

x. FINANCIAL INFORMATION (*Cont'd*)

4. REPORTING ACCOUNTANTS' LETTER ON THE CONSOLIDATED PROFIT FORECAST

*(Prepared for inclusion in this Prospectus)*

Arthur Andersen & Co.  
Suite 11.2A, Level 11,  
Menara Pelangi  
No. 2, Jalan Kuning  
Taman Pelangi  
80400 Johor Bahru  
Johor Darul Takzim

10 September 1999

The Board of Directors  
Minply Holdings (M) Berhad  
Suite 11.2B, Level 11  
Menara Pelangi  
No, 2, Jalan Kuning  
Taman Pelangi  
80400 Johor Bahru  
Johor Darul Takzim

Dear Sirs

MINPLY HOLDINGS (M) BERHAD  
CONSOLIDATED PROFIT FORECAST FOR THE FINANCIAL YEAR ENDING  
31 DECEMBER 1999

We have reviewed the accounting policies and calculations for the consolidated profit forecast of Minply Holdings Berhad ("MHB") and its subsidiaries ("the Group") for which the Directors are solely responsible, for the financial year ending 31 December 1999, as set out in the Prospectus in connection with the offer for sale of 6,011,000 ordinary shares of RM 1.00 each at an offer price of RM 1.15 per ordinary share and the listing of and quotation for the entire issued and fully paid-up share capital of MHB on the Second Board of the Kuala Lumpur Stock Exchange.

We emphasise that the consolidated profit forecast of the Group are prepared based on the assumption that the economic conditions currently prevailing will not deteriorate and will improve. Subject to the foregoing, in our opinion, the consolidated profit forecast, so far as the accounting policies and calculations are concerned, has been properly compiled on the basis of the assumptions made by the Directors as set out in the Prospectus, and are prepared on a basis consistent with the accounting policies normally adopted by the Group.

Yours faithfully

Arthur Andersen & Co.  
AF 0103  
PUBLIC ACCOUNTANTS

RAVANDARAN A/L THANGEVELOO  
1859/9/01 (J)  
PARTNER OF THE FIRM

X. FINANCIAL INFORMATION *(Cont'd)*

## 5. DIVIDEND FORECAST

It is the policy of the Directors of MHB in recommending dividends to allow shareholders to participate in the profits of the Company as well as leaving adequate reserves for future growth of the Group.

Based on the forecast consolidated profit before taxation but after minority interests of RM6.751 million for the financial year ending 31 December 1999, the Directors of MHB anticipate that, in the absence of unforeseen circumstances, the Company will be in a position to propose a tax-exempt dividend of 3.5 sen per share for the financial year ending 31 December 1999, based on the issued and paid-up share capital of 40,000,000 ordinary shares of RM1.00 each.

The intended appropriation of the forecast consolidated profit before taxation but after minority interests for the financial year ending 31 December 1999 will be as follows:-

	<b>Year ending 31 December 1999 RM'000</b>
Consolidated profit before taxation but after minority interests	6,751
Taxation	
Consolidated profit after taxation and minority interests	<u>6,751</u>
Less: Pre-acquisition profits #	(3,938)
Consolidated profit after pre-acquisition profits	<u>2,813</u>
Less: Proposed dividend	(1,400)
Consolidated retained profits	<u>1,413</u>
Tax-exempt dividend per ordinary share	3.5 sen
Dividend yield based on the offer price of RM 1.15 per Offer Share	3.04%
Net dividend cover	2.01 times

# *Being pre-acquisition profit after minority interests in relation to the Acquisitions which were completed on 31 July 1999.*

## x. FINANCIAL INFORMATION (Cont'd)

## 6. PROFORMA CONSOLIDATED BALANCE SHEETS

The proforma consolidated balance sheets set out below are provided for illustrative purposes only to show the effects on the audited balance sheet of MHB as at 31 March 1999 after taking into account the effects of the Acquisitions and Rights Issue (details of which are set out in the notes to the proforma balance sheets as at 31 March 1999), had these transactions been effected on that date:-

	MHB Audited as at 31.03.99 RM'000	<----- Proforma Group ----->	
		I After the Acquisitions RM'000	II After I and Rights Issue RM'000
<b>CURRENT ASSETS</b>			
Cash and bank balances		1,334	12,377
Fixed deposits		1,710	1,710
Trade debtors		23,415	23,415
Stocks		11,798	11,798
Other debtors, deposits and prepayments		12,837	12,837
		<u>51,094</u>	<u>62,137</u>
<b>CURRENT LIABILITIES</b>			
Short term borrowings		18,420	18,420
Trade creditors		12,600	12,600
Other creditors and accruals	31	8,729	8,729
Taxation		2,778	2,778
		<u>31</u>	<u>42,527</u>
NET CURRENT (LIABILITIES)/ASSETS	(31)	8,567	19,610
OTHER INVESTMENTS		1,456	1,456
FIXED ASSETS		38,656	38,656
INTANGIBLE ASSETS	31	31	31
LONG TERM LIABILITIES		(3,172)	(3,172)
DEFERRED TAXATION		(299)	(299)
MINORITY INTERESTS		(78)	(78)
		<u>45,161</u>	<u>56,204</u>
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	*	29,006	40,000
Share premium		13,365	13,414
Reserves on consolidation		2,790	2,790
		<u>45,161</u>	<u>56,204</u>
Net tangible (liabilities)/assets per share (RM)	(15,500)	1.56	1.40

\* Represents two (2) fully paid-up ordinary shares of RM1.00 each.

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X. FINANCIAL INFORMATION (*Cont'd*)

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NOTES TO THE **PROFORMA** CONSOLIDATED BALANCE SHEETS

1. The proforma consolidated balance sheets of MHB have been prepared for illustrative purposes based on the audited balance sheets of MHB and its subsidiaries, namely Minply, EPI, CES, MI, MB and AFI as at 31 March 1999 and on the assumption that the following transactions had been effected as at 31 March 1999.
  - (a) Proforma I incorporates the following:-
    - (i) Acquisition of the entire issued and paid-up share capital consisting of 12,090,863 ordinary shares of RM 1.00 each representing 100% equity interest in Minply for a total purchase consideration of RM36,021,093 satisfied by the issue of 24,671,500 new ordinary shares of RM 1.00 each in MHB at an issue price of approximately RM 1.46 per share;
    - (ii) Acquisition of the entire issued and paid-up share capital consisting of 5,000,000 ordinary shares of RM 1.00 each representing 100% equity interest in AFI for a total purchase consideration of RM6,349,934 satisfied by the issue of 4,334,498 new ordinary shares of RM 1.00 each in MHB at an issue price of approximately RM 1.46 per share; and
    - (iii) Acquisitions from Minply of the entire equity interests in EPI, CES, MI and 70% equity interest in MB for a total cash consideration of RM5,037,300.
  - (b) Proforma II incorporates Proforma I and renounceable rights issue of 10,994,000 new ordinary shares of RM1.00 each at the issue price of RM1.15 per share on the basis of approximately 379 new ordinary shares for every 1,000 shares held in MHB after the Acquisitions.  
  

Ng Hip Mang, Ng Ah Kuan, Chee Ah Leh, Chee Ah Boon, Chee Boon Yeong, Toh Kit Chong (w) Toh Kck Keong, Toh Khek Liang and Ng Kim Hwa renounced to Rccomation Sdn. Bhd., a private limited company incorporated for the purpose of consolidating their shareholdings in MHB, all their respective entitlements to the new shares to be issued pursuant to the Rights Issue.
  - (c) The estimated listing expenses of RM 1,600,000 to be borne by MHB has been debited to the share premium account.
  - (d) The proforma consolidated balance sheets have been prepared based on accounting policies and bases consistent with those previously adopted by MHB and its subsidiaries.
  - (e) The proforma consolidated balance sheets are prepared based on the acquisition method of accounting for all the subsidiaries.

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X. FINANCIAL INFORMATION *(Cont'd)*


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## 2. Share Capital and Share Premium

The movements in the share capital and share premium accounts are as follows:-

	Share capital RM	Share premium RM
As at 31 March 1999	2	
Acquisitions of Minply and AFI	29,005,998	13,365,029
	<hr/> 29,006,000	<hr/> 13,365,029
Rights Issue	10,994,000	1,649,100
Less: Estimated listing expenses		(1,600,000)
	<hr/> 40,000,000	<hr/> 13,414,129

X. FINANCIAL INFORMATION (*Cont'd*)

7. REPORTING ACCOUNTANTS' LETTER ON THE PROFORMA CONSOLIDATED BALANCE SHEETS

*(Prepared for inclusion in this Prospectus)*

Arthur Andersen & Co.  
Suite 11.2A, Level 11,  
Menara Pclangi  
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80400 Johor Bahru  
Johor Darul Takzim

10 Sceptniber 1999

The Board of Directors  
Minply Holdings (M) Berhad  
Suite 11.2B, Level 11  
Menara Pclangi  
No. 2, Jalan Kuning  
Taman Pclangi  
80400 Johor Bahru  
Johor Darul Takzim

Dear Sirs

**MINPLY HOLDINGS(M) BERHAD**  
**PROFORMA CONSOLIDATED BALANCE SHEETS AS AT 31 MARCH 1999**

We have reviewed the presentation of the proforma consolidated balance sheets of Minply Holdings (M) Berhad ("MHB") as at 31 March 1999, together with the notes and assumptions thereto, for which the Directors are solely responsible, as set out in the Prospectus in connection with the offer for sale of 6,011,000 ordinary shares of RM 1.00 each at an offer price of RM 1.15 per share and the listing of and quotation for the entire issued and paid-up ordinary share capital of MHB on the Second Board of the Kuala Lumpur Stock Exchange.

In our opinion, the proforma consolidated balance sheets as at 31 March 1999 which are provided for illustrative purposes only, have been properly compiled to reflect the transactions as referred to in the notes to the proforma consolidated balance sheets.

Yours faithfully

Arthur Andersen & Co.  
AF 0103  
PUBLIC ACCOUNTANTS

RAVANDARAN A/I, THANGEVELOO  
1859/9/01(J)  
PARTNER OF THE FIRM

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XI. ACCOUNTANTS' REPORT

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*(Prepared for inclusion in this Prospectus)*

Arthur Andersen & Co.  
Suite 11.2A, Level 11,  
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80400 Johor Bahru  
Johor Darul Takzim

10 September 1999

The Board of Directors  
Minply Holdings (M) Berhad  
Suite 11.2B, Level 11  
Menara Pelangi  
No. 2, Jalan Kuning  
Taman Pelangi  
80400 Johor Bahru  
Johor Darul Takzim

Dear Sirs

**1. INTRODUCTION**

This report has been prepared for inclusion in the Prospectus to be dated 20 September 1999 in connection with the offer for sale of 6,011,000 ordinary shares of RM 1.00 each in MINPLY HOLDINGS (M) BERHAD (hereinafter referred to as "MHB" or the "Company") at an offer price of RM1.15 per share and the listing of and quotation for its entire issued and fully paid-up share capital of MHB comprising 40,000,000 ordinary shares of RM1.00 each on the Second Board of the Kuala Lumpur Stock Exchange.

**2. GENERAL INFORMATION**

**(a) The Company**

MHB was incorporated on 2 December, 1994 as a private limited company under the name of Minply Holdings (M) Sdn. Bhd.. It was converted into a public limited company on 26 December, 1996 and assumed its present name.

The principal activity of the Company is investment holding.

The authorised share capital of the Company is RM100,000,000 comprising 100,000,000 ordinary shares of RM 1 each. The paid-up share capital at the date of incorporation was RM2 comprising of two ordinary shares of RM1 each. Upon completion of the restructuring exercise, the issued and paid-up share capital was increased to RM40,000,000. Details of changes in the issued and paid-up share capital of MHB since incorporation are as follows :-

## XI. ACCOUNTANTS' REPORT (Cont'd)

Date of allotment	No. of ordinary shares of RM1 each	Consideration	Cumulative Total issued and paid-up share capital
02.12.94	2	Cash	2
3 1.07.99	24,671,500	Issue for the acquisition of the entire issued and paid-up share capital of Minply Sdn. Bhd. ("Minply") at an issue price of approximately RM 1.46 per ordinary share.	24,671,502
3 1.07.99	4,334,49x	Issue for the acquisition of Allfit Furniture Industries Sdn. Bhd. ("AFI") at an issue price of approximately RM 1.46 per ordinary share	29,006,000
17.08.99	10,994,000	Rights issue of approximately 379 to 1,000 at RM 1.15 per ordinary share	40,000,000

**(b) Restructuring Scheme**

(i) In conjunction with and as part of the listing of and quotation for the entire issued and paid-up share capital of MHB on the Second Board of the Kuala Lumpur Stock Exchange, the Company undertook a restructuring exercise involving the following:-

- \* Acquisition of the entire issued and paid-up share capital consisting of 12,090,863 ordinary shares of RM1.00 each representing 100% equity interest in Minply for a total purchase consideration of RM36,021,093 to be satisfied by the issue of 24,671,500 new ordinary shares of RM1.00 each in MHB at an issue price of approximately RM 1.46 per share ("Acquisition of Minply").
- Acquisition of the entire issued and paid-up share capital consisting of 5,000,000 ordinary shares of RM1.00 each representing 100% equity interest in AFI for a total purchase consideration of RM6,349,934 to be satisfied by the issue of 4,334,498 new ordinary shares of RM1.00 each in MHB at an issue price of approximately RM 1.46 per share ("Acquisition of AFI").
- Acquisitions from Minply of the entire equity interests in Elit Press Industries Sdn. Bhd. ("EPI"), Camsco Electrical Switchgear Sdn. Bhd. (TES"), Minply Industries (M) Sdn. Bhd. ("MI") and 70% equity interest in Minply Builders Sdn. Bhd. ("MB") for a total cash consideration of RM5,037,300.
- A renouccable rights issue of 10,994,000 new ordinary shares of RM 1.00 each at the issue price of approximately RM 1.15 per share on the basis of approximately 379 new ordinary shares for every 1,000 ordinary shares held in MHB based on the issued and paid-up share capital of 29,006,000 ordinary shares of RM 1.00 each.



**XI. ACCOUNTANTS' REPORT (Cont'd)****CES**

CES was incorporated in Malaysia as a private limited company on 22 June 1989. The present authorised share capital of CES is RM5,000,000 comprising 5,000,000 ordinary shares of RM1 .00 each and the issued and paid-up share capital is RM1, 100,000 comprising 1,100,000 ordinary shares of RM 1 .00 each. Details of changes in the issued and paid-up share capital of CES since incorporation are as follows:-

<b>Date of allotment</b>	<b>No. of ordinary shares of RM1 each</b>	<b>Consideration/Type of issue</b>	<b>Cumulative total issued and paid-up share capital RM</b>
22.06.89	150,000	Subscribers' shares	150,000
18.1.91	150,000	Cash	300,000
1.1.07.94	300,000	Cash	600,000
15.08.94	500,000	Cash	1,100,000

**MI**

MI was incorporated in Malaysia as a private limited company on 24 July 1992 under the name of Nova Annexe Sdn. Bhd.. The company commenced operations in August 1994. On 8 December 1994, the company assumed its present name. The present authorised share capital of MI is RM 1 ,000,000 comprising 1 ,000,000 ordinary shares of RM1 .00 each and the issued and paid-up share capital is RM800,000 comprising 800,000 ordinary shares of RM1.00 each. Details of changes in the issued and paid-up share capital of MI since incorporation are as follows:-

<b>Date of allotment</b>	<b>No. of ordinary shares of RM1 each</b>	<b>Consideration /Type of issue</b>	<b>Cumulative total issued and paid-up share capital RM</b>
24.07.92	2	Subscribers' shares	2
24.07.92	49,998	Cash	50,000
16.0.95	750,000	Cash	800,000

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**XI. ACCOUNTANTS' REPORT (Cont'd)**


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**MINPLY**

Minply was incorporated on 4 June 1982 as a private limited company. The present authorised share capital of the Company is RM25,000,000 comprising 25,000,000 ordinary shares of RM1.00 each. The present paid-up share capital is RM 12,090,863 comprising 12,090,863 ordinary shares of RM 1 each. Details of changes in the issued and paid-up share capital of Minply since incorporation are as follows :-

Date of allotment	No. of ordinary shares of RM1 each	Consideration /Type of issue	Cumulative total issued and paid-up share capital RM
04.06.82	3	Subscribers' shares	3
1 X.09.82	220,000	Issued pursuant to the acquisition of a landed property	220,003
10.07.84	130,000	<b>cash</b>	350,003
30.09.93	5,000,000	Cash	5,350,003
01.10.93	568,000	Issued pursuant to the acquisition of 100% equity interest in CES	5,9 18,003
01.01.94	445,000	Issued pursuant to the acquisition of 49% equity interest in EPI	6,363,003
1 1.07.94	690,000	Cash	7,053,003
15.12.94	5,037,860	Bonus issue of 5 for 7	12,090,863

**EPI**

EPI was incorporated in Malaysia as a private limited company on 15 March 1990. The present authorised share capital is RM5,000,000 comprising 5,000,000 ordinary shares of RM 1 .00 each and the issued and paid-up share capital is RM2,346,500 comprising 2,346,500 ordinary shares of RM 1 .00 each. Details of changes in the issued and paid-up share capital of EPI since incorporation are as follows:-

Date of allotment	No. of ordinary shares of RM1 each	Consideration/Type of issue	Cumulative total issued and paid-up share capital RM
15.03.90	3	Subscribers' shares	3
28.03.9 1	199,997	Cash	200,000
23.03.93	100.000	Cash	300,000
11.07.94	546,500	Cash	846,500
15.08.94	1,500,000	Cash	2,346,500

## XI. ACCOUNTANTS' REPORT (Cont'd)

### 4. SUMMARISED PROFIT AND LOSS ACCOUNTS

#### 4.1 Proforma Group

Set out below the proforma consolidated financial results of MHB and its subsidiaries (the "Group") for the last five financial years ended 31 December 1998 and 3 months ended 31 March 1999 provided for illustrative purposes only, assuming that MHB had acquired the said subsidiaries prior to 1994 but before the Rights Issue. The proforma consolidated financial results are accounted for under the acquisition accounting method.

	Years ended 31 December ----->					3 months ended 31 March
	1994 RM'000	1995 RM'000	1996 RM'000	1997 KM'000	1998 KM'000	1999 KM'000
Turnover	39,957	64,877	90,818	91,668	63,756	13,862
Profit before depreciation and interest expenses	6,578	11,035	14,285	16,558	10,096	2,042
Interest expenses	(512)	(1,241)	(2,170)	(2,596)	(2,677)	(50Y)
Depreciation	(953)	(1,659)	(1,919)	(2,373)	(2,698)	(733)
Profit before taxation	5,113	8,135	10,196	11,589	4,721	1,700
Taxation	(545)	(1,232)	(2,305)	(2,454)	(1,027)	
Profit after taxation but before minority interests	4,568	6,903	7,891	9,135	3,694	1,700
Minority interests			(13)	(43)	5	2
Profit after taxation and minority interests but before extraordinary item	4,568	6,903	7,878	9,092	3,699	1,702
Extraordinary item	(45)	-				
Profit after taxation, minority interest and extraordinary item	4,523	6,903	7,878	9,092	3,699	1,702
Number of shares assumed in issue ('000)	29,006	29,006	29,006	29,006	29,006	29,006
Net earnings per share (sen)	15.75	23.80	27.16	31.35	12.75	*23.47

\* Annualised

#### Notes:-

- (i) The extraordinary item for the financial year ended 31 December 1994 consists of real property gain tax on sub-leasing of leasehold land and building to a subsidiary.
- (ii) The proforma net earnings per share have been calculated based on the profit after taxation and minority interests but before extraordinary item divided by the number of ordinary shares assumed in issue of 29,006,000 ordinary shares of RM1.00 each after the Acquisition of Mingly and Acquisition of AFL.

#### Commentary:-

- (i) The increase in turnover for the financial years ended 31 December 1995 and 1996 were mainly due to the increase in the sales volume of metal hinges and MDF boards. Profit before taxation continued to increase for both financial years mainly due to the significant increase in turnover and improved margins for metal hinges, furniture parts and accessories.
- (ii) There were no significant fluctuation in turnover for the financial year ended 31 December 1997. However, profit before taxation recorded an increase of approximately 14%. The increase was principally due to the higher sales contribution by products that yielded higher gross profit margin such as metal hinges.

**XI. ACCOUNTANTS' REPORT (Cont'd)****AFI**

AFI was incorporated in Malaysia as a private limited company on 29 July 1988. The present authorised share capital of AFI is RM5,000,000 comprising 5,000,000 ordinary shares of RM 1.00 each and the issued and paid-up share capital is RM5,000,000 comprising 5,000,000 ordinary shares of RM 1.00 each. Details of changes in the issued and paid-up share capital of AFI since incorporation are as follows:-

<b>Date of allotment</b>	<b>No. of ordinary shares of RM1 each</b>	<b>Consideration/Type of issue</b>	<b>Cumulative total issued and paid-up share capital RM</b>
29.07.88	2	Subscribers' shares	2
31.07.89	509,298	Cash	509,300
18.09.89	200,000	Issued pursuant to the acquisition of a landed property	709,300
06.11.90	210,553	Cash	919,853
10.11.95	1,000,147	Cash	2,000,000
04.12.95	3,000,000	Cash	5,000,000

**MB**

MB was incorporated in Malaysia as a private limited company on 27 September 1995. The company commenced operations on 1 March 1996. The present authorised share capital of MB is RM 100,000 comprising 100,000 ordinary shares of RM1.00 each and the issued and paid-up share capital is RM 100,000 comprising 100,000 ordinary shares of RM 1.00 each. Details of changes in the issued and paid-up share capital of MB since incorporation are as follows:-

<b>Date of allotment</b>	<b>No. of ordinary shares of RM1 each</b>	<b>Consideration/Type of issue</b>	<b>Cumulative total issued and paid-up share capital RM</b>
27.09.95	100	Subscribers' shares	100
12.03.96	99,900	Cash	100,000

**3. ACCOUNTS AND AUDITORS**

We have been appointed as auditors of Minply and AFI since the financial year ended 31 December 1992. For CES and EPI, we were appointed auditors with effect from the financial year ended 31 December 1993. For MI, we were appointed auditors with effect from the financial year ended 31 December 1994.

The accounts of the Company and its subsidiaries were reported on by us without any qualification.

We are also the auditors of MB and MHB since the date of their incorporation.

## XI. ACCOUNTANTS' REPORT (Cont'd)

- (ii) The lower profit before taxation was recorded for the financial year ended 31 December 1995 mainly due to lower margins from the sale of plywood and the fact that no dividend was received from its subsidiaries. Profit before taxation for 1996 increased in line with the increase in turnover. However, profit before tax margin decreased mainly due to the continuing decline in plywood prices.
- (iii) Turnover decreased slightly during the financial year ended 31 December 1997 mainly due to the decrease in the sales of plywood. However, despite the lower turnover, profit before taxation was higher compared to the previous year due to the increase in the sales contribution of metal furniture products which yielded a higher profit margin as compared to the sales of plywood.
- (iv) The significant decrease in turnover and profit before taxation for the financial year ended 31 December 1998 was mainly due to the slowdown in the Malaysian economy and the prudent stance taken by the management to minimise credit risk.
- (v) The extrapolation of turnover for the three months ended 31 March 1999 reflected a decrease of approximately 10% as compared to 1998 since turnover are usually lower in the first quarter of the year. Despite the lower turnover, profit before taxation increased by approximately 5 times based on extrapolation of the three months results following the decline in interest rates, provision for doubtful debts and bad debts written off during the period.
- (vi) The effective tax rate for the financial year ended 31 December 1994 was lower than the statutory tax rate mainly due to tax exempt dividend received from a subsidiary. The higher effective tax rates for the 4 financial years ended 31 December 1998 were mainly due to certain expenses being disallowed for tax purposes.
- (vii) There is no tax charge for the financial period ended 31 March 1999 as the amount payable is waived in accordance with the Income Tax (Amendment) Act, 1999.

### (b) EPI

	<----- Years ended 31 December ----->					3 months ended 31
	1994	1995	1996	1997	1998	March 1999
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Turnover	8,140	16,258	17,393	20,627	20,602	5,248
Profit before depreciation and interest expenses	2,350	5,065	6,696	7,167	5,709	1,786
Interest expenses	(42)	(337)	(544)	(674)	(708)	(121)
Depreciation	(161)	(736)	(924)	(1,238)	(1,467)	(459)
Profit before taxation	2,147	3,992	5,228	5,255	3,534	1,206
Taxation		(160)	(874)	(1,013)	(335)	
Profit after taxation	2,147	3,832	4,354	4,242	3,199	1,206
Weighted average number of shares in issue ('000)	1,113	2,347	2,347	2,347	2,347	2,347
Net earnings per share (sen)	192.90	163.27	185.51	180.74	136.30	*205.54
Gross dividend rate (%)	" 177.00					

\* Annualised

" Tax exempt

#### Notes :

- (i) There were no extraordinary items in the financial years/period under review.
- (ii) The net earnings per share have been calculated based on the profit after taxation divided by the weighted average number of shares in issue for the respective financial years/period.

## XI. ACCOUNTANTS' REPORT (Cont'd)

- (iii) Turnover for the financial year ended 31 December 1998 and the financial period ended 31 March 1999 were significantly lower compared to previous years following the decrease in the sales volume of plywood, electrical components, fire doors and contract income from subcontracting work as a result of the slowdown in the Malaysian economy. In addition to lower sales volume, the higher provision for doubtful debts and bad debts written off have resulted in the significant decrease in profit before taxation.
- (iv) The effective tax rates for the 5 financial years ended 31 December 1998 were lower than the statutory tax rate mainly due to the utilisation of reinvestment and capital allowances and the utilisation of tax losses brought forward.
- (v) There is no tax charge for the financial period ended 31 March 1999 as the amount payable is waived in accordance with the Income Tax (Amendment) Act, 1999.

4.2 We set out below the audited results of Minply EPI, CES, AFI and MI for the five financial years ended 31 December 1998 and 3 months period ended 31 March 1999 and the audited results of MB for the 15 months period ended 31 December 1996, 2 financial years ended 31 December 1998 and 3 months period ended 31 March 1999.

**(a) MINPLY**

	<-- Years ended 31 December ----->					3 months ended 31 March 1999
	1994	1995	1996	1997	1998	1999
	RM'000	RM'000	RM'000	RM'000	RM'000	KM'000
Turnover	30,088	46,898	64,158	61,260	34,957	7,814
Profit before depreciation and interest expenses	4,763	3,725	4,538	5,458	2,179	1,078
Interest expenses	(249)	(671)	(1,118)	(1,273)	(1,145)	(211)
Depreciation	(257)	(307)	(323)	(417)	(443)	(107)
Profit before taxation	4,257	2,747	3,097	3,768	591	760
Taxation	(724)	(875)	(1,044)	(1,079)	(342)	
Profit after taxation before extraordinary item	3,533	1,872	2,053	2,689	249	760
Extraordinary item	775					
Profit after taxation and extraordinary item	4,308	1,872	2,053	2,689	249	760
Weighted average number of shares in issue ('000)	11,746	12,091	12,091	12,091	12,091	12,091
Net earnings per share (sen)	30.08	15.48	16.98	22.24	2.06	*25.14
Gross dividend rate (%)					30.00	

\* Annualised

**Notes :-**

- (i) The extraordinary item for the financial year ended 31 December 1994 consists of profit on sub-leasing of leasehold land and building to a subsidiary.
- (ii) The net earnings per share have been calculated based on the profit after taxation but before extraordinary item divided by the weighted average number of shares in issue for the respective financial years/period.

**Commentary:-**

- (i) Turnover increased significantly for the financial years ended 31 December 1995 and 1996 mainly due to the increase in sales volume of MDF boards and metal hinges.

## XI. ACCOUNTANTS' REPORT (Cont'd)

### Commentary:-

- (i) Turnover was on an upward trend for the 3 financial years ended 31 December 1997 mainly due to increase in sales volume and introduction of new products.
- (ii) Despite the increase in turnover for the financial year ended 31 December 1995, the company recorded a lower profit before taxation mainly due to the increase in operating expenses and the decrease in selling prices of switchboard components as a result of increased competition.
- (iii) The increase in profit before taxation for the financial years ended 31 December 1994, 1996 and 1997 were mainly due to the increase in turnover and the improvement in operating margins.
- (iv) The significant decrease in turnover and profit before taxation for the financial year ended 31 December 1998 were mainly due to a decrease in sales volume as a result of a slowdown in the construction industry and the Malaysian economy.
- (v) Turnover continued to decrease for the financial period ended 31 March 1999 as a result of the reduction in sales volume. Loss before taxation was principally due to the significant increase in provision for doubtful debts made during the financial period.
- (vi) The effective tax rates were higher than the statutory tax rate for the 2 financial years ended 31 December 1996 mainly due to certain expenses being disallowed for tax purposes. The effective tax rate was lower than the statutory tax rate for the financial year ended 31 December 1994 due to the utilisation of reinvestment allowances while the lower effective tax rate for the financial year ended 31 December 1997 was mainly due to the utilisation of substantial capital allowances.
- (vii) Despite a loss before taxation, the tax provision for the financial year ended 31 December 1998 was a result of certain expenses being disallowed for tax purposes and an underprovision for taxation in respect of year of assessment 1998..
- (viii) There was no provision for taxation for the financial period ended 31 March 1999 as the company was in a tax loss position.

### (d) MI

	Years ended 31 December					3 months ended 31 March
	1994	1995	1996	1997	1998	1999
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Turnover	501	871	1,441	1,824	2,196	460
(Loss)/Profit before depreciation and interest expenses	(4)	237	384	510	630	151
Interest expenses		(16)	(27)	(20)	(7)	
Depreciation	(2)	(44)	(55)	(71)	(103)	(45)
(Loss)/Profit before taxation	(6)	177	302	419	520	106
Taxation			(34)	(79)	(162)	
(Loss)/Profit after taxation	(6)	177	268	340	358	106
Weighted average number of shares in issue ('000)	50	769	800	800	800	800
Net (loss)/earnings per share (sen)	(12.00)	23.02	33.50	42.50	44.75	*53.00
Gross dividend rate (%)						

\* Annualised

**XI. ACCOUNTANTS' REPORT (Cont'd)****Commentary:-**

- (i) Turnover and profit before taxation continued to improve for the financial years ended 31 December 1995 and 1996 mainly due to the increase in sales volume of metal hinges and the higher gross margin due to economies of scale and decrease in average production costs.
- (ii) Turnover for the financial year ended 31 December 1997 increased significantly mainly due to the increase in sales volume of metal hinges. Despite the significant increase in turnover, profit before taxation only increased marginally mainly due to the higher cost of raw materials and other operating costs.
- (iii) Despite a marginal decrease in turnover for the financial year ended 31 December 1998, profit before taxation decreased significantly compared to 1997 mainly due to a change in the sales mix whereby the sales of drawer runners which yielded a lower margin increased from 16% of total sales in 1997 to 33% of total sales in 1998.
- (iv) The turnover after extrapolation continued to improve as compared to 1998 with higher sales contribution from hinges resulting in the increase in operating margins and profit before taxation.
- (v) There was no tax charge for the financial year ended 31 December 1994 while the lower effective tax rates for the 4 financial years ended 31 December 1998 were mainly due to utilisation of capital and reinvestment allowances.
- (vi) There is no tax charge for the financial period ended 31 March 1999 as the amount payable is waived in accordance with the Income Tax (Amendment) Act, 1999.

**(c) CES**

	Years ended 31 December					3 months ended 31 March
	1994	1995	1996	1997	1998	1999
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Turnover	4,164	6,044	7,146	8,549	4,851	544
Profit/( loss) before depreciation and interest expenses	760	678	941	1,314	331	(526)
Interest expenses	(33)	(73)	(203)	(327)	(301)	(53)
Depreciation	(35)	(103)	(107)	(97)	(104)	(26)
Profit/( loss) before taxation	692	502	631	890	(74)	(605)
Taxation	(11)	(197)	(210)	(189)	(53)	
Profit/( loss) after taxation	681	305	421	701	(127)	(605)
Weighted average number of shares in issue ('000)	638	1,100	1,100	1,100	1,100	1,100
Net earnings/( loss) per share (sen)	106.74	27.73	38.27	63.73	(11.55)	*(220.00)
Dividend rate (%)						
- tax exempt	9					
- non tax exempt	106					

\* Annualised

**Notes:-**

- (i) There were no extraordinary items in all the financial years/period under review.
- (ii) The net earnings per share have been calculated based on the profit after taxation divided by the weighted average number of shares in issue for the respective financial years/period.



## XI. ACCOUNTANTS' REPORT (Cont'd)

### Commentary:-

- (i) The significant increase in turnover for the financial year ended 31 December 1995 was mainly due to the increase in export sales of speaker boxes. The increase in profit before taxation was in line with the increase in turnover and the improvement in gross margin due to better production efficiency.
- (ii) Turnover and profit before taxation improved in the financial year ended 31 December 1996 with the introduction of fire doors that yielded higher margins during the year.
- (iii) The increase in turnover and profit before taxation for the financial year ended 31 December 1997 were mainly due to the increase in export sales of doors, door frames and knockdown furniture to Singapore.
- (iv) The decrease in turnover for the financial year ended 31 December 1998 was mainly due to the decrease in the sales volume as management was selective over its customers to minimise credit risks.
- (v) Turnover for the financial period ended 31 March 1999 continued to decrease. However, profit before taxation and operating margin improved following the decline in interest rates and provision for doubtful debts.
- (vi) There were no tax charges for the 2 financial years ended 31 December 1995 due to availability of tax losses brought forward.
- (vii) The effective tax rates were lower than the statutory tax rate for the 2 financial years ended 31 December 1997 mainly due to the utilisation of unabsorbed tax losses and unutilised capital allowances brought forward. The effective tax rate was higher than the statutory tax rate for the financial year ended 31 December 1998 due to certain expenses being disallowed for tax purposes.
- (viii) There is no tax charge for the financial period ended 31 March 1999 as the amount payable is waived in accordance with the Income Tax (Amendment) Act, 1999.

### (f) MB

	27.09.1995 to 31.12.1996 KM'000	Years ended <-- 31 December --> 1997 RM'000	1998 KM'000	3 months ended 31 March 1999 RM'000
Turnover	2,977	3,096	1,588	
Profit before depreciation and interest expenses	92	231	9	
Interest expenses	(12)	(4)		
Depreciation	(31)	(26)	(26)	(7)
Profit/(loss) before taxation	49	201	(17)	(7)
Taxation	(7)	(58)		
Profit/(loss) after taxation	42	143	(17)	(7)
Weighted average number of shares in issue ('000)	63	100	100	100
Net earnings/(loss) per share (scn)	*53.33	143.00	(17.00)	*(28.00)
Gross dividend rate (%)				

\* Annualised.

### Notes :

- (i) The company was incorporated on 27 September 1995 and commenced operations in March 1996.
- (ii) The company's first set of audited accounts was prepared for the period ended 31 December 1996.
- (iii) The net earnings per share have been calculated based on the profit after taxation divided by the weighted average number of shares in issue for the respective financial periods/years.

## XI. ACCOUNTANTS' REPORT (Cont'd)

**Notes :-**

- (i) There were no extraordinary items in the financial years/period under review.
- (ii) The net (loss)/earnings per share have been calculated based on the (loss)/profit after taxation divided by the weighted average number of shares in issue for the respective financial years/period.

**Commentary:-**

- (i) The company commenced operations in August 1994. The loss incurred for the financial year were mainly due to high initial start-up costs.
- (ii) Turnover was on an upward trend for the past five financial years ended 31 December 1998 due to the increase in sales volume as a result of a more aggressive marketing strategy adopted and the wider acceptance of polyurethane as an alternative to wood-based materials for furniture.
- (iii) There were no tax charges for the financial years ended 31 December 1994 and 1995 as the company incurred a tax loss in 1994 and due to the utilisation of reinvestment allowances in 1995.
- (iv) The lower extrapolated turnover for the financial period ended 31 March 1999 was as a result of the long festive break in the first quarter of the year. Accordingly, profit before taxation decreased with a marginal reduction in operating margins.
- (v) The effective tax rates were lower than the statutory tax rate for the two financial years ended 31 December 1997 due to the utilisation of capital and reinvestment allowances. The effective tax rates were higher than the statutory tax rate for the two financial years ended 31 December 1998 due to certain expenses being disallowed for tax purposes.
- (vi) There is no tax charge for the financial period ended 31 March 1999 as the amount payable is waived in accordance with the Income Tax (Amendment) Act, 1999.

## (e) AFI

	<----- Years ended 31 December ----->					3 months ended 31
	1994	1995	1996	1997	1998	March 1999
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Turnover	5,883	8,587	9,049	10,309	0,377	1,331
Profit before depreciation and interest	919	1,375	1,728	1,972	1,364	453
Interest expense	(208)	(187)	(266)	(365)	(517)	(124)
Depreciation	(498)	(471)	(484)	(535)	(556)	(92)
Profit before taxation	213	717	978	1,072	291	237
Taxation			(137)	(35)	(135)	
Profit after taxation	213	717	841	1,037	156	237
Weighted average number of shares in issue ('000)	920	1,350	5,000	5,000	5,000	5,000
Net earnings per share (sen)	23.15	53.11	16.82	30.73	3.12	*1 X.96
Gross dividend rate (%)						

\* Annualised

**Notes :-**

- (i) There were no extraordinary items in the financial years/period under review.
- (ii) The net earnings per share have been calculated based on the profit after taxation divided by the weighted average number of shares in issue for the respective financial years/period.

XI. ACCOUNTANTS' REPORT (*Cont'd*)

## 6. SUMMARISED BALANCE SHEETS

The summarised balance sheets of the Company and its subsidiaries based on their respective audited accounts are as follows: -

## (a) MHB

	<----- As at 31 December ----->				As at
	1995 RM'000	1996 RM'000	1997 RM'000	1998 RM'000	31.03.99 RM'000
Current Assets					
Current Liabilities	(4)	(8)	(19)	(29)	(31)
Net Current Liabilities	(4)	(8)	(19)	(29)	(31)
Intangible Assets	4	8	19	(29)	31
Share Capital	* _	* _	* _	* _	* _
Net tangible liabilities per share (RM)	(2,000)	(4,000)	(9,500)	( 14,500)	(15,500)

\* **Being two fully paid-up ordinary shares of RM1.00 each.**

The Company's first audited accounts was for the period ended 31 December 1995.

## (b) MINPLY

	<----- As at 31 December ----->						As at
	1993 RM'000	1994 RM'000	1995 RM'000	1996 RM'000	1997 RM'000	1998 RM'000	31.03.99 RM'000
Current Assets	13,206	20,249	32,526	25,739	37,324	28,480	30,015
Current Liabilities	(9,557)	(1 3,063)	(25,643)	(22,191)	(3 1,41 2)	(25,083)	(25,856)
Net Current Assets	3,649	7,186	6,883	3,548	5,912	3,397	4,159
Subsidiaries	798	4,217	5,037	5,037	5,037	5,037	5,037
Other Investments	180	180	180	1,456	1,456	1,456	1,456
Fixed Assets	2,449	1,977	3,302	8,016	8,913	8,663	8,515
Long Term Liabilities	(347)	( 1,328)	(1,303)	(1,905)	(2,477)	(2,017)	(1,872)
Deferred Taxation	(5)	(5)		-	-	(58)	(58)
	6,724	12,227	14,099	16,152	18,841	16,478	17,237
Shareholders' Funds							
Share Capital	5,918	12,091	12,091	12,091	12,091	12,091	12,091
Reserves	806	136	2,008	4,061	6,750	4,387	5,146
	6,724	12,227	14,099	16,152	18,841	16,478	17,237
Net tangible assets per share (RM)	1.14	1.01	1.17	1.34	1.56	1.36	1.43

**XI. ACCOUNTANTS' REPORT (Cont'd)****Commentary:-**

- (i) MB commenced its operations in March 1996. Turnover and profit before taxation were mainly in respect of contract fees and income from project management
- (ii) Despite a minimal increase in turnover during the financial year ended 31 December 1997, profit before taxation increased significantly with new projects that yielded higher profit margins.
- (iii) The company recorded a decrease in turnover and loss before taxation for the financial year ended 31 December 1998 as only one project was undertaken during the year following the downturn in the economy.
- (iv) There were no projects undertaken during the financial period ended 31 March 1999. Loss before taxation were in respect of the operating expenses during the period.
- (v) The effective tax rate for the period ended 31 December 1996 was lower than the statutory tax rate mainly due to the utilisation of capital allowances. The higher effective tax rate for the financial year ended 31 December 1997 was mainly due to certain expenses being disallowed for tax purposes. There were no taxation for the financial year ended 31 December 1998 as the Company was in a tax loss position.
- (vi) There were no provision for taxation for the financial period ended 31 March 1999 as the Company is in a tax loss position.

**5. DIVIDENDS**

Details of dividends paid by the Group in respect of the financial years covered in this report are as follows:

Year ended	Paid-up share capital RM'000	Gross dividend rate %	Net dividend RM'000
<b>Minply</b>			
31 December, 1993	5,918	4.25	155
31 December, 1998	12,091	30.00	2,612
<b>EPI</b>			
31 December, 1994	2,346	177	1,500
<b>CES</b>			
31 December, 1994	1,100	*	500

\* This comprised tax-exempt dividend of 9% and non tax-exempt dividend of 106%.

No dividends have been declared or paid by MHR, MI, MB and AFI for the financial periods/years covered in this report.

XI. ACCOUNTANTS' REPORT (*Cont'd*)

(e)	MI	<----- As at 31 December ----->						As at
		1993	1994	1995	1996	1997	1998	31.03.99
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
	Current Assets	50	488	XX9	1,234	1,317	941	1,000
	Current Liabilities	(4)	(721)	(321)	(524)	(452)	(450)	(399)
	Net Current Assets/( Liabilities)	46	(233)	56X	710	865	491	601
	Fixed Assets		410	475	529	737	1,514	1,510
	Intangible Assets	4						
	Long Term Liabilities		(133)	(72)	-	(22)	-	-
	Deferred Taxation						(67)	(67)
		50	44	971	1,239	1,580	1,938	2,044
	Shareholders' Funds							
	Share Capital	50	50	800	800	800	800	800
	Reserves		(6)	171	439	780	1,138	1,244
		50	44	971	1,239	1,580	1,938	2,044
	Net tangible assets per share (RM)	0.92	0.88	1.21	1.55	1.9x	2.42	2.56
(f)	AFI	<----- As at 31 December ----->						As at
		1993	1994	1995	1996	1997	1998	31.03.99
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
	Current Assets	6,234	5,744	6,924	7,339	8,033	7,858	9,675
	Current Liabilities	(1,1026)	(9,926)	(6,119)	(6,914)	(6,969)	(6,637)	(8,184)
	Net Current Assets/( Liabilities)	(4,792)	(4,182)	805	425	1,064	1,221	1,491
	Fixed Assets	4,377	3,945	3,820	5,160	6,769	6,540	6,449
	Long Term Liabilities	(58)	(23)	(XX)	(70)	(1,281)	(1,053)	(995)
	Deferred Taxation				(137)	(137)	(137)	(137)
		(473)	(260)	4,537	5,37X	6,415	6,571	6,808
	Shareholders' Funds							
	Share Capital	920	920	5,000	5,000	5,000	5,000	5,000
	Reserves	(1,393)	(1,180)	(463)	37x	1,415	1,571	1,808
		(473)	(260)	4,537	5,37X	6,415	6,571	6,808
	Net tangible assets/( liabilities) per share (RM)	(0.51)	(0.2X)	0.91	1.08	1.2x	1.31	1.36

**XI. ACCOUNTANTS' REPORT (Cont'd)**

	<----- As at 31 December ----->						As at
	1993	1994	1995	1996	1997	1998	31.03.99
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current Assets	1,888	3,737	5,641	7,600	12,226	10,712	11,204
Current Liabilities	(1,508)	(4,238)	(10,360)	(10,340)	(11,968)	(11,696)	(10,921)
Net Current (Liabilities)/Assets	380	(501)	(4,719)	(2,740)	258	(984)	283
Fixed Assets	482	5,113	13,765	16,119	16,770	20,499	20,358
Long Term Liabilities	(1)	(1,057)	(1,659)	(1,638)	(1,045)	(333)	(254)
	861	3,555	7,387	11,741	15,983	19,182	20,387
Shareholders' Funds							
Share Capital	300	2,347	2,347	2,347	2,347	2,347	2,347
Reserves	561	1,208	5,040	9,394	13,636	16,835	18,040
	861	3,555	7,387	11,741	15,983	19,182	20,387
Net tangible assets per share (RM)	2.87	1.51	3.15	5.00	6.81	x.17	8.69
(d) CES	<----- As at 31 December ----->						As at
	1993	1994	1995	1996	1997	1998	31.03.99
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current Assets	2,233	3,615	5,464	6,383	7,650	5,682	4,544
Current Liabilities	(1,682)	(3,529)	(4,943)	(4,337)	(4,985)	(3,153)	(2,626)
Net Current Assets	551	86	521	2,046	2,665	2,529	1,918
Fixed Assets	119	1,647	1,675	542	598	505	490
Long Term Liabilities	(26)	(108)	(229)	(180)	(154)	(72)	(51)
Deferred Taxation			(37)	(57)	(57)	(38)	(38)
	644	1,625	1,930	2,351	3,052	2,924	2,319
Shareholders' Funds							
Share Capital	300	1,100	1,100	1,100	1,100	1,100	1,100
Reserves	344	525	830	1,251	1,952	1,824	1,219
	644	1,625	1,930	2,351	3,052	2,924	2,319
Net tangible assets per share (RM)	2.15	1.48	1.75	2.14	2.77	2.66	2.11

X1. ACCOUNTANTS' REPORT *(Cont'd)*

## 7. STATEMENT OF ASSETS AND LIABILITIES

The Proforma Group statement of assets and liabilities has been prepared based on the audited balance sheets of the Company, Minply, EPI, CES, MI, AFT and MB as at 3 1 March 1999 and on the assumption that the acquisitions of Minply, EPI, CES, MI, AFI and MB and the rights issue of 10,994,000 new ordinary shares of RM1.00 each at the price of RM 1.15 per share had been effected on 3 1 March 1999:-.

	Note	Company RM'000	Proforma Group RM'000
<b>CURRENT ASSETS</b>			
Cash and bank balances			12,377
Fixed deposits	8(b)		1,710
Trade debtors	8(c)		23,415
Stocks	8(d)		1,179
Other debtors	8(e)		12,837
			62,137
<b>CURRENT LIABILITIES</b>			
Short term borrowings	8(f)		18,420
Trade creditors	8(g)		12,600
Other creditors	8(h)	31	8,729
Taxation			2,778
			42,527
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		(31)	19,610
<b>INVESTMENTS</b>	8(i)		1,456
<b>FIXED ASSETS</b>	8(j)		38,656
<b>INTANGIBLE ASSETS</b>	8(k)	31	31
<b>LONG TERM LIABILITIES</b>	8(l)		(3,172)
<b>DEFERRED TAXATION</b>	8(m)		(299)
<b>MINORITY INTERESTS</b>			(78)
			56,204
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	8(n)	*	40,000
Reserves	8(o)		16,204
			56,204
<b>Net tangible (liabilities)/assets per share (RM)</b>		(15,500)	1.40

\* This represents two fully paid-up ordinary shares of RM1.00 each.

**XI. ACCOUNTANTS' REPORT (Cont'd)**

(g) MB	<----- As at 31 December ----->			As at
	1996 RM'000	1997 RM'000	1998 RM'000	31.03.99 RM'000
Current Assets	1,482	1,031	1,599	574
Current Liabilities	(1,510)	(894)	(1,452)	(428)
Net Current Assets	(28)	137	147	146
Fixed Assets	170	148	122	115
	142	285	269	261
Shareholders' Funds				
Share Capital	100	100	100	100
Reserves	42	185	169	161
	142	285	269	261
Net tangible assets per share (RM)	1.42	2.85	2.69	2.61

The company's first set of audited accounts was for the period ended 31 December 1996.



**XI. ACCOUNTANTS' REPORT (Cont'd)****(vi) Intangible Assets**

Intangible assets represent preliminary and pre-operating expenses which are stated at cost and will be written off once the Company commences operations.

**(vii) Deferred Taxation**

Deferred taxation is provided under the liability method for all material timing differences except where there is reasonable evidence that these timing differences will not reverse in the foreseeable future.

**(viii) Hire Purchase**

Assets held under hire purchase are treated as if they had been purchased at cost at the commencement of the hire purchase agreement. This cost is included under fixed assets and depreciation is provided accordingly. The corresponding obligations under hire purchase are included under liabilities. The finance charges element of instalment payable is charged to the profit and loss account in equal instalments over the period of the hire purchase agreement.

**(ix) Investments**

Investments in subsidiaries and other investments are stated at cost less provision for any permanent diminution in value.

**(x) Income Recognition**

Interest from fixed deposits is recognised on a receipt basis. Rental income is recognised on an accrual basis. Profit from contract projects are recognised on the percentage of completion method.

**(b) FIXED DEPOSITS**

The fixed deposits are pledged to licensed banks as securities for banking facilities granted to the Proforma Group.

**(c) TRADE DEBTORS**

	<b>Company RM'000</b>	<b>Proforma Group RM'000</b>
Trade debtors		22,737
Due from companies in which certain directors have interest		1,834
		24,571
Less:- Provision for doubtful debts		(1,156)
		23,415

The directors are of the opinion that the amount due from companies in which certain directors have interest arose from transactions that have been entered into in the normal course of business and are based on commercial terms which are not more favourable.

**XI. ACCOUNTANTS' REPORT (Cont'd)****8. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES****(a) SIGNIFICANT ACCOUNTING POLICIES****(i) Basis of Accounting**

The accounts are prepared under the historical cost convention and comply with approved accounting standards.

**(ii) Basis of Consolidation**

The consolidated accounts include the accounts of the Company and all its subsidiaries made up to the end of the accounting period. The results of subsidiaries acquired during the accounting period are consolidated based on the acquisition method. Inter-company transactions are eliminated on consolidation and the consolidated accounts reflect external transactions only.

Reserve on consolidation represents excess of fair value of the net assets of the subsidiary companies at the date of acquisition over their purchase consideration.

**(iii) Currency Conversion**

Transactions in foreign currencies during the period are converted into Ringgit Malaysia at rates of exchange approximating those ruling at the transaction dates. Foreign currency monetary assets and liabilities at the balance sheet date are translated into Ringgit Malaysia at rates of exchange approximating those ruling at that date. All exchange gains or losses are dealt with in the profit and loss account.

**(iv) Fixed Assets and Depreciation**

Fixed assets are stated at cost or valuation less accumulated depreciation.

Freehold land, building in progress and moulds in progress are not depreciated. Leasehold land and buildings which are on 99 years lease expiring 2088 and 2077 respectively are amortised over the unexpired lease period. Depreciation of other fixed assets is provided on a straight line basis calculated to write off the cost of each asset over its estimated useful life.

The principal annual rates of depreciation are :

Long term leasehold land and building	over 82 years to 98 years
Freehold buildings	2%
Plant, machinery and equipment	10%
Furniture, fittings and equipment	10%
Motor vehicles	20%

**(v) Stocks**

Stocks are stated at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis. Cost of finished goods and work-in-progress include materials, labour and production overheads.

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**XI. ACCOUNTANTS' REPORT (Cont'd)**


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**(h) OTHER CREDITORS**

	<b>Company RM'000</b>	<b>Proforma Group RM'000</b>
Sundry creditors and accruals		4,100
Dividend payable		2,612
Due to directors		190
Current portion of hire purchase creditors		984
Current portion of long term loan		843
	<hr/>	<hr/>
		8,729
	<hr/>	<hr/>

The amount due to directors are unsecured, interest free with no fixed terms of repayment.

**(i) INVESTMENTS**

	<b>Company</b>	<b>Proforma Group</b>
Unquoted shares, at cost		<b>1,456</b>
	<hr/>	<hr/>

**(j) FIXED ASSETS**

	<---- At Valuation ---->		<----- At cost ----->			
	Freehold land and buildings RM'000	Leasehold land and buildings RM'000	Building and moulds in progress RM'000	Plant, machinery and equipment RM'000	Other fixed assets RM'000	Total RM'000
<b>The Company</b>						
<b>Fixed Assets</b>	-	-	-	-	-	-
	<hr/>					
<b>Proforma Group</b>						
At 1 January	16,863	4,806	48	24,341	5,394	51,452
Additions			69	302	28	399
Disposals				(5)	(254)	(259)
At 31 March	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	16,863	4,806	117	24,638	5,168	51,592
	<hr/>					
<b>Accumulated Depreciation</b>						
At 1 January	621	124		8,596	3,052	12,393
Charge for the period	42	18		538	135	733
Disposals				(1)	(189)	(190)
At 31 March	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>	663	142	117	9,133	2,998	12,936
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	16,200	4,664	117	15,505	2,170	38,656
	<hr/>					

Certain fixed assets of the Proforma Group have been charged to licensed banks for banking facilities.

XI. ACCOUNTANTS' REPORT (*Cont'd*)

<b>(d) STOCKS</b>	Company RM'000	Proforma Group RM'000
Raw materials		2,318
Work-in-progress		1,231
Finished goods		3,732
Trading stocks		4,517
		11,798
<b>(e) OTHERS DEBTORS</b>	Company RM'000	Proforma Group RM'000
Sundry debtors, deposits and prepayments		5,411
Due from a company in which certain directors have interest		6,532
Due from directors		894
		12,837
Subsequent to 31 March 1999, the amounts due from directors and a company in which certain directors have interest have been repaid.		
<b>(f) SHORT TERM BORROWINGS</b>	Company RM'000	Proforma Group RM'000
Bank overdrafts		8,027
Bankers acceptances and trust receipts		10,393
		18,420
The above banking facilities are secured by legal charges on certain assets of the Proforma Group and bear interest of between 2% and 3% above the bank's base lending rate.		
<b>(g) TRADE CREDITORS</b>	Company RM'000	Proforma Group RM'000
Trade creditors		12,472
Due to a company in which certain directors have interest		128
		12,600

**XI. ACCOUNTANTS' REPORT (Cont'd)****(m) DEFERRED TAXATION**

	Company RM'000	Proforma Group RM'000
At 1 January		299
Transferred to the profit and loss		
At 31 March		<u>299</u>

**(n) SHARE CAPITAL**

	Company RM'000	Proforma Group RM'000
Shares of RM 1 each:-		
Authorised	<u>100,000</u>	<u>100,000</u>
Issued and fully paid-up:-		
Ordinary shares of RM1 each	<u>*</u>	<u>40,000</u>

\* *Being 2 fully paid-up ordinary shares of RM1 each*

The movements of the issued and paid-up share capital of the Company from the date of incorporation to the date of acquisition of 100% equity interest in Minply, EPI, MI, CES, AFI and 70% equity interest in MB and Rights Issue are as follows:-

	RM
As at date of incorporation	2
Issued on 31 July 1999 in consideration for :	
I. Acquisition of Minply	24,671,500
II. Acquisition of AFI	4,334,498
Rights Issue on 17 August 1999	<u>10,994,000</u>
Total enlarged issued and fully paid-up share capital	<u>40,000,000</u>

**(o) RESERVES**

	Company RM'000	Proforma Group RM'000
Non distributable :-		
Share premium		13,414
Reserves on consolidation		<u>2,790</u>
		<u>16,204</u>

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**XI. ACCOUNTANTS' REPORT (Cont'd)**


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**Assets Held Under Hire Purchase Agreements**

Included in the above fixed assets are assets held under hire purchase agreements as follows:-

<b>Proforma Group</b>	<b>cost RM'000</b>	<b>Accumulated Depreciation RM'000</b>	<b>Net Book Value RM'000</b>
Plant, machinery and equipment	2,880	679	2,201
Motor vehicles	924	377	547
	<u>3,804</u>	<u>1,056</u>	<u>2,748</u>

**(k) INTANGIBLE ASSETS**

	<b>Company RM'000</b>	<b>Proforma Group RM'000</b>
Preliminary expenses	2	2
Pre-operating expenses	29	29
	<u>31</u>	<u>31</u>

**(l) LONG TERM LIABILITIES**

	<b>Company RM'000</b>	<b>Proforma Group RM'000</b>
Term loans		3,958
Less : Repayments due within 12 months (included in other creditors)		<u>(984)</u>
		<u>2,974</u>
Hire purchase creditors		
Minimum repayments due within:-		
Within one year		934
Within two to five years		323
		<u>1,257</u>
Less : Interest in suspense		<u>(216)</u>
		<u>1,041</u>
Less : Repayments due within 12 months (included in other creditors)		<u>(843)</u>
		<u>198</u>
Total long term liabilities		<u>3,172</u>

The term loans are secured by the assets of the Proforma Group and are jointly and severally guaranteed by certain directors of the subsidiaries. The above loans bear interest of between 2.0% and 3.0% above the bank's base lending rates.

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**XII. DIRECTORS' REPORT**

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*(Prepared for inclusion in this Prospectus)*

**Registered Office:-**

Suite 11.2B, Level 11  
Menara Pelangi  
No. 2, Jalan Kuning  
Taman Pelangi  
80400 Johor Bahru  
Johor Darul Takzim

10 September 1999

The Shareholders  
Minply Holdings (M) Berhad

Dear Sir/Madam,

On behalf of the Directors of Minply Holdings (M) Berhad ("MHB"), I report after due inquiry that during the period from 31 March 1999 (being the date to which the last audited accounts of MHB and its subsidiaries ("Group") have been made up) to 10 September 1999 (being a date not earlier than fourteen days before the issue of this Prospectus):-

- (a) the business of the Group, in the opinion of the Board of Directors, has been satisfactorily maintained;
- (b) in the opinion of the Board of Directors, no circumstances have arisen subsequent to the last audited accounts of the Group which have adversely affected the trading or the value of the assets of the Group;
- (c) the current assets of the Group appear in the books at values which are believed to be realisable in the ordinary course of business;
- (d) there are no contingent liabilities which have arisen by reason of any guarantees given by the Company or any of its subsidiaries; and
- (e) save as disclosed in this Prospectus, there have been no changes in published reserves nor any unusual factors affecting the profit of the Group.

Yours faithfully  
For and on behalf of  
the Board of Directors of Minply Holdings (M) Berhad

Chee Ah Leh  
Executive Chairman

**XI. ACCOUNTANTS' REPORT (Cont'd)****(p) CONTINGENT LIABILITIES**

In the previous year, the Inland Revenue Board (IRB) disallowed the capital allowances and reinvestment allowances claimed by a subsidiary from year of assessment 1994 to 1997 on certain machineries due to the non availability of certain documents. As a result, an additional tax liability of approximately RM1,529,000 from year of assessment 1994 to 1997 was raised by the IRB. The subsidiary has appealed to the IRB on the grounds that the amount incurred were for the purpose of acquiring machineries and hence the subsidiary is entitled for related capital allowances and reinvestment allowances. Accordingly, the amount of RM 1,529,000 has not been taken up in the accounts as at 31 March 1999 pending the outcome of the appeal.

**(q) CURRENCY**

All amounts are stated in Ringgit Malaysia (RM).

**(r) PROFORMA GROUP NET TANGIBLE ASSETS COVER**

The Proforma Group net tangible assets of MHB based on the statement of assets and liabilities as at 31 March 1999 and after adjusting for the estimated listing expenses to be borne by the Company is illustrated below:-

	<b>RM'000</b>
Proforma Group net assets of MHB as at 31 March 1999	42,920
Add : Surplus on revaluation of landed properties	2,241
Rights issue of 10,994,000 ordinary shares of RM 1.15 per share	12,643
	<u>57,804</u>
Less : Intangible assets	(31)
Less : Listing expenses	(1,600)
Proforma net tangible assets	<u>56,173</u>
Total no. of enlarged ordinary shares of RM 1.00 each	<u>40,000</u>
Proforma net tangible assets per share (RM)	<u>1.40</u>

**(s) ACCOUNTS**

No audited accounts have been made up in respect of any period subsequent to 31 March 1999 for the Company or any of its subsidiaries.

Yours faithfully

ARTHUR ANDERSEN & CO.  
AF 0103  
Public Accountants

RAVANDARAN A/L THANGEVELOO  
No. 1859/9/01 (J)  
Partner of the Firm



**XIII. VALUATION CERTIFICATE (Cont'd)**

We have valued the Group's properties listed below with titles free from all legal encumbrances, using the comparison and cost methods of valuation and are of the opinion that the Open Market Values of these properties are as follows:-

**(i) Properties held for owner-occupation**

Property/ Reference No.	Date of valuation	Tenure/ Approximate age of building (years)	Land area/ built-up area (sq. feet)	Existing use / Description	Open Market Value (RM)
<b>Minply Sdn. Bhd.</b>					
HS(D) 137862, PTD No. 27892 Mukim of Tebrau No. 20, Jalan Badik 13, Taman Puteri Wangsa, x 1 800 Ulu Tiram, District of Johor Bahru Johor Darul Takzim/ KGVA 990310X-J	13 March 1999	Freehold/ 4	1,540/ 1,395	Residential/ 1 unit of double- storey terrace house	170,000
<b>Elit Press Industries Sdn. Bhd.</b>					
HS(M) 2656, PTD X240 and HS(M) 2657, PTD X241 at Nos. 32 & 34, Jalan Industri 1, Taman Perindustrian Pekan Nenas, x 1500 Pekan Nenas, Mukim of Jeram Batu District of Pontian Johor Darul Takzim/ KGVA 9903091-J	12 March 1999	Freehold/ 4	32,2951 30.210	Industrial/ 2 units of 1½ storey semi- detached factories	2,240,000
HS(M) 3336, PTD XX3 1, HS(M) 3317, PTD 8832, HS(M) 333X, PTD 8833, HS(M) 3339, PTD 8834, HS(M) 3340, PTD 8835 and HS(M) 3341, PTD XX36 (formerly known as EMR 1231 Lot No 950) Mukim of Jeram Batu District of Pontian Johor Darul Takzim KGVA 9903094-J	12 March 1999	Freehold/ n/a	271,604/ n/a	Industrial/ vacant land	4,0x0,000
<b>Allfit Furniture Industries Sdn. Bhd.</b>					
HS(D) 2x53, PTD 3995, HS(D) 2854, PTD 3996 and HS(D) 2855, PTD 3997 Jalan Kayu Pasang, Sungai Trus, Mukim of Api-Api, District of Pontian Johor Darul Takzim/ KGVA 9903110-J	12 March 1999	Freehold/ *	164,299/ 91,678	Industrial/ 2 units of single- storey factory with a double- storey office annex and other ancillary buildings	4,955,000

**(ii) Properties held as investment**

Property/ Reference No.	Date of valuation	Tenure/ Approximate age of building (years)	Landed area/built- up area (sq.ft.)	Existing use/ Description	Annual Rental Income (RM)	Open Market Value (RM)
<b>Minply Sdn. Bhd.</b>						
Geran No. 4921X, Lot No 56840 and Geran No. 49239, Lot No 56841 (formerly HS(D) 168969 PTD X9619 & HS(D) 168970 PTD X9620) Mukim of Plentong, District of Johor Bahru at Nos X & 10, Jalan Masyhri 4, Taman Perindustrian Cemerlang, x1 800 Ulu Tiram, Pontian, Johor Darul Takzim/ KGVA 9903106-J	13 March 1999	Freehold/ 7	17,997/ 10,000	Industrial/ 2 units of 1½ storey semi- detached factories	110,400	1,440,000

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### XIII. VALUATION CERTIFICATE

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*(Prepared for inclusion in this Prospectus)*

KGV-Lambert Smith Hampton  
Suite 2, 17th Floor  
Kompleks Tun Abdul Razak  
Jalan Wong Ah Fook  
80000 Johor Bahru  
Johor Darul Takzim

10 September 1999

The Board of Directors  
Minply Holdings (M) Berhad  
Suite 11.2B, Level 11  
Menara Pelangi  
No. 2, Jalan Kuning  
Taman Pelangi  
80400 Johor Bahru  
Johor Darul Takzim

Dear Sirs

#### **VALUATION OF PROPERTIES BELONGING TO MINPLY HOLDINGS (M) BERHAD ("MHB") AND ITS SUBSIDIARIES ("THE GROUP")**

This Certificate has been prepared for inclusion in the Prospectus of MHB to be dated 20 September 1999 in relation to the offer for sale of 6,011,000 ordinary shares of RM 1.00 each at an offer price of RM 1.15 per share.

In accordance with your instruction, we have assessed the Open Market Values of the landed properties set out below in conjunction with the restructuring and the listing of MHB on the Second Board of the Kuala Lumpur Stock Exchange. We have valued the aforesaid properties on 13 March 1999 (KGV 9903 106-J and KGVA 9903 108-J), 12 March 1999 (KGVA 9903091 -J, KGVA 9903092-J, KGVA 9903094-J and KGVA 9903 1 IO-J) and 23 March 1999 (KGVA 9903 1 19-J) and the details of the aforesaid valuation are set out in our valuation reports.

The valuation reports have been prepared based on the Guidelines on Assets Valuation for Submission to the Securities Commission and professional standards prescribed by the Board of Valuers, Appraisers and Estate Agents and other recognised professional bodies.

XIII. VALUATION CERTIFICATE (*Cont'd*)

(Prepared for inclusion in this Prospectus)

KGV-Lambert Smith Hampton  
Unit B-9-9, Blok B  
Megan Phileo Avenue  
12, Jalan Yap Kwan Seng  
50450 Kuala Lumpur

10 September 1999

The Board of Directors  
Minply Holdings (M) Berhad  
Suite 11.2B, Level 11  
Menara Pelangi  
No. 2, Jalan Kuning  
Taman Pelangi  
80400 Johor Bahru  
Johor Darul Takzim

Dear Sirs

## VALUATION OF PROPERTIES BELONGING TO MTNPLY HOLDINGS (M) BERHAD ("MHB") AND ITS SUBSIDIARIES ("THE GROUP")

This Certificate has been prepared for inclusion in the Prospectus of MHB to be dated 20 September 1999 in relation to the offer for sale of 6,011,000 ordinary shares of RM 1.00 each at an offer price of RM1.15 per share.

In accordance with your instruction, we have assessed the Open Market Values of the landed properties set out below in conjunction with the restructuring and the listing of MHB on the Second Board of the Kuala Lumpur Stock Exchange. We have valued the aforesaid properties on 15 March 1999 (KGV-LSH 990339, KGV-LSH 990340 and KGV-LSH 990341) and the details of the aforesaid valuation are set out in our valuation reports.

The valuation reports have been prepared based on the Guidelines on Assets Valuation for Submission to the Securities Commission and professional standards prescribed by the Board of Valuers, Appraisers and Estate Agents and other recognised professional bodies.

We have valued the Group's properties listed below with titles free from all legal encumbrances, using the comparison and cost methods of valuation and are of the opinion that the Open Market Values of these properties are as follows:-

**(i) Properties held for owner-occupation**

Property/ Reference No.	Date of valuation	Tenure/ Approximate age of building (years)	Land area/ built-up area (sq. feet)	Existing use / Description	Open Market Value (RM)
<b>Minply Sdn. Bhd.</b>					
Developer's Lot Nos. D6 & D7 <b>Nos.</b> 1 & 3, Jalan TPP 6/8, Taman Perindustrian Puchong, Seksyen 6 (formerly known as, Pinwang Industrial Park), 47100 Puchong, Selangor Darul Ehsan/ KGV-LSH 990339	15 March 1999	99-year leasehold/ <b>new</b>	62,139/ 33,960	Industrial/ 2 units of single-storey detached factories with an annexed double-storey front office	<b>3,410,000</b>

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**XIII. VALUATION CERTIFICATE (Cont'd)**


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Property/ Reference No.	Date of valuation	Tenure/ Approximate age of building (years)	Landed area/built -up area (sq.ft.)	Existing use/ Description	Annual Rental Income (RM)	Open Market Value (RM)
<b><i>Minply Sdn. Bhd (cont')</i></b>						
Geran Mukim No. 19, Lot No. 2173 Mukim of Serkat District of Pontian Johor Darul Takzim/ KGVA 9903 119-J	23 March 1999	Freehold / n/a	126,596/ n/a	Agriculture/ old coconut trees	-	160,000
<b><i>Elit Press Industries Sdn. Bhd.</i></b>						
EMR No. 1230 Lot No. 2377 Mukim of Jeram Batu District of Pontian Johor Darul Takzim/ KGVA 9903092-J	12 March 1999	Freehold / n/a	257,256/ n/a	Industrial/ Converted industrial land	-	2,570,000

\*        *The 2 buildings are of the age of less than 1 year and 10 years respectively.*

*n/a        not applicable*

Yours faithfully  
**KGV-LAMBERT SMITH HAMPTON**

SAMUEL W C TAN  
 B Surveying (Hons) Ppty Management  
 Director  
 (Registered Valuer V29 1)

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**XIV. STATUTORY AND GENERAL INFORMATION**


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**1. SHARE CAPITAL**

- (i) No shares will be allocated on the basis of this Prospectus later than 6 months after the date of this Prospectus.
- (ii) There are no founder, management or deferred shares in the Company. As at the date of this Prospectus, there is only one class of shares in the Company, namely, ordinary shares of RM 1.00 each, all of which rank pari passu with one another.
- (iii) Save for the Offer Shares reserved for eligible Directors and employees of the MHB Group as disclosed in Section VII(1) of this Prospectus, no person has been or is entitled to be given an option to subscribe for any shares, stocks or debentures of the Company or its subsidiaries.
- (iv) Save as disclosed in Sections IX(4) and IX(5) of this Prospectus, no shares or debentures of the Company and its subsidiaries have been or are proposed to be issued as partly or fully paid-up in cash or otherwise than in cash within the 2 years preceding the date hereof.
- (v) Save for the Offer Shares reserved for eligible Directors and employees of the Group as disclosed in Section VII(1) of this Prospectus, there is currently no other scheme for or involving the employees in the capital of the Company or its subsidiaries.
- (vi) No options to subscribe for any shares, stocks or debentures of the Company or its subsidiaries have been granted or exercised by the Directors of the Company during the last financial year.

**2. ARTICLES OF ASSOCIATION**

The following provisions are reproduced from the Company's Articles of Association ("Articles") which have been approved by the KLSE.

**(i) Transfer of Securities**

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

**Articles of Association****Article 23**

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

**XIII. VALUATION CERTIFICATE (Cont'd)****(ii) Properties held as investment**

Property/ Reference No.	Date of valuation	Tenure/ Approximate age of building (gears)	Landed area/built -up area (sq.ft.)	Existing use / Description	Annual Rental Income (RM)	Open Market Value (RM)
<i>Mimply Sdn. Bhd.</i>						
HS(D)61587, PT 11338 and HS(D)61588, PT 11339 Mukim of Petaling at Nos 9 & 11, Jalan TPP1/19, Taman Industri Puchong, 12 <sup>th</sup> Mile, Jalan Puchong, 47100 Puchong Selangor Darul Ehsan KGV-LSH 990340	15 March 1999	Freehold/ 3	19,203/ X.640	Industrial/ 1 unit of single storey semi-detached factory and 1 unit of single storey semi- detached factory with mezzanine	120,000	1,585,000
Pajakan Mukim 326, Lot No. 20497. Mukim of Petaling at No 17, Jalan 1113A Off Jalan Kelang Lama, 58000 Kuala Lumpur/ KGV-LSH 990331	15 March 1999	99-year leasehold/ 14	3,444/ 13,127	Industrial/ 1 unit of 3½ storey terrace industrial building (with an upper ground floor added)	-	1,145,000

Yours faithfully

KGV-LAMBERT SMITH HAMPTON

**EDMUND H C NG**  
**B SC (Est Man) MIS (M), ARVA**  
 Managing Director  
 (Registered Valuer V 181)

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**XIV. STATUTORY AND GENERAL INFORMATION (Cont'd)**

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**Companies Act, 1965**

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

***Section 703 (Instrument of transfer)***

- (1) Notwithstanding anything in its articles a company shall not register a transfer of shares or debentures unless a proper instrument of transfer in the prescribed form has been delivered to the company, but this subsection shall not prejudice any power to register as a shareholder or debenture holder any person to whom the right to any shares in or debentures of the company has been transmitted by operation of law.
- (1A) Nothing in this section shall be construed as affecting the validity of any instrument which would be effective to transfer shares or debentures apart from this section; and any instrument purporting to be made in any form which was common or usual in use, or in any other form authorised or required for that purpose apart from this section before the commencement of this Act, shall be sufficient, whether or not it is completed in accordance with the prescribed form, if it complies with the requirements as to execution and contents which apply to a transfer.

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

***Section 107C (Transfer of securities is by way of book entry)***

- (1) On or after the coming into operation of this section, the transfer of any securities or class of securities of a company whose securities or any class of whose securities have been deposited with a central depository shall be by way of book entry by the central depository in accordance with the rules of the central depository and, notwithstanding Sections 103 and 104, such company shall be precluded from registering and effecting any transfer of securities.
- (2) Subsection (1) shall not apply to a transfer of securities to a central depository or its nominee company.

**Rules of the MCD**

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

***Rule 8.01 (2) (Rejection of transfer)***

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

***Rule 8.05A (Transfers from the principal or nominee account)***

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

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**XIV. STATUTORY AND GENERAL INFORMATION (*Cont'd*)**

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***Article 24***

The transfer books and registers of Members and debenture holders and debenture stock holders (if any) may be closed during such time as the Directors think fit not exceeding in the whole thirty (30) days in each year. Any notice of intention to fix a books closing date and the reason therefor shall be published in a daily newspaper circulating in Malaysia and shall also be given to the Stock Exchange : such notice shall state the books closing date, which shall be at least eighteen (18) market days after the date of notification to the Stock Exchange, and the address of share registry at which documents will be accepted for registration. The Company shall give notice in accordance with the Rules to the Central Depository to prepare the appropriate Record of Depositors.

**Second Board Listing Requirements**

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

***Clause 9.5A(Transfers)***

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

***Clause 9.5B(Transmission of securities from foreign register)***

(1) Where:-

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

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

- (i) there shall be no change in the ownership of such securities; and
  - (ii) the transmission shall be executed by causing such securities to be credited directly into the securities account of such securities holder.
- (2) For the avoidance of doubt, no company which fulfils the requirements of paragraphs (a) and (b) of Clause 9.5(B) shall allow any transmission of securities from the Malaysian Register into the Foreign Register.



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**XIV. STATUTORY AND GENERAL INFORMATION (Cont'd)**

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- (c) Salaries payable to executive Directors may not include a commission on or percentage of turnover.

**Article 79**

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.

**Article 80**

If any Director being willing and having been called upon to do so by the other Directors shall render or perform special or extraordinary services or travel or reside abroad for any business or purposes on behalf of the Company, he shall be entitled to receive such sum as the Directors may think fit for expenses and also such remuneration as the Directors may think fit, either as a fixed sum or as percentage of profits or otherwise but not a commission on or percentage of turnover and such remuneration may, as the Directors shall determine, be either in addition to or in substitution for any other remuneration he may be entitled to receive, and the same shall be charged as part of the ordinary working expenses of the Company. However, such extra remuneration to any non-executive Directors shall not include a commission on or percentage of profits or turnover.

**Article 81**

The shareholding qualification for Directors may be fixed by the Company in General Meeting and until so fixed no shareholding qualification for Directors shall be required.

**Article 85**

The Directors may establish or arrange any contributory or non-contributory pension or superannuation scheme for the benefit of, or pay a gratuity, pension or emolument to any person who is or has been employed by or in the service of the Company or any subsidiary of the Company, or to any person who is or has been a Director or other officer of and holds or has held salaried employment in the Company or any such subsidiary and the widow, family or dependants of any such person.

The Directors may also subscribe to any association or fund which they consider to be for the benefit of the Company or any such subsidiary or any such persons as aforesaid, and make payments for or towards any hospital or scholastic expenses or any insurance of any such persons. Provided that any Director holding such salaried employment shall be entitled to retain any benefit received by him hereunder subject only, where the Act requires, to proper disclosure to the Members and the approval of the Company in General Meeting.

**Article 101**

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

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**XIV. STATUTORY AND GENERAL INFORMATION (Cont'd)**

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***Rule 9.03(2) (Documents to lodge)***

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

- (a) the prescribed Form FTF010 (request for ordinary transfer of securities form) or Form FTFO 15 (request for express transfer of securities form) fully and properly completed in triplicate;
- (b) the Transferring Depositor has executed the Transferor portion on the said form duly witnessed by another person (other than the Depositor's spouse);
- (c) the Transferring Depositor has stated his reason for the transfer and that the reason is or are amongst any of the approved reasons as stated herein below:-
  - (i) transmission and transfer of securities arising from the provisions of any written law or an order of court of competent jurisdiction;
  - (ii) rectification of errors;
  - (iii) pledge, charge or mortgage;
  - (iv) mandatory offer pursuant to the provisions of the Malaysian Code On Takeovers and Mergers 1987;
  - (v) any other circumstances as deemed fit by the Central Depository after consultation with the SC;
- (d) documents to support the reason for the transfer;
- (e) such other accompanying documents duly processed in such manner as the Central Depository may from time to time determine in its Procedures Manual.

**(ii) Number of shares fixed as qualification of a Director and remuneration of Directors**

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

***Article 78***

- (a) The remuneration of the Directors shall from time to time be determined by the Company in General Meeting. That remuneration shall be deemed to accrue from day to day. Remuneration paid by the Company to the alternate Director shall be deducted from the Director nominating him. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or General Meetings of the Company or in connection with the business of the Company.
- (b) Fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover.

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**XIV. STATUTORY AND GENERAL INFORMATION (Cont'd)**

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**Article 102**

A Director of the Company may be or become a director or other officer or otherwise be interested in any corporation promoted by the Company or in which the Company may be interested as a shareholder or otherwise or any corporation, which is directly or indirectly interested in the Company as a shareholder or otherwise and no such Director shall be accountable to the Company for any remuneration or other benefit received by him as a director or officer of, or from his interest in, such corporation unless the Company otherwise directs at the time of his appointment. The Directors may exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company, or exercisable by them as Directors of such other corporation in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them Directors or other officers of such corporation) and any Director may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be or is about to be appointed a director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in manner aforesaid.

**Article 112**

A Managing Director shall, subject to the terms of any agreement entered into in any particular case, receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine.

**(iv) Changes in the share capital and variation of rights**

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

**Article 4**

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, but subject to the Act and to these Articles, shares in the Company may be issued by the Directors and any such shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Directors, subject to the provisions of the Act the Company may issued preference shares which are, or at the option of the Company are to be liable to be redeemed on such terms and in such manner as the Company before the issue thereof may by special resolution determine. No shares shall be issued at a discount except in compliance with the provisions of the Act.

Provided that

- (a) The Company shall not issue any shares which will have the effect of giving a controlling interest to any person, company or syndicate without prior approval of shareholders in General Meeting.
- (b) Every issue of shares or options to employees and/or Directors shall be approved by shareholders in General Meeting and such approval shall specifically detail the amount of shares or options to be issued to each Director. Only Directors holding office in an executive capacity shall participate in such an issue of shares. However, non-executive Directors may subscribe for shares issued or offered pursuant to a public issue as public offer.

**XIV. STATUTORY AND GENERAL INFORMATION (Cont'd)**

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**(iii) Voting and borrowing powers of Directors**

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

**Article 84**

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

**Article 96**

Every Director shall comply with the relevant provisions of the Act in connection with the disclosure of his interest in any contract or proposed contract with the Company and in connection with the disclosure of the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly duties or interests might be created in conflict with his duty or interest as a Director of the Company.

**Article 97**

A Director shall not vote in regard to any contract or proposed contract or arrangement in which he has directly or indirectly a personal interest.

**Article 98**

A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary thereby established.

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**XIV. STATUTORY AND GENERAL INFORMATION (Cont'd)**

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**Article 38**

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

**Article 39**

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

**Article 43**

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

**Article 44**

The Company may from time to time by ordinary resolution :-

- (a) increase the share capital by such sum to be divided into shares of such amount as the resolution shall prescribe ;
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) subdivide its shares or any of them into shares of smaller amount than is fixed by the memorandum; so however that in the sub-division the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and / or
- (d) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.

**Article 45**

All new shares created as a result of any increase or change in the Company's capital shall be subject to the same provisions of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise as the shares in the original share capital.

**Article 46**

The Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner with, and subject to, any incident authorised, and consent required by law.

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XIV. STATUTORY AND GENERAL, INFORMATION (*Cont'd*)

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- (c) The total nominal value of issued preference shares shall not exceed the total nominal value of the issued ordinary shares at any time.
- (d) The rights attaching to shares of a class other than ordinary shares be expressed in the resolution creating the same.
- (e) 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 the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith but in no respect in priority thereto.
- (f) Preference shareholders shall have the same rights as ordinary shareholders as regards receiving notices, reports and Balance Sheets, and attending General Meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital, or winding up, or sanctioning a sale of the undertaking, or where the proposition to be submitted to the meeting directly affects their rights and privileges, or when the dividend on the preference shares is in arrear more than six (6) months.

**Article 5**

- (i) The repayment of preference capital other than redeemable preference, or any other alteration of preference shareholders rights, may 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.
- (ii) Subject to the provisions of the Act, Guidelines and requirements of the Stock Exchange and/or any other relevant authorities, the Company may purchase its own shares and that the Directors be empowered to exercise the option to cancel such shares so purchased and/or to retain the purchased shares in treasury or both.

**Article 7**

The Company may pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company. Provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act, that such commission shall not exceed ten per cent (10%) of the price at which such shares are issued, or an amount equivalent to such percentage, and that the requirements of Section 58 of the Act shall be observed. Subject to the provisions of Section 54 of the Act, such commission may be satisfied by the payment of cash or the allotment of fully paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

**Article 37**

The Company may by ordinary resolution passed at a General Meeting convert any paid-up shares into stock and reconvert any stock into paid-up shares of any denomination.

XIV. STATUTORY AND GENERAL INFORMATION (*Cont'd*)

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

Name	Nature of interest
Chee Ah Leh	Director of MI, MB, EPI and Director and substantial shareholder of Minply and AFI
Ng Ah Kuan	Director of MI and MB and Director and substantial shareholder of Minply and AFI
Chee Boon Yeong	Director of Minply, MI and EPI
Dato' Mohd. Taufik bin Abdullah	Substantial shareholder of AFI and Director and substantial shareholder of Minply
Ang Poon Aik	Substantial shareholder of Minply
Toh Kit (Hong) (a Toh Kck Keong	Director of CES and substantial shareholder of Minply
Noor Izan bin Ali	Substantial shareholder of AFI
Hj. Ismail bin Awang	Substantial shareholder of Minply

- (vii) None of the Directors have any interest in any contract or agreement which is significant in relation to the business of the Company and its subsidiaries subsisting at the date of this Prospectus.
- (viii) The aggregate remuneration paid to the Directors of the Company for services rendered to the Company and its subsidiaries in all capacities for the financial year ended 31 December 1998 amounted to RM335,369. For the financial year ending 31 December 1999, the amount payable to the Directors of the Company for services rendered to the Company and its subsidiaries in all capacities is forecast to be approximately RM400,000.
- (ix) The substantial shareholders and their respective beneficial interests in the shares of the Company, before and after the Offer, are as follows:-

Name	<-----Before the Offer----->				<-----After the Offer----->			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of shares held	%	No. of shares held	%	No. of shares held	%	No. of shares held	%
RSB#	23,993,900	59.98			19,432,900	48.55		
Dato' Mohd. Taufik Bin Abdullah	8,947,000	22.37			8,947,000	22.37		
Ng Hip Mang	301,000	0.75	*24,591,000	61.48	70,000	0.17	*20,021,000	50.05
Ng Ah Kuan	344,000	0.86	*24,591,000	61.48	79,000	0.20	*20,021,000	50.05
Chee Ah Leh	756,000	1.89	**23,993,900	59.98	174,000	0.44	**19,423,900	48.55
Ang Poon Aik	1,534,900	3.84			1,534,900	3.84		
Noor Izan bin Ali	1,385,900	3.46			1,385,900	3.46		
Hajj Ismail bin Awang	1,667,200	4.17			1,667,200	4.17		

**Notes:-**

# Further information on RSB is disclosed in Section VII (7) of this Prospectus.

\* Deemed interested through RSB and Chin Ming Trading (Pte) Ltd by virtue of Section 6A(4)(c) of the Companies Act, 1965

\*\* Deemed interested through RSB by virtue of Section 6A(4)(c) of the Companies Act, 1965.

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XIV. STATUTORY AND GENERAL INFORMATION (*Cont'd*)

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**3. DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

- (i) The names, addresses and occupations of the Directors are set out in Section II of this Prospectus.
- (ii) A Director is not required to hold any qualification share in the Company.
- (iii) None of the Directors of the Company have any existing or proposed service contracts with the Company or any of its subsidiaries which is not terminable by notice without payment of compensation (other than statutory compensation within 1 year).
- (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 any bankruptcy laws filed against such person or any partnership in which he was a partner or any corporation of which he was an Executive Officer;
- (b) conviction in criminal proceedings or is a named subject of pending criminal proceedings; and
- (c) the subject of any order, judgement or ruling of any court of competent jurisdiction, tribunal or government body permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.
- (v) Save as disclosed below, none of the Directors or substantial shareholders of the Company have any interest, direct or indirect, in any business carrying on a similar trade as the Company or its subsidiaries which are not quoted on a recognised exchange.

Name	Company name	Principal activities	Directorship held	Equity interest	
				Direct %	Indirect %
Ng AhKuan	Chin Ming Trading (Pte.) Ltd.	Trading of timber and plywood	Director	29.9	
Ng Hip Mang	Chin Ming Trading (Pte.) Ltd.	Trading of timber and plywood	Director	22.4	

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



#### **XIV. STATUTORY AND GENERAL INFORMATION (Cont'd)**

- (d) Known trends or uncertainties that have had or that the Group reasonably expects to have a materially favourable or unfavourable impact on revenues or operating income.

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

- (viii) The Directors are not aware of any material information including trading factors or risks which are unlikely to be known or anticipated by the general public and which could materially affect the profits of the Group.
- (ix) Save as disclosed in Section X(2) of this Prospectus, as at the date of this Prospectus, there is no loan capital outstanding or mortgages and charges in relation to the Group.
- (x) As at the date of this Prospectus, neither MHB nor its subsidiaries have any outstanding convertible debt securities.
- (xi) The name and address of the Auditors are set out in Section II of this Prospectus.

#### **5. EXPENSES AND COMMISSION**

- (i) Underwriting commission is payable by the Offerors to the Managing Underwriter and Underwriters at the rate of 1.5% of the offer price of RM 1.15 for each of the 6,011,000 Offer Shares being underwritten.
- (ii) Brokerage of 1% of the offer price of RM 1.15 per Offer Share is payable by the Offerors in respect of successful applications bearing the stamps of CIMB, member companies of the KLSE, members of the Association of Banks in Malaysia, members of the Association of Merchant Banks in Malaysia or MIH.
- (iii) The underwriting commission, brokerage, stamp duty (if any), registration and share transfer fees in relation to the Offer estimated at RM 173,000 will be borne by the Offerors. An estimated RM1,600,000 in respect of expenses and fees incidental to the listing of and quotation for the entire issued and paid-up share capital of MHB on the Second Board of the KLSE will be borne by the Company.
- (iv) Save as disclosed above, no commission, discounts, brokerage or other special terms were granted by the Company within the 2 years immediately preceding the date of this Prospectus in connection with the issue or sale of any capital of the Company or its subsidiaries.

#### **6. PUBLIC TAKE-OVERS**

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

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

XIV. STATUTORY AND GENERAL INFORMATION *(Cont'd)*

- (x) According to the Register of Directors' Shareholdings, the direct and indirect interests of the Directors in the shares of the Company, before and after the Offer, are as follows:-

Name	<-----Before the Offer----->				<-----After the Offer----->			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of shares held	%	No. of shares Held	%	No. of shares held	%	No. of shares held	%
Chee Ah Leh	756,000	1.89	*23,993,900	59.98	174,000	0.44	*19,423,900	48.55
Ng Ah Kuan	144,000	0.80	**24,591,000	61.48	79,000	0.20	**20,021,000	50.05
Dato' Mohd. Taufik Bin Abdullah	8,947,000	22.37			8,947,000	22.37		
Chee Boon Yeong	44,000	0.11			10,000	0.02		
Quek Chye Hock								
Liang Teh Hai								

**Notes:-**

\* Deemed interested through RSB by virtue of Section 6A(4)(c) of the Companies Act, 1965.

\*\* Deemed interested through RSB and Chin Ming Trading (Pte.) Ltd. by virtue of Section 6A(4)(c) of the Companies Act, 1965.

## 4. GENERAL

- (i) The nature of the Company's business is described in Section IX(3) of this Prospectus. The corporations which are deemed to be related to the Company by virtue of Section 6 of the Companies Act, 1965 have been disclosed in Section IX(5) of this Prospectus.
- (ii) The times of the opening and closing of the Application Lists of the Offer is set out in Section VII(2) of this Prospectus.
- (iii) The amount payable in full on application is RM 1.15 per Offer Share.
- (iv) The manner in which copies of this Prospectus together with the Application Forms and envelopes may be obtained is set out in Section XV of this Prospectus.
- (v) No amount or benefit has been paid or given within the 2 years preceding the date of this Prospectus, nor is intended to be paid or given, to any promoter.
- (vi) The Group has not established a place of business outside Malaysia.
- (vii) Save as disclosed in this Prospectus, the financial conditions and operations of the Group are not affected by any of the following:-
- Known trends or known demands, commitments, events or uncertainties that will result in or are reasonably likely to result in the Group's liquidity increasing or decreasing in any material way;
  - Material commitments for capital expenditure;
  - Unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from operations; and

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**XIV. STATUTORY AND GENERAL INFORMATION (Cont'd)**

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The written consent of the Valuers to the inclusion in this Prospectus of their Valuation Certificate in the form and context in which it is contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

**10. DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours for a period of 6 months from the date of this Prospectus:-

- (i) Memorandum and Articles of Association of MHB and its subsidiaries;
- (ii) The Accountants' Report and Directors' Report as included in Sections XI and XII of this Prospectus respectively;
- (iii) The Reporting Accountants' Letter on the consolidated profit forecast of MHB for the financial year ending 31 December 1999 as included in Section X(4) of this Prospectus;
- (iv) The Reporting Accountants' Letter on the proforma consolidated balance sheets of MHB as at 31 March 1999 as included in Section X(7) of this Prospectus;
- (v) The audited accounts of MHB for the period from 2 December 1994 (date of incorporation) to 31 December 1995, 3 financial years ended 31 December 1998 and 3 months ended 31 March 1999;
- (vi) The audited accounts of Minply for the 5 financial years ended 31 December 1998 and 3 months ended 31 March 1999;
- (vii) The audited accounts of EPI for the 5 financial years ended 31 December 1998 and 3 months ended 31 March 1999;
- (viii) The audited accounts of MI for the 5 financial years ended 31 December 1998 and 3 months ended 31 March 1999;
- (ix) The audited accounts of AFI for the 5 financial years ended 31 December 1998 and 3 months ended 31 March 1999;
- (x) The audited accounts of CES for the 5 financial years ended 31 December 1998 and 3 months ended 31 March 1999;
- (xi) The audited accounts of MB for the period from 27 September 1995 (date of incorporation) to 31 December 1996, 2 financial years ended 31 December 1998 and 3 months ended 31 March 1999;
- (xii) The material contracts referred to in Section XIV (8) of this Prospectus;
- (xiii) The consent letters referred to in Section XIV (9) of this Prospectus;
- (xiv) The bank guarantee in respect of the profit guarantee for the financial year ending 31 December 1999 referred to in Section VIII of this Prospectus; and
- (xv) The Valuation Certificate as included in Section XIII of this Prospectus together with the Valuation Reports as referred to therein.

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**XIV. STATUTORY AND GENERAL INFORMATION (Cont'd)**

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**7. MATERIAL LITIGATION**

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

**8. MATERIAL CONTRACTS**

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

- (i) Underwriting Agreement dated 18 August 1999 between MHB, the Offerors, CIMB and the Underwriters for the underwriting of 6,011,000 Offer Shares for an underwriting commission of 1.5% of the offer price of RM 1.15 per Offer Share;
- (ii) Profit Guarantee Agreement dated 6 September 1999 between RSB and MHB for the guarantee of profits of MHB as described in Section VIII of this Prospectus;
- (iii) Conditional Sale and Purchase Agreement dated 31 July 1999 between MHB and the vendors of Minply, namely, Ng Hip Mang, Ng Ah Kuan, Chee Ah Loh, Chee Ah Boon, Chee Boon Ycong, Ang Poon Aik, Toh Kit Chong @ Toh Kek Keong, Toh Khok Liang, Noor Izan Bin Ali, Dato' Mohd Taufik Bin Abdullah and Hj. Ismail Bin Awang, for the acquisition by MHB of the entire equity interest in Minply comprising 12,090,863 ordinary shares of RM 1.00 each for a total purchase consideration of RM36,021,093 satisfied by the issue of 24,671,500 new ordinary shares of RM 1.00 each in MHB at an issue price of approximately RM 1.46 per MHB share;
- (iv) Conditional Sale and Purchase Agreement dated 31 July 1999 between MHB and the vendors of AFI, namely, Ng Hip Mang, Ng Ah Kuan, Chee Ah Loh, Chin Ming Trading (Pte.) Ltd., Ng Kim Hwa, Noor Izan Bin Ali and Dato' Mohd. Taufik Bin Abdullah, for the acquisition by MHB of the entire equity interest in AFI comprising 5,000,000 ordinary shares of RM 1.00 each for a total purchase consideration of RM6,349,934 satisfied by the issue of 4,334,498 new ordinary shares of RM 1.00 each in MHB at an issue price of approximately RM 1.46 per MHB share; and
- (v) Conditional Sale and Purchase Agreement dated 31 July 1999 between MHB and Minply for the acquisitions by MHB of the entire equity interests in EPI, CES, MI and 70% equity interest in MB for a total cash consideration of RM5,037,300.

**9. LETTERS OF CONSENT**

The written consents of the Adviser and Managing Underwriter, Underwriters, Principal Bankers, Solicitors, Registrar, Auditors and Reporting Accountants, Valuers, Issuing House and the financial institution which provided the bank guarantee referred to in Section VIII of this Prospectus, to the inclusion in this Prospectus of their names in the manner and form in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.

The written consent of the Reporting Accountants to the inclusion in this Prospectus of their Accountants' Report and their letters relating to the consolidated profit forecast for the financial year ending 31 December 1999 and the proforma consolidated balance sheets as at 31 March 1999 in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

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## **XV. PROCEDURE FOR APPLICATION AND ACCEPTANCE**

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### **1. METHODS OF APPLICATIONS**

Applications for the Offer Shares may be made using either of the following ways:-

- (i) Application Forms; or
- (ii) Electronic Share Application.

### **2. GENERAL CONDITIONS FOR APPLICATIONS**

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

Only one application for the Offer Shares can be made by each applicant. Multiple applications will not be accepted. Each Application must be for 1,000 ordinary shares or multiples thereof.

Persons submitting applications by way of Application Forms may not submit applications by way of Electronic Share Applications and vice versa.

Applications for the 767,000 Offer Shares of RM 1.00 each reserved for eligible Directors and employees of the MHB Group must be made only on the special "PINK FORMS" provided and not on any other Application Form or by way of Electronic Share Application. The amount payable in full on Application is RM 1.15 per Offer Share.

A corporation or institution cannot apply for shares by way of Electronic Share Application.

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 ("NRIC");
  - (ii) CHANGE OF ADDRESS CARD ("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 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 THAT 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 THAT STATED IN THE APPLICANT'S CERTIFICATE OF INCORPORATION AND THE ADDRESS MUST BE THE REGISTERED ADDRESS.

No acknowledgement of the receipt of Applications or application monies will be made by MHB.

#### **XIV. STATUTORY AND GENERAL INFORMATION *(Cont'd)***

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##### **11. RESPONSIBILITY**

CIMB acknowledges that, to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts about the Offer and the MHB Group and is satisfied that the consolidated profit forecast of the MHB Group for the financial year ending 31 December 1999, for which the Directors are solely responsible, has been stated by the Directors after due and careful inquiry.

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

**XV. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

- (iii) ASIA COMMERCIAL FINANCE (M) BERHAD (Company No 6521-G).
- (iv) BAN 1 HIN LEE BANK BERHAD (Company No 1147-M);
- (v) BANK OF COMMERCE (M) BERHAD (Company No 13491-P).
- (vi) BSN COMMERCIAL BANK (MALAYSIA) BERHAD (Company No 23877-T).
- (vii) BANK UTAMA (MALAYSIA) BERHAD (Company No 27714-A).
- (viii) CREDIT CORPORATION MALAYSIA BERHAD (Company No 5023-H).
- (ix) EON BANK BERHAD (Company No 92351-I).
- (x) EON FINANCE BERHAD (Company No 9692-K).
- (xi) HOCK HUA BANK BERHAD (Company No 111501-D).
- (xii) HOCK HUA FINANCE CORPORATION BERHAD (Company No 9010-H).
- (xiii) HONGLEONG BANK BERHAD (Company No 97141-X).
- (xiv) HONGLEONG FINANCE BERHAD (Company No 7797-1).
- (xv) INTERNATIONAL BANK MALAYSIA BERHAD (Company No 22671-L).
- (xvi) MALAYAN BANKING BERHAD (Company No 3813-K).
- (xvii) MAYBANK FINANCE BERHAD (Company No 3905-T).
- (xviii) MBF FINANCE BERHAD (Company No 8515-D).
- (xix) MULTI-PURPOSE BANK BERHAD (Company No 88103-W).
- (xx) ORIENTAL BANK BERHAD (Company No 845-B).
- (xxi) ORIENTAL FINANCE BERHAD (Company No 50555-1).
- (xxii) PHILEO ALLIED BANK (MALAYSIA) BERHAD (Company No 306350-K).
- (xxiii) PUBLIC BANK BERHAD (Company No 6463-H).
- (xxiv) PUBLIC FINANCE BERHAD (Company No 6471-T).
- (xxv) RHB BANK BERHAD (Company No 6171-M).
- (xxvi) SABAH BANK BERHAD (Company No 45788-D).
- (xxvii) SIMBANK BERHAD (Company No 3404-T).
- (xxviii) THE PACIFIC BANK BERHAD (Company No 5024-T). OR
- (xxix) UNITED MERCHANT FINANCE BERHAD (Company No 3838-T)

AND MUST BE MADE: OUT IN FAVOUR OF "MIH SHARE ISSUE ACCOUNT NO. 157" 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 OR INAPPROPRIATE BANKER'S DRAFT/CASHIER'S ORDER WILL NOT BE ACCEPTED. DETAILS OF THE REMITTANCE MUST BE COMPLETED IN THE APPROPRIATE BOXES PROVIDED ON THE APPLICATION FORMS.

- (iii) 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.

### 3.      **APPLICATIONS USING APPLICATION FORMS**

#### 3.1      **Application Forms**

The following Application Forms issued with this Prospectus are deemed to form part hereof:-

- (i)      **Pink** Application Forms for application by eligible Directors and employees of the MHB Group; and
- (ii)     **White** Application Forms for application by Malaysian citizens, companies, societies, co-operatives and institutions.

**White** Application Forms together with copies of this Prospectus may be obtained, subject to availability, from CIMB, member companies of the KLSE, members of the Association of Banks in Malaysia, members of the Association of Merchant Banks in Malaysia and MIH.

#### 3.2      **Terms And Conditions Of Applications Using Application Forms**

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

- (i)      Application for the Offer Shares 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 in this Prospectus. In accordance with Section 37(1) of the Companies Act 1965, 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.
- (ii)     EACH COMPLETED APPLICATION FORM MUST BE ACCOMPANIED BY REMITTANCES IN RINGGIT MALAYSIA FOR THE FULL AMOUNT PAYABLE EITHER 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 ONLY 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 (DIFFERENTIATED BY A SPECIAL RED BAND FOR BUMIPUTERA APPLICANTS); OR
  - (e)      ATM STATEMENT OBTAINED ONLY FROM:-
    - (i)      ARAB-MALAYSIAN BANK BERHAD (Company No. 295576-U).
    - (ii)     ARAB-MALAYSIAN FINANCE BERHAD (Company No. 5493-X).



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**XV. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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- (xi) Directors and employees of MIH and their immediate families are strictly prohibited from applying for the Offer Shares.
- (xii) PLEASE DIRECT ALL ENQUIRIES IN RESPECT OF THE FORM OF APPLICATION TO MIH.

**4. APPLICATIONS USING ELECTRONIC SHARE APPLICATIONS****4.1 Steps For Electronic Share Application Through A Participating Financial Institution's ATM**

- (i) Applicant must have an account with a Participating Financial Institution and an ATM card issued by that Participating Financial Institution to access the account.
- (ii) Applicant must have a CDS account.
- (iii) Applicant is to apply for the Offer Shares via the ATM of the Participating Financial Institution by choosing the Electronic Share Application option. Mandatory statements required in the application is set out on Section XV(4.3)(b) of the terms and conditions for Electronic Share Applications. Applicant is to enter at least the following information through the ATM where the instructions on the ATM screen at which he enters his Electronic Share Application requires him to do so:-

Personal Identification Number (PIN);

**Share Issue Account Number 157;**

CDS account number;

Number of Shares applied for and/or the Ringgit Malaysia amount to be debited from the account;

Confirmation of several mandatory statements.

**4.2 Participating Financial Institutions**

Electronic Share Applications may be made through an ATM of the following Participating Financial Institutions and their branches:-

- (i) ARAB-MALAYSIAN BANK BERHAD (*Company No.: 295576-U*); OR
- (ii) ARAB-MALAYSIAN FINANCE BERHAD (*Company No. 5493-X*); OR
- (iii) BANK BUMIPUTRA MALAYSIA BERHAD (*Company No. : 6175-X*) (at selected branches in the Klang Valley only); OR
- (iv) HSBC BANK MALAYSIA BERHAD (*Company No. 127776-V*) (*formerly known as Hongkong Bank Malaysia Berhad*); OR
- (v) MALAYAN BANKING BERHAD (*Company No. : 3813-K*); OR
- (vi) MAYBAN FINANCE BERHAD (*Company No 3905-T*); OR
- (vii) OCBC BANK (MALAYSIA) BERHAD (*Company No.: 5493-X*); OR
- (viii) ORIENTAL BANK BERHAD (*Company No 845-W*); OR
- (ix) STANDARD CHARTERED BANK MALAYSIA BERHAD (*Company No. : 115793-P*) (at selected branches only).

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**XV. PROCEDURE FOR APPLICATION AND ACCEPTANCE (*Cont'd*)**

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- (iv) THE NAME AND ADDRESS OF THE APPLICANT (AS EXACTLY STATED ON THE APPLICATION FORM) MUST BE WRITTEN ON THE REVERSE SIDE OF THE BANKERS DRAFT, CASHIERS ORDER, ATM STATEMENT, MONEY ORDER, CHEQUES ISSUED BY PARTICIPATING LICENSED FINANCE COMPANIES OR GGO FROM BANK SIMPANAN NASIONAL.
- (v) The Directors of MHB and/or the Offerors 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 MHB and/or the Offerors 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.
- (vi) The Directors of MHB and/or the Offerors 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.
- (vii) The Directors of MHB and/or the Offerors reserve the right not to accept any application or to 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 to a reasonable number of applicants with a view to establish an adequate market for the shares.
- (viii) 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 ordinary post at the address shown on the Application Form at the applicant's own risk.
- (ix) 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.
- (x) Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents, must be dispatched by ORDINARY POST in the official envelope provided, to the following address:-

Malaysian Issuing House Sdn. Bhd.  
27th Floor, Menara Multi-Purpose  
Capital Square  
No. 8, Jalan Munshi Abdullah  
50 100 Kuala Lumpur  
P.O. Box 13269  
50804 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 4 October 1999. Applications may also be delivered in a drive-in manner at Stadium Hoki Tun Razak, Jalan Duta, Kuala Lumpur on 4 October 1999 between 8.30 a.m. to 8.00 p.m. only.

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**XV. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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- (b) The applicant is required to confirm the following statements (by depressing pre-designated keys (or buttons) on the ATM keyboard) and undertake that the following information given is true and correct:-
- I have attained 18 years of age; as at the closing date of the share application.
  - I am a Malaysian citizen residing in Malaysia;
  - I have read the relevant Prospectus and understood and agreed with the terms and conditions of the application;
  - This is the only application that I am submitting; and
  - I hereby give consent to the Participating Financial Institution and MCD to disclose information pertaining to myself and my account with the Participating Financial Institution and MCD to MIH and other relevant authorities.

The application will not be successfully completed and cannot be recorded as a completed transaction at the ATM unless the applicant completes all the steps required by the Participating Financial Institution. By doing so, the applicant shall be treated as signifying his confirmation of each of the above statements as well as giving consent in accordance with the relevant laws of Malaysia including Section 97 of the Banking and Financial Institutions Act 1989 and Section 45 of the Securities Industry (Central Depositories) Act 1991 to the disclosure by the relevant Participating Financial Institution or MCD, as the case may be, of any of the applicant's particulars to MIH, or any relevant regulatory bodies.

- (c) THE APPLICANT CONFIRMS THAT HE IS NOT APPLYING FOR SHARES AS NOMINEE OF ANY OTHER PERSON AND THAT ANY ELECTRONIC SHARE APPLICATION THAT HE MAKES IS MADE BY HIM AS BENEFICIAL OWNER. THE APPLICANT SHALL ONLY MAKE ONE ELECTRONIC SHARE APPLICATION AND SHALL NOT MAKE ANY OTHER APPLICATION FOR THE OFFER SHARES, WHETHER AT THE ATMS OF ANY PARTICIPATING FINANCIAL INSTITUTION OR ON THE PRESCRIBED APPLICATION FORMS.
- (d) The applicant must have sufficient funds in his account with the relevant Participating Financial Institution at the time he makes his Electronic Share Application, failing which his Electronic Share Application will not be completed. Any Electronic Share Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Share Application is being made will be rejected.
- (e) The applicant agrees and undertakes to subscribe for or purchase and to accept the number of shares applied for as stated on the Transaction Record or any lesser number of shares that may be allotted or allocated to him in respect of his Electronic Share Application. In the event that MHB and/or the Offerors decide to allot or allocate any lesser number of such shares or not to allot or allocate any shares to the applicants, the applicant agrees to accept any such decision as final. If the applicant's Electronic Share Application is successful, his confirmation (by his action of pressing the designated key on the ATM) of the number of shares applied for shall signify, and shall be treated as, his acceptance of the number of shares that may be allotted or allocated to him and to be bound by the Memorandum and Articles of Association of MHB.

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**XV. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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**4.3 Terms And Conditions For Electronic Share Applications**

The procedures for Electronic Share Applications at ATMs of the Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions (“Steps”). For illustration purposes, the procedures for Electronic Share Applications at ATMs are set out in “Steps for Electronic Share Application through a Participating Financial Institution’s ATM” in Section XV(4.1) of this Prospectus. The Steps set out the actions that the applicant must take at the ATM to complete an Electronic Share Application. Please read carefully the terms of this Prospectus, the Steps and the terms and conditions for Electronic Share Applications set out below before making an Electronic Share Application. Any reference to the “applicant” in the terms and conditions for Electronic Share Applications and the Steps shall mean the applicant who applies for shares through an ATM of any of the Participating Financial Institutions.

In the case of Electronic Share Applications, only an applicant who is an individual with a CDS account is eligible to utilise the facility.

The applicant must have an existing account with, and be an ATM cardholder of, one of the participating Financial Institutions before he can make an Electronic Share Application at an ATM of the Participating Financial Institution. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for shares at an ATM belonging to other Participating Financial Institutions. Upon the completion of his Electronic Share Application transaction, the applicant will receive a computer-generated transaction slip (“Transaction Record”), confirming the details of his Electronic Share Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Share Application or any data relating to such an Electronic Share Application by the Offerors, MHB or MIH. The Transaction Record is for retention by the applicant and should not be submitted with any Application Form.

Upon the closing of the Offer for the application for the Offer Shares on 4 October 1999 at 8.00 p.m. (“Closing Date and Time”), the Participating Financial Institution shall submit a magnetic tape containing its’ respective customers’ applications for the Offer Shares to MIH as soon as practicable but not later than 12.00 p.m. of the 2nd business day after the Closing Date and Time.

An applicant will be allowed to make an Electronic Share Application for shares via an ATM that accepts the ATM cards of the Participating Financial Institution with which he has an account and its branches, subject to the applicant making only one application.

**AN APPLICANT MUST ENSURE THAT HE USES HIS OWN CDS ACCOUNT NUMBER WHEN MAKING AN ELECTRONIC SHARE APPLICATION. AN APPLICANT OPERATING A JOINT ACCOUNT WITH ANY PARTICIPATING FINANCIAL INSTITUTION MUST ENSURE THAT HE ENTERS HIS OWN CDS ACCOUNT NUMBER WHEN USING AN ATM CARD ISSUED TO HIM IN HIS OWN NAME. HIS APPLICATION WILL BE REJECTED IF HE FAILS TO COMPLY WITH THE FOREGOING.**

The Electronic Share Application shall be made on, and subject to, the terms and conditions contained in Section XV(2) as well as the terms and conditions appearing below:-

- (a) The Electronic Share Application shall be made in connection with and subject to the terms of this Prospectus and the Memorandum and Articles of Association of MHB.

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**XV. PROCEDURE FOR APPLICATION AND ACCEPTANCE (*Cont'd*)**

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- (j) All particulars of the applicant in the records of the relevant Participating Financial Institution at the time he makes his Electronic Share Application shall be deemed to be true and correct and the Offerors, MHB, MIH and the relevant Participating Financial Institution shall be entitled to rely on the accuracy thereof.
- (k) The applicant shall ensure that his personal particulars as recorded by both MCD and the relevant Participating Financial Institution are correct and identical. Otherwise, his Electronic Share Application is liable to be rejected. The applicant must inform MCD promptly of any change in address failing which the notification letter of successful allocation will be sent to his registered address last maintained with MCD.
- (l) By making and completing an Electronic Share Application, the applicant agrees that:-
  - (i) in consideration of MHB and/or the Offerors agreeing to allow and accept the making of any application for shares via the Electronic Share Application facility established by the Participating Financial Institutions at their respective ATMs, his Electronic Share Application is irrevocable;
  - (ii) MHB, the Offerors, the Participating Financial Institutions, MCD and MIH shall not be liable for any delays, failures or inaccuracies in the processing of data relating to his Electronic Share Application to MHB or the Offerors due to a breakdown or failure of transmission or communication facilities or to any cause beyond their control;
  - (iii) notwithstanding the receipt of any payment by or on behalf of MHB and the Offerors, the acceptance of the offer made by the applicant to subscribe for and purchase the shares for which the applicant's Electronic Share Application has been successfully completed shall be constituted by the issue of notices of successful allocation for prescribed securities, in respect of the said shares;
  - (iv) the applicant irrevocably authorises MCD to complete and sign on his behalf as transferee or renounee any instrument of transfer and/or other documents required for the issue or transfer of the shares allocated to the applicant; and
  - (v) MHB and the Offerors agree that, in relation to any legal action or proceedings arising out of or in connection with the contract between the parties and/or the Electronic Share Application Scheme and/or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that the Company and Offerors irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (m) The Directors of MHB and/or the Offerors 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 MHB and/or the Offerors 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.

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**XV. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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- (f) MHB and/or the Offerors reserve the right to reject any Electronic Share Application or accept any Electronic Share Application in part only without assigning any reason therefor. Due consideration will be given to the desirability of allotting or allocating the shares to a reasonable number of applicants with a view to establishing an adequate market for the shares.
- (g) Where an Electronic Share Application is not successful or successful in part only, the relevant Participating Financial Institution will be informed of the non- successful or partially successful applications. Where an Electronic Share Application is not successful, the relevant Participating Financial Institution will credit the full amount of the application monies without interest into the applicant's account with that Participating Financial Institution within two (2) market days after the receipt of confirmation from MIH. MIH shall inform the Participating Financial Institutions of the non-successful or partially successful applications within two (2) market days after the balloting date. The applicants may check their accounts on the fifth market day from the balloting day.

Where an Electronic Share Application is accepted in part only, the relevant Participating Financial Institution will credit the balance of the application monies without interest into the applicant's account with the Participating Financial Institution within two (2) market days after the receipt of confirmation from MIH. A number of applicants will, however, be held in reserve to replace any successfully balloted applications which are subsequently rejected. For such applications which are subsequently rejected, the application monies without interest will be refunded to applicants by MIH by way of cheques issued by MIH. The cheques will be issued to the applicants not later than 21 days from the day of the final ballot of the application list.

Should applicants encounter any problems in their applications, they may refer to the Participating Financial Institutions.

- (h) The applicant requests and authorises MHB and/or the Offerors:-
  - (i) to credit the shares allocated to the applicant into the CDS account of the applicant; and
  - (ii) to issue share certificate(s) representing such shares allocated in the name of MCD Nominees Sdn. Bhd. and send the same to MCD.
- (i) The applicant, acknowledging that his Electronic Share Application is subject to the risks of electrical, electronic, technical and computer-related faults and breakdowns, fires and other events beyond the control of the Offerors, MHB, MIH or the Participating Financial Institution, irrevocably agrees that if:-
  - (i) MHB or MIH does not receive the applicant's Electronic Share Application; and
  - (ii) data relating to the applicant's Electronic Share Application is wholly or partially lost, corrupted or not otherwise accessible, or not transmitted or communicated to MHB or MIH,

the applicant shall be deemed not to have made an Electronic Share Application and the applicant shall not claim whatsoever against the Offerors, MHB, MIH or the Participating Financial Institution for the shares applied for or for any compensation, loss or damage.

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**XV. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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**6. CDS ACCOUNT**

Pursuant to Section 25 of the Securities Industry (Central Depositories) Act 199 1, all dealings in the Offer Shares 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 Application Form, an applicant should state his CDS account number in the space provided in the Application Form if he presently has such an account. If he does not presently have such an account, he should state his preferred ADA Code in the space provided. If a successful applicant fails to state either his CDS account number or preferred ADA Code in his Application Form, the Company may, in the exercise of its absolute discretion, instruct MIH to insert a preferred ADA Code in the Application Form and further instruct MCD to open a CDS account on his behalf at the specified ADA and credit the shares allotted to him into his CDS account.

In the case of an application by way of Electronic Share Application, only an applicant who has a CDS account can make an Electronic Share Application and the applicant shall furnish his CDS account number to the Participating Financial Institution by way of keying in his CDS account number if the instructions on the ATM screen at which he enters his Electronic Share Application requires him to do so.

Failure to comply with these specific instructions as the Electronic Share Application requires or inaccuracy in the CDS account number or preferred ADA Code, may result in the Application being rejected. The Directors of MHB and/or the Offerors reserve the right to reject any incomplete and inaccurate Application. Applications may also be rejected if the applicants' particulars provided in their Application Forms, or in the case of Electronic Share Applications, if the records of the Participating Financial Institutions at the time of making the Electronic Share Applications differ from those in MCD's records, such as the identity card number, names and nationalities.

**7. NOTICE OF ALLOCATION**

Shares allocated to all successful or partially successful applicants will be credited to their respective CDS accounts. A notice of allocation will be dispatched to the successful or partially successful applicant at his/her address shown in the Application Form at the applicant's own risk within thirty (30) days after the final ballot of the application list. For Electronic Share Applications, the notice of allocation will be dispatched to the successful or partially successful applicant at his/her address last maintained with MCD at the applicant's own risk within thirty (30) days after the final ballot of the application list. This is the only acknowledgement of acceptance of the application.

**8. FORMALISING OF CDS ACCOUNT**

A successful applicant whose CDS account has been opened by MCD at his/her preferred ADA or the ADA caused to be inserted by MIH at the instruction of the Company in case where the successful applicant fails to state either his/her CDS account number or preferred ADA Code, is required to formally open his/her account by submitting to the ADA the necessary documents and the account opening fee. No transaction of shares credited to the account can be effected until the account has been formally opened.

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**XV. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)**

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- (n) The Directors of MHB and/or the Offerors reserve the right to reject applications which do not conform to these instructions.
- (o) A surcharge of RM2.50 per Electronic Share Application will be charged by the respective Participating Financial Institution.

**5. APPLICATION AND ACCEPTANCE**

The Directors of MHB and/or the Offerors reserve the right not to accept any Application which does 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.

**EACH APPLICATION MUST BE FOR 1,000 ORDINARY SHARES OR MULTIPLES THEREOF.**

In the event of an over-subscription for the Offer Shares, acceptance of Applications shall be subject to ballot. The basis of allocation shall be devised in such manner as to spread the shareholding base in MHB over a reasonable number of applicants with a view to establish an adequate market in MHB shares. Pursuant to the SC's Policies and Guidelines on Issue/Offer of Securities, at least 25% of the issued and paid-up share capital of the Company must be held by a minimum number of 750 public shareholders holding not less than 1,000 shares each, of which at least 500 shareholders are members of the public who are not employees of the Company, its subsidiaries and parent company, upon completion of the Offer and at the point of listing. In the event that the above requirement is not met pursuant to the Offer, the Company may not be allowed to proceed with its listing on the Second Board of the KLSE. Applicants will be selected in a manner to be determined by the Directors of MHB and/or the Offerors.

In the event of an under-subscription by the Malaysian public, all the Offer Shares not applied for will be made available for subscription proportionately by the Managing Underwriter and the Underwriters in the proportions specified in the Underwriting Agreement dated 18 August 1999. Any shares not subscribed by the eligible Directors and employees of the MHB Group will be made available for application by the Malaysian public and will be underwritten by the Managing Underwriter and/or the Underwriters.

**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 REFUNDED WITHOUT INTEREST AND SHALL BE DISPATCHED 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.**

**NO APPLICATION SHALL BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE HAVING BEEN PRESENTED FOR PAYMENT.**

**MIH RESERVES THE RIGHT TO BANK IN ALL APPLICATION MONIES FROM UNSUCCESSFUL BUMIPUTERA APPLICANTS AND PARTIALLY SUCCESSFUL APPLICANTS WHICH WILL BE SUBSEQUENTLY REFUNDED WITHOUT INTEREST AND DISPATCHED BY REGISTERED POST 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.**



## XVI. LIST OF ADAs (Cont'd)

Name	Address and telephone number	Broker Code	Name	Address and telephone number	Broker Code
<b>SELANGOR DARUL EHSAN</b>			<b>PERAK DARUL RIDZUAN(Cont'd)</b>		
HALIM SECURITIES SDN BHD.	68, Jalan 52/6, New Town Centre, P. O. Box 56 I, 46770 Petaling Jaya Selangor Darul Ehsan Tel. No : 03-7555777	091-001	MBI NORTHERN SECURITIES SDN. BHD.	71, Jalan Lim Bo Seng, 30300 Ipoh Perak Darul Ridzuan Tel. No: 05-254X999	067-00 I
HWANG-DBS SECURITIES BERHAD	18th-20th Floor, Plaza Masalam 2, Jalan Tengku Ampuan Zabedah E9/E, Section 9 41000 Shah Alam Selangor Darul Ehsan Tel. No. 03-5533288	068-002	M&A SECURITIES SDN. BHD.	Bangunan Chinese Chamber of Commerce, 37, Jalan Tun Sambanthan 30000 Ipoh Perak Darul Ridzuan Tel. No.: 05-2419800	OS 7-00 I
JF APEX SECURITIES BERHAD	3rd Floor, Wisma Apex, 145A-C, Jalan Bukit, P. O. Box 16, 43007 Kajang Selangor Darul Ehsan Tel. No.: 03-836 1118	079-00 I	PHILEO ALLIED SECURITIES SDN. BHD.	62, Persiaran Greenhill, 30450 Ipoh Perak Darul Ridzuan Tel. No.: OS-2558233	07 I-00 I
MOHAIYANI SECURITIES SDN BHD	2nd & 3rd Floor, Plaza Damansara Utama, 3, Jalan SS21/60, 37400 Petaling Jaya Selangor Darul Ehsan Tel No 03-7 197345	095-001	SBB SECURITIES SDN. BHD.	5 I-53, Persiaran Greenhill, 30450 Ipoh Perak Darul Ridzuan Tel. No.: 05-2530888	090-00 I
SJ SECURITIES SDN. BHD.	Level 3, Holiday Villa 9, Jalan SS12/1, Subang Jaya, 47500 Petaling Jaya Selangor Darul Ehsan Tel No. 03-7340202/ 03-7340101	096-001	TAIPING SECURITIES SDN. BHD.	21, Jalan Stesen, 34000 Taiping Perak Darul Ridzuan Tel. No.: 05-8060888	092-00 I
<b>MELAKA</b>			<b>PREMIER CAPITAL SECURITIES SDN. BHD.</b>		
MALACCA SECURITIES SDN BHD.	I, 3 & 5 Jalan PPM 9, Plaza Pandan Malim, (Business Park), Balai Panjang, P.O 75250 Melaka Tel.No.: 06-3371533	012-001	Wisma Premier Capital 2 I-25, Jalan Seenivasagam, 30450 Ipoh Perak Darul Ridzuan Tel. No.: OS-24 IS 100		082-00 I
OCBC SECURITIES (MELAKA) SDN. BHD	579, 579A & 579B, Taman Melaka Raya, 75000 Melaka Tel. No.: 06-2825211	072-001	<b>PULAU PINANG</b>		
STRAITS SECURITIES SDN. BHD	Lot 9 & IO, I st Floor, Bangunan Tabong Haji, Jalan Bandar Kaba, P.O. Box 209, 75740 Melaka Tel. No.: 06-2833622	011-001	A. A. ANTHONY & COMPANY SDN. BHD.	41-I-I & 41-2-I, Jalan Cantonment, 10250 Pulau Pinang Tel. No.: 04-22993 18	014-001
<b>PERAK DARUL RIDZUAN</b>			fI WANG-DBS SECURITIES BERHAD	Levels 2, 3, 4, 7 & 8, Wisma Sri Pinang, 60, Green Hall, 10200 Pulau Pinang Tel. No.: 04-2636996	068-00 I
BOTLY SECURITIES SDN. BHD.	Ist Floor, Plaza Teh Teng Seng, 227, Jalan Kampar, 30250 Ipoh Perak Darul Ridzuan Tel. No.: 05-2531313	058-001	KE-ZAN SECURITIES SDN. BHD.	Wisma Kc-Zan, 64, Bishop Street, 10200 Pulau Pinang Tel. No.: 04-2634222	085-00 I
KIN KHOON & CO SDN BHD	23 & 25, Wisma Kota Emas, Jalan Dato' Tahwil Azhar P.O Box No. 421, 30910 Ipoh Perak Darul Ridzuan Tel. No.: 05-2543311	017-001	MERCURY SECURITIES SDN. BHD.	2nd Floor, Wisma UMNO, Lorong Bagan Luar Dua, 12000 Butterworth Seberang Prai, Pulau Pinang Tel. No.: 04-3322123	093-00 I
			SMITH ZAIN SECURITIES SDN. BHD.	7th & 8th Floor, PSCI Tower, 39, Jalan Sultan Ahmad Shah, 10050 Pulau Pinang Tel. No.: 04-2283355	016-00 I
			SOON THEAM SECURITIES SDN. BHD.	111, Jalan Macalister 10400 Pulau Pinang Tel. No.: 04-228 1868	060-00 I
			THONG & KAY HIAN SECURITIES SDN. BHD.	Level 5 & 6, Wisma Sri Pinang, 60, Green Hall 10200 Pulau Pinang Tel. No.: 0-1-263548 I	070-00 I

## XVI. LIST OF ADAs

The list of ADAs and their respective broker code is as follows:-

Name	Address and telephone number	Broker Code	Name	Address and telephone number	Broker Code
<b>KUALA LUMPUR</b>			<b>KUALA LUMPUR (Continued)</b>		
At-IN-IJOB SECURITIES SDN BHD	Level 3, Menara Keck Seng 203, Jalan Bukit Bintang 55100 Kuala Lumpur Tel No.: 03-2438668	02X-00 1	MAYBAN SECURITIES SDN. BHD.	30th Floor, Menara Maybank, 100, Jalan Tun Perak, 50050 Kuala Lumpur Tel. No.: 03-2323822133	098-00 1
ARAB-MALAYSIAN SECURITIES SDN. BHD.	15th Floor, Bangunan Al-ab-Malaysian, 55, Jalan Raja Chulan, 50200 Kuala Lumpur, Tel. No.: 03-2382788	0X6-00 1	MG1 SECURITIES SDN. BHD.	1st & 2nd Floor, Wisma MGIC, 3X, Jalan Dang Wangi, SO100 Kuala Lumpur Tel No.: 03-2911XX9	052-001
BBMB SECURITIES SDN BHD	Level 2 & 3, 4 & 17, P.O Box No.2, Menara Olympia, 8, Jalan Raja Chulan, 50200 Kuala Lumpur. Tel. No.: 03-2088800	099-00 1	MIDF SISMA SECURITIES SDN. BHD.	17th & 1Xth Floor, Empire Tower, 1 X2, Jalan Tun Razak, SO400 Kuala Lumpur Tel. No.: 03-2668888	026-00 1
BIMB SECURITIES SDN BHD.	1st & 2nd Floor, Podium Block, Bangunan AMDB, 1, Jalan Lumut, 50350 Kuala Lumpur Tel. No. 03-4433533	024-001	OSK SECURITIES BERHAD	10th Floor, Plaza OSK, Jalan Ampang, 50450 Kuala Lumpur Tel. No.: 03-2624388	056-00 1
CIMB SECURITIES SDN. BHD.	9th Floor, Commerce Square, Jalan Semantan, Damansara Heights, 50490 Kuala Lumpur Tel. No: 03-2532288	065-001	PB SECURITIES SDN. BHD.	27th Floor, Bangunan Public Bank, 6, Jalan Sultan Sulaiman 50000 Kuala Lumpur Tel. No.: 03-2013011	051-001
FIMA SECURITIES SDN. BHD. (formerly known as Capitalcorp Securities Sdn. Bhd.)	No. 45-14, Plaza Level and Level One Plaza Damansara, Jalan Medan Setia I Bukit Damansara 50490 Kuala Lumpur	01x-00 1	PENKALEN SECURITIES SDN. BHD.	Ground, Mezzanine & 1st Floors, Menara Pengkalen (formerly known as Wisma Pekerti) 2, Jalan Changkat Ceylon, SO200 Kuala Lumpur Tel. No.: 03-2448055	064-00 1
HLG SECURITIES SDN. BHD.	21st Floor, Wisma HLA, Jalan Raja Chulan, SO200 Kuala Lumpur Tel. No.: 03-245299X	066-00 1	RASHID HUSSAIN SECURITIES SDN. BHD.	Level 1, 2, 3 and 5 Tower One, RHB Centre, Jalan Tun Razak, SO400 Kuala Lumpur Tel. No.: 03-9852233	087-00 1
INTER-PACIFIC SECURITIES SDN. BHD.	Level 7, Shahzan Insas Tower, 30, Jalan Sultan Ismail, 50250 Kuala Lumpur Tel. No. 03-2441XXX	054-00 1	KAF -SEAGROATT & CAMPBELL SDN. BHD. (formerly known as Seagroatt & Campbell Sdn Bhd.)	26th-30th Floor, The Weld Tower, 76, Jalan Raja Chulan, SO200 Kuala Lumpur Tel. No.: 03-2081600	053-00 1
JUPITER SECURITIES SDN. BHD	7th-9th Floor, Menara Olympia, X, Jalan Raja Chulan, 50200 Kuala Lumpur, Tel No.: 03-2041888	055-001	SIME SECURITIES SDN. BHD.	21st Floor, Bangunan Sime Bank, Jalan Sultan Sulaiman, 50000 Kuala Lumpur Tel. No.: 03-2749288 /977X 19779	097-00 1
K&N KENANGA BERHAD	8th Floor, Pemas International Building, 801, Jalan Sultan Ismail, 50250 Kuala Lumpur Tel No : 03-2613066	073-00 1	TA SECURITIES BERHAD	TA One Tower, 22, Jalan P. Ramlee, 50250 Kuala Lumpur Tel No.: 03-232 1277	074-00 1
KUALA LUMPUR CITY SECURITIES SDN. BHD.	307, Level 3, Bangunan Angkasaraya, Jalan Ampang, 50450 Kuala Lumpur Tel. No 03-2449322	076-001	<b>SELANGOR DARUL EHSAN</b>		
LEONG & CO SDN BHD.	Level 18, Wisma Cyclecarri, 288, Jalan Raja Laut, 50350 Kuala Lumpur P. O. Box 10943 50730 Kuala Lumpur Tel No: 03-292XXXX	081-001	AMSTEEL SECURITIES (M) SDN. BHD.	2nd, 3rd and 4th Floors, 1, Lintang Pekan Baru, Off Jalan Meru, 41050 Klang Selangor Darul Ehsan Tel. No.: 03-3439999	080-00 1

**XVI. LIST OF ADAs(Cont'd)**

Name	Address and telephone number	Broker Code	Name	Address and telephone number	Broker Code
<b>PULAU PINANG (Cont'd)</b>			<b>JOHOR DARIJL TAKZIM (Cont'd)</b>		
UNITED TRADERS SECURITIES SDN. BHD.	12th Floor, Bangunan <b>Mayban</b> Trust, 3, Penang Street, 10200 Pulau Pinang Tel. No.: 04-262375 1	059-00 1	SOUTH JOHOR SECURITIES SDN. BHD.	3rd Floor, Penggaram Complex, <b>1Jalan</b> Abdul Rahman, 83000 Batu <b>Pahat</b> Johor Darul <b>Takzim</b> Tel. No.: 07-4317033	069-00 1
<b>KEDAH DARUL AMAN</b>			<b>PAHANG DARUL MAKMUR</b>		
ALOR SETAR SECURITIES SDN. BHD.	Lot T-30, 2nd Floor, Wisma PKNK, Jalan Sultan Badlishah, 05000 Alor Setar <b>Kedah Darul Aman</b> Tel. No.: 04-73 18205	094-00 1	WK SECURITIES SDN. BHD.	A-397, A-399 & A-40 1, <b>Taman</b> Sri Kuantan III, Jalan Berserah, 25300 Kuantan <b>Pahang Darul Makmur</b> Tel. No.: 09-5660800	083-001
<b>PERLIS INDRA KAYANGAN</b>			<b>KELANTAN DARIJL NAIM</b>		
UPEN SECURITIES SDN. BHD.	2nd Floor, Podium Block Bangunan KWSP, 01000 Kangar Perlis Indra Kayangan Tel. No.: 04-9765200	023-001	KOTA BAHRIJ SECURITIES SDN. BHD.	298, Jalan Tok <b>Hakim</b> , 15000 Kota Bharu Kelantan Darul Naim Tel. No.: 09-7433388	075-001
<b>NEGERI SEMBILAN DARIJL KHUSUS</b>			<b>TERENGGANIJ DARUL IMAN</b>		
KIMARA EQUITIES SDN. BHD.	2nd, 9th & 10th Floor, Bangunan Yayasan Negeri Sembilan, Jalan Yam Tuan, 70000 Seremban Negeri Sembilan Darul Khusus Tel. No.: 06-7638999	084-00 1	FA SECURITIES SDN. BHD.	3rd Floor, Wisma UMNO, Jalan Masjid Abidin, 20 100 Kuala Terengganu Terengganu Darul <b>Iman</b> Tel. No.: 09-6238128	021-001
MALPAC SECURITIES SDN. BHD.	1 st, 2nd and 3rd Floors, 19, 20 & 21, Jalan Kong Sang, 70000 Seremban Negeri Sembilan Darul Khusus Tel. No.: 06-7623131	063-00 1	PTB SECURITIES SDN. BHD.	1 st, 2nd & 3rd Floors 61, Jalan Sultan <b>Ismail</b> P.O. Box 15 1 Pejabat Pos Besar 20700 Kuala Terengganu Terengganu Darul <b>Iman</b> Tel. No.: 09-6235767	025-001
<b>JOHOR DARUL TAKZIM</b>			<b>SABAH</b>		
ENG SECURITIES SDN. BHD.	95, Jalan 'fun Abdul <b>Razak</b> , 80000 Johor Bahru Johor Darul Takzim Tel. No.: 07-2231211	081-001	INNOSABAH SECURITIES SDN. BHD.	11, Equity House, Block K, Sadong <b>Jaya</b> , Karamunsing, 88 100 Kota Kinabalu Sabah Tel. No.: 6088-234099	020-00 1
<b>JB SECURITIES SDN. BHD.</b>			<b>SARAWAK</b>		
JB SECURITIES SDN. BHD.	Level 6, 7 & 8 Menara Sarawak Enterprise 5, Jalan Bukit <b>Meldrum</b> 80300 Johor Bahru Johor Darul <b>Takzim</b> Tel. No.: 07-3332000/ 07-3332800	078-001	SARAWAK SECURITIES SDN. BHD.	Wisma Mahmud, Jalan Sungai Sarawak, 93 100 Kuching Sarawak Tel. No.: 082-338000	019-001
KESTREL SECURITIES SDN. BHD.	57, 59 & 61, Jalan Ah, 84000 Muar Johor Darul Takzim Tel. No.: 06-9532222	088-00 1	UTAMA SECURITIES SDN. BHD.	Lot 2485, Jalan Boulevard Utama Boulevard Commercial Centre 98000 Miri Sarawak Tel. No.: 085-435577	029-00 1
<b>PENINSULA SECURITIES SDN. BHD.</b>			<b>WILAYAH PERSEKUTUAN LABUAN</b>		
PENINSULA SECURITIES SDN. BHD.	Level 2, Menara <b>Pelangi</b> , Jalan Kuning, <b>Taman</b> Pelangi, 80400 Johor Bahru Johor Darul <b>Takzim</b> Tel. No.: 07-3333600	077-001	LABUAN SECURITIES SDN. BHD.	Level 2, Wisma Oceanic Jalan 0 K K <b>Awang</b> Besar, 87007 Wilayah Persekutuan Labuan Tel. No.: 087410621	022-00 1
PJB PACIFIC SECURITIES SDN. BHD.	Podium 2A & 3, Menara Ansar, 65, Jalan Trus, 80000 Johor Bahru Johor Darul Takzim Tel. No.: 07-2222692/ 07-2765201	027-001			