

14. STATUTORY AND GENERAL INFORMATION

14.1 Share Capital

- (i) No Shares shall be allotted or issued on the basis of this Prospectus later than twelve (12) months after the date of issue of this Prospectus.
- (ii) There are no founder, management or deferred shares in the Group. As at the date of this Prospectus, there is only one class of shares in the Group, namely ordinary shares of RM1.00 each, all of which rank pari passu with one another.
- (iii) Save for 1.6 million Restricted Offer Shares reserved for eligible employees of MGDB Group and RM85.134 million nominal value of ICULS issued to the DLSB Vendors and PBM Vendors as part of the Acquisition of DLSB and Debt Settlement of which RM100,000 nominal value of ICULS has been offered by GMM to the service providers and staff of the service providers of MGDB Group (as part of the subject of this Prospectus), no other person has been or is entitled to be given an option to subscribe for any share, stocks or debentures of the Group. The ICULS holders will have the right to convert such nominal amount of ICULS at the conversion price of RM1.25, as approved by the SC, into new Shares in MGDB during the conversion period. The ICULS will be convertible only after the third year from the date of issue of the ICULS until the maturity date which is five (5) years from the date of issue of the ICULS.
- (iv) Save as disclosed in paragraph (iii) above, as at the date of this Prospectus no person of the Group has been put under option or agreed conditionally or unconditionally to be put under option.
- (v) Save as disclosed in Section (iii) above of this Prospectus, no ordinary shares or debentures of the Group 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.

14.2 Articles of Association

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

(i) Transfer of Securities

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 :-

- 40. All transfer of shares may be effected by transfer in writing in the usual common form conforming with the Act and approved by the Exchange, or such form as may from time to time, be prescribed under the Act or approved by the Exchange. All transfers of Deposited Security shall be effected in accordance with the Central Depositories Act and Rules. Subject to these Articles there shall be no restriction on the transfer of fully paid up shares except where required by law.
- 41. 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.

14. STATUTORY AND GENERAL INFORMATION (CONT'D)

42. (1) Where:-
- (a) the securities of a company is 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 company in the jurisdiction of the Approved Market Place (hereinafter referred to as "the Foreign Registrar") to the register of holders maintained by the registrar of company in Malaysia (hereinafter referred to as "the Malaysian Registrar") 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.
43. Subject to the Central Depositories Act and the Rules, no shares shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.
44. Nothing in these Articles shall preclude the Directors from recognizing a renunciation of the allotment of any share by the allottee in favour of some other person.
45. 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, 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 notice that such instrument or 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 recognized 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.

(ii) Remuneration of Directors

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

97. 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 provides) be divisible among the Directors 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 percentage of profits or turnover ;
 - b) salaries payable to executive Directors may not include a commission on or percentage of turnover ;

14. STATUTORY AND GENERAL INFORMATION (CONT'D)

- 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.
98. (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 or otherwise in or about the business of the Company in the course of the performance of their duties as Directors.
- (2) If by arrangement with the Directors, any Director shall perform or 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 committee of Directors, the Company 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 Provided Always that extra remuneration payable to :-
- (a) a non-executive Director shall not be by a commission on or percentage of profits or turnover ;
 - (b) an executive Director shall not include a commission on or percentage of turnover;

(iii) Voting and Borrowing Powers of Directors

The provisions in the Company's Articles of Association dealing with voting and borrowing powers of the Directors in proposals, arrangements or contracts in which they are interested in their borrowing powers exercisable by them and how such borrowing powers can be varied are as follows:-

101. 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;
 - (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.

14. STATUTORY AND GENERAL INFORMATION (CONT'D)

102. (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 Article shall authorise the Directors to borrow any money or mortgage or charge any of the Company's 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.
114. Subject to these Articles, questions arising at any Meeting of the Directors shall be decided by a majority of votes in the case of an equality of votes the Chairman shall have a second or casting vote except where only two (2) Directors form a quorum or are competent to vote on the question at issue.
119. No Director may vote in respect of any other contract or proposed contract or arrangement in which he is directly or indirectly interested nor any contract or proposed contract or arrangement with any other company in which he is interested either as an officer of that other company or as a holder of shares or other securities in that other company.
120. A director notwithstanding his interest may, provided that none of the other Directors present disagree, be counted in the quorum present at any Meeting whether he or any other Director is appointed to hold any office or place of profit under the Company or whereat the Directors resolve to exercise any of the rights of the Company, (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a Director to hold any office or place of profit under any other company or whereat the terms of any such appointments as hereinafter mentioned are considered or where any decision is taken upon any contract or arrangement in which he is in any way interested provided always that he has complied with Section 131 and all other relevant provisions of the Act and of these Articles.

(iv) **Changes in Capital and Variation of Class Rights**

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

14. STATUTORY AND GENERAL INFORMATION (CONT'D)

18. Notwithstanding Article 19 hereof the repayment of preference share capital other than redeemable preference, or any other alteration or preference shareholder rights, shall only be made pursuant to a special resolution of the preference shareholders concerned, PROVIDED ALWAYS that where the necessary majority for such a special resolution is not obtained at the Meeting, consent in writing if obtained from the holders of three-fourths of the preference shares concerned within two (2) months of the Meeting, shall be as valid and effectual as a special resolution carried at the Meeting.
19. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate General Meeting of the holders of the shares of that class.
- To every such separate General Meeting the provisions of these Articles relating to General Meetings shall *mutatis mutandis* apply, by so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution the provisions of Section 152 of the Act shall, with such adaptations as are necessary, apply.
20. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards to participation in the profits or assets of the Company in some or in all respects *pari passu* therewith.

14.3 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 shares in MGDB Group unless otherwise so fixed by the Company in a 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 which is not terminable by notice without payments or compensation other than statutory compensation within one (1) year preceding the date of this Prospectus.
- (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:-
- (a) a petition under 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 senior 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.

14. STATUTORY AND GENERAL INFORMATION (CONT'D)

- (v) For the financial year ending 30 April 2001, the remuneration paid to the Directors for services rendered in all capacities in the Company is RM36,000. For the financial year ending 30 April 2002, the amount estimated to be paid to the Directors for services in all capacities in the Company and its subsidiary companies is RM546,000.
- (vi) Save as disclosed below, none of the Directors or substantial shareholders of MGDB, have any interest, direct or indirect, in other businesses and corporations carrying on a similar trade as the Company and its subsidiaries:-

Name of Directors	Company	Principal Activities of Company	Direct No of Shares	%	Indirect No of Shares	%
Encik Harun bin Hj Faudzar	Aseania Court (KL) Sdn Bhd & Desa Damai Development Sdn Bhd &	Property Development	-	-	2	100.0
	Tradewise Development Sdn Bhd &	Property Development	-	-	618,750	62.5
	Syarikat Kasosham Sdn Bhd &	Property Management	-	-	264,000	55.0
	Fadason Holdings Sdn Bhd ##	Property Development / Investment Holding	6,447,094	62.5	2	66.67
	Fadason Harta Sdn Bhd &	Property Development	-	-	-	-
	Cintalites Sdn Bhd &	Property Development	-	-	1,451,002	100.0
	GB Development Sdn Bhd &	Property Development	5,737,454	80.0	250,000	100.0
	Mr Edmond Hoyt Yung	Regal Essence Sdn Bhd &	Property Development	1	-	499,998
Kartika Duta Sdn Bhd &	Investment Holding	40,000	40.0	-	-	
Urban Builders Sdn Bhd *	Property Development	-	-	210,000	100.0	
Goodyear Development Sdn Bhd &	Investment Holding	-	-	4,000,000	80.0	
GYL Konsult Sdn Bhd &	Investment Holding	1	-	499,998	100.0	
Yiked Goodyear Development Sdn Bhd #	Property Development	-	-	4,000,000	80.0	
Dayani Sdn Bhd @	Property Development	-	-	200,000	40.0	
Esteemed Rank Sdn Bhd &	Property Investment	40,000	40.0	-	-	
Noble Command Sdn Bhd &	Property Investment	40,000	40.0	-	-	
Mr Lai Tan Fatt	Regal Essence Sdn Bhd &	Property Development	1	-	499,998	100.0
Kartika Duta Sdn Bhd &	Investment Holding	35,000	35.0	-	-	
Subang Perdana Services Sdn Bhd &	Property Management	1	50.0	-	-	
GYL Konsult Sdn Bhd &	Investment Holding	1	-	499,998	100.0	
Urban Builders Sdn Bhd *	Property Development	-	-	500,000	100.0	
Goodyear Development Sdn Bhd &	Investment Holding	-	-	4,000,000	80.0	
Yiked Goodyear Development Sdn Bhd #	Property Development	-	-	4,000,000	80.0	

14. STATUTORY AND GENERAL INFORMATION (CONT'D)

Name of Directors	Company	Principal Activities of Company	Direct No of Shares	%	Indirect No of Shares	%
Mr Wong Soo Chai @ Wong Chick Wai	Dayani Sdn Bhd@	Property Development	-	-	200,000	40.0
	Esteemed Rank Sdn Bhd&	Property Investment	35,000	35.0	-	-
	Noble Command Sdn Bhd&	Property Investment	35,000	35.0	-	-
	Regal Essence Sdn Bhd&	Property Development	-	-	499,998	100.0
	Subang Perdana Services Sdn Bhd&	Property Management	1	50.0	-	-
	Kartika Duta Sdn Bhd& Goodyear Development Sdn Bhd &	Investment Holding	25,000	25.0	-	-
	GYL Konsult Sdn Bhd & Urban Builders Sdn Bhd*	Investment Holding	-	-	4,000,000	80.0
	Yiked Goodyear Development Sdn Bhd#	Property Development	-	-	499,998	100.0
	Dayani Sdn Bhd@	Property Development	-	-	500,000	100.0
	Esteemed Rank Sdn Bhd&	Property Investment	25,000	25.0	-	-
Amir bin Faudzar	Noble Command Sdn Bhd&	Property Investment	25,000	25.0	-	-
	Emerald Concord Sdn Bhd&	Property Investment	-	-	-	-
	GB Development Sdn Bhd&	Property Development	-	-	-	-
	Aseania Court (KL) Sdn Bhd&	Property Development	-	-	-	-
	Fadason Holdings Sdn Bhd##	Property Development / Investment Holding	-	-	-	-

* All the projects have been completed.

This company owns approximately 100 acres of development land zoned for commercial development. The project is currently stalled.

The company is currently involved in a privatized (mixed development) project in Kepong with the Dato Bandar Kuala Lumpur

@ The company is completing the development of 40 acres of commercial land in Alor Setar.

& The company is currently dormant.

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14. STATUTORY AND GENERAL INFORMATION (CONT'D)

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

Substantial shareholder	Before Proposals				After Proposals			
	Direct No. of shares	%	Indirect No. of shares	%	Direct+ No. of shares (RM'000)	%	Indirect+ No. of shares (RM'000)	%
En. Harun bin Hj Faudzar	-	-	-	-	-	-	68,800(a)	42.3
Mr. Edmond Hoyt Yung	-	-	-	-	9,724	6.0	25,097(b)	15.4
Mr. Lai Tan Fatt	-	-	-	-	8,508	5.2	25,097(b)	15.4
GMM	-	-	-	-	25,097	15.4	-	-
APSB	-	-	-	-	25,729	15.8	-	-
THSB	-	-	-	-	43,071	26.5	-	-

Notes:-

(a) 25,729,000 and 43,071,000 Shares held in APSB and THSB respectively

(b) 25,097,000 Shares held through GMM

+ Assuming no conversion of ICULS

- (viii) Based on the Register of Directors' Shareholdings as at 18 March 2002 (being the last practicable date prior to the printing of this Prospectus), the Directors of MGDB and their respective direct and indirect interests in the shares of the Company before and after the Proposals are as follows:-

Director	Before the Proposals				After the Proposals			
	Direct No. of Shares (RM'000)	%	Indirect No. of Shares (RM'000)	%	Direct No. of Shares+ (RM'000)	%	Indirect No. of Shares+ (RM'000)	%
En. Harun bin Hj Faudzar	-	-	-	-	-	-	68,800(a)	42.3
Mr. Edmond Hoyt Yung	-	-	-	-	9,724	6.0	25,097(b)	15.4
Mr. Lai Tan Fatt	-	-	-	-	8,508	5.2	25,097(b)	15.4
Mr. Wong Soo Chai @ Wong Chick Wai	-	-	-	-	6,077	3.7	25,097(b)	15.4
Dato' Dr Abdul Razak Bin Abdul	1.6	0.03	1,890**	30.0	3.2	*	3,780**	2.3
En. Amir bin Faudzar	-	-	-	-	-	-	68,800(a)	42.3
En. Ishak @ Abd Rahman Bin Mohamad	32.5	0.52	-	-	65	*	-	-
En Baba Zain bin Baba Ein	-	-	-	-	-	-	-	-
Mr. Tan Su Tiam @ Tan Hooi Thean	-	-	-	-	-	-	-	-

(a) 25,729,000 and 43,071,000 Shares held in APSB and THSB respectively

(b) 25,097,000 Shares held through GMM

* Negligible

** Held through MOCCIS

+ Assuming no conversion of ICULS

- (ix) Save for the Directors who are interested in the Acquisitions as disclosed in Section 7.2 above, none of the other Directors or experts has 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 or its subsidiaries taken as a whole.

14. STATUTORY AND GENERAL INFORMATION (CONT'D)

- (x) Save as disclosed in Section 7.1 above, none of the other directors is materially interested in any contract or arrangement subsisting at the date of the Prospectus which is significant in relation to the business of the Company or subsidiaries taken as a whole.
- (xi) No Director was granted or had exercised any option to subscribe for securities of the Company during the last financial period ended 30 April 2001.

14.4 General

- (i) The nature of the Company's business and the names of all corporations which are deemed related to the Company by virtue of Section 6 of the Companies Act, 1965 are disclosed in Section 4 of this Prospectus. Other than mentioned in this Section of this Prospectus, there is no deemed corporation deemed related to the Company by virtue of Section 6 of the Companies Act, 1965.
- (ii) The time of the opening of the Application Lists is set out in Section 15 of this Prospectus.
- (iii) The amount payable in full on application to the Company/Offerors is RM1.20 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 2.00% of the Restricted Public Issue and Restricted Offer Share price of RM1.20 per Share on the Shares being underwritten;
 - (2) Underwriting fees are payable by the Company to the Underwriter mentioned in Section 2.7 of this Prospectus at the rate of 2.00% of the Rights Issue price of RM1.00 per Share on the Shares being underwritten;
 - (3) Brokerage will be paid at the rate of 1.00% of the Restricted Public Issue Share and Restricted Offer Share price of RM1.20 per Share by the Company and Offeror; and
 - (4) Expenses incidental to the listing and quotation of the entire issued and paid-up share capital of the Company on the Main Board of the KLSE amounting to approximately RM2.5 million will be borne by the Company. The Offeror shall bear stamp duty, brokerage, registration and transfer fee relating to the Restricted Offer Shares.
- (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 subsidiary companies 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 subsidiary companies or in connection with the issue or sale of any capital of the Company or its subsidiary companies and no Director, proposed Director, promoter or expert is or are entitled to receive any such payment.
- (vi) Other than salary and employment related benefits payable to directors, 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) MGDB has not established a place of business outside Malaysia.

14. STATUTORY AND GENERAL INFORMATION (CONT'D)

- (viii) Save 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 Company and its subsidiary companies.
- (ix) Except as disclosed in Section 10 of this Prospectus, the financial conditions and operations of the Company or its subsidiary companies 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 Company'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 trends or uncertainties that have had or will have a material favourable or unfavourable impact on revenues or operating income.

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

- (x) As at the date of this Prospectus, the Company and its subsidiary companies have RM85.134 million nominal value of ICULS of which RM100,000 nominal value of ICULS has been offered by GMM to the service providers and staff of the service providers of MGDB Group (as part of this Prospectus). The ICULS will be convertible only after the third year from the date of issue of the ICULS until maturity date. The Company and its subsidiary companies do not have any other convertible debt securities.
- (xi) Other than the approximately RM1.6 million Shares reserved for the eligible employees of MGDB Group pursuant to the Restricted Offer for Sale of Shares under this Prospectus, there are at present no other schemes involving the staff or the Directors in the capital of the Company and its subsidiaries as at the date of this Prospectus.
- (xii) The name and address of the Auditors and Reporting Accountants are as set out in the Corporate Information page of this Prospectus.
- (xiii) The manner in which copies of this Prospectus together with the official Application Forms and envelopes may be obtained is set out in Section 15 of this Prospectus.
- (xiv) The Rights Issue, which is the subject of this Prospectus and has been approved by its shareholders during its EGM held on 18 September 2001, involves a renounceable rights issue of 6.3 million new Shares at an issue price of RM1.00 per Share on the basis of one (1) new share for every one (1) existing Share held. Should any fractional entitlements arise from the Rights Issue, it will be dealt with, in such manner as the Directors in their absolute discretion think expedient and in the interest in the Company.

14. STATUTORY AND GENERAL INFORMATION (CONT'D)**14.5 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 or its subsidiaries within the two (2) years immediately preceding the date of this Prospectus: -

MGDB

- (i) On 17 August 2000, MGDB entered into a conditional Sale & Purchase Agreement with the vendors of DLSB namely Edmond Hoyt Yung, Lai Tan Fatt, Woo Soo Chai @ Wong Chick Wai and GMM (hereinafter collectively referred to as "the Vendors of DLSB") to acquire the entire issued and paid-up share capital of DLSB comprising of 8 million ordinary shares of RM1.00 each for a purchase consideration of Ringgit Malaysia Fifty Nine Million Three Hundred and Fifty Thousand (RM59,350,000) only to be satisfied by an issuance of Forty One Million Five Hundred and Forty Thousand (41,540,000) only new ordinary shares of MGDB at the price of RM1.00 per share and RM17.81 million nominal value of ICULS.

Subsequently, on 5 June 2001 the Vendors of DLSB and MGDB entered into a Supplemental Agreement to revise the purchase consideration to Ringgit Malaysia Sixty Two Million Nine Hundred and Forty Seven Thousand (RM62,947,000) only to be satisfied by an issuance of Forty Four Million and Sixty Three Thousand (44,063,000) only new ordinary shares of MGDB and RM18,884,000 nominal value of ICULS as approved by the SC in their letter dated 4 May 2001 and the parties hereto have also agreed to accept SC's other conditions as set out in their aforementioned letter.

As at 9 October 2001, pursuant to a further Supplemental Sale & Purchase Agreement between MGDB and the vendors of DLSB, all the conditions and terms in the conditional Sale & Purchase Agreement and Supplemental Sale & Purchase Agreement have been satisfied and the aforementioned agreements are therefore unconditional.

- (ii) On 17 August 2000, MGDB entered into a conditional Sale & Purchase Agreement with the vendors of PBM namely THSB, APSB and GMM (hereinafter collectively referred to as "the Vendors of PBM") to acquire the entire issued and paid-up share capital of PBM comprising of 15 million ordinary shares of RM1.00 each for a purchase consideration of Ringgit Malaysia Seventy Seven Million and Eighty Thousand (RM77,080,000) only to be satisfied by an issuance of Fifty Three Million Nine Hundred and Sixty Thousand (53,960,000) only new ordinary shares of MGDB at the price of RM1.00 per share and RM23.12 million nominal value of ICULS.

Subsequently, on 5 June 2001 the Vendors of PBM and MGDB entered into a Supplemental Agreement to revise the purchase consideration to Ringgit Malaysia Sixty Nine Million Four Hundred and Fifty Thousand (RM69,450,000) only to be satisfied by an issuance of Sixty Six Million and One Hundred and Forty Three Thousand (66,143,000) only new ordinary shares of MGDB at the issue price of RM1.05 per share as approved by the SC in their letter dated 4 May 2001 and the parties hereto have also agreed to accept SC's other conditions as set out in their aforementioned letter.

As at 9 October 2001, pursuant to a further Supplemental Sale & Purchase Agreement between MGDB and the vendors of PBM, all the conditions and terms in the conditional Sale & Purchase Agreement and Supplemental Sale & Purchase Agreement have been satisfied and the aforementioned agreements are therefore unconditional.

- (iii) Profit Guarantee & Stakeholder Agreement dated 5 February 2002 between the DLSB Vendors, PBM Vendors, the Company and Arab-Malaysian as set out in Section 6.1.1 of the Prospectus.

14. STATUTORY AND GENERAL INFORMATION (CONT'D)

- (iv) An Underwriting Agreement dated 12 March 2002 between the Company and the Underwriters for the underwriting of 15,143,000 which comprises Restricted Public Issue Shares, Restricted Offer Shares and Rights Issue Shares. The underwriting commission will be payable at the rate of 2% of the issue/offer price of RM1.20 per Share on the Restricted Public Issue Shares and Restricted Offer Shares underwritten. The underwriting commission will also be payable at the rate of 2% of the Rights Issue price of RM1.00 per Share on the Rights Issue Shares underwritten.
- (v) On 7 January 2002, MGDB entered into a Facility Agreement ("Facility Agreement") with Arab-Malaysian wherein the respective parties have agreed that for the fee stipulated in the Facility Agreement, Arab-Malaysian shall act as an agent of MGDB in relation to the issuance of Ringgit Malaysia Eighty Five Million One Hundred and Thirty Four Thousand (RM85,134,000) principal nominal amount of two point five percent (2.5%) ICULS 2002/2007 constituted vide a Trust Deed of even date ("Trust Deed") to provide the services stipulated in the Facility Agreement which inter alia includes maintaining and managing the facility and stock code in accordance with the Fully Automated System for Issuing/Tendering ("FAST") Rules and all other administrative matter incidental to the Trust Deed with Bank Negara Malaysia.
- (vi) On 7 January 2002, MGDB entered into a Trust Deed with Arab-Malaysian Trustee Berhad wherein MGDB has agreed that Arab-Malaysian Trustee shall act as the Trustee in relation to the issuance of Ringgit Malaysia Eighty Five Million One Hundred and Thirty Four Thousand (RM85,134,000) principal nominal amount of two point five percent (2.5%) ICULS 2002/2007.

PBM

- (i) In 1995, PBM obtained syndicated loan and bridging loan facilities of RM115 million, where the principal amounts for the term and bridging loans were RM80 million and RM35 million respectively. The first drawdown commenced in February 1996. The lead banker for these facilities was Citibank Berhad, whilst the syndicate of banks involved comprised Mayban Finance Berhad, Southern Bank Berhad, Arab Malaysian Bank Berhad and HongKong Bank Malaysia Berhad.

The term loan was obtained to part finance the purchase of the aforesaid land whilst the bridging loan facility was obtained to finance the payment of development expenditure in respect of Phase I and II of the proposed BTM project.

The bank borrowings are secured by the following:-

- First and second legal charge over the PBM's development land;
- A first fixed and floating debenture over all assets of PBM;
- An equitable assignment of the proceeds from the sale price of properties under the projects financed by the loan;
- A deed of assignment in respect of all dividends declared in favour of the lenders;
- Joint and several guarantee by certain directors;
- Joint and several guarantee by all the shareholders of PBM;
- Corporate guarantee by GMM and Aseania Holdings Sdn Bhd

In 1998, the company underwent a loan restructuring exercise with its syndicated lenders under the Corporate Debt Restructuring Committee of Bank Negara Malaysia.

The restructuring exercise was completed during the year 1999 and a Loan Restructuring Agreement was signed between the Company and its syndicated lenders on 21 May 1999.

14. STATUTORY AND GENERAL INFORMATION (CONT'D)

Under the Loan Restructuring Agreement, the repayment schedule of principal sum of the borrowings was revised as follows:-

Last business day of	RM(million)
1999	8.1
2000	6.1
2001	9.6
2002	9.3
2003	22.9
2004	48.0
2005	3.3
	107.3

Interest payment by the Company over the period of 36 months commencing 1 November 1998 and expiring on 30 October 2001 have been suspended. The repayment schedule for the above interest which is estimated to amount to RM33,500,000 is as follows:

Last business day of	RM (million)
2005	32.7
2006	0.8
	33.5

14.6 Material Agreements

Save as disclosed hereunder, there are no other material agreements entered into by the Company and its subsidiary companies as at the date of this Prospectus:-

PK

- (i) On 28 July 2000 vide a letter of award and the subsequent agreement dated 7 March 2001 entered into between PK and Bina Goodyear Berhad wherein PK had agreed to employ Bina Goodyear Berhad as its contractor to develop a Phase 2 proposed development of 100 units (Block A), 110 units (Block B) low cost apartments situated at Lot 60349 (formerly known as Lots 13438, 13440 and a portion of Lot 13439) Bandar Baru Selayang, Mukim Batu, Daerah Gombak, Selangor Darul Ehsan in consideration for the payment of the contract sum of RM6,589,258.

RF

- (i) On 22 January 2001 vide a letter of award and the subsequent agreement dated 29 January 2001, entered into between RF and Bina Goodyear Berhad wherein RF had agreed to employ Bina Goodyear Berhad as its contractor to carry out site clearance and earthworks on the Proposed Housing Development situated at Lots 1050 & 1053, Mukim Cheras, Daerah Ulu Langat, Selangor Darul Ehsan in consideration for the contract sum of RM936,718. This sum has since been varied and the actual sum paid for the aforementioned work carried out by Bina Goodyear Berhad is RM1,669,035.
- (ii) On 2 July 2001 vide a letter of award and the subsequent agreement dated 26 December 2001 entered into between RF and BG Builders Sdn Bhd ("BG Builders") wherein RF had agreed to employ BG Builders as its contractor to carry out the construction and completion of development identified as "Taman Lagenda Mas - Parcel A" situated at Lots 1050 & 1053, Mukim Cheras, Daerah Ulu Langat, Selangor Darul Ehsan in consideration for the contract sum of RM27,268,400.

14. STATUTORY AND GENERAL INFORMATION (CONT'D)

- (iii) On 2 July 2001 vide a letter of award and the subsequent agreement dated 26 December 2001 entered into between RF and BG Builders wherein RF had agreed to employ BG Builders as its contractor to carry out the construction and completion of development identified as "Taman Lagenda Mas – Parcel B" situated at Lots 1050 & 1053, Mukim Cheras, Daerah Ulu Langat, Selangor Darul Ehsan in consideration for the contract sum of RM13,302,133.
- (iv) On 12 November 2001 vide a letter of award reference number DB/LA/slhng, RF had awarded to Prebore Piling & Engineering Sdn Bhd ("Prebore") and which Prebore has since accepted on 15 November 2001 to carry out site clearance, earthworks, foundation piling works and pilecaps on Lot 46069, Mukim Batu, Taman Desa Bakti, Selayang, Wilayah Persekutuan in consideration for the contract sum of RM2,500,000. A formal agreement is pending execution by the respective parties.
- (v) On 26 April 2001 Pakatan Cergas Sendirian Berhad ("Pakatan") vide its letter of acceptance reference number PC99/SEL/217/56, on behalf of its client RF, awarded to Pembinaan Prestamaju Sdn Bhd ("PPSB") and which PPSB has since accepted on 27 April 2001 to carry out the design, submission, supply, construction, completion and commissioning of A 3400 PE Capacity Sewage Treatment Plant on the proposed residential housing development on Lots 1050 & 1053, Mukim Cheras, Daerah Ulu Langat, Selangor Darul Ehsan in consideration of the contract sum of RM750,000.

PBM

- (i) On 19 May 1997 Kota Akitek Sdn vide its letter of award reference number K/MYL/S/3842/97, on behalf of its client PBM had awarded to Pembinaan Hasfas Sdn Bhd ("Hasfas") and which Hasfas has since accepted on the 26 May 1997 to carry out Main Building Works Phase 1A on Lots 1628 & 1629, Mukim 15, Seberang Perai Selatan in consideration of the contract sum of RM35,455,354.
- (ii) On 12 August 1997 Kota Akitek Sdn vide its letter of award reference number K/MYL/S/3963/97, on behalf of its client PBM had awarded to Hasfas and which Hasfas has since accepted on 15 August 1997 to carry out Main Building Works Phase 2A on Lots 1628 & 1629, Mukim 15, Seberang Perai Selatan in consideration of the contract sum of RM43,255,163.
- (iii) On 1 July 1998 Kota Akitek Sdn vide its letter of award reference number K/MYL/S/4321/98, on behalf of its client PBM had awarded to Hasfas and which Hasfas has since accepted on the 7 July 1998 to carry out Main Building Works Phase 3 on Lots 1628 & 1629, Mukim 15, Seberang Perai Selatan in consideration of the contract sum of RM14,232,800.
- (iv) On 5 May 1999 Kota Akitek Sdn vide its letter of award reference number K/MYL/HS/4599/99, on behalf of its client PBM had awarded to Bina Goodyear Berhad and which Bina Goodyear Berhad has since accepted to carry out Main Building Works Phase 3B and external infrastructure works on Lot 1629, Mukim 15, Seberang Perai Selatan in consideration of the contract sum of RM20,938,870.
- (v) On 10 May 2000 Kota Akitek Sdn vide its letter of award reference number K/MYL/HS/4956/2000, on behalf of its client PBM had awarded to Bina Goodyear Berhad and which Bina Goodyear Berhad has since accepted on 20 May 2000 to carry out Main Building Works Phase 4A on Lot 1629, Mukim 15, Seberang Perai Selatan in consideration of the contract sum of RM13,089,861.
- (vi) On 11 July 2000 Kota Akitek Sdn vide its letter of award reference number K/MYL/S/5026/2000, on behalf of its client PBM had awarded to Suakaya-Mega Sdn Bhd ("S-M") and which S-M has since accepted on 13 July 2000 to carry out Main Building Works Phase 4B on Lot 1629, Mukim 15, Seberang Perai Selatan in consideration of the contract sum of RM11,716,672.

14. STATUTORY AND GENERAL INFORMATION (CONT'D)

- (vii) On 9 March 2001 B. L. Tay Architect vide its letter of award reference number 0186/PG/M/99-9/0903/lws, on behalf of its client PBM had awarded to S-M and which S-M has since accepted on 10 March 2001 to carry out Main Building Works Phase 5 on Lot 1629, Mukim 15, Seberang Perai Selatan in consideration of the contract sum of RM36,930,519.
- (viii) On 8 October 1997 Kota Akitek Sdn vide its letter of award reference number K/MYL/L/4080/97, on behalf of its client PBM had awarded to Hasfas and which Hasfas has since accepted on the 15 October 1997 to carry out Main Building Works Phase 1C on Lots 1628 & 1629, Mukim 15, Seberang Perai Selatan in consideration of the contract sum of RM11,200,000.
- (ix) On 31 October 1996 Jimmy Khoo Consulting Engineers vide its letter of award reference number JK/96/42(64)C.e/w.la, on behalf of its client PBM had awarded to Hasfas and which Hasfas has since accepted on 12 November 1996 to carry out site clearance and earthworks Phase 1 & 2 on Lots 1628 & 1629, Mukim 15, Seberang Perai Selatan in consideration of the contract sum of RM2,728,969.
- (x) On 21 August 1997 Jimmy Khoo Consulting Engineers vide its letter of award reference number JK/97/37(3)C.e/w.la, on behalf of its client PBM had awarded to Hasfas and which Hasfas has since accepted on 25 August 1997 to carry out site clearance and earthworks Phase 3, Zone 5 & 6 on Lots 1628 & 1629, Mukim 15, Seberang Perai Selatan in consideration of the contract sum of RM5,038,888.
- (xi) On 22 March 2001 Jimmy Khoo Consulting Engineers vide its letter of award reference number JK/2000/24(35)C.e/w, on behalf of its client PBM had awarded to S-M and which S-M has since accepted on 2 April 2001 to carry out site clearance and earthworks Phase 5 & 6, Zone 4 on Lot 1629, Mukim 15, Seberang Perai Selatan in consideration of the contract sum of RM2,833,888.
- (xii) On 29 September 1997 Jimmy Khoo Consulting Engineers vide its letter of award reference number JK/96/42(169)C.t/p, on behalf of its client PBM had awarded to MHES Sdn Bhd ("MHES") and which MHES has since accepted on 15 October 1997 to design, submit, deliver, install, test and maintain two (2) activated sludge sewage treatment plants on Lots 1628 & 1629, Mukim 15, Seberang Perai Selatan in consideration of the contract sum of RM14,708,000.
- (xiii) On 20 January 2000 Kota Akitek Sdn vide its letter of award reference number K/MYL/S/48/2/2000, on behalf of its client PBM had awarded to Bina Goodyear Berhad and which Bina Goodyear Berhad has since accepted on 26 January 2000 to carry out external infrastructure works Phase 1C Low Cost Flats on Lot 1629, Mukim 15, Seberang Perai Selatan in consideration of the contract sum of RM1,293,761.

14.7 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 or its subsidiary companies shares.
- (ii) No public take-over offers by the Company or its subsidiary companies in respect of other companies' shares.

14. STATUTORY AND GENERAL INFORMATION (CONT'D)**14.8 Material Litigation**

Saved as disclosed below, neither the Company nor its proposed subsidiaries are engaged in any material litigation, either as plaintiff or defendant and the directors of MGDB are not aware of any proceedings, pending and threatened, against the Company and its proposed subsidiaries or of any fact likely to give rise to any proceedings which might materially or adversely affect the position or business of the Company and its subsidiaries:-

MGDB**a) BPIMB vs MGDB**

BPIMB has filed in a Writ of Summons in the High Court of Malaya at Kuala Lumpur against MGDB and its director En Ishak Bin Mohamad dated 17 June 1998 to recover the sum of RM2,416,822 with interest and cost.

Judgement was obtained against MGDB and En Ishak Bin Mohamad on 22 July 1998. However, BPIMB has agreed to withhold the execution of the Judgement pending settlement of the aforementioned debt.

As a result of an appeal made by MGDB's solicitors, BPIMB has agreed in its letter dated 8 November 2000 to reduce the redemption and/or settlement sum to RM1,500,000 and its solicitors cost of approximately RM10,000. BPIMB has also agreed to extend the period for repayment of the redemption and/or settlement sum by MGDB to 14 June 2002.

b) Bumiputra - Commerce Bank Berhad ("BCBB") vs MGDB

(i) BCBB on 20 October 1992 had obtained a judgement against MIT-RBM Sdn Bhd (a subsidiary of MGDB which had since been de-registered), as the 1st defendant named therein and MGDB, as the 2nd defendant named therein under Kuala Lumpur High Court Civil Suit No. C3-23-3552-86 for defaulting on a loan facility granted by BCBB to MIT-RBM Sdn Bhd.

MIT-RBM Sdn Bhd has been ordered by the Court to pay the sum of RM1,349,390 together with interest thereon at the rate of 13% per annum on a monthly rest basis from 1 May 1992 until the date of full settlement.

Whereas MGDB has been ordered by the Court to pay the sum of RM535,000 together with interest as follows:-

- (a) on the sum of RM204,000 at the rate of 12.5% per annum; and
- (b) on the balance sum of RM331,500 at the rate of 13% per annum.

Both the amount are calculated on a monthly rest basis from 1 May 1986 until the date of full settlement and costs to the sum of RM365.

(ii) BCBB on 21 August 1989 had obtained judgement against MIT Construction Sdn Bhd (a subsidiary of MGDB, which had since been de-registered) as the 1st defendant named therein and MGDB, as the 2nd defendant named therein under Kuala Lumpur High Court Civil Suit No. D2-22-815-89 for defaulting on a loan facility granted by BCBB. MIT Construction Sdn Bhd and MGDB have been ordered by the Court to pay the sum of RM362,987 as at 14 February 1989 and interest accruing thereon on the said sum at the rate of 10.75% per annum on a monthly rest basis until full settlement and cost to the sum of RM225.

(iii) BCBB on 21 August 1989 had obtained judgement against MIT Properties Sdn Bhd (a subsidiary of MGDB, which had since been de-registered) as the 1st defendant named therein and MGDB, as the 2nd defendant under Kuala Lumpur High Court Civil Suit No D2-22-814-89 for defaulting on a loan facility granted by BCBB. MIT Properties Sdn Bhd and MGDB have been ordered by the Court to pay the sum of RM268,000 as at 14 February 1989 and interest accruing thereon on the said sum at the rate of 10.75% per annum on a monthly rest basis until full settlement and cost to the sum of RM225.

14. STATUTORY AND GENERAL INFORMATION (CONT'D)

The litigation suits mentioned under items (i), (ii), and (iii) herein above shall collectively be referred to as "the Suits".

Pursuant to the Suits, BCBB then presented a Winding-Up Petition against MGDB for failure to comply with the aforementioned judgements. Subsequently, BCBB had agreed to withdraw the winding-up petition upon the agreement of one of its Director, Dato' Dr. Abdul Razak bin Abdul to furnish to BCBB an irrevocable and unconditional undertaking stipulating that until such time as the amount indebted to BCBB has been discharged in full, Dato' Dr. Abdul Razak bin Abdul shall pledge his shares in MGDB and execute a Memorandum of Deposit with BCBB. The aforementioned undertaking letter has since been executed by Dato' Dr. Abdul Razak bin Abdul on 6 January 1999.

On 7 May 1999, MIT Construction Sdn Bhd, MIT-RBM Sdn Bhd, MIT Properties Sdn Bhd and MGDB were informed by BCBB that all BCBB's rights title and interest pertaining to the loan facilities granted by BCBB has been sold to Danaharta Urus Sdn Bhd ("Danaharta").

On 6 October 2000, pursuant to an appeal made by MGDB, Danaharta has agreed to accept as settlement for the Suits the sum of RM3,000,000 on the following conditions:-

- (i) payment be made to Danaharta in one lump sum on or before 31 January 2001;
- (ii) MGDB provides a written confirmation to Danaharta with supporting evidence that application for the listing on the KLSE has been submitted to the relevant approving authorities; and
- (iii) A Guarantee & Indemnity to be executed by Dato' Dr. Abdul Razak bin Abdul in favour of Danaharta securing the payment of the Judgement Debt.

Danaharta in its letter dated 8 January 2002 has subsequently agreed to extend the deadline to 30 April 2002 with all other terms remain unchanged.

The Guarantee and Indemnity has since been executed by Dato' Dr. Abdul Razak bin Abdul and Danaharta on 18 January 2002 and has been forwarded to Danaharta.

14.9 Responsibility

- (i) Arab-Malaysian acknowledges that, to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts about the Proposals and the MGDB Group, and is satisfied that the consolidated profit estimate and forecast for the financial year ending 30 April 2002 and 30 April 2003 (for which the Directors of MGDB are solely responsible) have been stated by the Directors of the Company 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 of the Company and/or the Offerors, and they collectively and individually accept full responsibility for the accuracy of all information given and confirm that, after making all reasonable enquiries in the circumstances and to the best of their knowledge and belief, there are no other material facts the omission of which would make any statement herein misleading.

14.10 Consents

- (i) The consent of the Adviser and Managing Underwriter, Underwriters, Solicitors, Principal Bankers, Registrars, Company Secretary, Paying Agent, Facility Agent, Trustee and Issuing House to the inclusion in this Prospectus of their names in the context and form in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.

14. STATUTORY AND GENERAL INFORMATION (CONT'D)

- (ii) The consent of the Auditors and Reporting Accountants for the inclusion in this Prospectus of their name, letter on the consolidated profit estimate and forecast for the financial year ending 30 April 2002 and 30 April 2003, letter on the proforma consolidated balance sheets as at 31 October 2001 and Accountants' Report in the manner and form in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not been subsequently withdrawn.
- (iii) The consent of the Valuers for the inclusion in this Prospectus of their name and Valuation Certificates in the manner and form in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not been subsequently withdrawn.

14.11 Documents Available for Inspection

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

- i) the Memorandum and Articles of Association of MGDB Group;
- ii) the audited accounts of MIT for the five (5) financial years ended 30 September 1997 to 1999, 30 April 2000, 30 April 2001 and the audited accounts for the six (6) months ended 31 October 2001;
- iii) the audited account of DLSB for the five (5) financial years ended 30 June 1996 to 2000, the audited accounts for the ten (10) months ended 30 April 2001 and the audited accounts for the six (6) months ended 31 October 2001, SED for the five (5) financial years ended 30 June 1996 to 2000, the audited accounts for the ten (10) months ended 30 April 2001 and the audited accounts for the six (6) months ended 31 October 2001, RF for the five (5) financial years ended 31 December 1996 to 2000, the audited accounts for the sixteen (16) months ended 30 April 2001 and the audited accounts for the six (6) months ended 31 October 2001, PK for the five (5) financial years ended 30 April 1997 to 2001 and the audited accounts for the six (6) months ended 31 October 2001, PN for the five (5) financial years ended 31 December 1996 to 2000, the audited accounts for the sixteen (16) months ended 30 April 2001 and the audited accounts for the six (6) months ended 31 October 2001 and PBM for the five (5) financial years ended 31 December 1996 to 2000, the audited accounts for the sixteen (16) months ended 30 April 2001 and the audited accounts for the six (6) months ended 31 October 2001;
- iv) the writs relating to the material litigation referred to in item 14.8 above;
- v) the material contracts and agreements referred to in item 14.5 and 14.6 above;
- vi) the letters of consent referred to in item 14.10 above;
- vii) the Proforma Consolidated Balance Sheet as at 31 October 2001 together with the principal bases and assumptions and the Reporting Accountants' letter thereto;
- viii) the Reporting Accountants' letter on the Proforma Consolidated Profit Estimate and Forecast for the financial year ending 30 April 2002 and 30 April 2003;
- ix) Directors Report and Accountants' Report as included herein;
- x) Valuers' letter as included herein; and
- xi) Trust Deed for the ICULS.

15. PROCEDURES FOR APPLICATION AND ACCEPTANCE

A) PROCEDURE FOR APPLICATION OF RESTRICTED PUBLIC ISSUE SHARES, RESTRICTED OFFER SHARES AND RESTRICTED OFFER ICULS

15.1 Opening and Closing of Application Lists

The Application Lists for the Restricted Public Issue, Restricted Offer for Sale of Shares and Restricted Offer for Sale of ICULS will open at **10.00 a.m.** on 11 April 2002 and will remain open until **8.00 p.m.** on the same day or for such further period or periods as the Directors of MGDB and the Managing Underwriter in their absolute discretion may decide.

15.2 Procedure for Application

The Applications shall be made in connection with and subject to the terms of this Prospectus and the Memorandum and Articles of Association of the Company.

(i) Application by the Eligible Employees of MGDB Group

Applications for the 1.6 million Shares reserved for eligible employees of the MGDB Group must be made only on the special **Pink** Application Forms provided and **NOT** on any other Application Form or by way of Electronic Share Application through a Participating Financial Institution's ATM.

(ii) Application by the staff and graduates of UiTM

Application for the 11,000,000 Shares made available for application by the existing staff and all the graduates of UiTM must be made only on the special **Yellow Forms** provided only and **NOT** on any other Application Form or by way of Electronic Share Application through a Participating Financial Institution's ATM.

Applicants who are graduates of UiTM must provide a legible photocopy of certificate of graduation and applicants who are existing staff of UiTM must provide a legible photocopy of their staff identity card. These documents must be attached together with this application form. In the event that these documents are not attached with this application form, the allocation of the Shares will be subject to the MGDB Directors discretion.

(iii) Application by the service providers and staff of service providers of MGDB Group

Application for the 100,000 nominal value of ICULS made available to the service providers and staff of the service providers of the MGDB Group must be made only on the special **Blue Forms** provided and **NOT** on any other Application Form or by way of Electronic Share Application through a Participating Financial Institution's ATM. The Blue Application Form will be sent by the Registrar of MGDB to the service providers and staff of the service providers of the MGDB Group.

(iv) Application by places under the Private Placement

Application for the 4,400,000 Shares via Private Placement must be made only on the special **Green Forms** provided and **NOT** on any other Application Form or by way of Electronic Share Application through a Participating Financial Institution's ATM.

Directors and employees of MIH and their immediate family are strictly prohibited from applying for the Public Issue Shares. Directors (including one who is designated as a director under the Companies Act, 1965) of the Company and its subsidiaries/associated companies and the associates of such directors are not allowed to apply for the Public Issue Shares.

Application for the Restricted Public Issue Shares, Restricted Offer Shares and Restricted Offer ICULS must be made on the respective Application Forms issued together with this Prospectus and must be completed in accordance with the Notes and Instructions printed on the reverse side of the Application Form. The Application Form together with the Notes and Instructions printed therein shall constitute an integral part of this Prospectus. Applications which do not **STRICTLY** conform to the terms of this Prospectus or Application Form or Notes and Instructions printed therein or which are illegible will not be accepted.

15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

Only one (1) Application can be made by each applicant. Multiple applications will not be accepted. Each Application must be for 1,000 shares or multiples thereof. The amount payable in full on application is RM1.20 per Share and RM1.00 for every RM1.00 nominal value of ICULS.

Each completed Application Forms must be dispatched by **ORDINARY POST** in the official envelopes provided, to the Issuing House at the following address:-

Malaysian Issuing House Sdn Bhd
27th Floor, Menara Multi-Purpose
Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur

or **DELIVERED BY HAND AND DEPOSITED** in the Drop-in Boxes provided at the back portion of Menara Multi-Purpose, Capital Square, No. 8, Jalan Munshi Abdullah, 50100 Kuala Lumpur, so as to arrive not later than **8.00 p.m. on 11 April 2002** or such other dates as the Board of Directors of MGDB in their absolute discretion may decide.

IN THE CASE OF AN INDIVIDUAL APPLICANT OTHER THAN A MEMBER OF THE ARMED FORCES OR POLICE, THE NAME, NATIONAL REGISTRATION IDENTITY CARD NUMBER AND ADDRESS OF THE APPLICANT MUST BE EXACTLY THE SAME AS STATED IN:-

- (a) (i) THE APPLICANT'S IDENTITY CARD;
 - (ii) CHANGE OF ADDRESS CARD OR "RESIT PENUKARAN KAD PENGENALAN (JPN 1/22)"; OR
 - (iii) THE APPLICANT'S RESIT PENGENALAN SEMENTARA (JPN 1/9) ISSUED PURSUANT TO PERATURAN 5(5). PERATURAN-PERATURAN PENDAFTARAN NEGARA 1990; AND
- (b) THE RECORDS OF THE MCD, if any.

WHERE THE APPLICANT IS A MEMBER OF THE ARMED FORCES OR POLICE, THE NAME, AND THE ARMED FORCES OR POLICE PERSONNEL NUMBER, AS THE CASE MAY BE, OF THE APPLICANT MUST BE EXACTLY THE SAME AS STATED IN HIS AUTHORITY CARD AND THE ADDRESS OF THE APPLICANT MUST BE THE ADDRESS OF THE APPLICANT'S RESPECTIVE CAMP/BASE/STATION.

IN THE CASE OF A CORPORATE/INSTITUTIONAL APPLICANT, THE NAME AND THE CERTIFICATE OF INCORPORATION NUMBER OF THE APPLICANT MUST BE EXACTLY THE SAME AS THE APPLICANT'S CERTIFICATE OF INCORPORATION AND THE ADDRESS MUST BE EXACTLY THE SAME AS THE REGISTERED ADDRESS.

No acknowledgement of the receipt of Application Forms or application monies will be made by the Company or the Offeror.

15.3 Applications and Acceptances

The Directors of MGDB and/or the Offerors reserve the right not to accept any application which do not strictly comply with the instructions or to accept any application in part only without assigning any reason therefor.

THE SUBMISSION OF AN APPLICATION DOES NOT NECESSARILY MEAN THAT THE APPLICATION WILL BE SUCCESSFUL.

15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

In the event of over-subscription, acceptance of applications will be subject to ballot to be conducted in the manner as approved by the Directors. Due consideration will be given to the desirability of distributing the Restricted Public Issue Shares and Restricted Offer Shares to a reasonable number of applicants with a view to broadening the shareholding base of the Company and to establish an adequate market in the Shares of the Company. Acceptance of application will be made in a manner so as to comply with the SC's shareholding spread requirements that at least 25% of the issued and paid-up capital is in the hands of public shareholders and a minimum number of 1,250 public shareholders of which 750 shareholders are not employees of the Company holding not less than 1,000 shares each. Applicants will be selected in a manner to be determined by the Directors of MGDB. In the event the shareholding spread is not met, the Company may not be allowed to proceed with its listing.

Acceptance of application for the Restricted Offer for Sale of ICULS will be made in a manner to enable MGDB to meet the spread requirement under the KLSE's Listing Requirements for the ICULS to be listed. In the event, that the spread requirement is not met, the Company may not be allowed to proceed with its ICULS listing. In the event the listing of the ICULS is not granted, the monies paid in respect of the application for the Restricted Offer for Sale of ICULS will be returned to the applicant of the Restricted Offer ICULS.

In the event of an undersubscription by the existing staff and graduates of UiTM and the eligible employees of the MGDB Group, the allocated Restricted Public Issue Shares and Restricted Offer Shares will be made available for subscription by the Underwriters in proportions stipulated in the Underwriting Agreement.

WHERE AN APPLICATION IS REJECTED OR ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, WILL BE RETURNED WITHOUT INTEREST AND SHALL BE DESPACHED BY ORDINARY POST OR REGISTERED POST RESPECTIVELY TO THE APPLICANT, WITHIN TWENTY-ONE (21) DAYS FROM THE DATE OF THE FINAL BALLOT OF THE APPLICATION LISTS, AT THE ADDRESS SHOWN ON THE APPLICATION FORM AT THE APPLICANT'S OWN RISK.

THE ISSUING HOUSE RESERVES THE RIGHT TO BANK IN ALL MONIES FROM UNSUCCESSFUL BUMIPUTRA APPLICANTS. REFUND MONIES IN RESPECT OF UNSUCCESSFUL BUMIPUTRA APPLICANTS AND PARTIALLY SUCCESSFUL APPLICANTS WILL BE REFUNDED WITHOUT INTEREST AND SHALL BE DESPACHED TO THE APPLICANT WITHIN TWENTY-ONE (21) DAYS FROM THE DATE OF THE FINAL BALLOT OF THE APPLICATION LISTS BY REGISTERED POST AT THE ADDRESS SHOWN ON THE APPLICATION FORM AT THE APPLICANT'S OWN RISK.

NO APPLICATION SHALL BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCES BEING PRESENTED FOR PAYMENT.

15.4 CDS Accounts

Pursuant to Section 29 of the Securities Industry (Central Depositories) Act, 1991, all dealings in the Restricted Public Issue Shares, Restricted Offer Shares and Restricted Offer ICULS will be by book entries through CDS Accounts. No share certificates will be issued to successful applicants.

In the case of an application by way of an Application Form, an applicant should state his CDS Account number in the space provided on the Application Form if he presently has such an account. Where an applicant does not presently have a CDS Account, he should state in the Application Form his preferred ADA Code in the space provided. Where an applicant already has a CDS Account he should not complete the preferred ADA Code.

15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

If a successful applicant fails to state either his CDS Account number or his preferred ADA code, the Company may, in the exercise of its absolute discretion, instruct the Issuing House to insert a preferred ADA Code on the Application Form and further instruct MCD to open a CDS Account on the applicant's behalf at the specified ADA and credit the Shares and ICULS allotted to the successful applicant into the successful applicant's CDS Account.

Failure to comply with these specific instructions or inaccuracy in the CDS Account number or the preferred ADA Code may result in the application being rejected. The Directors of the Company reserve the right to reject any incomplete or inaccurate application. Applications may also be rejected if the applicant's particulars provided in their Application Forms differ from those in MCD's records, such as the identity card number, names and nationalities.

15.5 Notice of Allotment

Shares and ICULS allotted to all successful or partially successful applicants will be credited to their respective CDS Account. A notice of successful allotment will be despatched to the successful or partially successful applicant at his/her addresses shown in the Application Form at the applicant's own risk within thirty (30) days after the final ballot of the application. This is the only acknowledgement of acceptance of the application.

15.6 Formalising of CDS Account

Successful applicants whose CDS Accounts have been opened by MCD at their preferred ADA or the ADA caused to be inserted by the MIH at the instruction of the Company in case where the successful applicants fail to state either their CDS account numbers or the preferred ADA Codes are required to formally open their accounts by submitting to the ADA the necessary documents and the account opening fees. No transaction of shares credited to the accounts can be effected until the accounts have been formally opened.

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15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)**15.7 List of Authorised Depository Agents**

A list of the ADA (Broker) Codes is as follows:-

Name	Address and Telephone Number	ADA Code
<u>KUALA LUMPUR</u>		
AFFIN-UOB SECURITIES SDN BHD	Level 3, Menara Keck Seng 203, Jalan Bukit Bintang 55100 Kuala Lumpur Tel No: 03-2143 8668	028-001
ALLIED AVENUE ASSETS SECURITIES SDN BHD <i>(formerly known as MGI Securities Sdn Bhd)</i>	Ground Floor & Level 1 THB Satu, Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur Tel No: 03-255 1111	052-001
ARAB-MALAYSIAN SECURITIES SDN BHD	15th Floor, Arab-Malaysian Building 55 Jalan Raja Chulan 50200 Kuala Lumpur Tel No: 03-2078 2788	086-001
BBMB SECURITIES SDN BHD	Level 2, 3, 4 & 15, Menara Olympia No. 8 Jalan Raja Chulan 50200 Kuala Lumpur Tel No: 03-2031 9900	099-001
BIMB SECURITIES SDN BHD	1st & 2nd Floor Podium Block, AMDB Building No. 1, Jalan Lumut 50400 Kuala Lumpur Tel No: 03-4043 3533	024-001
CIMB SECURITIES SDN BHD	9th Floor, Commerce Square Jalan Semantan Damansara Heights 50490 Kuala Lumpur Tel No: 03-253 2288	065-001
FIMA SECURITIES SDN BHD <i>(formerly known as Capitalcorp Securities Sdn Bhd)</i>	No. 45-14, Plaza Level & Level One Plaza Damansara Jalan Medan Setia Satu Damansara Heights 50490 Kuala Lumpur Tel No: 03-254 9966	018-001
HLG SECURITIES SDN BHD	Level 5, Wisma Kia Peng No.3, Jalan Kia Peng 50450 Kuala Lumpur Tel No: 03-2168 1168	066-001
HWANG-DBS SECURITIES BERHAD	2 nd Floor, Bangunan AIP No.2, Jalan Tun Mohd Fuad 3 Taman Tun Dr Ismail 60000 Kuala Lumpur Tel No : 03-7710 6688	068-009
INTER-PACIFIC SECURITIES SDN BHD	Level 7, Shahzan Insas Tower 30, Jalan Sultan Ismail 50250 Kuala Lumpur Tel No: 03-2144 1888	054-001
JUPITER SECURITIES SDN BHD	7 th – 9 th Floor Menara Olympia 8, Jalan Raja Chulan 50200 Kuala Lumpur Tel No: 03-2034 1888	055-001

15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
KUALA LUMPUR CITY SECURITIES SDN BHD	No.8, Jalan Binjai Off Jalan Ampang 50450 Kuala Lumpur Tel No: 03-2166 7922	076-001
K & N KENANGA BHD	8th Floor, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur Tel No: 03-2164 9080	073-001
LEONG & COMPANY SDN BHD	Level 18, Wisma Cyclecari 288, Jalan Raja Laut 50350 Kuala Lumpur Tel No: 03-2692 8899	061-001
MAYBAN SECURITIES SDN BHD	Level 5-13 MaybanLife Tower Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No: 03-2297 8888	098-001
MIDF SISMA SECURITIES SDN BHD	17th & 18th Floor, Empire Tower 182, Jalan Tun Razak 50400 Kuala Lumpur Tel No: 03-2166 8888	026-001
OSK SECURITIES BERHAD	10th Floor, Plaza OSK Jalan Ampang 50450 Kuala Lumpur Tel No: 03-2162 4388	056-001
PB SECURITIES SDN BHD	27 th Floor, Bangunan Public Bank No.6, Jalan Sultan Sulaiman 50000 Kuala Lumpur Tel No: 03-2031 3011	051-001
PM SECURITIES SDN BHD (<i>formerly known as Pengkalen Securities Sdn Bhd</i>)	Ground & 1 st Floor, MUI Plaza Jalan P. Ramlee 50250 Kuala Lumpur Tel No: 03-2146 3000	064-001
RASHID HUSSAIN SECURITIES SDN BHD	Level 9, Tower One RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No: 03-9285 2233	087-001
KAF-SEAGROATT & CAMPBELL SECURITIES SDN BHD	30 th Floor, The Weid Tower No.76, Jalan Raja Chulan 50200 Kuala Lumpur Tel No: 03-2020 1600	053-001
TA SECURITIES BERHAD (<i>formerly known as TA Securities Sdn Bhd</i>)	TA One Tower No.22, Jalan P. Ramlee 50250 Kuala Lumpur Tel No: 03-2072 1277	074-001
SIME SECURITIES SDN BHD	21st Floor, Bangunan SIME Bank 4, Jalan Sultan Sulaiman 50000 Kuala Lumpur Tel No: 03-2274 9288	097-001

15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
<u>SELANGOR DARUL EHSAN</u>		
AMSTEEL SECURITIES (M) SDN BHD <i>(formerly known as Klang Securities Sdn Bhd)</i>	2 nd , 3 rd & 4 th Floors Wisma Amsteel Securities No. 1, Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No: 03-3343 9999	080-001
HWANG-DBS SECURITIES BERHAD	16 th , 18 th – 20 th Floor Plaza Masalam No.2, Jalan Tengku Ampuan Zabedah E9/E, Section 9 40100 Shah Alam Selangor Darul Ehsan Tel No: 03-5513 3288	068-002
JF APEX SECURITIES BERHAD <i>(formerly known as Apex Securities Sdn Bhd)</i>	3rd Floor, Wisma Apex 145A-C Jalan Bukit 43000 Kajang Selangor Darul Ehsan Tel No: 03-8736 1118	079-001
JF APEX SECURITIES BERHAD	15 th & 16 th Floor Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel No: 03-7620 1118	079-002
K & N KENANGA BHD	13 th Floor, Menara Yayasan Selangor No. 18A, Jalan Persiaran Barat Off Jalan Timur 46000 Petaling Jaya Selangor Darul Ehsan Tel No : 03-7956 2169	073-005
K & N KENANGA BHD	1 st Floor, Wisma UEP Pusat Perniagaan USJ 10 Jalan USJ 10/1A 47620 Subang Jaya Selangor Darul Ehsan Tel No : 03-8024 1682	073-006
K & N KENANGA BHD	Room 7.02, Level 7, Menara ING Intan Milenium Square No. 68, Jalan Batai Laut 4 Taman Intan 41300 Klang Selangor Darul Ehsan Tel No : 03-3005 7001	073-007
SJ SECURITIES SDN BHD	Level 3, Holiday Villa No 9, Jalan SS 12/1 Subang Jaya 47500 Petaling Jaya Selangor Darul Ehsan Tel No: 03-5634 0202	096-001
MOHAIYANI SECURITIES SDN BHD	1 st , 2 nd & 3 rd Floor Plaza Damansara Utama No.2, Jalan SS21/60 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Tel No: 03-7729 7345	095-001

15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
PM SECURITIES SDN BHD	No. 157 & 159 Jalan Kenari 23/A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No: 03-8070 0773	064-003
<u>MALACCA</u>		
MALACCA SECURITIES SDN BHD <i>(formerly known as Malacca Traders Sdn Bhd)</i>	No.1, 3 & 5, Jalan PPM 9 Plaza Pandan Malim (Business Park) Balai Panjang, P.O. Box 248 75250 Malacca Tel No: 06-337 1533	012-001
OSK SECURITIES BERHAD	579, 580-581A & B Taman Malacca Raya 75000 Malacca Tel No: 06-282 5211	056-003
STRAITS SECURITIES SDN BHD	Lot 9 & 10, 1st Floor Bangunan Tabung Haji Jalan Bandar Kaba 75000 Malacca Tel No: 06-283 3622	011-001
<u>PERAK DARUL RIDZUAN</u>		
BO'LY SECURITIES SDN BHD	1st Floor, Plaza Teh Teng Seng 227, Jalan Kampar 30250 Ipoh Perak Darul Ridzuan Tel No: 05-253 1313	058-001
HWANG-DBS SECURITIES BERHAD	21, Jalan Stesen 34000 Taiping Perak Darul Ridzuan Tel No: 05-806 0888	068-003
ALLIED AVENUE ASSETS SECURITIES SDN BHD	A23-A29, Wisma Kota Emas Jalan Dato' Tahwil Azar 30300 Ipoh Perak Darul Ridzuan Tel No: 05-242 2828	052-002
M & A SECURITIES SDN BHD <i>(formerly known as Perak Traders & Co. Sdn Bhd)</i>	M&A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel No: 05-241 9800	057-001
MAYBAN SECURITIES SDN BHD	55, 57 & 63, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No: 05-255 8233	098-002
SBB SECURITIES SDN BHD	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No: 05-253 0888	090-001
OSK SECURITIES BERHAD	21-25, Jalan Seenivasagam 30450 Ipoh Perak Darul Ridzuan Tel No: 05-241 5100	056-002

15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
<u>PULAU PINANG</u>		
A.A. ANTHONY & COMPANY SDN BHD	No. 41-1-1 & 41-2-1 Jalan Cantonment 10250 Pulau Pinang Tel No: 04-229 9318	014-001
HWANG-DBS SECURITIES BERHAD	Level 2, 3, 4, 7 & 8 Wisma Sri Pinang 60, Green Hall 10200 Pulau Pinang Tel No: 04-263 6996	068-001
HWANG-DBS SECURITIES BERHAD	Ground, 1 st & 2 nd Floor 1620 & 1621, Jalan Permatang Batu Taman Industri Permatang Batu 14000 Bukit Mertajam Pulau Pinang Tel No: 04-537 2882	068-006
OSK SECURITIES BERHAD	64, Bishop Street 20F & 20G, Penang Street 10200 Pulau Pinang Tel No: 04-263 4222	056-004
OSK SECURITIES BERHAD	Level 19, Menara NB 5050 Jalan Bagan Luar 12000 Butterworth Pulau Pinang Tel No: 04-332 2299	056-005
MERCURY SECURITIES SDN BHD	Ground, 1 st , 2 nd & 3 rd Floor Wisma UMNO Lorong Bagan Luar Dua 12000 Butterworth Seberang Perai Pulau Pinang Tel No: 04-332 2123	093-001
SMITH ZAIN SECURITIES SDN BHD	7th & 8th Floor, Menara PSCI 39, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No: 04- 228 3355	016-001
SOON THEAM SECURITIES SDN BHD	No. 111, Jalan Macalister 10400 Pulau Pinang Tel No: 04-228 1868	060-001
THONG & KAY HIAN SECURITIES SDN BHD <i>(formerly known as Thong KHLJC Sdn Bhd)</i>	Level 5 & 6, Wisma Sri Pinang 60 Green Hall 10200 Pulau Pinang Tel No: 04-263 5481	070-001
UT SECURITIES SDN BHD <i>(formerly known as United Traders Securities Sdn Bhd)</i>	6 th , 10 th & 12 th Floor, Bangunan Mayban Trust 3 Penang Street 10200 Pulau Pinang Tel No: 04-262 6644	059-001
<u>PERLIS INDRA KAYANGAN</u>		
KUALA LUMPUR CITY SECURITIES SDN BHD	2 nd Floor, Podium Block Bangunan KWSP 01000 Kangar Perlis Indra Kayangan Tel No: 04-976 5200	076-003

15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
<u>KEDAH DARUL AMAN</u>		
KUALA LUMPUR CITY SECURITIES SDN BHD	2nd Floor, Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel No: 04-731 7088	076-004
<u>NEGERI SEMBILAN DARUL KHUSUS</u>		
PM SECURITIES SDN BHD	1 st , 2 nd & 3 rd Floors 19 - 21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel No: 06-762 3131	064-002
HWANG DBS SECURITIES BERHAD	Ground & 1 st Floor 105, 107 & 109, Jalan Yam Tuan 70000 Seremban Negeri Sembilan Darul Khusus Tel No: 06-761 2288	068-007
<u>JOHOR DARUL TAKZIM</u>		
ENG SECURITIES SDN BHD	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel No: 07-223 1211	081-001
HWANG-DBS SECURITIES BERHAD	Level 7, Johor Bahru City Square (Office Tower) 106-108, Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-222 2692	068-004
KESTREL SECURITIES SDN BHD <i>(formerly known as MBf Securities Sdn Bhd)</i>	No. 57, 59 & 61 Jalan Ali 84000 Muar Johor Darul Takzim Tel No: 06-953 2222	088-001
OSK SECURITIES BERHAD	Unit 27-01 to 27-08 Level 27, Menara Landmark No. 2, Jalan Ngee Heng 80000 Johor Bahru Johor Darul Takzim Tel No: 07-221 2233	056-006
K & N KENANGA BHD <i>(formerly known as Peninsula Securities Sdn Bhd)</i>	Level 2, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No: 07-333 3600	073-004
JB SECURITIES SDN BHD	Suite 8.2, Level 8 Menara Sarawak Enterprise No.5, Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Tel No: 07-333 2000	078-001
ARAB-MALAYSIAN SECURITIES SDN BHD <i>(formerly known as South Johore Securities Sdn Bhd)</i>	2nd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel No: 07-434 2282	086-002

15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Code
KUALA LUMPUR CITY SECURITIES SDN BHD	No. 46 & 48 Jalan Dato' Kapten Ahmad 86000 Kluang Johor Darul Takzim Tel No: 07-771 7922	076-006
<u>PAHANG DARUL MAKMUR</u>		
KUALA LUMPUR CITY SECURITIES SDN BHD	A-397, A-399 & A-401 Taman Sri Kuantan III Jalan Berserah 25300 Kuantan Pahang Darul Makmur Tel No: 09-566 0800	076-002
OSK SECURITIES BERHAD	A-27 & A-29, Lorong Tun Ismail 9 Seri Dagangan Kuantan, Business Centre 25000 Kuantan Pahang Darul Makmur Tel No: 09-516 3811	056-007
<u>KELANTAN DARUL NAIM</u>		
KOTA BHARU SECURITIES SDN BHD	298, Jalan Tok Hakim 15000 Kota Bahru Kelantan Darul Naim Tel No: 09-743 2288	075-001
<u>TERENGGANU DARUL IMAN</u>		
FA SECURITIES SDN BHD	No.51 & 51A Ground, Mezzanine & 1 st Floor Jalan Tok Lam 20100 Kuala Terengganu Terengganu Darul Iman Tel No: 09-623 8128	021-001
PTB SECURITIES SDN BHD	1 st , 2 nd & 3 rd Floors No. 61, Jalan Sultan Ismail P.O Box 151, Pejabat Pos Besar 20700 Kuala Terengganu Terengganu Darul Iman Tel No: 09-623 5546	025-001
<u>SARAWAK</u>		
K & N KENANGA BHD	Wisma Mahmud Jalan Sungai Sarawak 93100 Kuching Sarawak Tel No: 082-338 000	073-003
K & N KENANGA BHD	Lot 2465, Jalan Boulevard Utama Boulevard Commercial Centre 98000 Miri Sarawak Tel No: 084-435 577	073-002
BORNEO SECURITIES SDN BHD	12G, Jalan Kampung Datu 96000 Sibu Sarawak Tel No: 084-319 998	030-001

15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

Name	Address and Telephone Number	ADA Cod
HWANG-DBS SECURITIES BERHAD	Lot 328, Jalan Abell 93100 Kuching Sarawak Tel No: 082-236 999	068-005
OSK SECURITIES BERHAD	Ground & 1 st Floor Wisma Chinese Chambers Lot 357, Section 47, K.T.L.D. Jalan Bukit Mata Kuching 93100 Kuching Sarawak Tel No: 082-422 252	056-008
<u>SABAH</u>		
HWANG-DBS SECURITIES BERHAD	Room Nos 106-109, Mezzanine Floor Room Nos 207-212, 2nd Floor Gaya Centre, Jalan Tun Fuad Stephens 88400 Kota Kinabalu Sabah Tel No: 088-311 688	068-008
INNOSABAH SECURITIES BERHAD	11 Equity House, Block K Sadong Jaya Karamunsing 88100 Kota Kinabalu Sabah Tel No: 088-234 090	020-001
KUALA LUMPUR CITY SECURITIES SDN BHD	Suite 1-9-E1, 9 th Floor CPS Tower No. 1, Jalan Centre Point 88000 Kota Kinabalu Sabah Tel No: 088-253 922	076-005
<u>WILAYAH PERSEKUTUAN LABUAN</u>		
SHARETECH SECURITIES SDN BHD	Unit 7(A), Level 7 Main Office Tower Financial Park Labuan Jalan Merdeka 87000 Wilayah Persekutuan Labuan Tel No: 087-451 666	022-001

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15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

15.8 Terms and Conditions for Applications Using Application Forms

Applications by way of Application Forms shall be made on, and subject to, the terms and conditions appearing below:-

- (1) Application for the Shares and ICULS must be made on the Application Form issued together with this Prospectus and must be completed in accordance with the Notes and Instructions printed on the reverse side of the Application Form and this Prospectus. Applications which do not STRICTLY conform to the terms of this Prospectus or Application Form or Notes and Instructions printed therein or which are illegible will not be accepted.
- (2) EACH COMPLETED APPLICATION FORM MUST BE ACCOMPANIED BY REMITTANCES IN RINGGIT MALAYSIA FOR THE FULL AMOUNT PAYABLE BY:-
 - (A) BANKER'S DRAFT OR CASHIER'S ORDER PURCHASED WITHIN MALAYSIA ONLY AND DRAWN ON A BANK IN KUALA LUMPUR (DIFFERENTIATED BY A SPECIAL RED BAND FOR BUMIPUTERA APPLICANTS); OR
 - (B) CHEQUES ISSUED BY PARTICIPATING LICENSED FINANCE COMPANIES IN MALAYSIA AND DRAWN ON A BANK IN KUALA LUMPUR (DIFFERENTIATED BY A SPECIAL RED BAND FOR BUMIPUTERA APPLICANTS); OR
 - (C) MONEY ORDER (FOR APPLICANTS FROM SABAH AND SARAWAK ONLY); OR
 - (D) GUARANTEED GIRO ORDER (GGO) FROM BANK SIMPANAN NASIONAL MALAYSIA BERHAD (DIFFERENTIATED BY A SPECIAL RED BAND FOR BUMIPUTERA APPLICANTS); OR
 - (E) ATM STATEMENT OBTAINED FROM:-
 - AFFIN-ACF FINANCE BERHAD (Company No: 6521-U) (formerly known as Asia Commercial Finance (M) Berhad);
 - ALLIANCE BANK MALAYSIA BERHAD (Company No: 88103-W) (formerly known as Multi-Purpose Bank Berhad);
 - ARAB-MALAYSIAN BANK BERHAD (Company No: 295576-U);
 - ARAB-MALAYSIAN FINANCE BERHAD (Company No: 5493-X);
 - BUMIPUTRA-COMMERCE BANK BERHAD (Company No: 13491-P);
 - BANK UTAMA (MALAYSIA) BERHAD (Company No: 27714-A);
 - EON BANK BERHAD (Company No: 92351-V);
 - EON FINANCE BERHAD (Company No: 9692-K);
 - HONG LEONG FINANCE BERHAD (Company No: 7797-V);
 - HONG LEONG BANK BERHAD (Company No: 97141-X);
 - MALAYAN BANKING BERHAD (Company No: 3813-K);
 - MAYBAN FINANCE BERHAD (Company No: 3905-T);
 - MBF FINANCE BERHAD (Company No: 8515-D);
 - PUBLIC BANK BERHAD (Company No: 6463-H);
 - PUBLIC FINANCE BERHAD (Company No: 6471-U);
 - RHB BANK BERHAD (Company No: 6171-M);
 - SOUTHERN BANK BERHAD (Company No: 5303-W); OR
 - SOUTHERN FINANCE BERHAD (Company No: 3838-T) (formerly known as United Merchant Finance Berhad);

15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

AND MUST BE MADE OUT IN FAVOUR OF "MIH SHARE ISSUE ACCOUNT NO. 217" AND CROSSED "A/C PAYEE ONLY" (EXCLUDING ATM STATEMENTS) AND ENDORSED ON THE REVERSE SIDE WITH THE NAME AND ADDRESS OF THE APPLICANT (AS EXACTLY STATED ON THE APPLICATION FORM). APPLICATIONS ACCOMPANIED BY ANY MODE OF PAYMENT OTHER THAN THOSE STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES WILL NOT BE ACCEPTED. DETAILS OF THE REMITTANCE MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED ON THE APPLICATION FORMS.

- (3) AN APPLICANT SHOULD STATE HIS CDS ACCOUNT NUMBER IN THE SPACE PROVIDED IN THE APPLICATION FORM IF HE PRESENTLY HAS SUCH AN ACCOUNT. WHERE AN APPLICANT DOES NOT PRESENTLY HAVE A CDS ACCOUNT, HE SHOULD STATE IN HIS APPLICATION FORM HIS PREFERRED ADA CODE.
- (4) THE NAME AND ADDRESS OF THE APPLICANT (AS EXACTLY STATED ON THE APPLICATION FORM) MUST BE WRITTEN ON THE REVERSE SIDE OF THE BANKER'S DRAFT, CASHIER'S ORDER, ATM STATEMENT, MONEY ORDER, CHEQUES ISSUED BY PARTICIPATING LICENSED FINANCE COMPANIES OR GUARANTEED GIRO ORDER (GGO) FROM BANK SIMPANAN NASIONAL.
- (5) The Directors of the Company reserve the right to require any successful applicant to appear in person at the registered office of MIH within fourteen (14) days of the date of the notice issued to him/her to ascertain the regularity or propriety of the application. The Directors of the Company shall not be responsible for any loss or non-receipt of the said notice nor shall they be accountable for any expenses incurred or to be incurred by the successful applicant for the purpose of complying with this provision.
- (6) The Directors of the Company reserve the right to reject applications which do not conform to these instructions or which are illegible or which are accompanied by remittances improperly drawn.
- (7) The Directors of the Company reserve the right not to accept any application or accept any application in part only without assigning any reason therefor. Due consideration will be given to the desirability of allotting or allocating the shares and ICULS to a reasonable number of applicants with a view to establishing an adequate market for the shares and ICULS.
- (8) Where an application is not accepted, the full amount of the application monies, without interest, will be returned and shall be despatched to the applicant within twenty one (21) days from the date of the final ballot of the Application Lists by registered post at the address shown on the Application Form at the applicant's own risk.
- (9) MIH reserves the right to bank in all application monies from unsuccessful Bumiputera applicants and partially successful applicants, which would subsequently be refunded without interest by registered post.
- (10) PLEASE DIRECT ALL ENQUIRIES IN RESPECT OF THE FORM OF APPLICATION TO MIH.

15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

B) PROCEDURE FOR APPLICATION FOR RIGHTS SHARES

15.9 Instructions for Acceptance, Payment And Excess Shares Application

FULL INSTRUCTIONS FOR THE ACCEPTANCE AND PAYMENT FOR THE RIGHTS SHARES PROVISIONALLY ALLOTTED TO YOU AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU WISH TO DISPOSE ALL OR ANY PART OF YOUR ENTITLEMENTS ARE SET OUT IN THE PAL. **YOU ARE ADVISED TO READ THE PROSPECTUS, PAL AND THE INSTRUCTIONS THEREIN CAREFULLY.**

If you wish to accept the Rights Shares provisionally allotted to you, please complete the Form of Acceptance (FORM A) of the PAL for the Rights Issue. Payment must be made in Ringgit Malaysia by Banker's Draft, Cashier's Order, Money Order or Postal Order drawn on a bank or post office in Malaysia and should be made payable to **"MGDB RIGHTS ISSUE A/C"** for the full payment of the Rights Shares. The Banker's Draft, Cashier's Order, Money Order or Postal Order should be crossed **"A/C PAYEE ONLY"** and should also be endorsed on the reverse side with your name and address in block letters and the PAL serial number. Cheques or any other mode of payments may be rejected at the absolute discretion of the Directors.

If acceptance and payment for the Rights Shares provisionally allotted to you are not received by the Registrar of MGDB, Bina Management (M) Sdn Berhad, Lot 10, The Highway Centre, Jalan 51/205, 46050 Petaling Jaya, Selangor Darul Ehsan by 5.00 p.m on 11 April 2002, being the last time and day for acceptance and payment, the said provisional allotment to you will be deemed to have been declined and will be cancelled and such Rights Shares not taken up will be allotted firstly to applicants of Excess Rights Shares Application Form (Form E), and if undersubscribed, to the underwriters.

The Rights Issue is on a renounceable basis. If you wish to completely renounce your rights to subscribe for the Rights Shares provisionally allotted to you, and to sell these rights, please complete Form of Renunciation (FORM R) only and pass the PAL(s) in its entirety to the purchaser of your rights. In this event, please cancel the Form of Acceptance (FORM A). The renounee, on receipt of the PAL with Form R completed, should complete the Form of Nomination (Form N) and return the PAL in its entirety together with full amount payable to be received by the Registrar of MGDB, Bina Management (M) Sdn Berhad, Lot 10, The Highway Centre, Jalan 51/205, 46050 Petaling Jaya, Selangor Darul Ehsan by 5.00 p.m on 11 April 2002.

If you wish to apply for additional Rights Shares in excess of your entitlement, you can do so by completing the Excess Rights Shares Application Form (Form E) which are enclosed with the PAL and forwarding them with a separate remittance for the full amount payable on the excess Rights Shares applied for to the Registrar of the Company, Bina Management (M) Sdn Berhad, Lot 10, The Highway Centre, Jalan 51/205, 46050 Petaling Jaya, Selangor Darul Ehsan by 5.00 p.m on 11 April 2002. Payment under the Excess Rights Shares Application Form should be made in the same manner described above except that the Banker's Draft, Cashier's Order, Money Order or Postal Order should be made payable to **"MGDB EXCESS SHARES APPLICATION A/C"**, crossed **"A/C PAYEE ONLY"** and endorsed on the reverse side with your name and address in block letters and the relevant PAL serial number.

The Directors reserve the right to allot the Rights Shares applied for under the Excess Rights Shares Application Form in such manner as they deem fit. It is the intention of the Directors to allot the Rights Shares available for excess application (if any) in such manner that the incidence of odd lots will be minimised. In respect of unsuccessful or partially unsuccessful Excess Rights Shares applications, the surplus monies will be refunded in full without interest within twenty (20) market days from the last date of acceptance and payment for the Rights Shares by post to the address shown on the PAL at the applicants' own risk.

15. PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

If you wish to accept only part of the Rights Shares provisionally allotted to you and dispose some or all of the Rights Shares provisionally allotted to you to more than one person, please complete Request for Splitting Form (FORM S) only and return the relevant PALs, which is attached to this Prospectus, in its entirety to be received by the Registrar of MGDB, Bina Management (M) Sdn Berhad, Lot 10, The Highway Centre, Jalan 51/205, 46050 Petaling Jaya, Selangor Darul Ehsan by 5.00 p.m on 4 April 2002. The split PALs which will then be sent to you will not be entitled for further splitting. You will then be able to accept part of your Provisional Allotment and sell the other part or parts which you do not wish to accept or sell all to different persons. The same instructions with regard to acceptance and payment apply to the split PALs received as a result of the splitting of the original PAL.

The surrender of the PALs purporting to be signed by the provisional allottee shall be conclusive evidence in favour of the Company of the title of the party depositing the PALs to deal with it and to receive split PALs in exchange. For each additional split PAL issued, a sum of RM2.00 being a nominal splitting fee will be charged and payable to the Registrar of MGDB, Bina Management (M) Sdn Berhad, Lot 10, The Highway Centre, Jalan 51/205, 46050 Petaling Jaya, Selangor Darul Ehsan by 5.00 p.m on 4 April 2002. The Directors reserve the right to reject any request for split PALs if, in the opinion of the Directors, the Rights Shares are in unreasonable denominations.

Application will be made to the KLSE within three (3) market days of the issuance of this Prospectus for admission to the Official List and for the listing of and quotation for the entire issued and fully paid-up share capital of MGDB on the Main Board of the KLSE. The Rights Shares will be admitted to the Official List on the Main Board of the KLSE and the official listing and quotation will commence upon receipt of confirmation from MCD that all CDS Accounts of the successful applicants have been duly credited and notices of allotment have been despatched to all successful applicants.

Notice of Allotment will be despatched to successful applicants by 29 April 2002 or such later time and day as the Directors of MGDB together with the Managing Underwriter may decide. Physical certificates will not be issued to the successful Rights Issue applicants in respect of the Rights Shares. Shareholders should note that once the PALs and payment have been lodged with the Registrar, they cannot subsequently be withdrawn. THE LATEST TIME AND DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE WILL BE 5.00 P.M on 11 APRIL 2002.

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MUTIARA GOODYEAR DEVELOPMENT BERHAD

(Formerly known as M7 Holdings Berhad) Company No. 40282-H Incorporated in Malaysia under the Companies Act, 1965

P. O. No. 46, 11 Floor, Menara Tun Razak, Jalan Raja Laut, 50050 Kuala Lumpur.

Tel : 03-2693 3622 (8 lines) Fax : 03-2691 2852 , 2691 1387