

additional compliance information

To comply with the Bursa Malaysia Securities Berhad Listing Requirements, the following additional information are provided:

1. Utilisation of proceeds

NCB did not undertake any fund raising corporate proposal during the financial year ended 31 December 2004.

2. Share buybacks

NCB did not purchase any of its own shares during the financial year ended 31 December 2004.

3. Options, warrants or convertible securities

NCB did not issue any options, warrants or convertible securities during the financial year ended 31 December 2004.

4. American Depositary Receipt (ADR) or Global Depositary Receipts (GDR)

NCB did not sponsor any ADR or GDR programme during the financial year ended 31 December 2004.

5. Imposition of sanctions and/or penalties

During the financial year ended 31 December 2004, there were no sanctions and/or penalties imposed on NCB and its subsidiaries, its Directors or Management by the relevant regulatory bodies.

6. Variation in results from profit estimates, forecasts or projections, or unaudited results announced.

The Company did not release any profit estimates, forecasts or projections for the financial year, and audited results did not differ by 10% or more from the unaudited results announced.

7. Profit guarantee

No profit guarantee was given by the Company in respect of the financial year.

8. Non – Audit Fees

An amount of RM2,000.00 was charged by the external auditor for non-audit services rendered to the company during the financial year ended 31 December 2004.

9. Revaluation of Landed Properties

The Company does not have a revaluation policy on landed properties.

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10. Material contracts

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by NCB Group during the last two (2) years immediately preceding the date of this Circular:

The settlement agreement entered into between Nakamichi Malaysia Sdn Bhd (“NMSB”), The Grande (Nominees) Limited (“GNL”) and Maple Profits Limited (“MPL”) dated 20 December 2004, for the settlement of the entire amount of the debt, owed to NMSB by:

- (a) Nakamichi Corporation Japan (“NCJ”) and MPL, in the sum of Japanese Yen Nine Hundred and Thirty Five Million Three Hundred and Eighty One Thousand Two Hundred and Forty Five (¥935,381,245.00) or US Dollars Seven Million Eleven Thousand Eight Hundred and Fifty Three (USD7,011,853.00) (“NCJ Debt”); and
- (b) MPL, in the sum of Japanese Yen Five Hundred and Thirty Three Million Four Hundred and Sixty Six Thousand and Six Hundred (¥ 533,466,600.00) or US Dollars Three Million Nine Hundred and Ninety Nine Thousand (USD3,999,000.00) (“MPL Debt”)

whereby in consideration of NMSB assigning to GNL, the remainder of the NCJ Debt, part of which had been converted into a ten-year long term debt and part of which had been compensated by the issuance of new NCJ shares, and the MPL Debt, at NMSB’s stated book value of Japanese Yen One Billion Three Hundred and Sixty Five Million Nine Hundred and Fifty Thousand Eight Hundred and Seventy Six (¥1,365,950,876.00) or US Dollars Eleven Million Four Hundred and Ninety Seven Thousand Nine Hundred and Three (USD11,497,903.00), GNL will transfer to NMSB Ninety Seven Million Five Hundred and Sixty Eight Thousand (97,568,000) of its shares in Sansui Electric Co. Ltd (the “Sansui Shares”) at the prevailing market price of the Sansui Shares over a five (5) day period preceding the date of that transfer.

As at the date of issuance of this Circular, all of the Conditions Precedent have not yet been fulfilled.

11. Recurrent related party transactions in the ordinary course of business

The following recurrent related party transactions were entered into in the ordinary course of business during the financial year ended 31 December 2004:

	Financial year ended 2004 RM’000	
	Group	Company
Purchase of materials for manufacturing of audio/visual products from Nakamichi Corporation Japan	67	NIL
Purchase of materials for manufacturing of audio/visual products from Sansui Electric Co. Ltd	4,773	NIL
Purchase of materials for manufacturing of audio/visual products from Tomei Asia Limited	622	NIL
Sale of Nakamichi hi fi systems, home theatre systems, DVD players, car stereos and other audio visual products to Nakamichi Enterprise Limited	(41,955)	NIL
Management fee payable to The Grande Capital Group Limited	110	NIL

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The principal activity and the relationship with the above related parties are as follows:

- a) Nakamichi Corporation Japan, a company involved in research, development and distribution of branded audio and visual products;
- b) Nakamichi Enterprise Limited, a company involved in the distribution of audio and visual products;
- c) The Grande Capital Group Limited, a company providing corporate advisory and financial services; and
- d) Sansui Electric Co. Limited, a company involved in the procurement of raw material and components.

The company listed in (a) above is majority owned by The Grande Holdings Limited (TGHL), (b) and (c) above are wholly-owned subsidiary of TGHL and (d) above is an associate company of TGHL.

The principal activity of TGHL is investment holding. TGHL is deemed to be a major shareholder of NCB by virtue of its 100% indirect interest in Capetronic Consumer Electronics Holdings Limited (CCEH). CCEH in turn owns 100% of Capetronic Far Eastern Holdings Limited (CFE). CCEH holds 48.00% direct interest in NCB whilst CFE holds 11.61% direct interest in NCB as at 22 April 2005.

TGHL is an entity connected with a director of NCB, namely Mr Christopher Ho Wing On, as it is a body corporate in which Mr Christopher Ho Wing On and/or persons connected with him are entitled to exercise, or control the exercise of, not less than 15% of the votes attached to voting shares therein. Mr Christopher Ho Wing On is also a director of TGHL and resigned as the director of NCB on 28 October 2004.

Mr Ma Chi Chiu, a director of NCB, is also a director of TGHL, Nakamichi Corporation Japan and Nakamichi Enterprise Limited. He holds 78,000 shares in TGHL (0.017% of the issued and paid-up share capital of TGHL).

Mr Michael Andrew Barclay Binney, a director of NCB, is also a director of TGHL and Nakamichi Corporation Japan.

Mr Paul Law Kwok Fai is a director of TGHL and resigned as the director of NCB on 28 October 2004.