served on NBS and VVB (as guarantor) for the amount of RM1,492,675.95 being the sum payable to them for goods sold. The estimate of maximum exposure to liabilities is RM1,492,675.95 plus interest and cost.

On 8 February 2011, a restraining order was obtained by VVB and four (4) of its subsidiaries including NBS from the Kuala Lumpur High Court vide Originating Summons Ex-parte No. D-24NCC-30-2011 under Section 176(1) of the Act. In view of the aforementioned Order, all proceedings involving VVB and the said subsidiaries will be stayed for ninety (90) days from 8 February 2011.

Upon expiry of the Restraining Order obtained on 8 February 2011, VVB had further applied for an extension on the Restraining Order. On 11 May 2011, the Court at Kuala Lumpur had granted a further period of one hundred and twenty (120) days from 11 May 2011 to 7 September 2011.

Subsequently, another application was made to further extend the Restraining Order and on 20 September 2011 the Kuala Lumpur High Court granted an extension of a period of sixty (60) days commencing on 20 September and expiring on 18 November, 2011

Pursuant to an order made on the 16 December, 2011 by the Kuala Lumpur High Court, an extension of sixty (60) days was granted in respect of the Restraining Order. As it currently stands all proceedings involving VVB and four of its subsidiaries including NBS will be stayed until 15 February 2012

Upon expiry of the extended Restraining Order obtained on 16 December 2011, Vintage had further applied for an extension of Restraining Order. On 14 February 2012, the High Court of Malaysia at Kuala Lumpur has granted a further period of sixty (60) days from 14 February 2012 to 13 April 2012.

Subsequently, another application was made to further extend the Restraining Order and on 13 April 2012, the Kuala Lumpur High Court granted an extension of a periods of thirty (30) days commencing on 13 April 2012 and expiring on 12 May 2012.

Upon expiry of the Restraining Order obtained on 13 April 2012, VVB had further applied for an extension on the restraining Order. On 16 May 2012, the High Court of Kuala Lumpur had granted a further period of sixty (60) days from 16 May 2012 to 14 July 2012.

Upon expiry of the Restraining Order on 16 July 2012, another application was made and approval was granted by the Court to further extend the Restraining Order from 19 July 2012 to 25 July 2012. On 25 July 2012, the Kuala Lumpur High Court again granted another extension for a period of sixty (60) days commencing on 25 July 2012 and expiring on 25 September 2012.

Upon expiry of the Restraining Order on 25 September 2012, a fresh application was made via Originating Summons Ex-Parte No. 24NCC-382-11/2012 and approval was granted by court on 8 November 2012 to restrain all further processing in any action and /or proceeding against the Company and its subsidiaries companies, for a period of one hundred and twenty (120) days from 8 November 2012 to 15 March 2013.

Upon the expiry of Restraining Order on 15 March 2013, a fresh application has been made via Originating Summons Ex-Parte No. 26NCC-40-04/2013 where an order has been granted on 16 April 2013, to restrain all further processing in any action and / or proceedings against the Company and its subsidiaries for a periods of sixty (60) days from 16 April 2013 to 14 June 2013.

Subsequently, another application was made to further extend the Restraining Order and on 17 June 2013, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 17 June 2013 and expiring on 14 September 2013

Subsequently, another application was made to further extend the Restraining Order and on 13 September 2013, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 13 September 2013 and expiring on 11 December 2013

Subsequently, another application was made to further extend the Restraining Order and on 15 January 2014, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 15 January 2014 and expiring on 15 April 2014.

Subsequently, another application was made to further extend the Restraining Order and on 11 April 2014, the Kuala Lumpur High Court granted an extension of a period of eighty (80) days commencing on 11 April 2014 and expiring on 29 June 2014.

The Board of VVB is of the opinion that the case will be settled amicably upon completion of the Proposals.

b) Action was instituted in early 2008 against VTI by Syarikat Logistik Petikemas Sdn Bhd ("**SLP**") for failure to settle amount outstanding due to SLP for transport services rendered. Summary Judgement in favour of SLP against VTI for the sum of RM495,013.36 was obtained on 29 February 2008.

On 11 November 2008, a winding up petition vide Writ No. D5-28-361-2008 was withdrawn by SLP after an out of court agreement where VTI agreed to settle the amount owed in 10 monthly instalments. Only 1 payment of RM70,000.00 was made. On 22 January 2009, SLP was ready to begin fresh proceedings

On 29 November 2010, Judgment in Default was recorded against VTI. However, the Restraining Order restrains among others any further proceedings in any action and/or proceedings against the relevant parties above, including but not limited to receivership, winding-up, execution and arbitration except by leave of Court.

The Board of VVB is of the opinion that the case will be settled amicably upon completion of the Proposals.

c) On 3 July 2009, proceedings was instituted by CMCM Perniagaan Sdn Bhd ("**CMCM**") against VTI for failure to settle outstanding amount of RM1,464,706.64 for supply of cement. The final case management was on 10 January 2011 and hearing of the Plaintiff's Application for Summary Judgment was fixed on 15 March 2011.

However on 8 February 2011, a restraining order was obtained by VVB and four (4) of its subsidiaries including NBS from the Kuala Lumpur High Court vide Originating Summons Ex-parte No. D-24NCC-30-2011 under Section 176(1) of the Act. In view of the aforementioned Order, all proceedings involving VVB and the said subsidiaries will be stayed for ninety (90) days from 8 February 2011.

Upon expiry of the Restraining Order obtained on 8 February 2011, VVB had further applied for an extension on the Restraining Order. On 11 May 2011, the Court at Kuala Lumpur had granted a further period of one hundred and twenty (120) days from 11 May 2011 to 7 September 2011.

Subsequently, another application was made to further extend the Restraining Order and on 20 September 2011 the Kuala Lumpur High Court granted an extension of a period of sixty (60) days commencing on 20 September and expiring on 18 November, 2011

Pursuant to an order made on the 16 December, 2011 by the Kuala Lumpur High Court, an extension of sixty (60) days was granted in respect of the Restraining Order. As it currently stands all proceedings involving VVB and four of its subsidiaries including NBS will be stayed until 15 February 2012

Upon expiry of the extended restraining Order obtained on 16 December 2011, Vintage had further applied for an extension of Restraining Order. On 14 February 2012, the High Court of Malaysia at Kuala Lumpur has granted a further period of sixty (60) days from 14 February 2012 to 13 April 2012.

Subsequently, another application was made to further extend the Restraining Order and on 13 April 2012, the Kuala Lumpur High Court granted an extension of a periods of thirty (30) days commencing on 13 April 2012 and expiring on 12 May 2012.

Upon expiry of the Restraining Order obtained on 13 April 2012, VVB had further applied for an extension on the restraining Order. On 16 May 2012, the High Court of Kuala Lumpur had granted a further period of sixty (60) days from 16 May 2012 to 16 July 2012.

Upon expiry of the Restraining Order on 16 July 2012, another application was made and approval granted by court to further extend the restraining Order from 19 July 2012 to 25 July 2012. On 25 July 2012, the Kuala Lumpur High Court again granted another extension for a period of sixty (60) days commencing on 25 July 2012 and expiring on 25 September 2012.

Upon expiry of the Restraining Order on 25 September 2012, fresh application was made via Originating Summons Ex-Parte No. 24NCC-382-11/2012 and approval was granted by court on 8 November 2012 to restrain all further processing in any action and/or proceeding against the Company and its subsidiaries companies, for a period of one hundred and twenty (120) days from 8 November 2012 to 15 March 2013.

Upon the expiry of Restraining Order on 15 March 2013, fresh application has been made via Originating Summons Ex-Parte No. 26NCC-40-04/2013 where an order has been granted on 16 April 2013, to restrain all further processing in any action and/or proceedings against the Company and its subsidiaries for a periods of sixty (60) days from 16 April 2013 to 14 June 2013.

Subsequently, another application was made to further extend the Restraining Order and on 17 June 2013, the Kuala Lumpur High Court granted an extension of a periods of ninety (90) days commencing on 17 June 2013 and expiring on 14 September 2013.

CMCM's application for Summary Judgment is pending due to the Restraining Order. Next Case Management is on 23 September 2013 where Court will fix the hearing date in the event extension for Restraining Order is not granted

Subsequently, another application was made to further extend the Restraining Order and on 13 September 2013, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 13 September 2013 and expiring on 11 December 2013.

Subsequently, another application was made to further extend the Restraining Order and on 15 January 2014, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 15 January 2014 and expiring on 15 April 2014.

Subsequently, another application was made to further extend the Restraining Order and on 11 April 2014, the Kuala Lumpur High court granted an extension of a period of eighty (80) days commencing on 11 April 2014 and expiring on 29 June 2014

The matter is fixed for Case Management on 1 July 2014.

The Board of VVB is of the opinion that the case will be settled amicably upon completion of the Proposals.

d) On 14 May 2008, a suit was instituted by Winning Objective Sdn Bhd ("WO") against VVB and Ong Thuan Ming for failure to settle WO's consultancy fees. The amount claimed is RM375,000.00. The case was transferred Sessions Court Kuala Lumpur to Kuala Lumpur High Court pursuant to Section 66(2) of the Lower Courts Act 1948 in relation to order dated 4 May 2009. No hearing date has been fixed by the court. The VVB's solicitors have written to the Managing Judge Unit for further action.

The estimate of maximum exposure to liabilities is RM375,000.00 plus interest and cost as may be awarded by the Court.

UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF THE ML GLOBAL GROUP FOR THE 6-MONTH FPE 30 JUNE 2014 *(Cont'd)*

VTI VINTAGE BERHAD (Co No. 589167-W)
(Incorporated in Malaysia)

On 8 February 2011, a restraining order was obtained by VVB and four (4) of its subsidiaries including NBS from the Kuala Lumpur High Court vide Originating Summons Ex-parte No. D-24NCC-30-2011 under Section 176(1) of the Act. In view of the aforementioned Order, all proceedings involving VVB and the said subsidiaries will be stayed for ninety (90) days from 8 February 2011.

Upon expiry of the Restraining Order obtained on 8 February 2011, VVB had further applied for an extension on the Restraining Order. On 11 May 2011, the Court at Kuala Lumpur had granted a further period of one hundred and twenty (120) days from 11 May 2011 to 7 September 2011.

Subsequently, another application was made to further extend the Restraining Order and on 20 September 2011 the Kuala Lumpur High Court granted an extension of a period of sixty (60) days commencing on 20 September and expiring on 18 November 2011

Pursuant to an order made on the 16 December 2011 by the Kuala Lumpur High Court, an extension of sixty (60) days was granted in respect of the Restraining Order. As it currently stands all proceedings involving VVB and four of its subsidiaries including NBS will be stayed until 15 February 2012.

Upon expiry of the extended restraining Order obtained on 16 December 2011, VVB had further applied for an extension of Restraining Order. On 14 February 2012, the High Court of Malaysia at Kuala Lumpur has granted a further period of sixty (60) days from 14 February 2012 to 13 April 2012.

Subsequently, another application was made to further extend the Restraining Order and on 13 April 2012, the Kuala Lumpur High Court granted an extension of a periods of thirty (30) days commencing on 13 April 2012 and expiring on 12 May 2012.

Upon expiry of the Restraining Order obtained on 13 April 2012, VVB had further applied for an extension on the restraining Order. On 16 May 2012, the High Court of Kuala Lumpur had granted a further period of sixty (60) days from 16 May 2012 to 16 July 2012.

Upon expiry of the Restraining Order on 16 July 2012, another application was made and approval granted by court to further extend the restraining Order from 19 July 2012 to 25 July 2012. On 25 July 2012, the Kuala Lumpur High Court again granted another extension for a period of sixty (60) days commencing on 25 July 2012 and expiring on 25 September 2012

Upon expiry of the Restraining Order on 25 September 2012, fresh application was made via Originating Summons Ex-Parte No. 24NCC-382-11/2012 and approval was granted by court on 8 November 2012 to restrain all further processing in any action and/or proceeding against the Company and its subsidiaries companies, for a period of one hundred and twenty (120) days from 8 November 2012 to 15 March 2013.

Upon the expiry of Restraining Order on 15 March 2013, fresh application has been made via Originating Summons Ex-Parte No. 26NCC-40-04/2013 where an order has been granted on 16 April 2013, to restrain all further processing in any action and/or proceedings against the Company and its subsidiaries for a periods of sixty (60) days from 16 April 2013 to 14 June 2013

Subsequently, another application was made to further extend the Restraining Order and on 17 June 2013, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 17 June 2013 and expiring on 14 September 2013.

Subsequently, another application was made to further extend the Restraining Order and on 13 September 2013, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 13 September 2013 and expiring on 11 December 2013.

Subsequently, another application was made to further extend the Restraining Order and on 15 January 2014, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 15 January 2014 and expiring on 15 April 2014.

Subsequently, another application was made to further extend the Restraining Order and on 11 April 2014, the Kuala Lumpur High Court granted an extension of a period of eighty (80) days commencing on 11 April 2014 and expiring on 29 June 2014.

The Board of VVB is of the opinion that the case will be settled amicably upon completion of the Proposals.

e) A suit was instituted by AmBank on 17 July 2009 against VTI and VVB for non repayment of banking facilities granted by AmBank. The claim was for principal amount of RM234,919.71 together with interest thereon. Summary Judgment was obtained by AmBank against VTI on 17 January 2011 at the High Court.

On 8 February 2011, a restraining order was obtained by VVB and four (4) of its subsidiaries including NBS from the Kuala Lumpur High Court vide Originating Summons Ex-parte No. D-24NCC-30-2011 under Section 176(1) of the Act. In view of the aforementioned Order, all proceedings involving VVB and the said subsidiaries will be stayed for ninety (90) days from 8 February 2011.

Upon expiry of the Restraining Order obtained on 8 February 2011, VVB had further applied for an extension on the Restraining Order. On 11 May 2011, the Court at Kuala Lumpur had granted a further period of one hundred and twenty (120) days from 11 May 2011 to 7 September 2011

Subsequently, another application was made to further extend the Restraining Order and on 20 September 2011 the Kuala Lumpur High Court granted an extension of a period of sixty (60) days commencing on 20 September 2011 and expiring on 18 November 2011.

Pursuant to an order made on the 16 December 2011 by the Kuala Lumpur High Court, an extension of sixty (60) days was granted in respect of the Restraining Order. As it currently stands all proceedings involving VVB and four of its subsidiaries including NBS will be stayed until 15 February 2012.

Upon expiry of the extended restraining Order obtained on 16 December 2011, Vintage had further applied for an extension of Restraining Order. On 14 February 2012, the High Court of Malaysia at Kuala Lumpur has granted a further period of sixty (60) days from 14 February 2012 to 13 April 2012.

VTI VINTAGE BERHAD (Co No. 589167-W)
(Incorporated in Malaysia)

Subsequently, another application was made to further extend the Restraining Order and on 13 April 2012, the Kuala Lumpur High Court granted an extension of a periods of thirty (30) days commencing on 13 April 2012 and expiring on 12 May 2012.

Upon expiry of the Restraining Order obtained on 13 April 2012, VVB had further applied for an extension on the restraining Order. On 16 May 2012, the High Court of Kuala Lumpur had granted a further period of sixty (60) days from 16 May 2012 to 16 July 2012.

Both parties then appealed to the Court of Appeal via Appeal No. W-04(IM)-49-11. VTI and VVB then withdraw the Notice of Appeal with costs of RM500.00 on 18 June 2012.

However, the Restraining Order restrains among others any further proceedings in any action and/or proceedings against the relevant parties above, including but not limited to receivership, winding-up, execution and arbitration except by leave of Court.

The Board of VVB is of the opinion that the case will be settled amicably upon completion of the Proposals

f) On 27 May 2011 Affin Bank Berhad served unto VVB (as guarantor) and Vintage Roofing & Construction Sdn Bhd (VRC) a wholly owned subsidiary of the Company (as Borrower), a Section 218(1)(e) Notice of the Companies Act 1965 demanding payment within twenty one (21) days from the date of the Notice, of the outstanding judgment sum of RM3,656,879.32 as at 26 May 2011 together with interest thereon at the rate of 1.75% per annum above the Bank's Base lending rate commencing from 27 May 2011 until date of full settlement. A sealed copy of the winding up petition dated 9 September 2011 was served on VRC on 22 September 2011. VRC subsequently applied for permanent stay of execution of the winding up order and on 14 December 2011 the application was allowed by the Court.

The estimate of maximum exposure to liabilities is RM3,656,879.32 plus interest and cost as may be awarded by the Court

The Board of VVB is of the opinion that the case will be settled amicably upon completion of the Proposals

B11. Realised and Unrealised Profits

	Current Quarter Ended 30 June 2014 RM'000	Previous Quarter Ended 31 March 2014 RM'000
Total accumulated losses of the Group		
- Realised	(116,318)	(114,230)
- Unrealised	-	-
	(116,318)	(114,230)

B12. Dividends

No dividend has been recommended to date in respect of the current financial period.

VTI VINTAGE BERHAD (Co No. 589167-W)
(Incorporated in Malaysia)

B13. Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period by weighted average number of shares in issue during the period.

	Current Quarter 30 June 2014	Preceeding Quarter 31 March 2014	Current Period To Date 30 June 2014	Preceeding Period To Date 30 June 2013
Total comprehensive profit attributable to equity holders of the parent (RM'000)	(2,087)	(1,659)	(3,747)	(1,446)
Weighted average no of ordinary shares in issue ('000)	97,486	97,486	97,486	97,486
Basic earnings/(losses) per ordinary share (sen)	(2.14)	(1.70)	(3.84)	(1.48)

The company does not have in issue any financial instrument or other contract that may entitle its holders to ordinary shares and therefore dilute its basic earnings.

B14. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors on 25 August 2014.

DIRECTORS' REPORT

ML GLOBAL BERHAD (589167-W)

(Formerly known as VTI Vintage Berhad)

Registered Office

Suite 10.03, Level 10
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

22 SEP 2014

To: **The Entitled Shareholders of ML Global Berhad *(formerly known as VTI Vintage Berhad)***

Dear Sir/Madam,

On behalf of the Board of Directors of ML Global Berhad *(formerly known as VTI Vintage Berhad)* ("**ML Global**") ("**Board**"), I report after due enquiry that during the period from 31 December 2013 (being the date to which the last audited financial statements of ML Global and its subsidiaries ("**Group**") have been made up) to the date hereof (being a date not earlier than 14 days before the issue date of this Abridged Prospectus), that:

(i) the business of the Group has, in the opinion of the Board, been satisfactorily maintained;

(ii) in the opinion of the Board, 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;

(iii) the current assets of the Group appear in the books at values which are believed to be realisable in the ordinary course of business;

(iv) save as disclosed in Section 9.3 of the Abridged Prospectus, there are no other contingent liabilities which have arisen by reason of any guarantee or indemnity given by the Group;

(v) since the last audited financial statements of the Group and save as disclosed in Section 9.2 of the Abridged Prospectus, there has been 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 for any borrowings of the Group; and

(vi) save as disclosed in the Abridged Prospectus, since the last audited financial statements of the Group, there have been no material changes in the published reserves or any unusual factor affecting the profits of the Group.

Yours faithfully,
For and on behalf of the Board of Directors of
ML GLOBAL BERHAD
(Formerly known as VTI Vintage Berhad)

LIM KIM HOE
Executive Director

3A-A, 4th Floor, Wisma One Alliance, No. 1, Lorong Kasawari 4B, Taman Eng Ann, 41150 Klang, Selangor Darul Ehsan, Malaysia. Tel: 03-3342 5522 Fax: 03-3342 3522

FURTHER INFORMATION

1. SHARE CAPITAL

1.1 Save for the Rights Shares, Warrants and new ML Global Shares to be issued pursuant to the exercise of the Warrants, no securities will be allotted or issued on the basis of this Abridged Prospectus later than twelve (12) months after the date of the issuance of this Abridged Prospectus.

1.2 As at the date of this Abridged Prospectus, there is no founder, management, deferred shares or preference shares in the share capital of our Company. There is only one (1) class of shares in our Company, namely ordinary shares of RM0.50 each, all of which rank *pari passu* with one another.

1.3 All the Rights Shares and the new ML Global Shares to be issued pursuant to the exercise of Warrants shall, upon allotment and issue, rank pari passu in all respects with the then existing issued and paid-up ordinary share capital of our Company, save and except that such ML Global Shares will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid prior to the date of allotment of such ML Global Shares.

1.4 As at the LPD, save for the provisional allotment of the Warrants under the Private Placement and Rights Issue with Warrants, no person has been or is entitled to be granted, an option to subscribe for any securities, shares or debentures in our Company or any of our subsidiaries.

1.5 Save as disclosed below, as at the LPD, no securities in our Company have been issued or agreed to be issued as fully or partly paid-up in cash or otherwise than in cash within the two (2) years preceding the date of this Abridged Prospectus:

(i) the Rights Shares to be issued pursuant to the Rights Issue with Warrants;

(ii) the Warrants to be issued pursuant to the Private Placement and Rights Issue with Warrants;

(ii) the new ML Global Shares to be issued pursuant to the exercise of the Warrants; and

(iii) the new ML Global Shares to be issued pursuant to the Debt Settlement.

2. ARTICLES OF ASSOCIATION

The following provisions in relation to the remuneration of our Directors are reproduced from our Company's Articles of Association. Terms defined in our Articles of Association shall have the same meanings when used herein unless they are otherwise defined herein or the context otherwise requires.

<u>Article 78</u>

The fees payable to the Directors shall from time to time be determined by the Company in general meeting, and such fees shall be divided among the Directors in such proportions and manner as the Directors may determine, PROVIDED ALWAYS that:-

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

(b) Salaries payable to Directors who hold an executive office in the Company may not include a commission on or percentage of turnover;

(c) Fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting where notice of the proposed increase has been given in the notice convening the meeting;

(d) Any fee paid to an Alternate Director shall be such amount as shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Article 80

The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors, or of any committee of the Directors, or general meetings, or otherwise in or about the business of the Company.

Article 81

Any Director, who is appointed to any executive office or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, percentage of profits or otherwise (but not commission on or percentage of turnover) as the Directors may determine. The extra remuneration payable to non-executive Directors shall not include a commission on or percentage of profits or turnover.

Article 86

A Director holding any such office as Managing Director receive such remuneration as the Directors may determine but shall not under any circumstances be remunerated by way of salary or commission or participation in profits of the Company or of any other company in which the Company is interested, or by any or all of those modes, or otherwise as may be thought expedient but shall not include a commission on or a percentage of turnover, and it may be made a term of such appointment or appointments that the appointees shall receive a pension, gratuity or other benefits on their retirement.

Article 96 (b)

An alternate Director so appointed shall not in respect of such appointment be entitled to receive any remuneration from the Company, but shall otherwise be subject to the provisions of these Articles with regard to Directors. Any remuneration paid by the Company to an alternate Director shall be deducted from the remuneration of that Director so appointing him as an alternate Director.

3. CONSENTS

Our Adviser, Principal Bankers, Company Secretaries, Share Registrar and Solicitors for the Rights Issue with Warrants have given and have not subsequently withdrawn their written consents for the inclusion of their names and all references thereto in the form and context in which they appear in this Abridged Prospectus.

Messrs Baker Tilly Monteiro Heng, our Reporting Accountants has given and has not subsequently withdrawn its written consent for the inclusion of its name, Reporting Accountants' Report relating to the proforma consolidated statement of financial position included in the Abridged Prospectus, and all references thereto in the form and context in which they appear in this Abridged Prospectus.

Messrs CHI-LLTC, our Auditors has given and has not subsequently withdrawn its written consent for the inclusion of its name, the audited consolidated financial statements of the ML Global Group for the FYE 31 December 2013 together with its Auditors' Report thereon, and all reference thereto in the form and context in which they appear in this Abridged Prospectus.

Vanhuey Consulting Asia Sdn Bhd has given and has not subsequently withdrawn its written consent for the inclusion of its name as the source of the outlook of roof tiles industry in Malaysia as disclosed in Section 7.2 of this Abridged Prospectus, and all references thereto in the form and context in which they appear in this Abridged Prospectus.

Bloomberg Finance L.P. has given and has not subsequently withdrawn its written consent for the inclusion of its name as the source of historical share prices of our Company, and all references thereto in the form and context in which they appear in this Abridged Prospectus.

4. MATERIAL CONTRACTS

Save for the following, our Group has not entered into any material contracts (other than contracts entered into in the ordinary course of business) during the past 2 years preceding the date of this Abridged Prospectus:

(i) The Shareholder's Advance Agreement dated 9 September 2010 and supplemental agreement dated 14 February 2013;

(ii) The Agreements to Assign Debts dated 23 December 2011 and Supplemental Agreements dated 30 December 2013;

(iii) The Profit Guarantee Agreement dated 25 April 2014; and

(iv) The Deed Poll dated 22 July 2014 executed by our Company constituting the Warrants.

5. MATERIAL LITIGATION

Save as disclosed below, neither ML Global nor our subsidiary companies are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Directors has no knowledge of any proceedings pending or threatened against our Group or of any facts likely to give rise to any proceeding which may materially and adversely affect the financial position or business of our Group as at the LPD.

(i) Syarikat Logistik Petikemas Sdn Bhd ("SLP") v VTI
Kuala Lumpur High Court Suit No. D2-22-114-2008 & Kuala Lumpur High Court (Winding-Up) Petition No. D5-28-361-08

On 24 January 2008 SLP took out an action against VTI for failure to settle amount outstanding due to SLP for transport services rendered. Judgment in Default in favour of SLP against VTI for the sum of RM495,013.36 was obtained on 29 February 2008.

On 11 November 2008, the above winding up petition was withdrawn after an out of court settlement where VTI agreed to settle the amount owed in 10 monthly installments. Only 1 payment of RM70,000.00 was made.

On 8 February 2011, a Restraining Order ("RO") was obtained by VVB and four (4) of its subsidiaries including VTI from the Kuala Lumpur High Court vide Originating Summons Ex Parte No. D24-NCC-30-2011 under Section 176 of the Companies Act 1965. The RO has been renewed and/or fresh applications for the RO have been made until its final expiry on 29 June 2014. On 18 June 2014, the Kuala Lumpur High Court vide Originating Summons Ex Parte No. 26NCC-3-01/2014 sanctioned the Regularisation Plan. With this sanction, the Regularisation Plan shall be binding on the Scheme Creditors which includes SLP.

Our Board is of the opinion that as SLP is an unsecured creditor under the Proposed Debt Settlement, the amount owing to SLP shall be settled upon the completion of the Regularisation Plan.

(ii) Winning Objective Sdn Bhd ("WO") v VVB and another
Kuala Lumpur High Court Suit No. 22-609-2009
Kuala Lumpur Sessions Court Summons No. S4-52-15492-2008

On 16 May 2008, legal proceeding was instituted by WO vide Suit No. S4-52-15492-2008 against VVB and Ong Thuan Ming for failure to settle WO's consultancy fees in the Sessions Court. The amount claimed is RM230,000.00. On 4 May 2009, an Order was obtained from Kuala Lumpur High Court to transfer the case to Kuala Lumpur High Court pursuant to Section 66(2) of the Subordinate Courts Act 1948. No hearing date has been fixed by the Kuala Lumpur High Court.

The estimate of maximum exposure to liabilities is RM230,000.00 plus interest and cost as may be awarded by the Court.

As detailed in (i) above, the RO was obtained by VVB and four (4) of its subsidiaries from the Kuala Lumpur High Court vide Originating Summons Ex Parte No. D24-NCC-30-2011 under Section 176 of the Companies Act 1965. The RO has been renewed and/or fresh applications for the RO had been made until its final expiry on 29 June 2014.

Our solicitors are of the opinion that VVB has a fair chance of defending the suit.

(iii) AmBank (M) Berhad ("AmBank") v VTI and another
Kuala Lumpur Sessions Court Summons No. 9-52-23906-2009
Kuala Lumpur High Court Civil Appeal No. R3-12A-1364-2010

A suit was instituted by AmBank on 17 July 2009 against VTI and VVB vide Summons No. 9-52-23906-2009 for non repayment of banking facilities granted by AmBank at the Sessions Court. The claim was for principal amount of RM243,919.71 together with interest thereon. The application for summary judgment was defeated at the Sessions Court. AmBank appealed to the Kuala Lumpur High Court vide Appeal No. R3-12A-1364-2010. The High Court allowed the appeal and summary judgment was obtained by AmBank against VTI and VVB on 17 January 2011. AmBank had vide letter dated 17 September 2014 agreed to withhold legal action against VTI and VVB subject to VTI paying the judgment sum outstanding of RM436,086.46 as at 31 August 2014 together with further interest to accrue thereon at 2.5% + Base Lending Rate to be repaid by way of 24 equal monthly principal and interest installments commencing from 1 October 2014 with any balance outstanding on the final repayment installment date. In the event the rate of interest of the above rescheduled facilities varies, AmBank may at its absolute discretion make the adjustment upon such variation either by varying the amount of each installment, and/or (ii) varying the number of installments. AmBank also reserves its right to revise the monthly repayment sums as and when AmBank deems it necessary to recover the outstanding judgment sum.

6. GENERAL

6.1 There is no existing or proposed service contracts entered or to be entered into by our Company with any Director or proposed Director, other than those which are expiring or determinable by the employing company without payment of compensation (other than statutory compensation) within one (1) year from the date of this Abridged Prospectus.

6.2 Save as disclosed in this Abridged Prospectus and to the best knowledge of our Board, the financial conditions and operations of our Group are not affected by any of the following:

(i) material information including special trade factors or risks which are unlikely to be known or anticipated by the general public and which could materially affect the profits of our Group;

(ii) known trends, demands, commitments, events or uncertainties that will result in or are likely to materially increase or decrease our Group's liquidity;

(iii) material commitments for capital expenditure;

(iv) unusual, infrequent events or transactions or significant economic changes that materially affect the amount of reported income from our operations;

(v) known trends or uncertainties that have had, or that our Group reasonably expects to have, a material favourable or unfavourable impact on our Group's revenues or operating income; and

(vi) substantial increase in revenue.

7. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of our Company at Suite 10.03, Level 10, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra 59200 Kuala Lumpur during normal business hours from Monday to Friday (except public holidays) for a period of twelve (12) months from the date of issuance of this Abridged Prospectus:

(i) our Memorandum and Articles of Association;

(ii) our audited consolidated financial statements for the past three (3) FYEs 2011, 2012, 2013 and unaudited consolidated interim financial statements for the 6-month FPE 30 June 2014;

(iii) Reporting Accountants' Report on the Compilation of Proforma Consolidated Statements of Financial Position;

(iv) The Independent View of the Roof Tiles Manufacturing Industry Malaysia Report dated 15 September 2014 prepared by Vanhuey Consulting Asia Sdn Bhd;

(v) the Directors' Report as set out in Appendix VI of this Abridged Prospectus;

(vi) the consent letters referred to in Section 3 of this Appendix;

(vii) the material contracts referred to in Section 4 of this Appendix;

(viii) the writ and relevant cause papers in respect of the material litigations referred to in Section 5 of this Appendix; and

(ix) the letters in relation to the Entitlement Undertaking and Additional Undertaking from the Strategic Investors as referred to in Section 8 of this Abridged Prospectus.

8. RESPONSIBILITY STATEMENT

Our Board has seen and approved all the documentation relating to the Rights Issue with Warrants including the Documents. They collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable inquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which if omitted would make the statements in the Documents false or misleading.

HLIB, being the Adviser for the Rights Issue with Warrants, acknowledge that, based on all available information, and to the best of their knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue with Warrants.

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