

Press Release

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AmPrivate Equity Invests in China Environment Bio-Tech Company

AmPrivate Equity Sdn Bhd, the private equity arm of AmInvestment Group Berhad ("AIGB") on 2nd February 2010 entered into an Investment Agreement to invest RMB 15 million (RM 7.5 million) into YC Foxin (Shanghai) Eco Enviro Tech Co. Ltd. ("YC Foxin"). AmPrivate Equity's investment will enable YC Foxin to significantly expand its rural waste water treatment business. AmPrivate Equity is managed by Malaysian Ventures Management Incorporated Sdn Bhd ("MVMI"), a wholly owned subsidiary of AmInvestment Group Berhad.

YC Foxin, established in Shanghai, China in April 2008, was formed by a group of leading Chinese environmental and ecological engineering experts. The objective was to tap on innovative bio-technologies to provide one-stop solutions to environmental improvement by cleaning water supply outlets at source, and treating waste water. YC Foxin is the only company to date who has successfully built and commissioned village sewage treatment in Shanghai for the Shanghai municipal government under China's stimulus programme.

The founder of the company, Professor Zhang holds a total of 64 patents relating to water treatment and wind power, and has applied his innovations to many water treatment projects around China. An expert in bacteria culture and propagation, he has successfully cultured bacteria native to the environment to effectively digest the nutrients and waste in the water used in commercially large scale major projects like Suzhou river, Shenzhen river and Zhangjabang river. He is currently the Vice Director of the Expert Committee for Shanghai Water Resources Foundation, the first foundation in China focusing on water resources management.

This investment marks the first transaction in the water/environment sector for AmPrivate Equity and its first investment directly into China.

Prof. Zhang, CEO of YC Foxin said, "With so many projects on hand, AmPrivate Equity's investment in YC Foxin will help YC Foxin to roll out its business not only in Shanghai but also nationally. China's rapid urbanisation has put more pressure to have cleaner environments and especially on the water segment; our unique business model of cleaning water at source with low-cost biotech treatment will have tremendous opportunity coupled with government support. The Chinese Government expects to spend US\$ 54 billion between 2006 and 2010 to provide safe and reliable drinking water to all residents, economically efficient storm water drainage to prevent flooding and treatment of all wastewater discharge by municipal plants."

Ms. Pushpa Rajadurai, Managing Director, Corporate and Institutional Banking, AmBank Group said, "We believe the water sector will be an important investment theme for this new decade due to rising environmental concerns and increasing political willpower to address these concerns. Private sector investment in public infrastructure will help to alleviate public funding shortfall and expedite capacity building and upgrading."

About Malaysian Ventures Management Incorporated Sdn Bhd

Malaysian Ventures Management Incorporated Sdn Bhd ("MVMI") has more than 20 years of proven track record of profitable private equity investment and successful divestment experience in Malaysia and the region. MVMI's wide knowledge and focus in key economic sectors ensure strong performance delivery. MVMI's hands-on involvement on the boards of investee companies ensures closer monitoring and active value-adding participation.

For media enquiries, please contact Mr Francis Ng, Chief Executive Officer, Malaysian Ventures Management Incorporated Sdn Bhd at Tel: 03-2078 2392 or via email at francis-ng@ambankgroup.com

