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**11. STATUTORY AND GENERAL INFORMATION**


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**11.1 Share Capital**

- (i) No shares shall be allotted or sold on the basis of this Prospectus later than twelve(12) months after the date of this Prospectus.
- (ii) There are no founder, management or deferred shares in the Company. There is only one class of shares in the Company, namely ordinary shares of RM0.50 each, all of which rank pari passu with one another.
- (iii) Save for the Shares reserved for eligible employees, Directors and business associates of Meda Inc. Group as disclosed in Sections 2.3, 4.3(x) and 5.3 of this Prospectus, no other person has been or is entitled to be given an option to subscribe for any share, stock or debenture of the Company and its subsidiaries.
- (iv) Save as disclosed in paragraph (iii) above, as at the date 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 any of its subsidiaries.
- (v) Save as disclosed in this Prospectus (including up to 7,058,824 Meda Inc. Shares which may be issued pursuant to the MGO for Sri Lingga), no ordinary shares or debentures of the Company or its subsidiaries have been issued or is proposed to be issued as partly or fully paid-up for cash or otherwise than for cash within the two(2) years immediately preceding the date of this Prospectus.

**11.2 Articles of Association**

The following provisions are reproduced from the Company's Articles of Association:-

**(i) Transfer of Shares**

The provisions in the Company's Articles of Association in respect of the arrangements for transfer of the securities and restrictions on their free transferability are as follows:-

- "41. Subject to the provisions of these Articles, the Central Depositories Act and the Rules, the transfer of any security or class of securities of the Company shall be made 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 Section 107C(1) of the Act, the Company shall be precluded from registering and effecting any transfer of securities.
- 42. Subject to the Rules, no share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind, partnership or a person who is not a beneficial owner or not an authorised nominee of the Deposited Securities.
- 43. (a) The Central Depository may, in its absolute discretion, refuse to register any transfer that does not comply with the Central Depositories Act and the Rules.
- (b) Subject to the Central Depositories Act and the Rules, there shall be no restriction on the transfer of fully paid shares except where required by law.
- (c) Subject to the applicable laws and regulations, an instrument of transfer must be in respect of only one class of shares.

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**11. STATUTORY AND GENERAL INFORMATION..... cont'd**


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44. (a) The Company may require the Central Depository to suspend the registration of transfers at such times and for such period as the Directors may from time to time determine provided always that such registration shall not be suspended for more than thirty (30) days or such other period as may be required by the Exchange in any year. At least three (3) Market days' prior notice or such other period as may be required by the Exchange, (or, subject to any written laws to the contrary, such other period provided for under the Rules) of any such suspension shall be given to the Central Depository to enable the Central Depository to prepare the appropriate Record of Depositors provided that where the Record of Depositors is required in respect of corporate action, at least seven (7) Market days prior notice shall be given to the Central Depository.
- (b) The transfer books and Register may on due notice being given as required by the Act and the Exchange be closed during such times as the Directors think fit, not exceeding in the whole thirty (30) days in each year.
45. Subject to the provisions of the Act, the Central Depositories Act and the Rules, nothing in these Articles shall preclude the directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.”

(ii) Transmission of Shares

The provisions in the Company's Articles of Association in respect of the arrangements for transmission of the securities and restrictions on their free transferability are as follows:-

- “46. Neither the Company nor the directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties or registered by the Central Depository, although the same may, by reason of any fraud or other cause not known to the Company or the directors or other officers be legally in-operative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have noticed that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee of the particulars of the shares transferred, or otherwise in defective manner. And in every such case, the person registered as transferee, his executors, administrators and assignees alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.
47. In the case of death of a member, the legal personal representatives of the deceased shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of such deceased member from any liability in respect of any share which has been held by him. A transmission or transfer of any share which is a Deposited Security by any person becoming entitled to the share in consequence of the death or bankruptcy of a member may be carried out by the person becoming so entitled by execution of the prescribed transfer from and lodgement of all documents required in accordance with the Rules and other applicable laws.”

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**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

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**(iii) Remuneration of Directors**

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

- "104. The fees of the directors shall be such fixed sum as shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provided) be divisible among the directors in such proportions as they may agree, or, failing agreement, equally, except that any director who shall hold office for part only of the period in respect of which such fees are payable shall be entitled only to rank in such division for a proportion of the fees related to the period during which he has held office Provided Always that:-
- (a) fees payable to non-executive directors shall be by a fixed sum, and not by a commission on or a percentage of profits or turnover;
  - (b) salaries payable to executive directors may not include a commission on or a 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 agreed upon between himself and the director nominating him and shall be paid out of the remuneration of the latter.
105. (1) The directors shall be entitled to be reimbursed for all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the directors or of any committee of the directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as directors.
- (2) In these Articles, if not inconsistent with the subject or context render any special duties or services outside his ordinary duties as a director in particular without limiting to the generality of the foregoing if any director being willing shall be called upon to perform extra services or to make any special exertions 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 directors may pay him special remuneration, in addition to his director's fees, and such special remuneration may be by way of a fixed sum, or otherwise as may be arranged subject always to Article 104."

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**11. STATUTORY AND GENERAL INFORMATION..... cont'd**


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**(iv) Powers and duties of Directors**

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

- “107. The business of the Company shall be managed by the directors who may exercise all such powers of the Company, and do on behalf of the Company all such acts as are within the scope of the Memorandum and Articles of Association of the Company and as are not by the Act or by these Articles required to be exercised or done by the Company in general meeting, subject nevertheless to these Articles, to the provisions of the Act, and to such regulations, being not inconsistent with these Articles, as may be prescribed by the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the directors which would have been valid if such regulation had not been made.
108. The directors shall not without the prior approval of the Company in general meeting:-
- (a) carry into effect any proposal or execute any transaction for the acquisition of any undertaking or property of a substantial value, or the disposal of a substantial portion of the main undertaking or property of the Company which would materially and adversely affect the performance or financial position of the Company;
  - (b) exercise any power of the Company to issue shares unless otherwise permitted under the Act;
  - (c) enter into any arrangement or transaction with a director of the Company or its holding company or with a person connected with such a director to acquire from or dispose to such a director or person any non-cash assets of the requisite value.
109. (1) The directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertakings, 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 of any third party PROVIDED ALWAYS that nothing contained in these Articles shall authorise the directors to borrow any money or mortgage or charge any of the Company's or the subsidiaries' undertaking, property or any uncalled capital or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.
- (2) The directors shall cause a proper register to be kept in accordance with Section 115 of the Act of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of Section 108 of the Act in regard to the registration of mortgages and charges therein specified and otherwise.
  - (3) If the directors or any of them, or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

110. The directors may from time to time, and at any time, by power of attorney appoint any corporation, firm or person or body of persons, whether nominated directly or indirectly by the directors to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (including power to sub-delegate but not exceeding those vested in or exercisable by the directors under these Articles) and for such period and subject to such conditions as the directors may from time to time think fit, and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with any such attorney as the directors think fit.
111. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipt for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the directors may from time to time determine.
112. A director may hold any other office or place of profit under the Company (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. No director or intending director shall be disqualified by his office from contracting with the Company with regard to his tenure of any such office or place of profit in any other respect nor shall any such contract, or any contract or arrangement entered into by or on behalf of any 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 relation thereby established provided always that Sections 131 and 132E and all other relevant provisions of the Act and these Articles are complied with.
113. 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 and the appointment is on normal commercial terms.”

**(v) Changes in Capital or Variation of Class Rights**

The provision in the Company's Articles of Association as to the changes in capital or variation of class rights, which are as stringent as those provided in the Companies Act, 1965 are as follows:-

- “5. Without prejudice to any special rights previously conferred on the holders of any share or class of shares already issued, but subject to the Act and these Articles any shares in the Company (whether forming part of the original capital or not) may be issued or have attached thereto such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by ordinary resolution determine provided that:-
- (a) the total nominal value of preference shares issued shall not exceed the total nominal value of the issued ordinary shares at any time;

**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

- (b) the holders of preference shares shall have the same rights as the holders of ordinary shares as regards receiving notices, reports and accounts and attending general meetings of the Company but shall only have the right to vote at any meeting convened for the purpose of reducing the capital, or winding up, or sanctioning a sale of the undertaking of the Company or where the proposition to be submitted to the meeting directly affects their rights and privileges, or when the dividend on such shares is in arrears for more than six (6) months; and
- (c) the Company shall not unless with the consent of the existing preference shareholders at a class meeting or pursuant to Article 13 hereof issue further preference capital ranking in priority above preference shares already issued but may issue preference shares ranking equally therewith.

Subject to the Act, any preference shares may be issued on the terms that they are, or at the option of the Company are liable, to be redeemed.

- 6. The Company may, subject to, and in accordance with the Act, the rules, regulations and orders made pursuant to the Act, the conditions, restrictions and limitations expressed in these Articles and the requirements of the Exchange and any other relevant authority purchase its own shares.
- 7. The powers of the Company, pursuant to the provision of Article 6 above, shall be exercised by the Directors in their absolute discretion to utilise the funds of the Company to buy the shares in the Company on such terms and conditions as the Directors shall decide. Any shares of the Company so purchased by the Company shall be dealt with as provided in the Act and the requirements of the Exchange and/or relevant authority.
- 8. In addition to all other powers of paying commissions, the Company (or the Board on behalf of the Company) may exercise the powers conferred by Section 58 of the Act of applying its shares or capital moneys in paying commissions to persons subscribing or procuring subscriptions for shares of the Company, or agreeing so to do whether absolutely or conditionally, 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 shall not exceed ten per centum (10%) of the price at which the shares in respect whereof the commission is paid are issued or an amount equivalent thereto. The Company (or the Board on behalf of the Company) may also on any issue of the shares pay such brokerage as may be lawful.
- 9. 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 condition 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, buildings or plant.
- 10. The Company shall duly observe and comply with the provisions of the Act, the Central Depositories Act, the Rules and the Listing Requirements from time to time prescribed by the Exchange applicable to any allotment of its shares. Subject to the provisions as aforesaid, the Company must allot shares and despatch notices of allotment to all allottees subject to the respective new issue of securities of the final applications closing date for an issue of shares or such other period as may be prescribed by the Exchange.

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**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

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11. Except as required by law and as provided under the Rules no person shall be recognised by the Company as holding any share upon any trust and the Company shall not even when having notice thereof be bound or compelled to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles otherwise expressly provided) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.
12. 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 created 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, will 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 also 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.
13. Notwithstanding the preceding Article the Company may apply to the Exchange for waiver of the convening of an extraordinary general meeting to obtain shareholders' approval for further issues of shares (other than bonus or rights issue) where the aggregate issue of which in any one financial year do not exceed ten per centum (10%) of the issued capital.
14. No person shall exercise any rights of a member until his name shall have been entered in the Register or the Record of Depositors and he shall have paid all calls and other moneys for the time being due and payable on any share held by him.
15. If, by the condition of allotment of any share, the whole or part of the amount or issue price thereof shall be payable on fixed dates every such amount shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share, or his legal personal representatives."

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**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

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**Rules of the MCD****Rules 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 as stipulated under Rule 8.03 (1)(c).

**Rules 8.05A**

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

**Rules 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 1987;
  - (v) any other circumstances as deemed fit by the Central Depository after consultation with the Securities Commissions;
- (d) documents to support the reason for the transfer;
- (e) such other accompanying documents duly processed in such manner as the Central Depository may from time to time determine in its Procedures Manual



**11. STATUTORY AND GENERAL INFORMATION..... cont'd****Listing Requirements of the KLSE****Section 7.13***Transfers of securities*

The transfer of any listed security or class of listed security of the company, shall be by way of book entry by the Central Depository in accordance with the rules of the Central Depository and, notwithstanding sections 103 and 104 of the 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 the listed securities.

**Section 7.14**

(1) Where :-

(a) the securities of a company are listed on an Approval Market Place; and

(b) such company is exempted from compliance with section 14 of the Securities Industry (Central Depositories) 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") provided that there shall be no change in the ownership of such securities.

(2) For the avoidance of doubt, no company which fulfils the requirements of subparagraphs (1)(a) and (b) above shall allow any transmission of securities from the Malaysian Register into the Foreign Register.

**11.3 Directors and Substantial Shareholders**

- (i) The names, addresses and occupations of the Directors are set out in the Corporate Information Section of this Prospectus.
- (ii) A Director is not required to hold any qualification share in the Company unless otherwise so fixed by the Company in general meeting.
- (iii) There are no existing or proposed service contracts between the Directors, key management or key technical personnel and the Company or its subsidiaries excluding contracts expiring, or terminable by the employing company without payments or compensation (other than statutory compensation) within one(1) year save as disclosed below:-
  - (a) a service agreement between Meda Inc. and Mat Hassan Bin Esa dated 23 August 1999. Upon confirmation for the appointment of Mat Hassan Bin Esa, the termination of employment may be effected by the employee of Meda Inc. by giving the other three(3) months' notice in writing or payment of three(3) months' salary in lieu of notice; and

**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

- (b) an existing service agreement between ZKP and Abd. Shukor Bin Ismail @ Syukry Bin Esmael who was appointed as a Director of ZKP pursuant to a letter of appointment dated 1 June 1995. His appointment may be terminated by either party by giving one(1) month's notice in writing or payment of one(1) month's salary in lieu of notice.
- (iv) No Director, senior executive officer or person nominated to become a Director or senior executive officer is or was involved in the following events (whether in or outside Malaysia):-
  - (a) a petition under any bankruptcy or insolvency laws filed (and not struck out) against such person or any partnership in which he was or is a partner or any corporation of which he was or is a Director or an executive officer;
  - (b) a conviction in a criminal proceeding or is a named subject of a pending criminal proceeding; or
  - (c) the subject of any order, judgement or ruling of any court, tribunal or governmental body of competent jurisdiction permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, Director or employee of a financial institution or engaging in any type of business practice or activity.
- (v) For the financial year ended 31 December 2001, the remuneration paid to the Directors of the Meda Inc. Group for services rendered in all capacities in the Company and its subsidiaries was about RM554,300. For the financial year ending 31 December 2002, the amount payable to the Directors of the Group is estimated to be RM554,300.

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**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

- (vi) Save as disclosed in Section 6.2 of this Prospectus and hereunder, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in any business carrying on a similar trade as the Company and its subsidiary companies and which is or is not quoted on a recognised stock exchange:-

Name (Nature of interest in Meda Inc.)	Name of company	Nature of business which are similar to Meda Inc. Group	Nature of interest	Note
Tan Sri Dato' Haji Mohd Ramli Bin Kushairi (Non-Executive Director / Chairman)	South Malaysia Industries Berhad	Property and investment holding, trading of assorted wires and property development	Chairman / Non-Executive Director	&
	L & M Corporation (M) Berhad	Investment holding, engineering, and construction	Independent Non-Executive Director	&
	Gamuda Berhad	Investment holding, civil engineering construction and property development	Non-Executive Director	&
	Perantara Properties Sdn Bhd	Property Development	Chairman / Independent Non-Executive Director	&
	Spontaneous Holdings Sdn Bhd	Investment Holding	Chairman / Executive Director	&&
Gen (B) Tan Sri Dato' Mohd Ghazali Bin Haji Che Mat (Substantial shareholder)	K+FB	Investment holding and provision of management services	Chairman / Non-Independent Non-Executive Director and shareholder	*
	UAC Berhad	Manufacture and distribution of fibre cement, building products and pipes, and operates in investment property	Chairman / Non-Independent Non-Executive Director	##
	SCB Developments Berhad	Property development, property investment and cultivation and processing of rubber and oil palm	Chairman / Non-Independent Non-Executive Director	##
	Kumpulan Guthrie Berhad	Core business in oil palm and rubber plantations, property development and manufacturing of rubber-wood products, rubber products and fabrication.	Chairman / Non-Independent Non-Executive Director	##
	Boustead Holdings Berhad	Investment holding (property development via its subsidiaries)	Chairman / Non-Independent Non-Executive Director	##
Teoh Seng Foo (Promoter / substantial shareholder / Non-Executive Director / President)	KEB	Investment holding and provision of management services	Executive Director and substantial shareholder	*
	Pujian Development Sendirian Berhad (a subsidiary of KEB)	Property development and property investment	Executive Director and substantial shareholder	
	Tashima Development Sdn Bhd (a subsidiary of KEB)	Property development and property investment	Executive Director and substantial shareholder	
Teoh Seng Aun (Promoter / substantial shareholder / Group Chief Operation Officer)	KEB	Investment holding and provision of management services	Substantial shareholder	*
	Pujian Development Sendirian Berhad (a subsidiary of KEB)	Property development and property investment	Substantial shareholder	
	Tashima Development Sdn Bhd (a subsidiary of KEB)	Property development and property investment	Substantial shareholder	

**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

Name (Nature of interest in Meda Inc.)	Name of company	Nature of business which are similar to Meda Inc. Group	Nature of interest	Note
Teoh Seng Kian (Promoter / substantial shareholder / Executive Director / Group Managing Director)	KEB	Investment holding and provision of management services	Substantial shareholder	*
	Pujian Development Sendirian Berhad (a subsidiary of KEB)	Property development and property investment	Substantial shareholder	
	Tashima Development Sdn Bhd (a subsidiary of KEB)	Property development and property investment	Substantial shareholder	
Teoh Seng Foo, Teo Seng Aun and Teoh Seng Kian (their respective nature of interest in Meda Inc. is as disclosed above)	Panorama Tiara Sdn Bhd (a subsidiary of KEB)	Property development	Substantial shareholders	
	Gangsa Etnik Sdn Bhd (a subsidiary of KEB)	Property development	Substantial shareholders	
	ABI-KE Construction Sdn Bhd (a subsidiary of KEB)	Property development	Substantial shareholders	
	Summit Parade Sdn Bhd	Property development	Directors and substantial shareholders	^^
KEB (Substantial shareholder)	Pujian Development Sendirian Berhad (a subsidiary of KEB)	Property development and property investment	Holding company	*
	Tashima Development Sdn Bhd (a subsidiary of KEB)	Property development and property investment	Holding company	
	Panorama Tiara Sdn Bhd (a subsidiary of KEB)	Property development	Holding company	
	ABI-KE Construction Sdn Bhd (a subsidiary of KEB)	Property development	Holding company	
	Gangsa Etnik Sdn Bhd (a subsidiary of KEB)	Property development	Holding company	
Chiam Tau Meng (Independent Non-Executive Director)	Uniphoenix Corporation Berhad ("UCB")	Investment holding	Non-Executive/ Non-Independent Director	^
	Heavy Industries Valley Sdn Bhd (a subsidiary of UCB)	Property development	Deputy Chairman	
	API Property Management Sdn Bhd (a subsidiary of UCB)	Property management	Director	
	Pembangunan KGMMB-UCB (Melaka) Sdn Bhd (a subsidiary of UCB)	Property development	Director	
	Tajaria Sdn Bhd (a subsidiary of UCB)	Property development	Director	
	Startindah Resources Sdn Bhd	Property development	Director / Substantial shareholder (indirect)	@

**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

Name (Nature of interest in Meda Inc.)	Nature of business which are similar to Meda Inc.		Nature of interest	Note
	Name of company	Group		
Ooi Giap Ch'ng (Independent Non-Executive Director)	Mulpha International Berhad	Investment holding, property development, operation of hotel and apartment	Independent/ Non-Executive Director	#
Kee Lian Yong (Non-Executive Director)	Pujian Development Sendirian Berhad (a subsidiary of KEB)	Property development and property investment	Executive Director	
	Tashima Development Sdn Bhd (a subsidiary of KEB)	Property development and property investment	Executive Director	

It is a condition of the SC in granting approval (vide its letter dated 30 April 2001) for the listing of Meda Inc. that the directors, promoters and substantial shareholders of Meda Inc. are not allowed to be involved in any businesses that will result in competition/conflict of interest with the Meda Inc. Group's existing businesses.

The disclosure on the interest or involvement of the directors, Promoters and substantial shareholders of Meda Inc. in similar businesses is set out in the above table. The mitigating factors of their situation in overcoming any potential competition/conflict is set out below:-

Note:

& Tan Sri Dato' Haji Mohd Ramli Bin Kushairi is appointed to the Board of Directors of these companies only in a Non-Executive capacity and as such, he is not actively involved in their day-to-day management operations.

&& This company is dormant.

\* KEB has given an undertaking to the SC that it will not be involved in any more new property developments and property investments save for the completion of the existing projects under its subsidiary companies namely; Pujian Development Sendirian Berhad, Tashima Development Sdn Bhd, Panorama Tiara Sdn Bhd, ABI-KE Construction Sdn Bhd and Gangsa Etnik Sdn Bhd.

## Gen (B) Tan Sri Dato' Mohd Ghazali Bin Haji Che Mat is appointed to the Board of Directors of these companies only in a Non-Executive capacity and as such, he is not actively involved in their day-to-day management operations

^^ The Teoh Brothers had entered into a share sale agreement ("SSA") to dispose of the entire issued and paid-up share capital of Summit Parade Sdn Bhd on 16 August 2001. However, a deed of revocation was subsequently entered into on 28 December 2001 to revoke the above SSA. It is the intention of the Teoh Brothers to dispose of the ir investment in Summit Parade Sdn Bhd in the medium term.

^ Mr Chiam Tau Meng is a Non-Executive Non-Independent Director of UCB and also a Director to UCB's subsidiary companies (as highlighted in the table above).

Should a conflict of interest situation arise in the future, Mr Chiam will reassess his position as the Independent Non-Executive Director in Meda Inc. in the interest of shareholders of the Company.

@ Startindah Resources Sdn Bhd holds approximately 4.4 acres of land in Cherating, Pahang for development purposes. This development area is small in comparison with those under the Meda Inc. Group and is not located within the vicinity of the investment and development properties of the Meda Inc. Group. Furthermore, Mr Chiam's involvement in this company is investment in nature.

Should a conflict of interest situation arise in the future, Mr Chiam will reassess his position as the Independent Non-Executive Director in Meda Inc. in the interest of shareholders of the Company.

# Conflict of interest situations are minimized in view that Mr Ooi Giap Ch'ng's directorship in Mulpha International Berhad is also Independent and Non-Executive in nature.

**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

- (vii) According to the Register of Substantial Shareholders of Meda Inc. as at 18 January 2002 (being the last practicable date prior to the printing of the Prospectus), the substantial shareholders of Meda Inc. and their respective direct and indirect interest in the shares of the Company before and after the IPO are as follows:-

Substantial Shareholder	Before the IPO *				After the IPO **			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Teoh Seng Joo	32,752,724	9.41	^ 70,371,008	20.22	32,752,724	7.64	^ 70,371,008	16.42
Teoh Seng Aun	66,258,388	19.04	@ 125,664,760	36.11	45,838,388	10.69	@ 125,664,760	29.32
Teoh Seng Kian	32,752,724	9.41	^ 70,371,008	20.22	32,752,724	7.64	^ 70,371,008	16.42
Gen (B) Tan Sri Dato' Mohd Ghazali Bin Haji Che Mat	40,376,922	11.60	#55,293,752	15.89	40,376,922	9.42	#55,293,752	12.90
Abd. Shukor bin Ismail @ Syukry bin Esmael	10,345,688	2.97	#55,293,752	15.89	10,345,688	2.41	#55,293,752	12.90
MBSB	55,293,752	15.89	-	-	55,293,752	12.90	-	-
Sawitani	63,528,992	18.25	-	-	63,528,992	14.82	-	-
KEB	6,842,016	1.97	~63,528,992	18.25	6,842,016	1.60	~63,528,992	14.82

**Notes:-**

*Excludes Pink Form Allocation*

# Deemed interested by virtue of their shareholdings in MBSB

@ Deemed interested by virtue of his shareholding in KEB, Sawitani (through KEB) and MBSB

^ Deemed interested by virtue of their shareholding in KEB and Sawitani (through KEB)

~ Deemed interested by virtue of its shareholding in Sawitani

\* Based on 348,028,000 Shares

\*\* Based on the enlarged issued and paid-up share capital of 428,606,824 Shares

**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

- (viii) Based on the Register of Directors' Shareholdings as at 18 January 2002 (*being the last practicable date prior to the printing of this Prospectus*), the Directors of Meda Inc. and their respective direct and indirect interests in the shares of the Company before and after the IPO for Sale are as follows:-

Director	Before the IPO *				After the IPO **			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Tan Sri Dato' Haji Mohd Ramli Bin Kushairi	2,823,510	0.81	-	-	2,823,510	0.66	-	-
Teoh Seng Foo	32,752,724	9.41	^ 70,371,008	20.22	32,752,724	7.64	^ 70,371,008	16.42
Mat Hassan bin Esa	-	-	-	-	-	-	-	-
Teoh Seng Kian	32,752,724	9.41	^ 70,371,008	20.22	32,752,724	7.64	^ 70,371,008	16.42
Kee Lian Yong	-	-	-	-	-	-	-	-
Abd. Shukor bin Ismail @ Syukry bin Esmael	10,345,688	2.97	#55,293,752	15.89	10,345,688	2.41	# 55,293,752	12.90
Ooi Giap Ch'ng	-	-	-	-	-	-	-	-
Dato' Syed Ariff Fadzillah bin Syed Awalluddin	-	-	-	-	-	-	-	-
Chiam Tau Meng	-	-	-	-	-	-	-	-

*Notes:-*

*Excludes Pink Form Allocation*

# *Deemed interested by virtue of their shareholdings in MBSB*

^ *Deemed interested by virtue of their substantial shareholding in KEB and Sawitani (through KEB)*

\* *Based on 348,028,000 Shares*

\*\* *Based on enlarged issued and paid-up share capital of 428,606,824 Shares*

- (ix) Save as disclosed below, none of the Directors or substantial shareholders have any interest, direct or indirect, in the promotion of or in any assets which have, within the two(2) years immediately preceding the date of this Prospectus, been acquired or proposed to be acquired or disposed or proposed to be disposed of or leased or proposed to be leased to the Company or its subsidiaries or any contract or arrangement subsisting at the date of this Prospectus which is significant in relation to the business of the Company and its subsidiaries taken as a whole. On 28 December 2001, Meda Inc. completed the following acquisitions:-

- a) The entire issued and paid-up share capital of Meda comprising 16,375,000 ordinary shares of RM1.00 each for a purchase consideration of RM160 million satisfied by an issuance of 188,234,050 new Shares in Meda Inc. credited as fully paid-up at an issue price of approximately RM0.85 per Share.
- b) The entire issued and paid-up share capital of ZKP comprising 8,750,000 ordinary shares of RM1.00 each for a purchase consideration of RM47 million satisfied by an issuance of 55,293,752 new Shares in Meda Inc. credited as fully paid-up at an issue price of approximately RM0.85 per Share.
- c) The entire issued and paid-up share capital of Litaran Bayu, comprising 500,000 ordinary shares of RM1.00 each for a purchase consideration of RM20 million satisfied by an issuance of 23,529,256 new Shares in Meda Inc. credited as fully paid-up at an issue price of approximately RM0.85 per Share.

**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

- d) The 30% of the issued and paid-up share capital of Bernam comprising 300,000 ordinary shares of RM1.00 each for a purchase consideration of RM8.5 million satisfied by an issuance of 9,999,934 new Shares in Meda Inc. credited as fully paid-up at an issue price of approximately RM0.85 per Share.
- e) The 90% of the issued and paid-up share capital of Sri Lingga comprising 9,000,000 ordinary shares of RM1.00 each for a purchase consideration of RM54 million satisfied by an issuance of 63,528,992 new Shares in Meda Inc. credited as fully paid-up at an issue price of approximately RM0.85 per Share.
- f) The 60% of the issued and paid-up share capital of Genting Unggul comprising 150,000 ordinary shares of RM1.00 each for a purchase consideration of RM4.316 million satisfied by an issuance of 5,077,322 new Shares in Meda Inc. credited as fully paid-up at an issue price of approximately RM0.85 per Share.
- g) The entire issued and paid-up share capital of Nandex, Everlasting and Impressive each comprising 100 ordinary share of RM1.00 each, for a total purchase consideration of RM1.5 million to be satisfied by the issuance of 1,764,694 new Meda Inc. Shares credited as fully paid-up at an issue price of approximately RM0.85 per Share

The above acquisitions were formalized via conditional Share Sale Agreements dated 24 July 2000 and supplemental agreements dated 27 March 2001 and 5 November 2001, the details of which are set out in Section 11.5 of this Prospectus.

The interests of the Directors and substantial shareholders of the Company in the aforesaid transactions are as follows:-

<b>Director/substantial shareholder</b>	<b>Nature of interest</b>
Teoh Seng Foo	<ul style="list-style-type: none"> <li>■ Director of Meda Inc., Meda and ZKP and substantial shareholder of Meda Inc.</li> <li>■ Vendor of shares in Meda</li> </ul>
Teoh Seng Aun	<ul style="list-style-type: none"> <li>■ Director of Meda and ZKP and substantial shareholder of Meda Inc.</li> <li>■ Vendor of shares in Meda</li> </ul>
Teoh Seng Kian	<ul style="list-style-type: none"> <li>■ Director of Meda Inc., Meda and ZKP and substantial shareholder of Meda Inc.</li> <li>■ Vendor of shares in Meda</li> </ul>
Abd Shukor bin Ismail (@ Syukry bin Esmael)	<ul style="list-style-type: none"> <li>■ Director of Meda Inc, ZKP and substantial shareholders of Meda Inc.</li> <li>■ Vendor of shares in Meda</li> </ul>
Gen (B) Tan Sri Dato' Mohd Ghazali Bin Haji Che Mat	<ul style="list-style-type: none"> <li>■ Substantial shareholder of Meda Inc.</li> <li>■ Vendor of shares in Meda</li> </ul>
Meda Bina Sdn Bhd	<ul style="list-style-type: none"> <li>■ Substantial shareholder of Meda Inc.</li> <li>■ Vendor of shares in ZKP</li> </ul>
Perak Industrial Resources Sdn Bhd	<ul style="list-style-type: none"> <li>■ Substantial shareholder of Meda Inc.</li> <li>■ Vendor of shares in Bernam</li> </ul>
Sawitani Sdn Bhd	<ul style="list-style-type: none"> <li>■ Substantial shareholder of Meda Inc.</li> <li>■ Vendor of shares in Sri Lingga</li> </ul>
KEB	<ul style="list-style-type: none"> <li>■ Substantial shareholder of Meda Inc.</li> <li>■ Vendor of shares in Genting Unggul, Nandex, Impressive and Everlasting</li> </ul>

- (x) Save as disclosed in Section 6.2 of this Prospectus, there are no contracts or arrangements subsisting at the date of this Prospectus in which any Director or substantial shareholder of Meda Inc. is interested and which is significant in relation to the business of the Meda Inc. and/or its subsidiaries taken as a whole.



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**11. STATUTORY AND GENERAL INFORMATION..... cont'd**


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**11.4 General**

- (i) The nature of the Group's business and the names of all corporations which are deemed to be related to the Company by virtue of Section 6 of the Companies Act 1965 are disclosed in Section 4 and 6.2 of this Prospectus.
- (ii) The time of the opening of the Application Lists is set out in Section 12 of this Prospectus.
- (iii) The amount payable in full on application is RM0.80 per Share.
- (iv)
  - (1) Underwriting fees are payable by the Company to the Managing Underwriter and Underwriters mentioned in the Section 2.7 of this Prospectus at the rate of 3% of the IPO price of RM0.80 per Share on the 53,520,000 Public Issue Shares and 420,000 Offer Shares being underwritten;
  - (2) Brokerage at the rate of 1% of the IPO price of RM0.80 per Share is payable by the Company in respect of successful applications bearing the stamp of Arab-Malaysian, member companies of the KLSE, members of the Association of Merchant Banks in Malaysia, members of the Association of Banks in Malaysia or MIH; and
  - (3) Expenses incidental to the listing and quotation of the entire issued and paid-up share capital of the Company on the KLSE amounting to approximately RM3,000,000 as set out in Section 2.6 of this Prospectus will be borne by the Company.
- (v) Save as disclosed in paragraph (iv) no commission, discounts, brokerages or other special terms have been paid, granted or are payable by the Company or its subsidiaries within the two(2) years immediately preceding the date of this Prospectus for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares in or debentures of the Company or its subsidiaries or in connection with the issue or sale of any capital of the Company or any of its subsidiaries and no Director, proposed Director, promoter or expert is or are entitled to receive any such payment.
- (vi) No amount or benefit has been paid or given within the two(2) years immediately preceding the date hereof, nor is it intended to be so paid or given, to any promoter.
- (vii) The Meda Inc. Group has not established a place of business outside Malaysia.
- (viii) Except as disclosed in Section 3 of this Prospectus, the Directors are not aware of any material information including trading factors or risks not mentioned elsewhere in this Prospectus which are unlikely to be known or anticipated by the general public and which would materially affect the profits of the Group.
- (ix) Except as disclosed in Section 7.6 of 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 will result in or are reasonably likely to result in the Group's liquidity increasing or decreasing in any material way;
  - (b) Material commitments for capital expenditure;
  - (c) Unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from operations; and
  - (d) Known events, trends or uncertainties that have had or will have a material favourable or unfavourable impact on revenues or operating income.

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**11. STATUTORY AND GENERAL INFORMATION..... cont'd**


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

- (x) As at the date of this Prospectus, the Company and its subsidiaries do not have any convertible debt securities.
- (xi) The name and address of the Auditors and Reporting Accountants of the Company are as set out in Corporate Information Section of this Prospectus.
- (xii) The manner in which copies of this Prospectus together with the official Application Forms and envelopes may be obtained is set out in Section 12 of this Prospectus.

### 11.5 *Material Contracts*

Save as disclosed hereunder, 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 the Company and its subsidiaries within the two(2) years immediately preceding the date of this Prospectus:-

- (i) Underwriting Agreement dated 9 January 2002 between the Company and the Managing Underwriter and Underwriters for the underwriting of 53,520,000 Public Issue Shares and 420,000 Offer Shares for an underwriting commission of 3% of the issue/offer price of RM0.80 per Share.
- (ii) Conditional Share Sale Agreements, all dated 24 July 2000 amended by the 1<sup>st</sup> Supplemental Agreement 27 March 2001 and further amended by the 2<sup>nd</sup> Supplemental Agreement dated 5 November 2001 in respect of the following acquisitions:-
  - a) The entire issued and paid-up share capital of Meda comprising 16,375,000 ordinary shares of RM1.00 each for a purchase consideration of RM160 million satisfied by an issuance of 188,234,050 new Shares in Meda Inc. credited as fully paid-up at an issue price of approximately RM0.85 per Share.
  - b) The entire issued and paid-up share capital of ZKP comprising 8,750,000 ordinary shares of RM1.00 each for a purchase consideration of RM47 million satisfied by an issuance of 55,293,752 new Shares in Meda Inc. credited as fully paid-up at an issue price of approximately RM0.85 per Share.
  - c) The entire issued and paid-up share capital of Litaran Bayu, comprising 500,000 ordinary shares of RM1.00 each for a purchase consideration of RM20 million satisfied by an issuance of 23,529,256 new Shares in Meda Inc. credited as fully paid-up at an issue price of approximately RM0.85 per Share.
  - d) 30% of the issued and paid-up share capital of Bernam comprising 300,000 ordinary shares of RM1.00 each for a purchase consideration of RM8.5 million satisfied by an issuance of 9,999,934 new Shares in Meda Inc. credited as fully paid-up at an issue price of approximately RM0.85 per Share.
  - e) 90% of the issued and paid-up share capital of Sri Lingga comprising 9,000,000 ordinary shares of RM1.00 each for a purchase consideration of RM54 million satisfied by an issuance of 63,528,992 new Shares in Meda Inc. credited as fully paid-up at an issue price of approximately RM0.85 per Share.
  - f) 60% of the issued and paid-up share capital of Genting Unggul comprising 150,000 ordinary shares of RM1.00 each for a purchase consideration of RM4.316 million satisfied by an issuance of 5,077,322 new Shares in Meda Inc. credited as fully paid-up at an issue price of approximately RM0.85 per Share.

**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

- g) The entire issued and paid-up share capital of Nandex, Everlasting and Impressive each comprising 100 ordinary shares of RM1.00 each, for a total purchase consideration of RM1.5 million to be satisfied by the issuance of 1,764,694 new Meda Inc. Shares credited as fully paid-up at an issue price of approximately RM0.85 per Share.
- (iii) A Profit Guarantee Agreement dated 27 December 2001 between Meda Inc. and KEB whereupon KEB has granted to Meda Inc. a guarantee of the profit after taxation of Genting Unggul for an aggregate amount of RM6.0 million over a period of three(3) years pursuant to the development agreement entered into earlier between Genting Unggul and Kumpulan Prasarana Rakyat Johor Sdn Bhd.
- (iv) An Investment Agreement dated 8 March 2001 between Meda Development Sdn Bhd and Technology MAE Sdn Bhd for the purpose of collaborating to organize an exhibition of "Dinosaurs" at 4<sup>th</sup> Floor of Menara Summit Subang for a period of three(3) months commencing 1 May 2001 or such other date as both parties may mutually agree in writing.
- (v) Joint Venture Development Agreement dated 4 November 1996 between Genting Unggul and Kumpulan Prasarana Rakyat Johor Sdn Bhd ("KPRJ") whereupon KPRJ agreed to cooperate with Genting Unggul to develop eight(8) parcels of land in Johor in line with the Johor State Government's objective to provide more affordable housing. Genting Unggul shall pay KPRJ 10% of the actual sales price of the units sold.

A 1<sup>st</sup> Supplemental Agreement dated 30 April 1997 between Genting Unggul and KPRJ whereby both parties have agreed to vary the terms and conditions contained in the Joint Venture Development Agreement dated 4 November 1996 upon the terms and conditions therein contained.

Under the terms of this Supplemental Agreement, KPRJ shall bear the alienation costs of the development land and Genting Unggul Sdn Bhd shall bear and pay the first year's quit rent, the survey fees and any fees chargeable in connection with the preparation and registration of documents of title to the development land. Genting Unggul shall also be responsible to relocate squatters on the development land but the costs of the relocation shall be borne by KPRJ.

The parties have agreed to vary the terms and conditions contained in the Joint Venture Development Agreement dated 4 November 1996 (as amended pursuant to the 1<sup>st</sup> Supplemental Agreement dated 30 April 1997) upon the terms and conditions therein contained.

A 2<sup>nd</sup> Supplemental Agreement dated 28 March 2001 was executed between Genting Unggul and KPRJ whereby the said parties had agreed to vary the terms and conditions of the Joint Venture Agreement dated 4 November 1996 and the 1<sup>st</sup> Supplemental Agreement dated 30 April 1997. Genting Unggul had agreed and undertaken to pay to KPRJ the sum equivalent to 6% of the actual proceeds of the units sold subject to Genting Unggul agreeing that the total project consideration to be received by KPRJ shall not be less than RM5.00 per square feet of the project land.

Genting Unggul shall commence development works on Phase 1 within 120 days after the building plans for any of the premises in Phase 1 is approved by the relevant authorities and the development works on Phase 1 shall be completed within 36 months from the commencement date. Genting Unggul shall then commence development works on other subsequent phases within 120 days after the Sale Period (define as a period of 120 days commencing from the date of receipt of the Advertising and Sale Permit granted for a particular phase or such other period mutually agreed by the parties) of each Phase and to complete those works within 36 months from the commencement date of each phase.

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**11. STATUTORY AND GENERAL INFORMATION..... cont'd**


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The 2<sup>nd</sup> Supplemental Agreement further provides that if Genting Unggul Sdn Bhd does not achieve 70% sales in any particular phase after the 120 days, Genting Unggul is entitled to request from KPRJ for any extension to commence the next phase and KPRJ shall on such a request grant such extension of time to a date until Genting Unggul achieves the 70% sale.

**11.6 Public Take-Overs**

During the last financial year and the current financial year, there were:-

- (i) No public take-over offers by third parties in respect of the Company and its subsidiaries' shares.
- (ii) No public take-over offers by the Meda Inc. Group in respect of other companies' shares save for the Proposed Acquisition of Remaining 10% of Sri Lingga pursuant to the MGO.

**11.7 Material Litigation**

Save as disclosed below, neither Meda Inc. nor any of its subsidiaries are engaged in any material litigation or arbitration, either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the financial position or the business of the Company or any of its subsidiaries:-

- (a) Kuala Lumpur High Court Civil No. S5-22-806-1999

*Genting World Sdn Bhd v Meda Development Sdn Bhd*

Genting World Sdn Bhd ("Genting") has commenced an action against Meda on 2 February 1999 arising out of a tenancy agreement entered into between the two parties dated 9 January 1998 whereby Genting agreed to rent the premises known as Lot Nos. T3.68 and T3.38A of The Summit USJ from Meda. Genting alleged that Meda was in breach of its obligation under the tenancy agreement and has made a claim against Meda for, inter alia, RM3,482,773.00 for special damages. Genting is also claiming general damages, aggravated damages, exemplary damages and interest to be assessed by the court. Meda's risk in respect thereof is covered by an insurance policy. On 5 December 2001, Genting has filed an application to the court seeking an order to reduce the claim to RM1,208,563.00 for special damages. No date for the hearing of the said application has been fixed to date.

Meda's solicitors are of the opinion that they have an arguable defence to Genting's claims..

This matter has been fixed for case management on 21 March 2002. Meanwhile the parties, through their solicitors, are negotiating for a settlement.

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**11. STATUTORY AND GENERAL INFORMATION..... cont'd**


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(b) Seremban High Court Civil Suit No. 22-13-2001

*Companion Park Sdn Bhd v Meda Development Sdn Bhd, Teoh Seng Foo, Teoh Seng Aun and Teoh Seng Kian*

Companion Park Sdn Bhd (“Companion Park”) has commenced an action in the High Court of Seremban against Meda and the Teoh Brothers on 22 January 2001. Companion Park and Meda had entered into a Sale and Purchase Agreement dated 1 October 1998 whereby Companion Park agreed to buy from Meda the entire level 12 and levels 16 to 21 (the floor numbering then) of Menara Summit USJ. Companion Park had, on the same date, entered into a Put Option Agreement with Meda which allows Companion Park to resell the properties to Meda at RM18.8 million with the redemption sum of RM4.8 million. The Teoh Brothers subsequently became the guarantors for the Put Option Agreement for the amount of RM18.8 million. Companion Park had on 24 December 1998 issued a notice to Meda to buy back the properties. Thereafter, Meda gave a notice to Companion Park that it will pay RM14 million (after deducting the RM4.8 million redemption sum). Companion Park alleged that Meda has only paid RM10.5 million to date. Therefore, RM3.5 million is alleged still outstanding. Companion Park has also issued another notice to the Teoh Brothers, as guarantors, to pay the balance outstanding sum.

Meda’s solicitors are of the opinion that Meda has an arguable defence against Companion Park’s claim.

Meda’s solicitors have obtained the approval to transfer this matter from the Seremban High Court to the Shah Alam High Court. A hearing date has yet to be fixed by the Shah Alam High Court. Meanwhile the parties are negotiating for a settlement.

(c) Kuala Lumpur High Court Petition No. D8-28-351-2001

*Lim Kong v Meda Development Sdn Bhd*

Lim Kong has commenced this action against Meda on 28 March 2001. This is a winding up petition filed by Lim Kong pursuant to section 218 of the Companies Act 1965. Lim Kong alleged that, based on an agreement between the parties dated 17 October 1994, Meda agreed to pay RM5 million to him upon physical completion of a development project as brokerage fee/ commission. Lim Kong alleged that to date, Meda has failed, refused and/or neglected to settle the said RM5 million.

Meda’s solicitors have obtained an interim order that Lim Kong shall not advertise and/or gazette the petition until after the outcome of the Originating Summons No. MT1-24-1340-2001 (as set out in item (d) below).

Meda’s solicitors are of the opinion that Meda has a defence against Lim Kong’s claim.

(d) Shah Alam High Court Originating Summons No. MT1-24-1340-2001

*Meda Development Sdn Bhd v Lim Kong*

Pursuant to the Winding Up Petition (Petition No. D8-28-351-2001 as set out in item (c) above) filed by Lim Kong against Meda at the Kuala Lumpur High Court, Meda has filed an Originating Summons dated 10 April 2001 for, inter alia, an injunction to restrain Lim Kong from presenting and/or serving and/or advertising the abovementioned petition. Lim Kong has given an undertaking not to proceed further with the winding up petition until the resolution of this Originating Summons.

As at 18 January 2002 (*being the latest practicable date prior to the printing of this Prospectus*), this matter has been fixed for mention on 30 January 2002 pending settlement between the parties.

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**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

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(e) Shah Alam High Court Civil Suit No. MT5-22-158-2001

*Ong Ah Kong v Meda Development Sdn Bhd*

Ong Ah Kong commenced this action against Meda on 16 March 2001 for specific performance of three (3) Sale and Purchase Agreements all dated 4 August 2000 entered between Ong Ah Kong and Meda whereby Meda agreed to transfer to Ong Ah Kong Lot Nos. G(F), G(E) and F1.43 of The Summit USJ free from encumbrances. It was a term of the said Agreements that Meda would obtain the Letter of Disclaimer from the relevant chargees within sixty (60) days from the date thereof. Ong Ah Kong has claimed, in addition to specific performance, a mandatory injunction against Meda to do all necessary acts to cause the said premises to be free from encumbrances. In the alternative, Ong Ah Kong claimed general damages in addition to interest to be assessed.

Meda's solicitors are of the opinion that Meda has an even chance of success in defending Ong Ah Kong's claim.

No action has been taken by Ong Ah Kong for case management to date.

**11.8 Consents**

- (i) The written consents of the Adviser, Managing Underwriter and Placement Agent, Underwriters, Solicitors, Principal Bankers, Auditors of certain Subsidiaries, Company Secretary, Registrars and Issuing House to the inclusion in this Prospectus of their names in the form and context in which their names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- (ii) The written consent of the Auditors for Meda Inc. and Genting Unggul, and Reporting Accountants of Meda Inc. to the inclusion in this Prospectus of their name, Accountants' Report, and their letters relating to the Profit Estimate and Forecast for the financial years ended/ending 31 December 2001 and 2002, and Proforma Consolidated Balance Sheets as at 31 July 2001 in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.
- (iii) The written consent of the various Valuers to the inclusion in this Prospectus of their name and letters relating to the value of the properties owned by Meda Inc. Group and in the form and context in which they appear has been given before the issue of this Prospectus and have not been subsequently withdrawn.

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**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

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**11.9 Documents for Inspection**

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

- (i) Memorandum and Articles of Association of Meda Inc. and its subsidiary companies;
- (ii) The Directors' Report and Accountants' Report referred to in Sections 8 and 10 respectively as included herein;
- (iii) The Reporting Accountants' Letters relating to the Profit Estimate and Forecast for the financial years ended/ending 31 December 2001 and 2002 and Proforma Consolidated Balance Sheets as at 31 July 2001 referred to in Sections 7.8 and 7.12 respectively as included herein;
- (iv) The services agreements and material contracts referred to in Section 11.3(iii) and 11.5 respectively of this Prospectus;
- (v) The cause papers on the litigation referred to in Section 11.7 of this Prospectus;
- (vi) The letters of consent referred to in Section 11.8 of this Prospectus;
- (vii) Audited accounts of Meda Inc. from the date of incorporation on 11 March 2000 to 31 December 2001 and the audited accounts for the seven(7)-month period ended 31 July 2001;
- (viii) Audited accounts of Meda for the past five(5) financial years ended 31 December 2000 and the audited accounts for the seven(7)-month period ended 31 July 2001;
- (ix) Audited accounts of ZKP for the past five(5) financial years ended 31 December 2000 and the audited accounts for the seven(7)-month period ended 31 July 2001;
- (x) Audited accounts of Litaran Bayu for the past five(5) financial years ended 31 December 2000 and the audited accounts for the seven(7)-month period ended 31 July 2001;
- (xi) Audited accounts of Bernam for the past five(5) financial years ended 31 December 2000 and the audited accounts for the seven(7)-month period ended 31 July 2001;
- (xii) Audited accounts of Sri Lingga for the past six(6) financial years ended 31 July 2001;
- (xiii) Audited accounts of Genting Unggul for the past four(4) financial years ended 31 March 2000, nine(9) months ended 31 December 2000 and seven(7)-month period to 31 July 2001;
- (xiv) Audited accounts of Nandex for the past six(6) financial years ended 31 July 2001;
- (xv) Audited accounts of Everlasting for the past six(6) financial years ended 31 July 2001;
- (xvi) Audited accounts of Impressive for the past six(6) financial years ended 31 July 2001; and
- (xvii) Valuation Reports and letters from Messrs Akram & Co., Messrs CH Williams Talhar & Wong Sdn Bhd, Messrs Henry Butcher, Lim & Long Sdn Bhd, Messrs Henry Butcher, Lim & Long (North) Sdn Bhd, Messrs Henry Butcher, Lim & Long (Malacca) Sdn Bhd and Messrs Henry Butcher, Lim, Long & Teoh (South) Sdn Bhd referred to in Section 9 of this Prospectus.

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**11. STATUTORY AND GENERAL INFORMATION..... cont'd**

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**11.10 Responsibility**

- (i) Arab-Malaysian acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the public issue/offer for sale, and is satisfied that the profit estimate and forecast for the financial years ended/ending 31 December 2001 and 2002 (for which the Directors of Meda Inc. are fully responsible) prepared for inclusion in the Prospectus have been stated by the Directors of Meda Inc. after due and careful inquiry and have been duly reviewed by the Reporting Accountants.
  
- (ii) This Prospectus has been seen and approved by the Directors and Promoters of Meda Inc. and the Offeror and 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 the omission of which would make any statement herein false or misleading.

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