
10. BYE-LAWS OF THE ESOS

1. NAME OF SCHEME

This Scheme shall be called the "Pentamaster Corporation Berhad Employee Share Option Scheme".

2. OBJECTIVES OF SCHEME

The objectives of the Scheme are:-

- (a) to provide an opportunity for Employees to participate as shareholders of the Company;
- (b) to reward and retain Employees whose services are vital to the continued growth of the Group; and
- (c) to motivate Employees towards better performance through greater loyalty to the Group.

3. DEFINITIONS AND INTERPRETATION

3.1 In these Bye-Laws, the following terms and expressions shall have the following meanings:-

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| "Board" | - | The Board of Directors of the Company. |
| "CDS" | - | Central Depository System. |
| "Company" or "PMCB" | - | Pentamaster Corporation Berhad. |
| "Date of Acceptance" | - | The date whereupon the ESOS Committee shall receive the written notice from the Employee accepting the Offer. |
| "Date of Offer" | - | The date on which an Offer is made by the ESOS Committee to an Employee in the manner provided in Bye-Law 7. |
| "Effective Date" | - | The date of the confirmation letter submitted by the Adviser to the SC, which signifies the effective date for the launch/implementation of the Scheme. The confirmation letter confirms that the Company (i) has fulfilled the SC's conditions on the approval for the ESOS and that the Bye-Laws do not contravene the guidelines on ESOS as stipulated under the Policies and Guidelines on Issue/Offer of Securities issued by the SC and (ii) has obtained relevant approvals for the ESOS and has fulfilled all condition imposed therein. |
| "Employee(s)" | - | A natural person who is employed by and on the payroll of any company in the Group and who fulfils the conditions of eligibility stipulated in Bye-Law 5.1. Employees include Executive Directors. |
| "Executive Director(s)" | - | A natural person who holds a directorship in a full time executive capacity and is involved in the day-to-day management of any company in the PMCB Group and is on the payroll of such company. |

10. BYE-LAWS OF THE ESOS (Cont'd)

"ESOS"	- Employee share option scheme of up to ten percent (10%) of the issued and paid-up share capital of the Company at any point in time during the duration of the ESOS, or such additional number that may be permitted by the SC during the duration of the Scheme.
"ESOS Committee"	- A committee comprising Director(s) and senior management personnel appointed by the board of Directors to administer the scheme.
"Grantee"	- An Employee who has accepted an Offer in the manner provided in Bye-Law 8.
"Group"	- The Company and its subsidiary companies as defined in Section 5 of the Companies Act, 1965 which are not dormant. Subsidiary companies include subsidiary companies which are existing as at the Effective Date and subsidiary companies which are incorporated or acquired at any time during the duration of the Scheme but exclude subsidiary companies which have been divested in the manner provided in Bye-Law 17.2.
"KLSE"	- Kuala Lumpur Stock Exchange.
"Market Day"	- Any day between Monday and Friday (both days inclusive) which is not a public holiday and on which the KLSE is open for the trading of securities.
"Maximum Entitlement"	- The maximum number of Options that can be accepted by an Employee.
"MCD"	- Malaysian Central Depository Sdn Bhd.
"Offer"	- An offer made by the ESOS Committee to any Employee in the manner provided in Bye-Law 7.
"Option(s)"	- The contract constituted by acceptance by an Employee in the manner provided in Bye-Law 8 of an Offer made to such Employee by the ESOS Committee pursuant to Bye-Law 7. Each Option shall entitle an Employee to subscribe for one (1) Share upon its exercise.
"Option Period"	- The period commencing from the Date of Offer and expiring five(5) years therefrom or upon the date of expiry of the Scheme as provided in Bye-Law 19. In the event that the duration of the Scheme shall be extended or the Scheme shall be renewed, the date of expiry of the Scheme shall be the date of expiry as so extended or renewed.
"SC"	- Securities Commission.
"Scheme"	- The scheme for the grant of Options to Employees to subscribe for Shares upon the terms set out herein known as the "Pentamaster Corporation Berhad Employee Share Option Scheme".
"Shares"	- Ordinary shares of RM0.50 each.
"Subscription Price"	- The price at which a Grantee shall be entitled to subscribe for each Share as calculated in accordance with the provisions of Bye-Law 11.

10. BYE-LAWS OF THE ESOS (Cont'd)

- 3.2 Headings are for ease of reference only and do not affect the meaning of a Bye-Law.
- 3.3 References to the provisions of statutes include such provisions as amended or re-enacted from time to time, and references to statutes include any consolidations, replacements or revisions of the same.
- 3.4 Words importing the masculine gender shall include the feminine and neuter genders.
- 3.5 Words importing the singular number shall include the plural number and vice versa.

4. TOTAL NUMBER OF OPTIONS AVAILABLE UNDER SCHEME

- 4.1 The total number of Options offered under the Scheme shall not exceed 10% of the issued and paid-up share capital of the Company at any point in time during the duration of the Scheme as provided in Bye-Law 19, or such additional number that may be permitted by the SC during the duration of the Scheme.
- 4.2 Bye-Law 4.1 shall not apply where the total number of new Shares which may be made available under the Scheme exceeds ten percent (10%) of the issued and paid-up share capital of the Company during the existence of the Scheme resulting from the cancellation of the Company's own Shares purchased by the Company in accordance with the provision of Section 67A of the Companies Act, 1965. In such event, the provisions of Bye-Law 15.3(e) shall be complied with and the Options shall remain valid and exercisable in accordance with the Bye-Laws of the Scheme.
- 4.3 The Company will keep available sufficient unissued Shares in its authorized share capital to satisfy all outstanding Options throughout the duration of the Scheme.

5. ELIGIBILITY

- 5.1 Only Employees who fulfil the following conditions shall be eligible to participate in the Scheme:-
 - (a) An employee must be a Malaysian citizen of at least eighteen(18) years of age on the Date of Offer. An Executive Director must be at least eighteen(18) years of age on the Date of Offer and need not be a Malaysian;
 - (b) An employee must be full time employee of the Group, and in the case of an Executive Director, he must hold a directorship in a full time executive capacity in and be involved in the day-to-day management and be on the payroll of any company in the Group;
 - (c) An employee or an Executive Director must have been employed for a continuous period of at least six(6) months in the Group and his employment must have been confirmed on the Date of Offer;
 - (d) If an employee or an Executive Director is employed by a company which is acquired by the Group during the duration of the Scheme and becomes a subsidiary of the Company upon such acquisition, the employee or Executive Director must have completed a continuous period of at least six(6) months in the Group following the date that such company becomes or is deemed to be a subsidiary; and

10. BYE-LAWS OF THE ESOS (Cont'd)

- (e) If an employee is not a Malaysian citizen, he must, in addition to the conditions stipulated in paragraphs (a) to (d) above, also fulfil the following conditions:-
- (i) the employee must be serving the Group on a full time basis; and
 - (ii) in the event that the employee is serving under an employment contract, the contract should be for a duration of at least three(3) years.
- (f) If an employee is serving under an employment contract, the contract should be for a duration of at least three(3) years, provided always that if such an Employee has previously been employed permanently for a continuous period of at least two(2) years, then there shall be no minimum contractual duration imposed.
- 5.2 Executive Directors who represent the Government or Government Institution/ agencies and Government employees who are serving in the public service scheme as defined under Article 132 of the Federal Constitution are not eligible to participate in the Scheme.

6. MAXIMUM ENTITLEMENT AND BASIS OF ALLOTMENT

- 6.1 The number of Options to be offered to each Employee shall be at the discretion of the ESOS committee. In exercising its unfettered discretion, the ESOS Committee shall take into consideration the seniority, performance and length of service of each Employee and any other considerations deemed fit by the ESOS Committee. The decision of the ESOS Committee shall be final and binding.
- 6.2 Notwithstanding Bye-Laws 6.1 above, there should be equitable allocation to the various grades of eligible employees, such that not more than 50% of the Shares available under the Scheme should be allocated, in aggregate, to Directors and senior management.
- 6.3 Notwithstanding Bye-Laws 6.1 and 6.2 above, not more than 10% of the Shares available under the Scheme should be allocated to any individual Director or Employee who, either singly or collectively through his/her associates, holds 20% or more in the issued and paid-up capital of the Company. The term 'associates' will bear the same meaning as that in the Companies Act, 1965.
- 6.4 (a) In the event that an Employee is moved to a higher category, the Maximum Entitlement applicable to such Employee shall, upon such promotion, be the Maximum Entitlement for the category corresponding to his new grade.
- (b) In the event that an Employee is moved to a lower category, his Maximum Entitlement shall, upon such demotion, be reduced accordingly to that of the category corresponding to his new grade, provided always that:-
- (i) in the event that the total number of Options which has been accepted by him up to the date he is moved to the lower category is greater than his Maximum Entitlement under such lower category, he shall be entitled to continue to hold and to exercise all unexercised Options held by him on such date but he shall not be entitled to be offered any further Options unless and until he is subsequently moved to a higher category so that his Maximum Entitlement is increased to an amount greater than the total number of Options which has been accepted by him; and

10. BYE-LAWS OF THE ESOS (Cont'd)

- (ii) in the event that the total number of Options which has been accepted by him up to the date he is moved to the lower category is less than his Maximum Entitlement under such lower category, he shall be entitled to continue to hold and to exercise all unexercised Options held by him on such date and, to be offered further Options up to his Maximum Entitlement under such lower category.

6.5 The ESOS Committee may make more than one (1) Offer to an Employee provided that the aggregate number of Options offered to an Employee throughout the entire duration of the Scheme does not exceed his Maximum Entitlement, subject always to Bye-Laws 6.2 and 6.3.

6.6 The ESOS Committee may, subject to the approval of the Board introduce additional categories of employees who are eligible to participate in the Scheme, which it deems necessary during the duration of the Scheme.

7. OFFER

7.1 During the duration of the Scheme, the ESOS Committee may at its discretion at any time and from time to time make an Offer in writing to an Employee, subject to the Employee's Maximum Entitlement. Each Offer shall be in a multiple of 100 Options, or such other tradable units of Shares as may be determined by the ESOS Committee, the minimum being 100 Options, or such other tradable units of Shares as may be determined by the ESOS Committee. The Options shall only be accepted in multiples of 100 Shares or such other tradable units of Shares as may be determined by the ESOS Committee.

7.2 The ESOS Committee shall state the following particulars in the letter of Offer:-

- (a) the number of Options that are being offered to the Employee;
- (b) the number of Shares which the Employee shall be entitled to subscribe for upon the exercise of the Options being offered;
- (c) the Option Period;
- (d) the Subscription Price; and
- (e) the closing date for acceptance of the Offer.

7.3 An Offer shall be valid for a period of one(1) month from the Date of Offer ("Offer Period").

7.4 No Offer shall be made to any Executive Director of the Company unless such Offer and the related allotment of Shares have previously been approved by the shareholders of the Company in general meeting.

8. ACCEPTANCE

8.1 An Offer shall be accepted by an Employee within the Offer Period by written notice to the ESOS Committee accompanied by a payment to the Company of a nominal non-refundable consideration of Ringgit One (RM1.00) only for the grant of the Options.

8.2 The Company shall within thirty(30) days of the Date of Acceptance issue to the Employee an Option Certificate stating, inter alia, the number of Option granted, the Subscription Price and the Option Period.

8.3 If an Offer is not accepted in the manner aforesaid, the Offer shall automatically lapse upon the expiry of the Offer Period.

10. BYE-LAWS OF THE ESOS (Cont'd)

9. NON-TRANSFERABILITY

- 9.1 An Option is personal to the Grantee and subject to the provisions of Bye-Laws 14.2 to 14.6, is exercisable only by the Grantee personally during his lifetime whilst he is in the employment of any company in the Group.
- 9.2 An Option shall not be transferred, assigned or otherwise disposed of by the Grantee save and except in the event of the death of the Grantee as provided under Bye-Law 14.6.

10. EXERCISE OF OPTIONS

- 10.1 A Grantee is allowed to exercise not more than 50% of the Options granted to him per year. The maximum number of Options exercisable by a Grantee at any time and from time to time during the Option Period shall be set out in the Option Certificate issued to the Grantee.
- 10.2 Options which are exercisable in a particular year but are not exercised may be carried forward to subsequent years subject to the Option Period. All unexercised Options shall be exercisable in the last year of the Option Period. Any Option which remain unexercised at the expiry of the Option Period shall be automatically terminated.
- 10.3 A Grantee shall notify the Company of his intention to exercise his Options in such form and manner as the ESOS Committee may prescribe or approve ("Notice of Exercise"). An Option may be exercised in such manner and subject to such conditions as stipulated in the offer letter in respect of such lesser number of new Option Shares as the Grantee may decide to exercise **provided always** that the number shall be in multiples of and not less than one hundred (100) Shares, **save and except** where a Grantee's balance of Options Shares exercisable in accordance with these Bye-Laws shall be less than one hundred (100) Shares, in which case the said balance shall, if exercised, be exercised in a single tranche. Such partial exercise of an Option shall not preclude the Grantee from exercising the Option as to the balance of any new Option Shares, if any, which he is entitled to subscribe under the Scheme.
- 10.4 Within ten(10) Market Days of receipt of such notice and payment or such period as may be prescribed by the KLSE, the Company shall allot and/issue the relevant number of Shares, despatch a notice of allotment to the Grantee and then make an application for the quotation of the Shares, upon and subject to the provision of the KLSE Listing Requirements and Articles of Association of the Company. The said Shares will be credited directly into the CDS account of the Grantee or his financier, as the case may be. No physical certificates will be issued.
- 10.5 The Company, the Board and the ESOS Committee shall not under any circumstances be held liable to any person for any costs, losses, expenses, damages or liabilities howsoever arising in the event of any delay on the part of the Company in procuring the KLSE to list the Shares subscribed for by a Grantee.

11. SUBSCRIPTION PRICE

The Subscription Price shall be calculated in the following manner:-

- (a) Where the Option is granted before the Company is listed on the KLSE then the price at which the Option Holder is entitled to subscribe for the Shares shall not be less than the price of the Shares set for the offer for sale of the Shares for the purpose of listing of the Company on the KLSE ("Offer Price").

10. BYE-LAWS OF THE ESOS (Cont'd)

- (b) Where the Option is granted on or after the Company is listed on the KLSE, the price at which the Option Holder is entitled to subscribe for the Shares shall be the higher of:-
- (i) a price to be determined by the Board upon the recommendation of the ESOS Committee which is at a discount of not more than 10% from the weighted average market price of the Shares as shown in the daily official list issued by the KLSE for the five(5) Market Days immediately preceding the Date of Offer; and
 - (ii) the par value of the Shares.

subject to such adjustments as stipulated under Bye-Law 15 herein or as may be amended by the relevant authorities from time to time.

12. RIGHTS ATTACHING TO SHARES

The Shares to be issued and allotted upon any exercise of the Option will upon allotment and issuance rank *pari passu* in all respect with the then existing issued Shares except that the Shares so issued will not be entitled for any dividend, rights, allotment or other distribution declared, made or paid to shareholders unless the Shares so allotted have been credited into the relevant securities accounts of the shareholders maintained by MCD before the entitlement date and will be subject to all provisions of the Articles of Association of the Company relating to transfer, transmission and otherwise.

13. HOLDING OF SHARES

The Company encourages Grantees to hold the Shares subscribed for by them for as long as possible although a Grantee or his financier, as the case may be, may sell the Shares subscribed for by the Grantee at any time after such Shares have been credited to the Grantee's or his financier's CDS account.

14. TERMINATION OF EMPLOYMENT

- 14.1 Subject to Bye-Laws 14.2 to 14.5, an Option which has not been exercised by the Grantee shall be automatically terminated in the following circumstances:-
- (a) termination of employment of the Grantee with the Group for any reason whatsoever, in which event the Option shall be automatically terminated on the Grantee's last day of employment; and
 - (b) bankruptcy of the Grantee, in which event the Option shall be automatically terminated on the date a receiving order is made against the Grantee by a court of competent jurisdiction.
 - (c) winding up or liquidation of the Company, in which event the Option shall be automatically terminated on the following date:-
 - i) in the case of a voluntary winding up:-
 - aa) the date on which a provisional liquidator is appointed by the Company;
 - bb) the date on which the shareholders of the Company passed a resolution to voluntarily wind-up the Company; or
 - ii) in the case of an involuntary winding up, the date on which a petition for winding up is served on the Company; and

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(d) termination of the Scheme pursuant to Bye-Law 19.3;

whichever shall be applicable.

14.2 A Grantee may apply in writing to the ESOS Committee to be allowed to continue to hold and to exercise any Options held by him upon termination of employment with the Group in the following circumstances:-

(a) retirement upon or after attaining the age in accordance with the Company's retirement policy; or

(b) retirement before the age specified under the above said retirement policy, with the consent of his employer; or

(c) ill health, injury or disability; or

(d) retrenchment; or

(e) transfer to any company outside the Group at the direction of the Company; or

(f) any other circumstances as may be determined by the ESOS Committee from time to time.

14.3 Applications under Bye-Law 14.2 shall be made:-

(a) in a case where paragraph 14.2(a), (b) or (f) is applicable, before the Grantee's last day of employment. The Grantee may exercise Options at any time before his last day of employment subject to the provisions of Bye-Law 10, whichever applicable. In the event that no application is received by the ESOS Committee before the Grantee's last day of employment, any Option held by the Grantee on his last day of employment shall be automatically terminated;

(b) in a case where paragraph 14.2(c) is applicable, within one(1) month after the Grantee notifies his employer of his resignation due to ill health, injury or disability. The Grantee may exercise Options within the said period of one(1) month subject to the provisions of Bye-Law 10, whichever applicable. In the event that no application is received by the ESOS Committee within the said period, any Option held by the Grantee at the expiry of the said period shall be automatically terminated;

(c) in a case where paragraph 14.2(d) is applicable, within one(1) month after the Grantee is notified that he will be retrenched or, where he is given an offer by his employer as to whether he wishes to accept retrenchment upon certain terms, within one(1) month after he accepts such offer. The Grantee may exercise Options within the said period of one(1) month subject to the provisions of Bye-Law 10, whichever applicable. In the event that no application is received by the ESOS Committee within the said period, any Option held by the Grantee at the expiry of the said period shall be automatically terminated; and

(d) in a case where paragraph 14.2(e) is applicable, within one(1) month after the Grantee is notified that he will be transferred to a company outside the Group. The Grantee may exercise Options within the said period of one(1) month subject to the provisions of Bye-Law 10, whichever applicable. In the event that no application is received by the ESOS Committee within the said period, any Option held by the Grantee at the expiry of the said period shall be automatically terminated.

10. BYE-LAWS OF THE ESOS (Cont'd)

- 14.4 The ESOS Committee shall consider applications under Bye-Law 14.2 on a case to case basis and may in its discretion approve or reject any application in whole or in part without giving any reasons therefore and may impose any term and condition in granting an approval. The decision of the ESOS Committee shall be final and binding. In the event that the ESOS Committee approves an application in whole or in part, the Grantee may exercise the Options which are the subject of the approval within the relevant Option Period and subject to the provisions of Bye-Law 10, whichever applicable. Any Option in respect of which an application is rejected shall be automatically terminated on the date of termination stipulated in the relevant paragraph of Bye-Law 14.3 or on the date of the ESOS Committee's decision, whichever is the later.
- 14.5 In the event that the ESOS Committee receives an application under Bye-Law 14.2 after the expiry of the relevant period under Bye-Law 14.3, the ESOS Committee shall take into account the reasons given by the Grantee for the delay in making the application, in exercising the ESOS Committee's discretion and powers under Bye-Law 14.4. In the event that the ESOS Committee approves the application in whole or in part, the Company shall make an Offer in respect of the Options which are the subject of the approval to the Grantee and such Options shall be exercisable:-
- (a) only within the Option Period of those Options which were terminated due to the Grantee's delay in making the application;
 - (b) in accordance with the provisions of Bye-Law 10 as applicable in respect of such terminated Options; and
 - (c) at the Subscription Price applicable in respect of such terminated Options.
- 14.6 In the event that a Grantee dies before the expiration of the Option Period and at the date of his death held any Options, the following provisions shall apply:-
- (a) such Options may be exercised by the legal or personal representative of the Grantee ("Representative"):-
 - (i) within eighteen(18) months after the Grantee's death ("Permitted Period"); or
 - (ii) within the Option Period;

whichever expires first. For the avoidance of doubt, it is hereby stated that Bye-Laws 10.1 and 10.2 shall not be applicable in this event;
 - (b) In the event that the Option Period expires before the Permitted Period, any Options which have not been exercised by the Representative at the expiry of the Option Period shall be automatically terminated and the Representative shall not be entitled to apply for any extension of time for exercising such unexercised Options;
 - (c) In the event that the Permitted Period expires before the Option Period, the following provisions shall apply:-
 - (i) the Representative may, at any time before the expiry of the Permitted Period, apply in writing to the ESOS Committee for an extension of the Permitted Period, stating the reasons as to why the extension is required. In the event that no application is received by the ESOS Committee before the expiry of the Permitted Period, any Options which have not been exercised by the Representative at the expiry of the Permitted Period shall be automatically terminated;

10. BYE-LAWS OF THE ESOS (Cont'd)

(ii) the ESOS Committee shall consider such applications on a case to case basis and may in its discretion approve or reject an application in whole or in part without giving any reasons therefore and may impose any term and condition in granting an approval. The decision of the ESOS Committee shall be final and binding. In the event that the ESOS Committee approves an application in whole or in part, the Representative may exercise the Options which are the subject of the approval within such extension of the Permitted Period as is approved (which shall not exceed the Option Period) and in accordance with the provisions of Bye-Law 10.3. Any Option in respect of which an application is rejected shall be automatically terminated at the expiry of the Permitted Period or on the date of the ESOS Committee's decision, whichever is the later;

(iii) in the event that the ESOS Committee receives an application after the expiry of the Permitted Period, the ESOS Committee shall take into account the reasons given by the Representative for the delay in making the application, in exercising the ESOS Committee's discretion and powers under sub-paragraph (ii) above. In the event that the ESOS Committee approves an application in whole or in part, the Company shall make an Offer in respect of the Options which are the subject of the approval to the Representative and such Options shall be exercisable:-

(aa) within such period as may be stipulated in the Offer which shall not exceed the Option Period of those Options which were terminated pursuant to sub-paragraph (i) above;

(bb) in accordance with the provisions of Bye-Law 10.3; and

(cc) at the Subscription Price applicable in respect of the Options which were terminated pursuant to sub-paragraph (i) above.

14.7 The provisions of Bye-Law 14.5 and Bye-Law 14.6(c)(iii) constitute exceptions to the provision of Bye-Law 5.1 and Bye-Law 11.

15. ALTERATION OF CAPITAL

15.1 In the event of any alteration in the capital structure of the Company during the Option Period, whether by way of a rights issue, bonus issue or other capitalisation issue, consolidation or subdivision of Shares or reduction of capital or otherwise howsoever, the Company may at the discretion of the Board of Directors cause such adjustment to be made to:-

(a) the number of Shares which a Grantee shall be entitled to subscribe for upon the exercise of each Option; and/or

(b) the Subscription Price;

as shall be necessary to give a Grantee the same proportion of the issued capital of the Company as that to which he was entitled prior to the event giving rise to such adjustment. Where it is decided that no adjustments will be made, such decision must be made known to all Grantees. Where it is decided that an adjustment will be made but it is not practicable to ensure that all Grantees are given the same proportion of the issued capital, the Company must, in such circumstances, seek a waiver from the SC, together with justifications.

15.2 The following provisions shall apply in relation to an adjustment which is made pursuant to Bye-Law 15.1:-

(a) any adjustment to the Subscription Price shall be rounded up to the nearest one(1) sen and in no event shall the Subscription Price be reduced to an amount which is below the par value of the Shares; and

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- (b) in determining a Grantee's entitlement to subscribe for Shares, any fractional entitlements will be disregarded.
- 15.3 Bye-Law 15.1 shall not be applicable where an alteration in the capital structure of the Company arises from any of the following:-
- (a) an issue of Shares pursuant to the exercise of Options under the Scheme; or
 - (b) an issue of securities as consideration for an acquisition; or
 - (c) an issue of securities as a private placement; or
 - (d) an issue of securities as a special issue approved by the relevant governmental authorities; or
 - (e) a purchase by the Company of its own Shares pursuant to Section 67A of the Companies Act, 1965. In this event, the following provisions shall apply:-
 - (i) if the number of Options granted by the Company as at the date of cancellation of Shares so purchased is greater than 10% of the issued capital of the Company after such cancellation, the ESOS Committee shall not make any further Offers; and
 - (ii) if the number of Options granted by the Company as at the date of cancellation of Shares so purchased is less than 10% of the issued capital of the Company after such cancellation, the ESOS Committee may make further Offers only until the total number of Options granted by the Company is equivalent to 10% of the issued capital of the Company after such cancellation.
- 15.4 In the event that the Company enters into any scheme of arrangement or reconstruction pursuant to Part VII of the Companies Act, 1965, Bye-Law 15.1 shall be applicable in respect of such part(s) of the scheme which involve(s) any alteration(s) in the capital structure of the Company to which Bye-Law 15.1 is applicable, but Bye-Law 15.1 shall not be applicable in respect of such part(s) of the scheme which involve(s) any alteration(s) in the capital structure of the Company to which Bye-Law 15.1 is not applicable as described in Bye-Law 15.3.
- 15.5 An adjustment pursuant to Bye-Law 15.1 shall be made at the following times:-
- (a) in the case of a rights issue, bonus issue or other capitalisation issue, on the Market Day immediately following the date of entitlement in respect of such issue; or
 - (b) in the case of a consolidation or subdivision of Shares or reduction of capital, on the Market Day immediately following the date of allotment of new shares of the Company in respect of such consolidation, subdivision or reduction.
- Upon any adjustment being made, the ESOS Committee shall give notice in writing to the Grantee, or his legal or personal representative where the Grantee is deceased, to inform him of the adjustment and the event giving rise thereto.
- 15.6 All adjustments must be confirmed in writing by an approved company auditor, acting as an expert and not as an arbitrator, to be in his opinion fair and reasonable. In addition, the Company shall, at the request of any Grantee, furnish such Grantee with a certificate from an approved company auditor to the effect that in the opinion of such auditor, acting as an expert and not as an arbitrator, an adjustment is fair and reasonable either generally or as regards such Grantee, and such certification shall be final and binding on all parties. For the purposes of this Bye-Law, an approved company auditor shall have the meaning given in Section 8 of the Companies Act, 1965.

10. BYE-LAWS OF THE ESOS (Cont'd)**16. TAKE-OVERS AND MERGERS**

In the event of an offer being made for Shares under the Malaysian Code on Take-Overs and Mergers, 1998 and such offer being declared unconditional, the following provisions shall apply:-

- (a) a Grantee shall be entitled to exercise all or any of the Options held by him as at the date of such offer being declared unconditional, within a period of six(6) months after such date and in accordance with the provisions of the Bye-Laws. In the event that the Grantee elects not to so exercise some or all of the Options held by him, the unexercised Options shall be automatically terminated on the expiry of the said period of six(6) months; and
- (b) if during the said period of six(6) months, the offeror becomes entitled or bound to exercise rights of compulsory acquisition in respect of the Shares under the provisions of the Companies Act, 1965 and gives notice to the Grantee that he intends to exercise such rights on a specific date ("Specified Date"), the Grantee shall be entitled to exercise all or any of the Options held by him until the expiry of the said period of six(6) months or the Market Day immediately preceding the Specified Date, whichever is the earlier, and in accordance with the provisions of the Bye-Laws. In the event that the Grantee elects not to so exercise some or all of the Options held by him, the unexercised Options shall be automatically terminated on the expiry of the said period of six(6) months or on the Specified Date, whichever is the earlier.

17. DIVESTMENT FROM GROUP

17.1 In the event that a company within the Group shall be divested from the Group, a Grantee who is employed by such company:-

- (a) shall be entitled to continue to hold and to exercise all the Options held by him on the date of completion of such divestment within a period of six(6) months from the date of completion of such divestment or the Option Period, whichever expires first, and in accordance with the provisions of the Bye-Laws. In the event that the Grantee does not so exercise some or all of such Options, the unexercised Options shall be automatically terminated upon the expiry of the relevant period; and
- (b) shall no longer be eligible to participate for further Options under the Scheme as from the date of completion of such divestment.

17.2 For the purposes of Bye-Law 17.1, a company shall be deemed to be divested from the Group in the event that the effective interest of the Company in such company is reduced from above 50% to 50% or below so that such company would no longer be a subsidiary of the Company pursuant to Section 5 of the Companies Act, 1965.

18. WINDING UP

All outstanding Options shall be automatically terminated in the event that a resolution is passed or a court order is made for the winding up of the Company.

19. DURATION AND TERMINATION OF SCHEME

19.1 The Scheme shall come into force upon obtaining the following approvals:-

- (a) the SC;
- (b) the KLSE for the listing of and quotation for the new Shares to be issued pursuant to the exercise of the Options;
- (c) the shareholders of the Company in general meeting;

10. BYE-LAWS OF THE ESOS (Cont'd)

- (d) the fulfilment of any conditions attached thereto and upon the adviser submitting to the SC the following additional requirements:-
- (i) Final copy of the Bye-Laws of the Scheme; and
 - (ii) Confirmation letter from the adviser confirming that the Company:
 - (aa) has fulfilled the SC's conditions on the approval for the Scheme and that the Bye-Laws do not contravene the Guidelines on Employee Share Option Schemes as stipulated under the "Policies and Guidelines on Issue/Offer of Securities issued by the SC; and
 - (bb) has obtained other relevant approvals for the Scheme and has fulfilled all conditions imposed therein.

The scheme shall be in force for a duration of five(5) years from the Effective Date. The Company may, if the Board and the ESOS Committee deem fit, extend the Scheme for another five(5) years. Such extended Scheme shall be implemented in accordance with the terms of the Bye-Laws set out herein, save for any amendments and/or changes to the relevant statutes and/or regulations currently in force and shall be valid and binding without further obtaining the approvals of the abovementioned parties PROVIDED THAT the Company shall serve appropriate notices on each Grantee and/or make necessary announcements to any and/or all of the abovementioned parties within thirty(30) days prior to the expiry of the Scheme.

- 19.2 Offers can only be made during and not after the duration of the Scheme.
- 19.3 The Company in general meeting may at any time by ordinary resolution terminate the Scheme. Prior to the termination, the Company must satisfy all of the following conditions:-
- (a) To obtain the approval of the SC for the termination of the Scheme;
 - (b) To obtain the consent of its shareholders at a general meeting, wherein at least a majority of the shareholders present should vote in favour of the termination; and
 - (c) To obtain the written consent of all option-holders who have yet to exercise their Options, either in part or in whole.
- 19.4 In the event of termination of the Scheme, the following provisions shall apply:-
- (a) no further Offers shall be made by the ESOS Committee from the date the last of the approvals specified in Bye-Law 19.3 shall have been obtained;
 - (b) all Offers which have yet to be accepted shall automatically lapse from the date the last of the approvals specified in Bye-Law 19.3 shall have been obtained; and
 - (c) all outstanding Options shall be automatically terminated from the date the last of the approvals specified in Bye-Law 19.3 shall have been obtained.
- 19.5 In seeking to obtain the approval of the SC and the consent of shareholders and option-holders for the termination of the Scheme, the Company must provide sufficient information on the following matters:-
- (a) Reasons for the termination;
 - (b) Whether or not the termination of the Scheme would be in the best interest of the Company; and
 - (c) Any other information that would justify termination of the Scheme.

10. BYE-LAWS OF THE ESOS (Cont'd)

- 19.6 The Company may establish a new employee share option scheme after the expiry or upon the termination of the Scheme. However, the new scheme shall be subject to the approval of the SC.

20. ADMINISTRATION

- 20.1 The Scheme shall be administered by the ESOS Committee. The ESOS Committee shall, subject to these Bye-Laws, administer the Scheme and regulate the ESOS Committee's own proceedings in such manner as it shall think fit.
- 20.2 Without limiting the generality of Bye-Law 20.1, the ESOS Committee may, for the purpose of administering the Scheme, do all acts and things, execute all documents and delegate any of its powers and duties relating to the Scheme as it may in its discretion consider to be necessary or desirable for giving effect to the Scheme.
- 20.3 The Board shall have power at any time and from time to time to rescind the appointment of any person appointed to the ESOS Committee as it shall deem fit.
- 20.4 The ESOS Committee shall comprise persons from the Board and/or senior management of the Company.

21. AMENDMENT

- 21.1 Any subsequent modifications or amendments to the Bye-Laws do not need the prior approval of the SC. However, the Company is required to submit to the SC each time a modification or amendment is made, a confirmation letter that the modification or amendment does not contravene any of the provision of the ESOS Guidelines.
- 21.2 The approval of the shareholders of the Company in general meeting shall not be required in respect of additions or amendments to or deletions of these Bye-Laws provided that no addition, amendment or deletion shall be made to these Bye-Laws which would:-
- (a) prejudice any rights which have accrued to any Grantee without his prior consent; or
 - (b) increase the number of Shares available under the Scheme beyond the maximum imposed by Bye-Law 4.1; or
 - (c) provide an advantage to any Grantee or group of Grantees or all Grantees.

22. INSPECTION OF ACCOUNTS

All Grantees are entitled to inspect the latest audited financial statements of the Company at the registered office of the Company during the usual business hours.

23. SCHEME NOT A TERM OF EMPLOYMENT

The Scheme shall not form part of or constitute or be in any way construed as a term or condition of employment of any Employee.

24. NO COMPENSATION FOR TERMINATION

No Employee shall be entitled to any compensation for damages arising from the termination of any Options pursuant to the provisions of these Bye-Laws.

10. BYE-LAWS OF THE ESOS (Cont'd)

25. DISPUTES

Any disputes arising hereunder shall be referred to the decision of the external auditors for the time being of the Company acting as experts and not as arbitrators, whose decision shall be final and binding in all respects, provided that no person shall be entitled to dispute any decision or certification which is stated to be final and binding under these Bye-Laws.

26. COSTS AND EXPENSES

All fees, costs and expenses incurred in relation to the Scheme including but not limited to the fees, costs and expenses relating to the allotment and issue of Shares pursuant to the exercise of Options, shall be borne by the Company.

27. ARTICLES OF ASSOCIATION

In the event of a conflict between any of the provisions of these Bye-Laws and the Articles of Association of the Company, the Articles of Association shall prevail.

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11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION

11.1 Share Capital

- i) No Shares will be allotted on the basis of this Prospectus later than twelve (12) months after the date of this Prospectus.
- ii) There are no founder, management or deferred shares in the Company. As at the date of this Prospectus there is only one class of shares in the Company, namely ordinary shares of RM0.50 each, all of which rank pari passu with one another.
- iii) Save for the 4,000,000 Shares reserved for eligible Directors, employees and business associates of the Group under pink form allocation and up to 8,000,000 Shares pursuant to the ESOS Options (which shall only be exercisable one(1) year after PMCB has been listed on the Second Board of the KLSE) as disclosed in Section 2.2, Section 2.3 and Section 4.4 respectively of this Prospectus, no other person has been or is entitled to be given an option to subscribe for any share, stock or debenture of the Company or its subsidiary companies.
- iv) There are no restrictions on the transfer of the Shares of the Company, except as otherwise required by law.

11.2 Articles of Association

The following provisions are reproduced from the Company's Articles of Association, which has been approved by the KLSE.

(i) TRANSFER OF SECURITIES

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

Articles of Association of the Company**Article 40 – Transfer of securities**

The transfer of any listed securities or class of listed 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 Section 103 and 104 of the Act, but subject to Section 107C(2) of the Act and any exemption that may be made from compliance with Section 107C(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the listed securities.

Article 42 – Refusal to register transfer

The Central Depository may in its absolute discretion, refuse to register any transfer that does not comply with the Central Depository Act and the Rules.

Article 45 – Deposited securities

All transfer of securities deposited with a central depository, including but not limited to the Deposited Security, shall be in compliance with the relevant laws and rules.

11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)**Listing Requirements**

The provisions of the Listing Requirements of the KLSE on the transferability of securities and restrictions on their free transferability are as follows:-

7.13 Transfers of Securities

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

7.14 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") provided that there shall be no change in the ownership of such securities.

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

Companies Act, 1965**Section 103(1)**

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

11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)**Section 103(1A)**

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

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

Section 107C(1)

On or after the coming into operation 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 affecting any transfer of securities.

Section 107C(2)

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

Rules of the MCD**Section 8.01(2)**

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

Section 8.05A

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

Section 9.03(2)

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

- (a) the prescribed Form FTF010 (request for ordinary transfer of securities form) or Form FTF015 (request for express transfer of securities form) fully and properly completed in triplicate;
- (b) the Transferring Depositor has executed the Transferor portion of the said form duly witnessed by another person (other than the Depositor's spouse);

11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (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 of securities arising from the provisions of any written law or an order of the 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; and
 - (v) any other circumstances as deemed fit by the Central Depository after consultation with the Securities Commission;
- (d) documents to support the reason for the transfer;
- (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) REMUNERATION OF DIRECTORS

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

Article 103 – Remuneration of Directors

The fees of the Directors shall be such fixed sum as shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provided) be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such fees are payable shall be entitled only to rank in such division for a proportion of the fees related to the period during which he has held office Provided Always that:-

- (a) fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover;
- (b) salaries payable to executive Directors may not include a commission on or percentage of turnover;
- (c) fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting; and
- (d) any fee paid to an alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Article 104 – Reimbursements and special remuneration

- (1) The Directors shall be entitled to be reimbursed for all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors.

11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (2) If by arrangement with the Director, any Director shall perform or render any special duties or services outside his ordinary duties as a Director in particular without limiting to the generality of the foregoing if any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Directors may pay him special remuneration, in addition to his Director's fees, and such special remuneration may be by way of a fixed sum, or otherwise as may be arranged.

Article 138 – Remuneration of Managing Director and Deputy Managing Director

The remuneration of the Managing Director and Deputy Managing Director may subject to the terms of any agreement entered into any particular case, be by way of salary but such remuneration shall not include a commission on or percentage of turnover but it may be a term of their appointment that they shall receive pension, gratuity or other benefits upon their retirement.

Article 109 – Establishment of pension fund

The Directors may procure the establishment and maintenance of any non-contributory or contributory pension or superannuation fund or life assurance scheme for the benefit of, and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, benefits or emoluments to, any persons who are or shall have been at any time in the employment or service of the Company or any associated company or to any persons who are or have been a Director or other officer of and holds or have held salaried employment in the Company or any associated company, or the wives, widows, families or dependants of any such persons. The Directors may also procure the establishment and subsidy of or subscription and support to any institutions, association, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or of its members and payment for or towards the insurance of any such persons as aforesaid, and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibitions or for any public, general or useful object. 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 of the Company in general meeting. In this Article the expression "the associated company" shall include any company which is the holding company of the Company or a subsidiary of the Company or of any such holding company or which in the opinion of the Directors can properly be regarded as being connected with the Company or with any such company as aforesaid.

Article 113 – Right to payment for professional services

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.

11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

(iii) VOTING AND BORROWING POWERS OF DIRECTORS

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

Article 106 – Powers and duties of Directors

The business of the Company shall be managed by the Directors who may exercise all such powers of the Company, and do on behalf of the Company all such acts as are within the scope of the Memorandum and Articles of Association of the Company and as are not by the Act or by these Articles required to be exercised or done by the Company in general meeting, subject nevertheless to these Articles, to the provisions of the Act, and to such regulations, being not inconsistent with these Articles, as may be prescribed by the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

Article 107 – Approval of the Company required

Subject to the Act, the Directors shall not without the prior approval of the Company in general meeting:-

- (a) carry into effect any proposal or execute any transaction for the acquisition of any undertaking or property of a substantial value, or the disposal of a substantial portion of the main undertaking or property of the Company, as defined in the Act; or
- (b) exercise any power of the Company to issue shares unless otherwise permitted under the Act; or
- (c) enter into any arrangement or transaction with a Director or a director of the holding company of the Company, or with a person connected with such a Director to acquire from or dispose to such a Director or person any non-cash assets of a requisite value as defined in the Act.

Article 108 – Directors' borrowing powers

- (1) The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertakings, property and uncalled capital, or any part thereof, and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or of any related third party Provided Always that nothing contained in these Articles shall authorise the Directors to borrow any money or mortgage or charge any of the Company's undertaking, property or any uncalled capital or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.
- (2) The Directors shall cause a proper register to be kept in accordance with Section 115 of the Act of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of Section 108 of the Act in regard to the registration of mortgages and charges therein specified and otherwise.

11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (3) If the Directors or any of them, or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

(iv) CHANGES IN CAPITAL OR VARIATION OF CLASS RIGHTS

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

Article 4 – Issue of shares

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject to the provisions of the written law and to the conditions, restrictions and limitations expressed in these Articles and to the provisions of any resolution of the Company, and subject to the prior approval of the members of the Company, the Directors may allot, grant options over or otherwise dispose of the unissued share capital of the Company to such persons, at such time and on such terms and conditions, with such preferred or deferred or other special rights as they think proper, PROVIDED ALWAYS THAT:-

- (a) no shares shall be issued at a discount except in compliance with the provisions of the Act;
- (b) no shares shall be issued which shall have the effect of transferring a controlling interest in the Company without the prior approval of the members in general meeting;
- (c) in the case of shares other than ordinary shares, no special rights shall be attached until the same have been expressed in these Articles;
- (d) every issue of shares or options to employees and/or Directors shall be approved by the members in general meeting and –
- (i) such approval shall specifically detail the number of shares or options to be issued to such Directors; and
- (ii) only Directors holding office in an executive capacity shall participate in such an issue of shares or options Provided Always that a Director not holding office in an executive capacity may so participate in an issue of shares pursuant to a public offer or a public issue; and
- (e) in the case of shares offered to the public for subscription, the amount payable on application on each share shall not be less than five per cent (5%) of the nominal amount of the share.

11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)**Article 5 – Issue of preference shares**

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

- (a) the total nominal value of preference shares issued shall not exceed the total nominal value of the issued ordinary shares at any time;
- (b) the holders of preference shares shall have the same rights as the holders of ordinary shares and must be entitled to a right to vote in each of the following circumstances:-
 - (i) when the dividend or part of the dividend on the share is in arrears for more than six (6) months;
 - (ii) on a proposal to reduce the Company's share capital;
 - (iii) on a proposal for the disposal of the whole of the Company's property, business and undertaking;
 - (iv) on a proposal that affects rights attached to the share;
 - (v) on a proposal to wind up the Company;
 - (vi) during the winding up of the Company; and
- (c) the Company shall not unless with the consent of the existing preference shareholders at a class meeting or pursuant to Article 18 hereof issue further preference capital ranking in priority above preference shares already issued but may issue preference shares ranking equally therewith.

Subject to the Act, any preference shares may be issued on the terms that they are, or at the option of the Company are liable, to be redeemed. A holder of a preference share must be entitled to a return of capital in preference to holders of ordinary shares when the Company is wound up. A holder of a preference share must be entitled to the same rights as a holder of an ordinary share in relation to receiving notices, reports and audited accounts and attending meetings.

Article 18 – Alteration of preferential shareholders' rights

Notwithstanding Article 19 hereof, the repayment of preference share capital other than redeemable preference shares, or any other alteration of preference shareholders' rights, shall only be made pursuant to a special resolution of the preference shareholders concerned Provided Always that where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing if obtained from the holders of three-fourths (3/4) 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.

11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

Article 19 – Alteration of class rights

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of three-fourths (3/4) of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two (2) persons at least holding or representing by proxy one-tenth (1/10) of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution the provisions of Section 152 of the Act shall, with such adaptations as are necessary, apply.

Article 20 – No alteration of rights by issuance of new shares

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards to participation in the profits or assets of the Company in some or in all respects *pari passu* therewith.

Article 54 – Increase of share capital

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

Article 55 – Issue of new shares to existing members

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

11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

Article 56 – New capital to be considered as part of the current share capital

Except so far as otherwise provided by the condition of issue, any capital raised by the creation of new shares shall be considered as part of the original share capital of the Company. All new shares shall be subject to the provisions herein contained with reference to allotments, the payment of calls and instalments, transmissions, forfeiture, lien or otherwise and shall also be subject to the Rules.

Article 57 – Consolidation, subdivision and cancellation of shares

- (1) The Company may from time to time by ordinary resolution:-
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association (subject nevertheless to the provisions of the Act) and so that in the subdivision 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 shares from which the reduced share is derived. Any resolution whereby any share is sub-divided may determine that, as between the holders of shares resulting from such subdivision, one or more of such shares may have such preferred or other special rights over, or may be given any preference or advantage as regards dividends, return of capital voting or otherwise over the other or others of such shares; or
 - (c) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
- (2) The Company may by special resolution reduce its share capital and any capital redemption reserve fund or any share premium account in any manner authorised by the Act and subject to any consent required by the law.

11.3 Directors and Substantial Shareholders

- (i) The names, addresses and occupations of the Directors of PMCB are set out in the "Corporate Directory" Section of this Prospectus.
- (ii) A Director is not required to hold any qualification share in the Company unless otherwise so fixed by the Company in general meeting.
- (iii) There are no existing or proposed service contracts between the Directors, key management or key technical personnel and the Company or its subsidiary companies.
- (iv) No Director, senior executive officer, key management or person nominated to become a Director, senior executive officer or key management is or was involved in the following events (whether in or outside Malaysia):-
 - (a) a petition under any bankruptcy or insolvency laws filed against such person or any partnership in which he was a partner or any corporation of which he was or is an executive officer;

11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (b) a conviction in a criminal proceeding or is a named subject of a pending criminal proceeding; or
- (c) the subject of any order, judgement or ruling of any court, tribunal or governmental body of competent jurisdiction permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, Director or employee of a financial institution or engaging in any type of business practice or activity.
- (v) For the financial year ended 31 December 2002, remuneration paid to the Directors of PMCB Group for services rendered in all capacities in the Company and its subsidiary companies amounted to RM956,040. For the financial year ending 31 December 2003, the amount payable to the Directors of PMCB Group is estimated to be RM1,050,000.
- (vi) None of the Director and/or substantial shareholder of the Company has any interest, direct or indirect, in other businesses and corporations quoted and unquoted on a recognised stock exchange carrying on a similar business as the PMCB Group.
- (vii) None of the Director and/or substantial shareholder of the Company has any interest, direct or indirect, in any contract, agreement or arrangement which is significant in relation to the business and financial position of the Company or its subsidiary companies as at the date of this Prospectus.

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11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (viii) The substantial shareholders of PMCB and their respective direct and indirect interests in the Shares of the Company before the Offer for Sale according to the Register of Substantial Shareholders of PMCB as at 31 December 2002 (being the latest practicable date prior to the printing of this Prospectus) and after the Offer for Sale are as follows:-

Substantial Shareholder	Before The Offer For Sale				After The Offer For Sale			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Chuah Choon Bin	24,000,000	30.00	-	-	*20,378,000	25.47	-	-
Tan Boon Teik	24,000,000	30.00	-	-	*20,378,000	25.47	-	-
PNS/ Zainal Abidin Abas/Abdul Razak Bin Mohd Tahir [@]	22,355,824	27.94	-	-	18,907,438	23.63	-	-
Ministry of Finance Incorporated [#]	-	-	#22,355,824	27.94	-	-	#18,907,438	23.63

* Including 80,000 Shares each pursuant to their respective entitlements in the allocation of Offer for Sale Shares to eligible Directors, employees and business associates of PMCB Group.

Deemed interested as the holding company of PNS.

@ Pursuant to a Call and Put Option Agreement ("Option Agreement") made the 24th Day of August 2001 between PNS, Zainal Abidin Bin Abas and Abdul Razak Bin Mohd Tahir ("the Proponents") and the Promoters, PNS granted the Proponents a call option in respect of 75% of the Option Shares and the Proponents granted PNS a put option in respect of the Put Option Shares. The call option is exercisable for a period of two(2) years from the date of the Option Agreement and may be extended for another year by the parties thereto in writing ("Call Option Period"). The put option is exercisable as follows:

- upon expiry of the Call Option Period and shall continue for a period of six(6) months commencing on such date of expiry of the Call Option Period;
- immediately upon listing of PMCB;
- immediately upon any breach by any of the Proponents of any of his obligation under the subscription agreement made the 24th day of August 2001 between PTSE, PESB, PNS, the Proponents and the Promoters.

And in any or all events under paragraphs (b) and (c) above, to continue for a period of six(6) months from the commencement and/or the expiry of six(6) months from the date of the expiry of the Call Option Period, whichever is the later. Upon the exercise of the call option by the Proponents or the put option by PNS pursuant to the Option Agreement, the Proponents may become substantial shareholders of PMCB holding up to 18,907,438 Shares depending upon the amount of shares exercised under the call option or put option.

PNS via its letter dated 3 December 2002, approved the call option to be redeemed solely by Zainal Abidin Bin Abas. Twenty five(25) percent of the Option Shares are to be redeemed prior to listing and the remaining seventy five(75) percent of the Option Shares are to be redeemed within six(6) months after listing.

Information on PNS

PNS is an investment holding company with an issued and paid-up share capital of RM751,012,180. The company is 99.43% owned by the Ministry of Finance Incorporated and has two(2) subsidiary companies and forty nine(49) associated companies as at 31 May 2003 (being the latest practicable date prior to the printing of this Prospectus).

11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

The Board of Directors of PNS as at 31 May 2003 (being the latest practicable date prior to the printing of this Prospectus) is as follows: -

Name	No. of Ordinary Shares of RM1.00 Each Held			
	Direct	%	Indirect	%
Dato' Md Desa Bin Pachi	-	-	-	-
Datuk Haji Hanafi Bin Ramli	-	-	-	-
Tuan Haji Ithnin Bin Haji Hassan	-	-	-	-
Datuk Syed Tamim Ansari Bin Syed Mohamed	-	-	-	-
Hanifah Binti Hassan	-	-	-	-
Mustaffa Kamil Bin Md Ismail	-	-	-	-
Halimah binti Sulaiman	-	-	-	-

The shareholdings of PNS in other public corporations for the past two (2) years are disclosed in Section 5.2 of this Prospectus.

- (ix) The Directors of PMCB and their respective direct and indirect interests in the Shares of the Company before the Offer for Sale based on the Register of Directors' Shareholdings as at 31 December 2002 (being the latest practicable date prior to the printing of this Prospectus) and after the Offer for Sale are as follows:-

Directors	Before The Offer For Sale				After The Offer For Sale [^]			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Chuah Choon Bin	24,000,000	30.00	-	-	20,378,000	25.47	-	-
Tan Boon Teik	24,000,000	30.00	-	-	20,378,000	25.47	-	-
Zainal Abidin Bin Abas	-	-	-	-	60,000	0.07	-	-
Abdul Razak Bin Mohd Tahir	-	-	-	-	60,000	0.07	-	-
Mustaffa Kamil Bin Md. Ismail	-	-	-	-	-	-	-	-
Loh Nam Hooi	-	-	-	-	60,000	0.07	-	-
Ooi Hun Pin	-	-	-	-	60,000	0.07	-	-

[^] Based on their respective entitlements pursuant to the allocation of Offer for Sale Shares to eligible Directors, employees and business associates of PMCB Group.

- (x) Save as disclosed in Section 4.10.1, none of the Director or substantial shareholder has any interest, direct or indirect, in the promotion of or in any assets which have, within the two(2) years immediately preceding the date of this Prospectus, been acquired or proposed to be acquired or disposed or proposed to be disposed of or leased or proposed to be leased to the Company or its subsidiary companies or any contract or arrangement subsisting at the date of this Prospectus which is significant in relation to the business of the Company and its subsidiary companies taken as a whole.

11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)**11.4 Information on the Offerors**

Information in respect of the Offerors is as follows:-

Offerors	Address	Occupation/ Principal Activity	Nationality/ Place of Incorporation
Chuah Choon Bin	20, Lorong Hijau 8 11600 Penang	Chief Executive Officer	Malaysian
Tan Boon Teik	63, Cangkat Sungai Ara 3 11900 Bayan Lepas, Penang	Deputy Chief Executive Officer	Malaysian
Chun Sa Nga	328-H Jalan Perak 11600 Georgetown Penang	Nil	Malaysian
Lim Ah Ooi @ Lim Ah Moi	No. 20, Lorong Lewata 9 Taman Muhibbah Jejawi 02600 Arau	Nil	Malaysian
Tan Guat Kim	No. 44 Batu 6 Jalan Baru 34200 Parit Buntar	Nil	Malaysian
Tan Leng Ang @ Tan Teng Chun	No 20, Lorong Lewata 9 Taman Muhibbah Jejawi 02600 Arau	Nil	Malaysian
PNS	Level 9B, Menara Dato' Onn Putra World Trade Centre 45, Jalan Tun Ismail 50480 Kuala Lumpur	Investment Holding Company	Malaysia
Noor Ashikin Amman	Bin Blok Asoka 3-10, Lengkok Kelicap, Jalan Relau 11900 Bayan Lepas, Penang	Nil	Malaysian

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11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)**11.5 General**

- (i) The nature of the Group's business and the names of all corporations which are deemed to be related to the Company by virtue of Section 6 of the Companies Act 1965 are disclosed in Section 4.1 of this Prospectus.
- (ii) The time of the opening of the Application Lists is set out in Section 12.1 of this Prospectus.
- (iii) The amount payable in full on application is RM1.40 per Share.
- (iv) The expenses and commission payable by the Company are as follows:-
 - (a) Brokerage will be paid at the rate of 1.0% of the Offer price of RM1.40 per Share which is payable by the Company in respect of successful applications bearing the stamp of AmMerchant Bank, member companies of the KLSE, members of the Association of Merchant Banks in Malaysia, members of the Association of Banks in Malaysia or MIH; and
 - (b) Expenses incidental to the listing of and quotation for the entire issued and paid-up share capital of the Company on the KLSE amounting to approximately RM1,160,000 will be borne by the Company. The Offerors shall bear stamp duty, underwriting commission, Private Placement fee, management fees, registration and transfer fees relating to the Offer Shares.
- (v) Save as disclosed in paragraph (iv) no commission, discounts, brokerages or other special terms have been paid, granted or are payable by the Company or its subsidiary companies within the two(2) years immediately preceding the date of this Prospectus for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any share in or debenture of the Company or its subsidiary companies or in connection with the issue or sale of any capital of the Company or any of its subsidiary companies and no Director, proposed Director, promoter or expert is or are entitled to receive any such payment.
- (vi) No amount or benefit has been paid or given within the two(2) years immediately preceding the date hereof, nor is it intended to be so paid or given, to any promoter.
- (vii) Except as disclosed in Section 3 of this Prospectus, the Directors are not aware of any material information including trading factors or risks not mentioned elsewhere in this Prospectus which are unlikely to be known or anticipated by the general public and which would materially affect the profits of the Group.

11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (viii) Except as disclosed in Section 3 of this Prospectus, the Directors of the Company are of view that the financial conditions and operations of the Group are not affected by any of the following:-
- (a) Known trends or known demands, commitments, events or uncertainties that will result in or are reasonably likely to result in the Group's liquidity increasing or decreasing in any material way;
 - (b) Material commitments for capital expenditure;
 - (c) Unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from operations; and
 - (d) Known trends or uncertainties that have had or will have a material favourable or unfavourable impact on revenues or operating income.

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

- (ix) As at the date of this Prospectus, the Company and its subsidiary companies have not issued any convertible debt securities.
- (x) The name and address of the Auditors and Reporting Accountants of the Company are as set out in "Corporate Directory" Section of this Prospectus.
- (xi) Save for the 4,000,000 Shares reserved for eligible Directors, employees and business associates of the Group under pink form allocation and up to 8,000,000 Shares pursuant to the ESOS Options (which shall only be exercisable one(1) year after PMCB has been listed on the Second Board of the KLSE) as disclosed in Section 2.2, Section 2.3 and Section 4.4 respectively of this Prospectus, no other person has been or is entitled to be given an option to subscribe for any share, stock or debenture of the Company or its subsidiary companies as at the date of this Prospectus.
- (xii) The particulars of any capital (of the Company or its subsidiary companies), which has, within two(2) years immediately preceding the date of this Prospectus, been issued for cash has been set out in Section 4.2 and Section 4.5 of this Prospectus. The Shares issued have been fully paid.
- (xiii) The manner in which copies of this Prospectus together with the official Application Forms and envelopes may be obtained is set out in Section 12.2 of this Prospectus.

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11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)**11.6 Material Contracts**

Save as disclosed hereunder, there are no contracts which are or may be material (not being contracts entered into in the ordinary course of business) which have been entered into by the Company and its subsidiary companies within the two (2) years immediately preceding the date of this Prospectus:-

- (i) Subscription Agreement made on 24 August 2001 between PTSB, PESB, PNS, Zainal Abidin Bin Abas, Abdul Razak Bin Mohd Tahir and the Promoters in respect of the subscription by PNS for 100,000 ordinary shares of RM1.00 each in PTSB and PESB respectively at an issue price of RM20.00 per share for a total subscription price of RM4,000,000.00 and the subscription by PNS for a proposed rights issue by PMCB, all in cash.
- (ii) Revised banking facilities of RM9,600,000.00 granted by RHB Bank Berhad to PTSB as per the Bank's letter of offer dated 10 January 2002 and supplemental letters dated 30 January 2002, 22 February 2002, 6 March 2002 and 13 April 2002 to be secured by inter-alia a new Loan Agreement and Deed of Assignment to be stamped for RM8 million over two (2) pieces of vacant industrial land at Bayan Lepas Technoplex known as Plots 18 and 19, South West District of Penang, Mukim 12, Bayan Lepas.
- (iii) Share Sale Agreement made on 21 June 2002 between the Promoters, PNS, Chun Sa Nga, Lim Ah Ooi @ Lim Ah Moi, Tan Guat Kim, Tan Leng Ang @ Tan Teng Chun and Noor Ashikin Bin Amman as Vendors and PMCB as Purchaser for the acquisition of the entire issued and paid-up share capital of PTSB comprising 600,000 ordinary shares of RM1.00 each for a purchase consideration of RM7,053,821.00 to be satisfied by the issuance of 6,717,925 new ordinary shares of RM1.00 each in PMCB at an issue price of approximately RM1.05 per ordinary share of RM1.00 each.
- (iv) Share Sale Agreement made on 21 June 2002 between the Promoters, PNS, Chun Sa Nga, Lim Ah Ooi @ Lim Ah Moi, Tan Guat Kim, Tan Leng Ang @ Tan Teng Chun and Noor Ashikin Bin Amman as Vendors and PMCB as Purchaser for the acquisition of the entire issued and paid-up share capital of PESB comprising 600,000 ordinary shares of RM1.00 each for a purchase consideration of RM17,879,185.00 to be satisfied by the issuance of 17,027,795 new ordinary shares of RM1.00 each in PMCB at an issue price of approximately RM1.05 per ordinary share of RM1.00 each.
- (v) Share Sale Agreement made on 21 June 2002 between the Promoters and Chun Sa Nga as Vendors and PMCB as Purchaser for the acquisition of the entire issued and paid-up share capital of PPSB comprising 100,000 ordinary shares of RM1.00 each for a purchase consideration of RM346,675.00 to be satisfied by the issuance of 330,167 new ordinary shares of RM1.00 each in PMCB at an issue price of approximately RM1.05 per ordinary share of RM1.00 each.
- (vi) Underwriting Agreement made on 18 June 2003 between the Company, the Offerors, the Managing Underwriter and the Underwriters for the underwriting of 7,000,000 Shares in PMCB at an Offer price of RM1.40 per Share at an underwriting commission of 2.0% on the public portion of Public Issue and 1.5% on the pink form portion and upon the terms and conditions therein.

11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)**11.7 Material Agreements**

Save as disclosed hereunder, there are no agreements which are or may be material which have been entered by the Company and its subsidiary companies within the two(2) years immediately preceding the date of this Prospectus:-

- (i) Tenancy Agreement made on 8 November 2001 between the Penang Development Corporation as Landlord and PESB as Tenant in respect of the terrace factory known as Unit No. K247 erected on the land known as H.S.(D)10223 with a floor area of 2,303 square feet at a rental of RM2,994.00 per month for a term of one (1) year commencing on 1 November 2001.
- (ii) Tenancy Agreement made on 8 November 2001 between the Penang Development Corporation as Landlord and PESB as Tenant in respect of the terrace factory known as Unit No. K246 erected on the land known as H.S.(D)10222 with a floor area of 2,303 square feet at a rental of RM2,994.00 per month for a term of one (1) year commencing on 1 November 2001.
- (iii) Representative Agreement made on 23 January 2002 between PTSB and Shanghai Winner Electromechanical Co Limited for the appointment of Electromechanical Co Limited as the exclusive technical sales and service representative of PTSB's products in the People's Republic of China.
- (iv) Tenancy Agreement made on 6 May 2002 between the Penang Development Corporation as Landlord and PESB as Tenant in respect of the terrace factory known as Unit No. K245 erected on the land known as H.S.(D)10221 with a floor area of 2,303 square feet at a rental of RM2,994.00 per month for a term of eight (8) months commencing on 1 May 2002.
- (v) Representative Agreement made on 30 May 2002 between PTSB and Agejet Industrial Co Ltd for the appointment of Agejet Industrial Co Ltd as the exclusive technical sales and service representative of PTSB's products in Taiwan.
- (vi) Representative Agreement made on 20 June 2002 between PTSB and ASPRO Technology Asia Pte Ltd for the appointment of ASPRO Technology Asia Pte Ltd as the exclusive technical sales and service representative of PTSB's products in Singapore, Thailand, Philippines, Indonesia and India.
- (vii) Representative Agreement made on 1 February 2003 between PTSB and Testmax Engineering & Services for the appointment of Testmax Engineering & Services as the non-exclusive technical sales and service representative of PTSB's products in southern region of Peninsular Malaysia.

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11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

11.8 Material Litigations

Neither the Company nor its subsidiary companies is engaged in any material litigation, claim and arbitration either, as plaintiff or defendant, and the Board of Directors have no knowledge of any proceedings pending or threatened against the Group or of any facts likely to give rise to any proceedings which might materially and adversely affect the position or business of the Company and its subsidiary companies.

11.9 Public Take-Overs

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

- (i) No public take-over offers by third parties in respect of the Company and its subsidiary companies' shares.
- (ii) No public take-over offers by the PMCB Group in respect of other companies' shares.

11.10 Consents

- (i) The written consents of the Adviser, Managing Underwriter and Placement Agent, Underwriters, Solicitors, Principal Bankers, Registrars and Issuing House to the inclusion in this Prospectus of their names in the form and context in which their names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- (ii) The written consent of the Auditors and Reporting Accountants to the inclusion in this Prospectus of their name, Accountants' Report, and their letters relating to the Proforma Consolidated Profit Forecast for the financial year ending 31 December 2003 and Proforma Consolidated Balance Sheets as at 31 December 2002 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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11. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

11.11 Documents for Inspection

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

- (i) Memorandum and Articles of Association of PMCB and its subsidiary companies;
- (ii) The Directors' Report and Accountants' Report as included herein;
- (iii) The Reporting Accountants' Letters relating to the Profit Forecast for the financial year ending 31 December 2003 and Proforma Consolidated Balance Sheets as at 31 December 2002 as included herein;
- (iv) The material contracts referred to in Section 11.6 of this Prospectus;
- (v) The material agreements referred to in Section 11.7 of this Prospectus;
- (vi) The letters of consent referred to in Section 11.10 of this Prospectus; and
- (vii) Audited financial statements of PMCB and its subsidiary companies as follows:-
 - (a) Audited financial statements of PMCB for the financial period from 26 February 2002 to 31 December 2002;
 - (b) Audited financial statements of PTSB for the past five(5) financial years ended 31 December 1998 to 2002;
 - (c) Audited financial statements of PESB for the financial period from 30 March 1998 (date of incorporation) to 31 December 1998 and the past four(4) financial years ended 31 December 1999 to 2002; and
 - (d) Audited financial statements of PPSB for financial period from 14 November 2000 (date of incorporation) to 31 December 2001 and the financial year ended 31 December 2002.

11.12 Responsibility

- (i) AmMerchant Bank 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 for Sale and the PMCB Group, and is satisfied that the Consolidated Profit Forecast for the financial year ending 31 December 2003 which the Directors of the Company are solely responsible has been stated by the Directors of the Company after due and careful inquiry and reviewed by the Reporting Accountants.
- (ii) This Prospectus has been seen and approved by the Directors of PMCB, and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries, and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statements herein false or misleading.