
13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION

13.1 Share Capital

- (a) No shares will be allocated or sold on the basis of this Prospectus later than twelve (12) months after the date of issue of this Prospectus.
- (b) There are no founder, management or deferred shares in the Company.
- (c) There is only one class of shares in the Company, namely ordinary shares of RM1.00 each, all of which rank pari passu with one another.
- (d) Save for the 2,500,000 Public Issue Shares reserved for eligible Directors and employees of the Group and PJSI as well as the business associates of the Group pursuant to this Prospectus, there are at present no other scheme involving the employees and Directors of the Company and its subsidiaries.
- (e) Save for the 2,500,000 Public Issue Shares reserved for eligible Directors and employees of the Group and PJSI as well as the business associates of the Group pursuant to this Prospectus, no person has been or is entitled to be given an option to subscribe for any shares, stocks or debentures of the Company or its subsidiaries and no other capital of PJSB or any of its subsidiaries is under any options or agreed conditionally or unconditionally to be put under any options.
- (f) Save as disclosed in Section 4.4 of this Prospectus, no ordinary shares or debentures of the Company and its subsidiaries have been issued or are proposed to be fully or partly paid-up for cash or otherwise than for cash within the two (2) years preceding the date of this Prospectus.
- (g) Save for the Bonus Issue and Renounceable Rights Issue which was completed on 19 May 2003 and 18 June 2003 respectively as disclosed in Section 4.4 (ii) and (iii) of this Prospectus, there are no other securities which are offered by way of rights or allotted to the existing shareholders of PJSB on a pro-rata basis.

13.2 Articles of Association

The following provisions are reproduced with minor amendments from the Company's Articles of Association, which have been approved by the KLSE:

TRANSFER AND TRANSMISSION OF SECURITIES

Article 28(3)

Subject to the restrictions imposed by these Articles, the Central Depositories Act and the Rules (with respect to transfer of Deposited 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, and notwithstanding Sections 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.

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

Article 28(4)

The Central Depository may refuse to register any transfer of a Deposited Security that does not comply with the Central Depositories Act and the Rules.

Article 32

Subject to the provisions of the Act, the Central Depositories Act and the Rules, in case of the death of a Member, the survivor or survivors where the deceased was a joint holder, and the personal representatives of the deceased where he was a sole holder, or last survivor, shall be the only persons recognised by law as having any title to his interest in the share; but nothing herein contained shall release the estate of a deceased Member (whether sole or joint holder) from any liability in respect of any share which had been held by him alone or jointly with some other persons.

Article 33

- (a) Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence being produced as may from time to time properly be required by the Central Depository and subject to the Rules and as hereinafter provided, elect either to register himself as holder of the share or to have some other person nominated by him registered as the transferee thereof, but the Central Depository shall in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that Member before his death or bankruptcy PROVIDED ALWAYS that where the share is a Deposited Security, subject to the Central Depositories Act, the Rules and the provisions of any written law, a transfer or withdrawal of the share may be carried out by the person becoming so entitled.
- (b)
 - (i) If the person so becoming entitled elects to register himself, he shall deliver or send to the Company and Central Depository a notice in writing signed by him stating that he so elects, provided that where the share is a Deposited Security and the person becoming entitled elects to have the share transferred to him, the aforesaid notice must be served by him on the Central Depository.
 - (ii) If he elects to have another person registered, he shall testify his election by executing to that person a transfer of the share or such other instrument as the Central Depository may require. All the limitations, restrictions and provisions of these Articles relating to the rights to transfer and the registration of transfer of shares, the Central Depositories Act and the Rules shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

Article 34

Where the registered holder of any share dies or becomes bankrupt his personal representatives or the assignee of his estate, as the case may be, shall upon the production of such evidence as may from time to time be properly required by the Central Depository in that behalf, and subject to the Central Depositories Act and the Rules, be entitled to receive and may give a discharge for all dividends and other advantages and to the same rights (whether in relation to meetings of the Company or to voting or otherwise) as the registered holder would have been entitled to if he had not died or become bankrupt but he shall not be entitled to receive notice of or to attend or vote at any meeting or save as aforesaid to exercise any of the rights and privileges of a Member unless and until he shall have become a Member in respect of the shares.

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

REMUNERATION OF DIRECTORS

Article 88

The Directors shall be paid by way of remuneration for their services, such fixed sum (if any) as shall from time to time be determined by the Company in general meeting and such remuneration shall be divided among the Director in such proportions and manner as the Directors may determine PROVIDED ALWAYS THAT:-

- (a) Fees payable to Directors who hold no executive office in the Company shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover;
- (b) Salaries and other emoluments payable to Directors who hold an executive office in the Company pursuant to a contract of service need not be determined by the Company in general meeting but such salaries and emoluments 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.
- (d) Any fee paid to an alternate Director shall be such as shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Article 89

- (a) The Directors (or their respective alternate Directors) shall be paid all their travelling and other expenses properly and necessarily expended by them in and about the business of the Company including their travelling and other expenses incurred in attending Board meetings of the Company.
- (b) 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 the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determined by the Board, provided that in the case of non-executive Directors of the Company, the said remuneration shall not include a commission on or percentage of profits or turnover. In the case of an Executive Director, such fee may either be in addition to or in substitution for his share in the fee from time to time provided for the Directors.

Article 100

The remuneration of a Director holding an executive office pursuant to these Articles and subject to the terms of any agreement entered into in any particular case shall be fixed by the Directors and may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes but shall not include a commission on or percentage of turnover.

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

VOTING AND BORROWING POWERS OF DIRECTORS

Article 109

- (a) The Directors may borrow or raise from time to time such sums as they think fit and may secure the repayment or payment of such sums by mortgage or charge upon all or any of the undertakings, properties or assets of the Company or by issues of debentures or other securities (whether at par or at a discount or premium) or otherwise as they may think fit provided that such borrowing, mortgage or charge of any of the Company's or the subsidiaries' undertakings, properties, or any uncalled capital, or issue of debentures and other securities is to secure the debt, liability or obligation of the Company and/or related company (as defined in Section 6 of the Act).
- (b) The Directors shall not borrow any money or mortgage or charge any of the Company's or the subsidiaries' undertaking, property or any uncalled capital, or issue any debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

Article 112

The Directors may establish or arrange any contributory or non-contributory pension or superannuation scheme for the benefit of, or pay a gratuity, pension or emolument to any person who is or has been employed by or in the service of the Company or any subsidiary of the Company, or to any person who is or has been a Director or other officer of and holds or has held salaried employment in the Company or any such subsidiary, and the widow, family or dependants of any such person. The Directors may also subscribe to any association or fund which they consider to be for the benefit of the Company or any such subsidiary or any such persons as aforesaid and make payments for or towards any hospital or scholastic expenses or any insurance of any such persons: Provided that any Director holding such salaried employment shall be entitled to retain any benefit received by him hereunder subject only, where the Act requires, to proper disclosure to the Members and the approval of the Company in general meeting.

Article 111

The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

Article 90

Subject always to Sections 131, 132E, 132F and 132G of the Act, a Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise nor shall any such contracts, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)**Article 120**

A Director shall not vote in respect of any contract or proposed contract or arrangement in which he has direct or indirect interest (and if he shall do so his vote shall not be counted), nor shall he be counted for the purpose of any resolution regarding the same, in the quorum present at the meeting, but this Article shall not apply to:-

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

CHANGES IN CAPITAL OR VARIATION OF CLASS RIGHTS

The provision in the Company's Articles of Association as to the changes in capital or variation of class rights, which are not less stringent than those provided in the Companies Act, 1965 are as follows :-

Article 4

No shares may be issued by the Directors without the prior written approval of the Company by ordinary resolution in general meeting but subject thereto and to the Act and to the provision of Articles hereto, the Directors may issue shares in the Company at such times as they may think fit and any such shares may be issued either at a premium or at par or (subject to the provisions of the Act) at a discount and with such preferred, deferred, or to other special rights or to such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Directors, subject to the approval of the Company's members in general meeting, may determine and may give by agreement to any person the right or option of requiring at a future date that an allotment shall be made to him of any shares at par/or at such premium as may be agreed.

Article 5

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

- (i) no shares shall be issued at a discount except in compliance with the provisions of Section 59 of the Act;
- (ii) 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 shares;
- (iii) in the case of shares, other than ordinary shares, no special rights shall be attached until the same have been expressed in these Articles and in the resolution creating the same;

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

- (iv) no issue of shares shall be made which will have the effect of transferring a controlling interest in the Company to any person or corporation without the prior approval of the Members in general meeting;
- (v) every issue of shares or options to employees and/or directors of the Company and its subsidiary companies shall be approved by the Members in general meeting and no Director shall participate in such issue of shares or options unless:-
 - (a) the Members in general meeting have approved of the specific allotment to be made to such Director; and
 - (b) he holds office in the Company in an executive capacity.

MODIFICATION OF CLASS RIGHTS

Article 58

If at any time the share capital is divided into different classes of shares, the rights attached to any class shall be expressed either herein or in the resolution creating the same and may, subject to the provisions of the Act, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of the three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the 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. A resolution in writing signed by all the holders of a class or if all the shares in a class are held by one sole holder a resolution in writing signed by such sole holder shall have the same effect and validity as a special resolution of the holders of the class passed as a separate general meeting of the holders of that class duly convened, held and constituted and may consist of several documents in the like form each signed by one or more of such holders and if a holder is a corporation, then such resolution shall be signed by its representatives.

Article 59

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 participation in the profits or assets of the Company in some or in all respects rank *pari passu* therewith.

13.3 Directors and Substantial Shareholders

- (a) The names, addresses and occupations of the Directors of PJSB are set out in the Corporate Information Section of this Prospectus.
- (b) A Director is not required to hold any qualification share in the Company unless otherwise so fixed by the Company in general meeting.

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

- (c) The substantial shareholders of PJSB and their respective interests, direct and indirect, based on the Register of Substantial Shareholders of PJSB as at 31 May 2003 (being the latest practicable date prior to the printing of this Prospectus) and their respective indirect interests before and after the IPO are as follows:-

Substantial shareholders	Before the IPO				After the IPO			
	Direct No. of shares	%	Indirect* No. of shares	%	Direct No. of shares	%	Indirect* No. of shares	%
PJSI	33,305,526	76.56	-	-	27,647,243	55.30	-	-
Tan Sri Dato' (Dr) Ahmad bin Johan	3,567,877	8.20	¹ 33,305,526	76.56	² 3,009,729	6.02	¹ 27,647,243	55.30
Haji Mokhsen bin Ibrahim	1,386,597	3.19	-	-	² 1,189,028	2.38	-	-

Notes:

1. Indirect interest by virtue of his substantial shareholdings in PJSI.
2. Including their respective entitlements under the pink form share allocation.
- * Indirect shareholdings are in accordance with Section 6A of Companies Act, 1965

- (d) The Directors of PJSB and their respective interests, direct and indirect, based on the Register of Directors' Shareholdings as at 31 May 2003 (being the latest practicable date prior to the printing of this Prospectus) and their respective indirect interests before and after the IPO are as follows:-

Directors	Before the IPO				After the IPO			
	Direct No. of shares	%	Indirect* No. of shares	%	Direct No. of shares	%	Indirect* No. of shares	%
Tan Sri Dato' (Dr) Ahmad bin Johan	3,567,877	8.20	33,305,526	76.56	² 3,009,729	6.02	¹ 27,647,243	55.30
Dato' Ch'ng Siok Eik	-	-	-	-	² 703,000	1.41	-	-
Dato' Haji Mohamad Yunus bin Ariffin	-	-	-	-	² 695,000	1.39	-	-
Dato' Dr. Muhammad bin Nong	-	-	-	-	² 698,000	1.40	-	-
Dato' Haji Mohamad bin Sham	-	-	-	-	² 697,000	1.39	-	-
Haji Mokhsen bin Ibrahim	1,386,597	3.19	-	-	² 1,189,028	2.38	-	-
Ng Lin Fatt	-	-	-	-	³ 30,000	0.06	-	-
Dato' Mohamed Zain bin Mohamed Yusuf	-	-	-	-	³ 20,000	0.04	-	-
Prof. Dato' Zainuddin bin Muhammad	-	-	-	-	³ 20,000	0.04	-	-
Prof. Ahmad Kamal bin Abdullah Al-Yafii	-	-	-	-	³ 20,000	0.04	-	-

Notes:

1. Indirect interest by virtue of his substantial shareholdings in PJSI.
2. Including their respective entitlements under the pink form share allocation.
3. Being their respective entitlements under the pink form allocation
- * Indirect shareholdings are in accordance with Section 6A of Companies Act, 1965

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

- (e) Save as disclosed in Sections 2.9 and 13.4(k), no commission, discounts, brokerages or other special terms have been paid, granted or are payable by the Company or its subsidiaries within the two (2) years immediately preceding the date of this Prospectus for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares in or debentures of the Company or its subsidiaries or in connection with the issue or sale of any capital of the Company or any of its subsidiaries and no Directors, proposed Directors, promoters or experts is or are entitled to receive any such payment.
- (f) Other than salary and employment related benefits as disclosed in Sections 5.3.5 and 4.4(iv) of this Prospectus, 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.
- (g) Save as disclosed in Section 7.1.3 of this Prospectus, none of the other Directors and/or substantial shareholders of PJSB has interest in any subsisting contract or arrangement, which is significant to the business of the PJSB Group, as at the date of this Prospectus.
- (h) Save as disclosed in Sections 3(xiv), 13.3(c) and 13.3(d) of this Prospectus, the Directors and substantial shareholders are not aware of any persons who are able, directly or indirectly, jointly or severally, to exercise control over the Company and its subsidiaries.
- (i) Save as disclosed in Section 7.1.1 of this Prospectus, none of the other Directors and substantial shareholders has any interest, direct or indirect, in the promotion of or in any material assets 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 any of its subsidiaries within the two (2) years preceding the date of this Prospectus.
- (j) Save as disclosed in Section 7.2 of this Prospectus and to the best knowledge and belief of the Promoters, Directors and substantial shareholders of PJSB, none of the other Promoters, Directors and/or substantial shareholders has any interest, direct or indirect, in any business carrying on a similar trade as the Company and its subsidiaries.

13.4 General Information

- (a) The nature of the Company's business is described in Section 4.1 of this Prospectus. The corporations which are deemed to be related to the Company by virtue of Section 6 of the Companies Act, 1965 has been disclosed in Section 4.6 of this Prospectus.
- (b) The time of the opening and closing of the Application Lists of the Offer For Sale and Public Issue are set out in Sections 2.4 and 14.1 of this Prospectus.
- (c) The amount payable in full on application for the Public Issue Shares and Offer Shares is RM1.70 per ordinary share.
- (d) The manner in which copies of this Prospectus together with the Application Forms and envelopes may be obtained is set out in Section 14 of this Prospectus.
- (e) As at the date of this Prospectus, the PJSB Group has not established a place of business outside Malaysia.

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

- (f) Save as disclosed in Sections 3 and 9.3 of this Prospectus, as far as the Directors are aware, the Group is not vulnerable to any specific factors or events of a particular nature other than those normal commercial risks experienced during the normal course of business.
- (g) Save as disclosed in Section 9.4 of this Prospectus, there is no loan capital outstanding or mortgages and charges in relation to the Group as at the date of this Prospectus.
- (h) As at the date of this Prospectus, neither the Company nor its subsidiaries have any outstanding convertible debt securities.
- (i) The name and address of the Auditors are set out in "Corporate Information" section of this Prospectus.
- (j) Save for the Public Issue, there is no present intention on the part of the Directors of the Company or its subsidiaries to issue any part of the authorised but unissued share capital of the Company or its subsidiaries.
- (k)
 - (i) Underwriting commission is payable by the Company to the Underwriters mentioned in this Prospectus at the rate of 2% of the Public Issue price of RM1.70 for each of the Public Issue Shares being underwritten.
 - (ii) Brokerage is payable by the Company and the Offerors at the rate of 1.0% of the public issue and offer price of RM1.70 per ordinary share to the parties in the circumstances specified in Section 2.9 of this Prospectus.
 - (iii) Expenses incidental to the listing of and quotation for the entire enlarged issued and paid-up share capital of the Company on the Second Board of the KLSE amounting to approximately RM1,800,000 will be borne by the Company. The Offerors shall bear expenses such as underwriting, placement fees, broking, stamp duty, registration and share transfer fees relating to the Offer Shares.
- (l) During the last financial year and the current financial year to date, there were no:
 - (i) public take-over offers by third parties in respect of the Company's shares; and
 - (ii) public take-over offers by the Company in respect of other companies' shares.
- (m) No property has been acquired or is proposed to be acquired by the Company or its subsidiaries in contemplation of the Public Issue and Offer For Sale.

13.5 Material Contracts

Save as disclosed below, there are no other material contracts (including contracts not reduced into writing), not being contracts entered into in the ordinary course of business which have been entered into by PJSB and its subsidiary companies within two (2) years preceding the date of this Prospectus:

- a) A conditional sale and purchase agreement dated 18 June 2002 entered into between PJSB and PJSI for the acquisition by PJSB of 250,000 ordinary shares of RM1.00 each in PJSS from PJSI for a total purchase consideration of RM1,285,077 to be satisfied by the issuance of 413,812 new ordinary shares of RM1.00 each in PJSB;

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

- b) A sale and purchase agreement dated 31 December 2001 entered into between PJSB and PJSI for the acquisition of 6,000,000 ordinary shares of RM1.00 each in AJSB from PJSI for a total purchase consideration of RM30 million;
- c) An Investment Agreement dated 18 Oct 1996 entered into between Tan Sri Dato' (Dr) Ahmad bin Johan, PJSI, PJSB and the Investors, the Investors has paid RM11,360,000 ("Investment Sum") to PJSI, whilst PJSI promises, undertakes and covenants that it shall reserve and use RM8,000,000 from the Investment Sum solely for paying for the subscription of 8,000,000 new shares in PJSB by PJSI. In addition, the Investors intent to acquire from PJSI and PJSI intend to dispose to the Investors approximately 20% of the entire issued and paid-up share capital of PJSB at approximately RM11,360,000.

PJSB, PJSI and Tan Sri Dato' (Dr) Ahmad bin Johan promise, undertake and covenant that they shall use its best endeavours to procure and maintain the listing of all the shares at the KLSE on or before 31 December 1998, which was subsequently extended in the Second Supplementary Agreement. In breach of such promise, undertaking and covenant the Investors are entitled to give a Repayment Notice to PJSI. If any sum shall become due under this Investment Agreement, the party from which such sum shall be due shall pay to the party to which such sum shall be payable interest on such sum at the rate of 15% per annum from the date such sum shall become due to the date of the full payment of such sum;

- d) A Supplementary Agreement dated 18 November 1996 was entered into between Tan Sri Dato' (Dr) Ahmad bin Johan, PJSI, PJSB and the Investors is to modify, vary and amend the Investment Agreement to that in the following:-

- (i) Table showing the modified investment amount.

Lenders	Amount in Investment Agreement RM	Amount in Supplementary Agreement USD
MVT	1,360,000	540,111.12
SEAVI A	2,172,460	862,772.05
SEAVI B	1,336,898	530,936.46
SEAVI C	1,215,508	482,727.56
SEAVI D	823,529	327,056.79
SEAVI E	701,605	278,635.82
APSSF	3,179,250	1,262,609.21
AAPF	570,750	226,667.99
Total	11,360,000	4,511,517.00

- (ii) The words "RM11,360,000 to be paid to the Investors by PJSI pursuant to Clause 6 hereof" in Clause 1.10 of the Investment Agreement shall be deleted and be replaced by the following words "USD4,511,517"
- (iii) The words "RM8,000,000" in Clause 9.1 of the Investment Agreement shall be deleted and be replaced by the following words "at least USD3,177,125.00"

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

- e) A Second Supplemental Agreement dated 19 March 2001 was entered into between Tan Sri Dato' (Dr) Ahmad bin Johan, PJSI, PJSB and the Investors whereby PJSI proposed to amend the Investment Agreement to facilitate the initial public offering exercise of PJSB and the parties have agreed to vary the terms of the Investment Agreement including the conversion of its loan subject to the Put Option Agreement to be executed by the parties simultaneously with this Second Supplementary Agreement.

The parties agreed that repayment of the Investment Sum shall be made in such manner where PJSI shall transfer a specified number of its shares in PJSB to each Investor prior to the listing application. The number of shares to be transferred shall not exceed 20% of the entire issued or paid up capital of PJSB at the date of listing;

- f) A Put Option Agreement dated 19 March 2001 was entered into between Tan Sri Dato' (Dr) Ahmad bin Johan, PJSI, PJSB and the Investors where the Put Option Agreement grants to each Investors or their respective nominees a put option to sell their shares in PJSB to PJSI or its nominees ("Put Options" or "Put Option").

* *Pursuant to any transfer of PJSB shares from PJSI to the Investors in accordance with the Second Supplementary Agreement as set out in Section 7.1.3 above.*

The salient terms and conditions of the Put Option Agreement are as follows:-

- (1) Under the Put Option Agreement PJSI irrevocably grants to the Investors/Nominees a Put Option to sell their shares as per Schedule 1 thereto in PJSB to PJSI/Nominees.
- (2) Each Put Option shall be exercisable by the Investors/Nominees at any time during a period of 12 months commencing from 31 May 2001 provided always the Put Option shall only be exercisable in the event the Company's application for the listing/quotation of its Shares on KLSE not been approved/listed as at 31 May 2001.
- (3) Completion of the sale and purchase of the Option Shares shall take place within 30 days from the date a Put Notice is received ("Completion Date").
- (4) In the event PJSI fails to pay the Purchase Price for the Option Shares being the exercise price multiplied by the number of Option Shares put by the Investors to PJSI on the Completion Date:-
 - (i) the Investors without any requirement of the Investors transfer the Option Shares to PJSI;
 - (ii) the Investors without notice shall dispose of the Option Shares/part thereof to any party as the Investors deem fit; and
 - (iii) PJSI irrevocably and unconditionally agrees with the Investors commencing separate proceedings, enforcing other remedies and exercising other rights.

- g) Variation to the Second Supplemental Agreement dated 19 March 2001 was entered into on 14 June 2002 between Tan Sri Dato' (Dr) Ahmad Johan, PJSI, PJSB and the Investors. In the agreements, the parties have agreed to the following:-

- (i) that the date set out in Clause 11.1(iii) of the Investment Agreement (as amended by the Second Supplementary Agreement) should be amended to 30 June 2003; and

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

- (ii) that the deadline set out in Clause 11.4 of the Investment Agreement (as amended by the Second Supplemental Agreement) shall be amended from 31 May 2001 to 31 July 2002.
- h) A Third Supplemental Agreement dated 10 June 2003 was entered into between Tan Sri Dato' (Dr) Ahmad bin Johan, PJSI, PJSB and the Investors to amend certain terms of the Investment Agreement, Supplemental Agreement, Second Supplemental Agreement and the Variation to the Second Supplemental Agreement whereby PJSI has agreed to pay the Investors the Investment Sum plus interest accrued amounting to RM28,486,830.76 via the placement of 10,000,000 PJSB shares at RM1.70 per share and the balance by cash.

13.6 Material Agreements

Save as disclosed below, there are no other material agreements or contracts (including informal arrangements or understandings), as at 31 May 2003, being the latest practicable date to the printing of the Prospectus, which have been entered into by PJSB and its subsidiary that are in subsistence: -

Name of Customers	Products/Services Provided by PJSB Group	Total Contract Value RM	Commencement Date	Completion Date
Government of Malaysia (Central Government Contract)	Supply and deliver FRP sewage treatment plants to Government agencies	As per Government requirements	1993, renewed in:- <ul style="list-style-type: none"> • 1995 for 6 months period from May to Oct 1995 • 1997 for 5 years from Sept 1997 to August 2002 • Contract to supply STP to government ministries and agencies effective from 30 December 2002 	August 2002 30 December 2004
Indah Water Konsortium	Operation and maintenance of Putrajaya Sewage Treatment Plant I ("STP1")	1,583,400.96	March 2002	March 2005
Universiti Malaysia Sarawak	Design, Build, Supply, Deliver, Installation, Testing and Commissioning of Sewage Treatment Plant for Universiti Malaysia Sarawak	7,726,000	September 2002	December 2003
TH Technologies Sdn Bhd	Supply, Delivery, Installation, Testing, Commissioning and Maintenance of STP for Gemas	3,400,000	November 2002	September 2003

13.7 Material Litigation

As at 31 May 2003, neither PJSB nor any of its subsidiary companies are engaged in any material litigation and arbitration, either as plaintiff or defendant, which has a material effect on the financial position of PJSB or its subsidiary companies and the Directors do not know of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect the position or business of PJSB or its subsidiary companies.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)**13.8 Consents**

The written consent of the Adviser and Managing Underwriter, Underwriters, Placement Agent, Auditors and Reporting Accountants, Company Secretaries, Principal Bankers, Solicitors, Registrars and Issuing House to the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.

The written consent of the Auditors and Reporting Accountants to the inclusion in this Prospectus of their names, letters relating to the Proforma Consolidated Balance Sheet as at 31 December 2002 and Consolidated Profit Forecast and the Accountants' Report in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and have not subsequently been withdrawn.

The written consent of the Independent Market Researcher to the inclusion in this Prospectus of their names and letters in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and have not subsequently been withdrawn.

13.9 Documents for Inspection

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

- (a) Memorandum and Articles of Association of the Company;
- (b) The Directors' Report and Accountants' Report as included herein;
- (c) The Reporting Accountants' letters relating to the Consolidated Profit Forecast for financial year ending 31 December 2003 and Proforma Consolidated Balance Sheets as at 31 December 2002 as included herein;
- (d) The material contracts and material agreements referred to in Section 13.5 and 13.6 of this Prospectus respectively;
- (e) The audited financial statements of PJSB and its subsidiaries for the past five (5) financial years ended 31 December 2002;
- (f) Market research report on PJSB prepared by ACNielsen; and
- (g) The letters of consent referred to in Section 13.8 of this Prospectus.

13.10 Responsibility Statement

- (a) 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 Public Issue and the Group, and is satisfied that the consolidated profit forecast for the financial year ending 31 December 2003 for which the Directors of the Company are fully responsible have been stated by the Directors of the Company after due and careful inquiry and reviewed by the Reporting Accountants.
- (b) This Prospectus has been seen and approved by the Directors and Promoters of the Company and the Offerors and they collectively and individually accept full responsibility for the accuracy of the information given herein 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.