
XII. STATUTORY AND GENERAL INFORMATION

1. SHARE CAPITAL

- (i) No shares will be allocated on the basis of this Prospectus later than 12 months after the date of issue of this Prospectus.
- (ii) There are no founder, management or deferred shares in the Company. As at the date of this Prospectus, there is only one (1) class of shares in the Company, namely ordinary shares of RM1.00 each, all of which rank pari passu with one another.
- (iii) Save for the Issue Shares reserved for Directors and eligible employees of the Group and the Bumiputera investors approved by MITI as disclosed in Section V(4) of this Prospectus, no person has been or is entitled to be given an option to subscribe for any shares, stocks or debentures of the Company or its subsidiaries.
- (iv) Save for the Issue Shares reserved for the Directors and eligible employees of the Group as disclosed in Section V(4) of this Prospectus, there are at present no other schemes for or involving the Directors or employees of the MHC Group in relation to the share capital of the Company or its subsidiaries.
- (v) Save as disclosed in Sections V(4) and VII(5) of this Prospectus, no shares or debentures of the Company and its subsidiaries have been or are proposed to be issued as partly or fully paid-up in cash or otherwise than in cash within the two (2) years preceding the date hereof.

2. ARTICLES OF ASSOCIATION*(i) Changes in the Share Capital and Variation of Class Rights*

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

Article 5

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

- (a) no shares shall be issued at a discount except in compliance with the provisions of Section 59 of the Act;
- (b) in the case of shares offered to the public for subscription the amount payable on application on each share shall not be less than five per centum (5%) of the nominal amount of the share;
- (c) in the case of shares, other than ordinary shares, no special rights shall be attached until the same have been expressed in these Articles and in the resolution creating the same;
- (d) no issue of shares shall be made which will have the effect of transferring a controlling interest in the Company to any person, company or syndicate without the prior approval of the members of the Company in general meeting;

XII. STATUTORY AND GENERAL INFORMATION

1. SHARE CAPITAL

- (i) No shares will be allocated on the basis of this Prospectus later than 12 months after the date of issue of this Prospectus.
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- (v) Save as disclosed in Sections V(4) and VII(5) of this Prospectus, no shares or debentures of the Company and its subsidiaries have been or are proposed to be issued as partly or fully paid-up in cash or otherwise than in cash within the two (2) years preceding the date hereof.

2. ARTICLES OF ASSOCIATION

- (i) *Changes in the Share Capital and Variation of Class Rights*

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

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- (c) in the case of shares, other than ordinary shares, no special rights shall be attached until the same have been expressed in these Articles and in the resolution creating the same;
- (d) no issue of shares shall be made which will have the effect of transferring a controlling interest in the Company to any person, company or syndicate without the prior approval of the members of the Company in general meeting;

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)

Article 10

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

Article 11

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

Article 42

The Company may by ordinary resolution passed at a general meeting convert any paid-up shares into stock or re-convert any stock into paid up shares of any denomination.

Article 43

The holders of the stock may transfer the same or any part thereof in the same manner and subject to the same Articles as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit; but the Directors may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but the minimum shall not exceed the nominal amount of the shares from which the stock arose.

Article 44

The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by any such aliquot part of stock which would not, if existing in shares, have conferred that right, privilege or advantage.

Article 46

The Company may from time to time, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, by Ordinary Resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company by the resolution authorising such increase directs.

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)

Article 47

Subject to any direction to the contrary that may be given by the Company in general meeting any original shares for the time being unissued and not allotted and any new shares from time to time to be credited shall before they are issued be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, shall be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Article.

Article 48

Notwithstanding Article 47 above, but subject always to the Act, the Company may apply to the Exchange upon which the Company is listed for waiver of convening Extraordinary General Meetings to obtain shareholders' approval for further issues of shares (other than bonus or rights issues) where in accordance with the provisions of Section 132D of the Act, there is still in effect, a resolution approving the issuance of shares by the Company and the aggregate issues of which in any one (1) financial year do not exceed ten per cent (10%) of the issued share capital of the Company (other than by way of bonus or rights issue).

Article 49

Except so far as otherwise provided by the conditions of issue, any capital raised by the creation of new shares shall be considered as part of the original share capital of the Company, and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

Article 50

The Company may by Ordinary Resolution:-

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) divide its share capital or any part thereof into shares of smaller amount than is fixed by the Memorandum of Association by subdivision of its existing shares or any of them subject nevertheless to the provisions of the Act and so that as between the resulting shares, one (1) or more of such shares may, by the resolution by which such sub-division is effected, be given any preference or advantage as regards dividend, return of capital, voting or otherwise over the others or any other of such shares and;
- (c) cancel shares which at the date of the passing of the Resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.

Article 51

The Company may by Special Resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with, and subject to, any authorisation, and consent required by law.

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)*(ii) Transfer of Securities*

The provisions in the Articles of Association of the Company, the Main Board Listing Requirements of the KLSE, the Companies Act, 1965 and Rules of the MCD in respect of the arrangements for the transfer of securities and restrictions on their free transferability are as follows:-

(I) Articles of Association of the Company**Article 25**

The transfer of any Deposited Security of the Company, shall be by way of book entry by the Central Depository in accordance with the Rules and, notwithstanding, Sections 103 and 104 of the Act, but subject to Sub Section 107C(2) of the Act, and any exemption that may be made from compliance with Sub Section 107C(1) of the Act, the Company shall be precluded from registering and effecting any transfers of deposited securities.

Article 27

The registration of transfers of shares may be suspended at such times and for such periods as the Directors may from time to time determine not exceeding in the whole thirty (30) Market Days in any year. At least eighteen (18) Market Days' notice of intention to suspend any transfers of shares shall be published in a daily newspaper circulating in Malaysia and shall also be given to the Exchange and the Central Depository, stating the purpose or purposes for the suspension of the transfers. In relation to the closure the Company shall give written notice in accordance with the Rules to the Central Depository to enable the Central Depository to prepare the appropriate Record of Depositors.

Article 33**(1) Where:-**

- (a) the shares of the Company are listed on a stock exchange which is specified to be an Approved Market Place in the Securities Industry (Central Depositories) Exemption Order, 1998; and
- (b) the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act, 1998, as the case may be, under the Rules in respect of such shares,

the Company shall, upon the request of a shareholder, permit a transmission of shares held by such shareholder from the register of holders maintained by the registrar of the Company in the jurisdiction of the Approved Market Place (hereinafter referred to as "the Foreign Register"), to the register of holders maintained by the registrar of holders maintained by the registrar of the Company in Malaysia (hereinafter referred to as "the Malaysian Register") subject to the following conditions:-

- (i) there shall be no change in the ownership of such shares; and
- (ii) the transmission shall be executed by causing such shares to be credited directly into the Securities Account of such shareholder.

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)

- (2) For the avoidance of doubt, no company which fulfills the requirements of paragraphs (a) and (b) of subsection (1) above shall allow any transmission of shares from the Malaysian Register into the Foreign Register.

(II) Main Board Listing Requirements of KLSE

The provisions of the Main Board Listing Requirements of KLSE on the transferability of securities are as follows:-

Section 293A – Transfer of Securities

The transfer of any securities or class of securities of the company, shall be by way of book entry by the Central Depository in accordance with the Rules of the Central Depository and, notwithstanding Sections 103 and 104 of the Companies Act, 1965, but subject to subsection 107C(2) of the Companies Act, 1965 and any exemption that may be made from compliance with subsection 107C(1) of the Companies Act, 1965, the company shall be precluded from registering and effecting any transfer of securities.

Section 293B – Transmission of securities from Foreign Register

- (1) Where:-
- (a) the securities of a company are listed on an Approved Market Place; and
 - (b) such company is exempted from compliance with Section 14 of the Securities Industry (Central Depositories) Act, 1991 or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act, 1998, as the case may be, under the Rules of the Central Depository in respect of such securities,

such company shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the company in the jurisdiction of the Approved Market Place (hereinafter referred to as "the Foreign Register"), to the register of holders maintained by the registrar of the company in Malaysia (hereinafter referred to as "the Malaysian Register") subject to the following conditions:-

- (i) there shall be no change in the ownership of such securities; and
 - (ii) the transmission shall be executed by causing such securities to be credited directly into the securities account of such securities holder.
- (2) For the avoidance of doubt, no company which fulfills the requirements of (a) and (b) of section 293B(1) shall allow any transmission of securities from the Malaysian Register into the Foreign Register.

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)

(III) Companies Act, 1965

The provisions within the Companies Act, 1965 on the transferability of securities are as follows:-

Section 103(1)

Notwithstanding anything in its articles a company shall not register a transfer of shares or debentures unless a proper instrument of transfer in the prescribed form has been delivered to the company, but this subsection shall not prejudice any power to register as a shareholder or debenture holder any person to whom the right to any shares in or debentures of the company has been transmitted by operation of law.

Section 103(1A)

Nothing in this section shall be construed as affecting the validity of any instrument which would be effective to transfer shares or debentures apart from this section; and any instrument purporting to be made in any form which was common or usual in use, or in any other form authorised or required for that purpose apart from this section before the commencement of this Act, shall be sufficient, whether or not it is completed in accordance with the prescribed form, if it complies with the requirements as to execution and contents which apply to a transfer.

Provided that a company shall be precluded from registering a transfer of shares or debentures, the title of which is evidenced by a certificate that is issued on or after the date of coming into operation of this subsection unless a proper instrument of transfer in the prescribed form has been delivered to the company.

Section 107C(1)

On or after the coming into operation of this section, the transfer of any securities or class of securities of a company whose securities or any class of whose securities have been deposited with a central depository shall be by way of book entry by the central depository in accordance with the rules of the central depository and, notwithstanding Sections 103 and 104, such company shall be precluded from registering and effecting any transfer of securities which have been deposited.

Section 107C(2)

Subsection (1) shall not apply to a transfer of securities to a central depository or its nominee company.

(IV) Rules of the MCD

The rules of the MCD on the transferability of securities are as follows:-

Rule 8.01(2)

The Central Depository may, in its absolute discretion, reject a transfer request made by a depositor thereunder, where the reason for the said transfer does not fall within any of the approved reasons stipulated under Rule 8.03(1)(c).

Rule 8.05A

Transfers made by the authorised depository agent from the agent's principal or nominee account shall be subject to the Rules in this Chapter.

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)**Rule 9.03(2)**

It shall be the responsibility of the authorised depository agent, in processing the transfer between two securities accounts belonging to different depositors (hereinafter the transfer is referred to as "the inter-account transfer"), to check and ensure the completeness, accuracy and/or genuineness of the documents lodged as follows:-

- (a) the prescribed Form FTF010 (request for ordinary transfer of securities form) or Form FTF015 (request for express transfer of securities form) fully and properly completed in triplicate;
- (b) the Transferring Depositor has executed the Transferor portion on the said form duly witnessed by another person (other than the depositor's spouse);
- (c) the Transferring Depositor has stated his reason for the transfer and that the reason is or are amongst any of the approved reasons as stated herein below:-
 - (i) transmission and transfer of securities arising from the provisions of any written law or an order of court of competent jurisdiction;
 - (ii) rectification of errors;
 - (iii) pledge, charge or mortgage;
 - (iv) mandatory offer pursuant to the provisions of the Malaysian Code On Takeovers and Mergers 1998;
 - (v) any other circumstances as deemed fit by the Central Depository after consultation with the Securities Commission;
- (d) documents to support the reason for the transfer; and
- (e) such other accompanying documents duly processed in such manner as the Central Depository may from time to time determine in its Procedures Manual.

(iii) Voting and borrowing powers of Directors

The provisions in the Company's Articles of Association dealing with the voting and borrowing powers of Directors in proposals, arrangements or contracts in which they are interested are as follows:-

Article 90

- (1) The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company, or its subsidiaries.
- (2) The Directors shall not borrow any money or mortgage or charge any of the Company's or its subsidiaries' undertaking, property, or any uncalled capital, or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)

Article 106

A Director shall not vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly a personal interest and if he shall do so his vote shall not be counted.

Article 107

A Director may vote in respect of:-

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

(iv) **Directors' remuneration**

The provisions in the Company's Articles of Association dealing with the remuneration of the Directors are as follows:-

Article 85

- (a) The fees payable to the Directors shall from time to time be determined by an Ordinary Resolution of the Company in general meeting. Provided that such fees shall not be increased except pursuant to an Ordinary Resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting.
- (b) Executive Director(s) shall, subject to the terms of any agreement (if any) entered into in any particular case, receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may from time to time determine. All remuneration payable to the non-executive Director(s) shall be determined by a resolution of the Company in general meeting.
- (c) Fees payable to non-executive Directors shall be a fixed sum, and not by a commission on or percentage of profits or turnover.
- (d) Salaries payable to executive Director(s) may not include a commission on or percentage of turnover.
- (e) Any fee paid to an Alternate Director shall be such as shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Article 86

- (1) The Directors shall be paid all their travelling and other expenses properly and necessarily expended by them in and about the business of the Company including their travelling and other expenses incurred in attending Board Meetings of the Company.

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)

- (2) If any Director being willing shall be called upon to perform extra services or to make any special efforts in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a Member of a committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determined by the Company in general meeting and such remuneration may be either in addition to or in substitution for his or their share in the remuneration from time to time provided for the Directors. Any extra remuneration payable to non-executive Director(s) shall not include a commission on or percentage of turnover or profits.

Article 97

Subject always to Sections 131 and 132E of the Act a Director may hold any other office or place of profit under the Company and under normal commercial terms, (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established but the nature of his interest must be disclosed by him at the meeting of the Directors at which the contract or arrangement is determined, if the interest then exists or in any other case at the first meeting of the Directors after the acquisition of the interest.

Article 98

Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as Auditor of the Company.

Article 111

The remuneration of a Managing Director or Managing Directors shall be fixed by the Directors and may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes.

3. DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- (i) The names, addresses and occupations of the Directors are set out in Section II of this Prospectus.
- (ii) A Director is not required to hold any qualification shares in the Company.
- (iii) None of the Directors of the Company has any existing or proposed service agreements with the Company or any of its subsidiaries.

X LAPORAN PENGARAH
(Disediakan untuk kemasukan dalam Prospektus ini)

Pejabat Berdaftar:-

MHC Plantations Bhd.
No. 21 & 23, Jalan Hussein
(Tingkat Bawah)
30250 Ipoh
Perak Darul Ridzuan

28 September 2000

Pemegang-pemegang saham
MHC Plantations Bhd.

Tuan/Puan

Bagi pihak Lembaga Pengarah MHC Plantations Bhd ("MHC"), kami laporkan selepas pertanyaan sewajarnya bahawa dalam tempoh dari 31 Mei 2000 (merupakan tarikh sehingga mana akaun teraudit terakhir MHC dan anak-anak syarikatnya ("Kumpulan") telah disediakan) sehingga 28 Setember 2000 (merupakan tarikh tidak awal daripada empat belas hari sebelum Prospektus ini dikeluarkan):-

- (a) perniagaan kumpulan, pada pendapat Lembaga Pengarah MHC, telah diselenggarakan dengan memuaskan;
- (b) pada pendapat para Pengarah, tiada keadaan telah timbul selepas akaun teraudit terakhir Kumpulan yang telah menjejaskan perdagangan atau nilai aset Kumpulan;
- (c) aset semasa Kumpulan kelihatan dalam buku-buku pada nilai-nilai yang dipercayai boleh diperolehi dalam perjalanan biasa perniagaan;
- (d) kecuali sebagaimana dinyatakan dalam Seksyen VIII(1) Prospektus ini, tidak ada liabiliti kontigen yang telah timbul atas alasan mana-mana jaminan atau perlindungan yang diberi oleh Kumpulan; dan
- (e) kecuali sebagaimana dinyatakan dalam Prospektus ini, tidak ada perubahan dalam rizab tercetak mahupun apa-apa faktor luar biasa yang melibatkan keuntungan Kumpulan.

Yang benar
Untuk dan bagi pihak Lembaga Pengarah
MHC Plantations Bhd.



Dato' Mah King Seng
Pengarah Eksekutif



Dato' Mah King Thian
Pengarah Eksekutif

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)

- (vii) Save as disclosed below, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the promotion of or in any assets acquired or proposed to be acquired or assets disposed or proposed to be disposed or leased to or proposed to be leased to the Company or its subsidiaries within the two (2) years preceding the date of this Prospectus:-

The Directors and substantial shareholders of the Company who are deemed interested in the Acquisitions as disclosed in Section VII(2) are as follows:-

Name	Nature of interest
DMPSR	Substantial shareholder of MHC, AOI, YLH, MPP and CP
Datin Seri Ooi Ah Thin	Director and substantial shareholder of MHC and substantial shareholder of AOI, YLH, MPP and CP
Dato' Mah King Seng	Director and substantial shareholder of MHC and substantial shareholder of AOI, YLH, MPP and CP
Dato' Mah King Thian	Director and substantial shareholder of MHC and director and substantial shareholder of AOI, YLH, MPP and CP
Mah Siew Hoe	Director and substantial shareholder of MHC and AOI
MKWH	Substantial shareholder of MHC, AOI and YLH
MSH	Substantial shareholder of MHC, AOI and YLH
ASB	Substantial shareholder of MHC, AOI and YLH
SKM	Substantial shareholder of MHC, AOI and YLH
SCM	Substantial shareholder of MHC, AOI and YLH
Mah Siew Keong	Substantial shareholder of MHC, AOI and YLH
Mah Siew Chuan	Substantial shareholder of MHC, AOI and YLH
Wong Leng Wah	Substantial shareholder of MHC, AOI and YLH
Hooi Yoke Lin	Substantial shareholder of MHC, AOI and YLH
Hooi Yoke Lin (<i>as trustee for Mah Li-Jeen</i>)	Substantial shareholder of MHC, AOI and YLH
TLKH	Substantial shareholder of MHC and AOI
Tan Sri Dato' Dr. Tan Lai Kim	Substantial shareholder of MHC and AOI

The estate of Dato' Seri Mah Pooi Soo, Datin Seri Ooi Ah Thin, Dato' Mah King Seng and Dato' Mah King Thian are also interested in the disposal by MHC to Wawasan Keunggulan Sdn. Bhd. and Behrang Properties Sdn. Bhd. ("BP") of a certain subsidiary and landed property as disclosed in Section VII(2)(i) by virtue of them being the substantial shareholders and/or Directors of BP and Wawasan Keunggulan Sdn. Bhd..

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)

On 1 June 1998, a lease agreement was entered into between AOP and AOI for the lease of approximately 7-acres of land held under Lot 2555 in the Mukim of Durian Sebatang at 2½ mile, Jalan Maharaja Lela, 36000 Teluk Intan, Perak Darul Ridzuan. Under the said agreement the land will be leased to AOI for a period of three (3) years with the option to renew for another 57 years at the rental rate of RM70 per annum. Datin Seri Ooi Ah Thin, Dato' Mah King Seng and Dato' Mah King Thian are deemed interested in the said lease agreement by virtue of them being the substantial shareholders and Directors of AOP while the estate of Dato' Seri Mah Pooi Soo, is deemed interested in the said subscription by virtue of it being a substantial shareholder of AOP.

On 12 January 1995, a lease agreement was entered into between PKNP and MPP (then known as Kinta Teguh Sdn. Bhd.) for the lease of approximately 1000-acres of land held under Lot No. P.T. 10471, Mukim of Hutan Melintang, District of Hilir Perak, Perak Darul Ridzuan. Under the said agreement the land will be leased to MPP for a period of 66 years with the option to extend the lease for an additional 30 years at negotiated terms for a total rent of RM1.6 million. PKNP is deemed interested in the said lease agreement by virtue of it being the owner of the said land and a substantial shareholder of MHC.

- (viii) Save as disclosed in (vii) above, none of the Directors has any interest in any contract or arrangement which is significant in relation to the business of the Company and its subsidiaries subsisting at the date of this Prospectus.
- (ix) According to the Register of Substantial Shareholders as at 15 September 2000 (being the last practicable date prior to printing of this Prospectus), the direct and indirect interests of the substantial shareholders in the shares of the Company, before and after the Public and Special Issues are as follows:-

Shareholder	-----Before the Public and Special Issues-----				-----After the Public and Special Issues -----			
	Direct interest		Indirect interest		Direct interest		Indirect interest	
	No. of ordinary shares held	%	No. of ordinary shares held	%	No. of ordinary shares held	%	No. of ordinary shares held	%
DMPSR	28,216,670	69.09	-	-	28,216,670	44.62	-	-
MKWH	8,265,511	20.24	-	-	8,265,511	13.07	-	-
Syarikat Majuperak Berhad	1,000,000	2.45	-	-	1,000,000	1.58	-	-
Datin Seri Ooi Ah Thin	1,165,511	2.85	28,216,670 ⁽¹⁾	69.09	1,172,511 ⁽²⁾	1.85	28,216,670 ⁽¹⁾	44.62
Dato' Mah King Seng	3	-	28,216,670 ⁽¹⁾	69.09	7,003 ⁽²⁾	⁽³⁾	28,216,670 ⁽¹⁾	44.62
Dato' Mah King Thian	3	-	28,216,670 ⁽¹⁾	69.09	7,003 ⁽²⁾	⁽³⁾	28,216,670 ⁽¹⁾	44.62
MSH	-	-	8,265,511 ⁽⁴⁾	20.24	-	-	8,265,511 ⁽⁴⁾	13.07
ASB	-	-	8,265,511 ⁽⁴⁾	20.24	-	-	8,265,511 ⁽⁴⁾	13.07
SKM	-	-	8,265,511 ⁽⁴⁾	20.24	-	-	8,265,511 ⁽⁴⁾	13.07
SCM	-	-	8,265,511 ⁽⁴⁾	20.24	-	-	8,265,511 ⁽⁴⁾	13.07
Mah Siew Hoe	3	-	-	-	7,003 ⁽²⁾	⁽³⁾	-	-
Mah Siew Keong	3	-	8,265,511 ⁽⁵⁾	20.24	7,003 ⁽²⁾	⁽³⁾	8,265,511 ⁽⁵⁾	13.07

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)

Shareholder	-----Before the Public and Special Issues-----				-----After the Public and Special Issues -----			
	Direct interest		Indirect interest		Direct interest		Indirect interest	
	No. of ordinary shares held	%	No. of ordinary shares held	%	No. of ordinary shares held	%	No. of ordinary shares held	%
Mah Siew Chuan	-	-	8,265,511 ⁽⁶⁾	20.24	-	-	8,265,511 ⁽⁶⁾	13.07
Wong Leng Wah	-	-	8,265,511 ⁽⁷⁾	20.24	-	-	8,265,511 ⁽⁷⁾	13.07
Hooi Yoke Lin	-	-	8,265,511 ⁽⁸⁾	20.24	-	-	8,265,511 ⁽⁸⁾	13.07
Hooi Yoke Lin (as trustee for Mah Li-Jeen)	-	-	8,265,511 ⁽⁸⁾	20.24	-	-	8,265,511 ⁽⁸⁾	13.07
Aznam bin Mansor	-	-	-	-	5,007,000 ⁽⁹⁾	7.92	-	-
Amanah Saham Johor	-	-	-	-	3,000,000 ⁽¹⁰⁾	4.74	-	-
TLKH	2,192,250	5.37	-	-	2,192,250	3.47	-	-
Tan Sri Dato' Dr. Tan Lai Kim	-	-	2,192,250 ⁽¹¹⁾	5.37	7,000 ⁽²⁾	⁽³⁾	2,192,250 ⁽¹¹⁾	3.47
Perbadanan Kemajuan Negeri Perak	-	-	-	-	2,043,750 ⁽¹⁰⁾	3.23	1,000,000 ⁽¹²⁾	1.58

Notes:-

- (1) Deemed interest by virtue of his/her interest in DMPSR pursuant to section 6A of the Companies Act, 1965.
- (2) Assuming full subscription for the MHC Shares allocated to the Directors of the Company under the Public Issue.
- (3) Negligible.
- (4) Deemed interest by virtue of its interest in MKWH pursuant to section 6A of the Companies Act, 1965.
- (5) Deemed interest by virtue of his interest in SKM pursuant to section 6A of the Companies Act, 1965.
- (6) Deemed interest by virtue of his interest in SCM pursuant to section 6A of the Companies Act, 1965.
- (7) Deemed interest by virtue of her interest in ASB pursuant to section 6A of the Companies Act, 1965.
- (8) Deemed interest by virtue of her interest in MSH pursuant to section 6A of the Companies Act, 1965.
- (9) Assuming full subscription for the MHC Shares allocated by the MITI and the MHC Shares allocated to the Directors of the Company under the Public and Special Issues.
- (10) Assuming full subscription for the MHC Shares allocated by the MITI.
- (11) Deemed interest by virtue of his interest in TLKH pursuant to section 6A of the Companies Act, 1965.
- (12) Deemed interest by virtue of its interest in Syarikat Majuperak Berhad pursuant to section 6A of the Companies Act, 1965.

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)

- (x) According to the Register of Directors' Shareholdings as at 15 September 2000 (being the last practicable date prior to printing of this Prospectus) the direct and indirect interests of the Directors in the shares of the Company, before and after the Public and Special Issues, are as follows:-

Shareholder	-----Before the Public and Special Issues-----				-----After the Public and Special Issues -----			
	Direct interest		Indirect interest		Direct interest		Indirect interest	
	No. of ordinary shares held	%	No. of ordinary shares held	%	No. of ordinary shares held	%	No. of ordinary shares held	%
Dato' Amin Shah bin Haji Omar Shah	-	-	-	-	7,000 ⁽²⁾	⁽³⁾	-	-
Datin Seri Ooi Ah Thin	1,165,511	2.85	28,216,670 ⁽¹⁾	69.09	1,172,511 ⁽²⁾	1.85	28,216,670 ⁽¹⁾	44.62
Dato' Mah King Seng	3	⁽³⁾	28,216,670 ⁽¹⁾	69.09	7,003 ⁽²⁾	⁽³⁾	28,216,670 ⁽¹⁾	44.62
Dato' Mah King Thian	3	⁽³⁾	28,216,670 ⁽¹⁾	69.09	7,003 ⁽²⁾	⁽³⁾	28,216,670 ⁽¹⁾	44.62
Mah Siew Hoe	-	-	-	-	7,003 ⁽²⁾	⁽³⁾	-	-
Aznam bin Mansor	-	-	-	-	5,007,000 ⁽⁴⁾	7.92	-	-
Azizah binti Kassim	-	-	-	-	7,000 ⁽²⁾	⁽³⁾	-	-
Koay Say Loke Andrew	-	-	-	-	7,000 ⁽²⁾	⁽³⁾	-	-

Notes:-

- ⁽¹⁾ Deemed interest by virtue of his/her interest in DMPSR pursuant to section 6A of the Companies Act, 1965.
- ⁽²⁾ Assuming full subscription for the MHC Shares allocated to the Directors of the Company under the Public Issue.
- ⁽³⁾ Negligible.
- ⁽⁴⁾ Assuming full subscription for the MHC Shares allocated by MITI and the MHC Shares allocated to the Directors of the Company under the Public and Special Issues.

- (xi) No option to subscribe for securities of the Company or any of its subsidiaries was granted to or exercised by any Director during the financial year ended 31 December 1999.

4. PROMOTERS

Save and except for the dividends payable to the Promoters as shareholders of the Company, the remuneration payable to the Promoters as Directors of the Company and the purchase consideration payable under the Restructuring and Listing Scheme as detailed in Section VII(2) (all of which are disclosed in this Prospectus), no other amounts or benefits are paid or intended to be paid or given to any promoter within the two (2) years preceding the date of this Prospectus.

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)**5. GENERAL**

- (i) The nature of the Company's business is described in Section VII of this Prospectus. The corporations which are deemed to be related to the Company by virtue of section 6 of the Companies Act, 1965 have been disclosed in Section VII(6) of this Prospectus.
- (ii) As at the date of this Prospectus, the Company has not established a place of business outside Malaysia.
- (iii) The date and times of the opening and closing of the Application Lists of the Public Issue are set out in Section XIII of this Prospectus.
- (iv) The amount payable in full on application is RM1.40 per Issue Share.
- (v) The manner in which copies of this Prospectus together with the Application Forms and envelopes may be obtained is set out in Section XIII of this Prospectus.
- (vi) Save as disclosed below, there are no significant changes in the direct and indirect shareholdings of the major shareholders or promoters of MHC for the past three (3) years from the date of this Prospectus:-

On 22 July 2000, DMPSR, MKWH and TLKH entered into a deed of arrangement to facilitate a transfer by MKWH of 2,192,250 and 256,566 MHC Shares to TLKH and DMPSR respectively as settlement, on behalf of DMPSR, of an outstanding debt and to defray certain listing expenses which were borne by DMPSR.

- (vii) Save as disclosed in this Prospectus, the financial conditions and operations of the Group are not affected by any of the following:-
 - (a) Known trends or known demands, commitments, events or uncertainties that have had or that the corporation reasonably expects to have, a material favourable or unfavourable impact on the financial performance, positions and operations of the MHC Group;
 - (b) Material commitments for capital expenditure;
 - (c) Unusual or infrequent events or transactions or any significant economic changes that have materially affected the financial performance, positions and operations of the MHC Group; and
 - (d) Known events, circumstances, trends, uncertainties and commitments that are reasonably likely to make the historical financial statements not indicative of future financial performance and position.

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

In addition, save as disclosed above and in the Accountants' Report set out in Section IX there has not been any substantial increase in revenue which is attributable to fluctuations in the price and volume of CPO sold.

- (viii) The Directors are not aware of any material information including trading factors or risks, which are not mentioned elsewhere in this Prospectus, which are unlikely to be known or anticipated by the general public and which could materially affect the profits of the Group.
- (ix) Save as disclosed in the Accountants' Report and Section VIII(1) of this Prospectus, as at the date of this Prospectus, there is no loan capital outstanding or mortgages or charges in relation to the Group.

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)

- (x) As at the date of this Prospectus, neither MHC nor its subsidiaries has any outstanding convertible debt securities.
- (xi) The name and address of the Auditors and Reporting Accountants are set out in Section II of this Prospectus.

6. EXPENSES AND COMMISSIONS

- (i) (a) Underwriting commission is payable by the Company to the Underwriters at the rate of two per centum (2%) of the issue price of RM1.40 per Issue Share on the 4,423,000 Issue Shares reserved for the Malaysian public and the Directors and eligible employees of MHC.
- (b) Brokerage at the rate of one per centum (1%) of the issue price of RM1.40 per Issue Share will be paid by the Company in respect of the successful Application Forms bearing the stamps of CIMB, member companies of the KLSE, members of the Association of Banks in Malaysia, members of the Association of Merchant Banks in Malaysia or MIH.
- (ii) An estimated RM2,000,000 in respect of expenses and fees incidental to the listing of and quotation for the entire issued and paid-up share capital of the Company on the Main Board of the KLSE will be borne by the Company.

Save as disclosed above, no commissions, discounts, brokerage or other special terms, have, within the two (2) preceding years prior to the date of this Prospectus, been paid or granted or is payable to any Director, promoter or expert or proposed Director for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions for any shares in or debentures of the Company and its subsidiaries in connection with the issue or sale of any capital of the Company and its subsidiaries.

7. PUBLIC TAKE-OVERS

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

- (i) public take-over offers by third parties in respect of the Company's shares; and
- (ii) public take-over offers by the Company in respect of other companies' shares.

8. MATERIAL LITIGATION

As at the date of this Prospectus, neither MHC nor its subsidiaries are engaged in any litigation, either as plaintiff or defendant, which has a material effect on the financial position of MHC or its subsidiaries and the Directors of MHC do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially affect the financial position or business of MHC or its subsidiaries.

9. MATERIAL CONTRACTS

Save as disclosed below, there are no contracts which are or may be material (not being contracts entered into in the ordinary course of business) which have been entered into by MHC or its subsidiaries during the two (2) years preceding the date of this Prospectus:-


- (i) On 13 January 1999 MHC entered into a sale agreement with Region Progress Sdn. Bhd. ("Region") for the purchase of all the rights, title and interests of Region in LM-K and the Joint Venture Agreement dated 6 November 1995 among, Region, Korporasi Pembangunan Desa and Kemayan Corporation Berhad for a purchase consideration of RM500,000 which was satisfied in cash;

XI. SIJIL PENILAIAN (Samb)

Ruj. No.	1) Harta 2) Pemilikan Tanah	1) Butir-butir Hak Milik 2) Keluasan Tanah	Keterangan Harta & Kegunaan Semasa	Kaedah Penilaian	Nilai Pasaran (RM)	Tarikh 1) Pemeriksaan 2) Penilaian
			Pegangan pajak bagi tempoh 99 tahun tamat pada 31 Disember 2087 (89 tahun tempoh belum tamat)			
		2) 4,000.000 ekar atau 1,618.745 hektar				
JUMLAH					<u>154.05 juta</u>	

Kami mengesahkan bahawa, pada pendapat kami, jumlah Nilai Pasaran bagi Kegunaan Semasa harta-harta milik Kumpulan MHC di atas berjumlah sebanyak RM154.05 juta.

Yang benar
AZMI & CO. SDN. BHD. (77155-D)
(No. Pendaftaran Bersiri: V(1)0011)


S.GOPALA KRISHNAN, SMS, PJK, FRICS, FIS (M)
Jurunilai Berdaftar (V-054)

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)

Under both agreements, Balinusa will clear all the areas covered in the contract, landscape and prepare the said land for oil palm trees planting and conduct maintenance work such as drainage, manuring and weeding. Balinusa will be paid in cash in accordance to the work completed at predetermined rates and ratios.

The total fees payable to Balinusa as a result of the two (2) agreements above is expected to be in the region of RM3.2 million. The development of the abovementioned 3,000 acres of the LM-K Estate is scheduled to be completed by March 2001.

11. LETTERS OF CONSENT

- (i) The written consents of the Adviser and Managing Underwriter, Underwriters, Principal Bankers, Issuing House, Solicitors and Registrar to the inclusion in this Prospectus of their names in the manner and form in which such names appear have been obtained before the issue of this Prospectus and have not been subsequently withdrawn.
- (ii) The written consent of the Auditors and Reporting Accountants to the inclusion in this Prospectus of its name, the Accountants' Report and letters relating to the consolidated profit forecast for the year ending 31 December 2000 and the proforma consolidated balance sheets as at 31 May 2000 in the manner and form in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not been subsequently withdrawn.
- (iii) The written consent of the Valuers to the inclusion in this Prospectus of their name and Valuation Certificate in the manner and form in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not been subsequently withdrawn.

12. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours for a period of 12 months from the date of this Prospectus:-

- (i) Memoranda and Articles of Association of MHC and its subsidiaries;
- (ii) The Accountants' Report and Directors' Report as included in Section IX and X of this Prospectus respectively;
- (iii) The Auditors' letter relating to the consolidated profit forecast for the year ending 31 December 2000 as included in Section VIII(3) of this Prospectus;
- (iv) The Auditors' letter relating to the proforma consolidated balance sheets of the MHC Group as at 31 May 2000 as included in Section VIII(5) of this Prospectus;
- (v) The material contracts and material agreements referred to in Section XII(9) and XII(10) of this Prospectus;
- (vi) The letters of consent referred to in Section XII(11) of this Prospectus;
- (vii) The audited accounts of MHC and its subsidiaries for the five (5) years ended 31 December 1999 and five (5) months ended 31 May 2000 or such shorter period since incorporation; and
- (viii) The Valuation Certificate as included in Section XI of this Prospectus.

XII. STATUTORY AND GENERAL INFORMATION (Cont'd)

13. RESPONSIBILITY

CIMB acknowledges that, to the best of its knowledge and belief, the Prospectus constitutes a full and true disclosure of all the material facts about the Public and Special Issues and the MHC Group and is satisfied that the consolidated profit forecast of the MHC Group for the year ending 31 December 2000 (for which the Directors are solely responsible) have been stated by the Directors after due and careful enquiry.

This Prospectus has been seen and approved by the Directors of MHC and they collectively and individually accept full responsibility for the accuracy of the information provided herein and confirm that, after making all enquiries as were reasonable in the circumstances and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.