

**13. OTHER GENERAL INFORMATION****13.1 SHARE CAPITAL**

- (i) 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.
- (ii) Save as disclosed in Sections 2.5, 4.1.3 and 4.1.4 of this Prospectus, no shares, debentures, warrants, options, convertible securities or uncalled capital of the Company and its subsidiaries have been issued or are proposed to be issued as fully or partly paid-up in cash or otherwise, within the two (2) years preceding from the date thereof.
- (iii) Save as disclosed in Sections 2.5, 4.1.3 and 4.1.4 of this Prospectus, no capital of the Company or its subsidiary companies has been issued or is proposed to be issued for cash within the two (2) years preceding the date of this Prospectus.
- (iv) Save for the IPO Shares reserved and ESOS for the eligible employees and Executive Directors of the Group as disclosed in Sections 2.5, 4.1.3 and Section 4.1.4 of this Prospectus, no person or Director or employee of the Group has been or is entitled to be given an option to subscribe for any shares, stocks or debentures of the Company or its subsidiaries.
- (v) Save for the IPO Shares reserved and ESOS for the eligible employees and Executive Directors of the Group as disclosed in Sections 2.5, 4.1.3 and Section 4.1.4 of this Prospectus, there is currently no other scheme for or involving the Directors or employees of the Company or its subsidiaries.
- (vi) As at this date hereof, the Company does not have any outstanding convertible debt securities, options, warrants or uncalled capital.

**13.2 ARTICLES OF ASSOCIATION**

The following clauses are extracted from the Company's Articles of Association:-

Transfer of Securities

- 27. The instrument of transfer of any security shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the security until the name of the transferee is entered in the Record of Depositors in respect thereof.
- 28. The Central Depository may refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and the Rules, no security shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.
- 29. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty (30) days in any year. The Company shall give the Exchange prior written notice and publication in a daily newspaper circulating in Malaysia of the period of the intended suspension or closure and the purposes thereof, which notice shall be at least twelve (12) market days or such number of days as may be prescribed by the Exchange. In relation to the suspension or closure, the Company shall give written notice in accordance with the Rules to prepare the appropriate Record of Depositors.

**13. OTHER GENERAL INFORMATION (Cont'd)**

- 30 The transfer of any listed securities or class of listed securities of the Company which have been deposited with the 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 of the Act, but subject to subsection 107C(2) of the Act, and any exemption that may be made from compliance with subsection 107C(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such listed securities.
- 31 Subject to the provisions of the Central Depositories Act and the Rules, every instrument of transfer shall be in writing and in the form approved in the Rules and shall be presented to the Central Depository with such evidence (if any) as the Central Depository may require to prove the title of the intending transferor and that the intended transferee is a qualified person.

Transmission of Securities

35 (1) Where :-

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

the 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) Where 1(a) and 1(b) above are fulfilled, the Company shall not allow any transmission of securities from the Malaysian Register into the Foreign Register.

Remuneration of Directors

- 86 The fees payable to the Directors shall from time to time be determined by the Company in general meeting, and such fees shall be divided among the Directors in such proportions and manner as that 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 payable to Directors who do hold an executive office in the Company 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;

**13. OTHER GENERAL INFORMATION (Cont'd)**

- (d) any fee paid to an Alternate Director shall be such amount as shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

The Directors may also be paid all travelling, hotel, and other expenses properly incurred by them in attending and returning from meeting of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company. Any Director who is appointed to any executive office including the office of Chairman or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary percentage of profits or otherwise as the Directors may determine but not a commission on or percentage of turnover. Any such extra remuneration payable to a non-executive Director shall not include a commission on or a percentage of profits or turnover.

Voting and Borrowing Powers

- 91 The Directors shall not without the prior approval of the Company in general meeting, carry into effect any proposal or execute any transaction for the acquisition of an undertaking or property of a substantial value, or the disposal of a substantial portion of or a controlling interest in the Company's undertaking or property.
- 92 The Directors may exercise all the powers of the Company to borrow or raise money for the purpose of the Company's or any of its related corporations' businesses on such terms as they think fit and may secure the repayment of the same by mortgage or charge upon the whole or any part of the Company's undertaking and property (both present and future) including its uncalled or unissued capital and may issue bonds, debentures and other securities whether charged upon the whole or part of the assets of the Company or otherwise but the Directors shall not borrow any money or mortgage or charge any of the Company's or any of the subsidiary companies' 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.

Changes in Capital and Variation of Class Rights

- 46 The Company may from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.
- 49 The Company may by ordinary resolution:-
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; or
- (b) sub-divide its share capital or any part thereof into shares of smaller amount than is fixed by the Memorandum and Articles of Association and the Act; provided that in the sub-division the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived and so that as between the resulting shares one or more of such share may, by the resolution by which such sub-division is effected, be given any preference or advantage as regards dividend, return of capital, voting or otherwise over the others or any other of such shares, and

**13. OTHER GENERAL INFORMATION (Cont'd)**

- (c) cancel any shares not 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.
- 50 Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the original capital, and shall be subject to the provisions herein contained with reference to payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender and otherwise. Unless otherwise provided in accordance with these Articles the new shares shall be Ordinary Shares.
- 51 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 and subject to any conditions prescribed by the Act.

**THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK**

**13. OTHER GENERAL INFORMATION (Cont'd)****13.3 DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

- (i) The names, addresses and occupations of the Directors of Goodway Integrated are set out in the Corporate Information Section of this Prospectus.
- (ii) A Director is not required to hold any qualification share in the Company unless otherwise so fixed by the Company in general meeting.
- (iii) The substantial shareholders of Goodway Integrated and their respective direct interests based on the Register of Substantial Shareholders of Goodway Integrated as at 31 May (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		After Full Exercise of ESOS <sup>(1)</sup>	
	Direct	Indirect	Direct	Indirect	Direct	Indirect
	No. of shares	No. of shares (%)	No. of shares (%)	No. of shares (%)	No. of shares (%)	No. of shares (%)
Tai Boon Wee	(10) 24,864,518	39.4	(1) 20,410,984	25.51	(1) 21,080,984	23.96
MSSB	(11) 5,445,050	8.62	(11) 4,382,180	5.48	(11) 4,382,180	4.98
Kok Chin Teong	-	-	-	-	-	-
Goh Gee Thien <sup>(12)</sup>	-	8.62	(11) 5,445,050	8.62	(11) 4,382,180	4.98
Lee Fook Seng	8,110,629	12.8	6,527,441	8.16	6,527,441	7.42
CAV	9,473,402	15.0	7,624,202	9.53	7,624,202	8.66
CAHB	-	-	-	-	-	-
Employees	-	-	-	-	-	-
Provident Fund	-	-	-	-	-	-
Board	-	-	-	-	-	-
BIMBMS	6,315,598	10.0	5,082,798	6.35	5,082,798	5.78
BIMB Holdings	-	-	-	-	-	-
Lembaga Tabung	-	-	-	-	-	-
Haji	-	-	-	-	-	-
Permodalan	-	-	-	-	-	-
Nasional Berhad	-	-	-	-	-	-
Yayasan Pelaburan	-	-	-	-	-	-
Burniputra	-	-	-	-	-	-

Notes: -

- (1) Including his respective entitlements under the pink form share allocation.

**13. OTHER GENERAL INFORMATION (Cont'd)**

- (2) The ESOS will only be implemented i.e. the options under the ESOS will only be offered to the eligible directors and employees of the Group, on the date the Company's listing on the Second Board of Bursa Malaysia. The shareholdings shown are based on the assumption that the number of options to be granted under the ESOS is 10% of the Company's enlarged issued and paid up share capital on the date of listing. Under the terms of the bye-laws of the ESOS, the quantum of the ESOS is up to 10% of the Company's issued and paid up share capital at any time during the existence of the ESOS.
- (3) Based on his indicative ESOS allocations of 670,000 ESOS option.
- (4) Deemed interested by virtue of their substantial shareholdings in MSSB, which in turn has a substantial shareholding in Goodway Integrated pursuant to Section 6A of the Act.
- (5) Deemed interested by virtue of their substantial shareholdings in CAV, which in turn has a substantial shareholding in Goodway Integrated pursuant to Section 6A of the Act.
- (6) Deemed interested by virtue of their substantial shareholdings in CAHB, which in turn has a substantial shareholding in CAV pursuant to Section 6A of the Act.
- (7) Deemed interested by virtue of their substantial shareholdings in BIMBMS, which in turn has a substantial shareholding in Goodway Integrated pursuant to Section 6A of the Act.
- (8) Deemed interested by virtue of their substantial shareholdings in BIMB Holdings, which in turn has a substantial shareholding in BIMBMS pursuant to Section 6A of the Act.
- (9) Deemed interested by virtue of their substantial shareholdings in PNB, which in turn has a substantial shareholding in BIMB Holdings pursuant to Section 6A of the Act.
- (10) Held through Al-Wakalah Nominees (Tempatan) Sdn Bhd save and except for the pink form, ESOS allocations and 4 shares (subscriber share).
- (11) Held through Al-Wakalah Nominees (Tempatan) Sdn Bhd.
- (12) Tai Boon Wee and Goh Gee Thien are spouses.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

**13. OTHER GENERAL INFORMATION (Cont'd)**

- (iv) The Directors of Goodway Integrated and their respective direct interests based on the Register of Directors' Shareholdings as at 31 May 2004 (being the latest practicable date prior to the printing of this Prospectus) and their respective indirect interests before and after the Public Issue are as follows: -

Directors	Before the IPO		After the IPO		After Full Exercise of ESOS <sup>(3)</sup>	
	Direct	Indirect	Direct	Indirect	Direct	Indirect
	No. of shares	(%)	No. of shares	(%)	No. of shares	(%)
Raja Shamsul Kamal Bin Raja Shahrizzaman	-	-	(2) 200,000	-	(2) 200,000	-
Tai Boon Wee <sup>(1)</sup>	(5) 24,864,518	39.4	(2)(5) 20,410,984	-	(2)(5) 21,080,984	-
Wong Ping Kiong	912,477	1.44	(2) 1,134,363	-	(2) 1,584,363	23.96
Mohd Jafri Bin Mohd Alias	-	-	(2) 200,000	-	(2) 200,000	1.80
Nor Idzam Bin Ya'akub	-	-	-	-	-	-
Adi Arman Bin Abu Osman (an alternate director to Nor Idzam Bin Ya'akub)	-	-	-	-	-	-
Mok Yuen Lok	-	-	(2) 20,000	-	(2) 20,000	-
Ismail Bin Mahayudin	-	-	(2) 20,000	-	(2) 20,000	-

## Notes: -

- \* Negligible, less than 1%.
- (1) Tai Boon Wee and Goh Ghee Thien are spouses.
- (2) Being their respective entitlements under the pink form allocation.
- (3) The ESOS will only be implemented i.e. the options under the ESOS will only be offered to the eligible directors and employees of the Group, on the date the Company's listing on the Second Board of Bursa Malaysia. The shareholdings shown are based on the assumption that the number of options to be granted under the ESOS is 10% of the Company's enlarged issued and paid up share capital on the date of listing. Under the terms of the Bye-Laws of the ESOS, the quantum of the ESOS is up to 10% of the Company's issued and paid up share capital at any time during the existence of the ESOS.
- (4) Based on their respective indicative ESOS allocations as follows: -

Name	Indicative number of ESOS Options
Tai Boon Wee	670,000
Wong Ping Kiong	450,000

- (5) Held through Al-Wakalah Nominees (Tempatan) Sdn Bhd save and except for the pink form, ESOS allocations and 4 shares (subscriber's share).

---

**13. OTHER GENERAL INFORMATION (Cont'd)**

---

(v) Save as disclosed in Section 2.9, 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.

(vi) Other than salary and employment related benefits as disclosed in Section 5.3.3 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 Directors.

Save and except for the dividends payable to the Promoters as shareholders of the Company and the remuneration payable to the Promoters and Directors of the Company and as detailed in Section 9.7 (all of which are disclosed in this Prospectus), no other amounts or benefits are paid or intended to be paid or given to any promoter within two (2) years preceding the date of this Prospectus.

(vii) Save as disclosed in Section 7.6 of this Prospectus, none of the other Directors and/or substantial shareholders of Goodway Integrated has interest in any subsisting contract or arrangement, which is significant to the business of the Company or the Group taken as a whole.

(viii) Save as disclosed in Sections 3(r) 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.

**13.4 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 Goodway Integrated and its subsidiary or associated companies within two (2) years preceding the date of this Prospectus: -

(a) Sale and Purchase Agreement dated 23 October 2003 (the "SPA") between the MSSB, Al-Wakalah Nominees (Tempatan) Sdn Bhd (holding shares on behalf of Tai Boon Wee), Lee Fook Seng, Tim Heok Lin, Ngok Seng Lee, Wong Ping Kiong, Wong Siew Pay, CAV, CTV, BIMBMS, as the Vendors and the Company as the Purchaser for the acquisition of the entire issued and paid-up share capital of Goodway Rubber comprising of 12,458,482 ordinary shares of RM1.00 each for a purchase consideration of RM31,577,998 to be satisfied by the issuance of 63,155,996 new ordinary shares of RM0.50 each in Goodway Integrated at an issue price of RM0.50 per share. Mr. Tai Boon Wee agreed to be bound by the SPA by way an Accession Agreement in the event he exercises the call option and complete the share buy-back pursuant to the Call Option Agreement and Agreement for Sale and Purchase Agreement of Shares, both dated 28 February 2003 (as amended by Supplemental Agreements dated 3 November 2003);

**13. OTHER GENERAL INFORMATION (Cont'd)**

- (b) Call Option Agreement dated 23 October 2003 (the "Agreement") entered between R. Rajendran, Jyoty Rajendran w/o R. Rajendran (the "Grantors") and the Company ("Option Holder") whereby in consideration of the sum of RM1.00, each of the Grantors grants to the option holder the option to purchase the entire issued share capital of Goodway Rubber Enterprises Private Limited beneficially owned by the Grantors;
- (c) Underwriting Agreement dated 15 June 2004 entered into between AmMerchant Bank Berhad as Managing Underwriter, KAF-Seagroatt & Campbell Securities Sdn Bhd as Underwriter, the Offerors and the Company for the underwriting of 15,172,000 new ordinary shares of RM0.50 each in the Company at an issue/offer price of RM1.25 per share (the "Underwritten Shares") for an underwriting commission of 2% of the Underwritten Shares and upon the terms and conditions contained therein; and
- (d) The Company, from time to time entered into various Foreign Exchange Contracts pursuant to the Foreign Exchange Contract line granted by Malayan Banking Berhad and Public Bank Berhad and the aggregate amount of utilisation as at April 2004 is approximately RM22 million and RM20 million respectively.

**13.5 MATERIAL AGREEMENTS**

Save as disclosed below, there are no other material agreements or contracts (including informal arrangements or understandings), as at 31 May 2004, being the latest practicable date to the printing of the Prospectus, which have been entered into by Goodway Integrated and its subsidiary that are in subsistence: -

- (a) Joint Venture Agreement dated 11 February 1998 (the "Agreement") between Good Way Rubber Industries Sdn Bhd ("GRI") and Brian Leonard Smith ("Brian") and Raymond Moran ("Moran"). The parties of the Agreement agreed to be shareholders of Gooway Rubber Company Pty ("JV Company") Limited in the following proportions: -

GRI	-	80%	(with the right to sell down to 70%)
Brian	-	10%	(with the right to purchase up to 20% subject to certain conditions)
Moran	-	10%	

The JV Company has an authorized share capital of AUD\$1,000,000.00 and issued capital at the effective date AUD\$250,000.00 of AUD\$1.00 each. The Agreement will be terminated on the date mutually agreed in writing by the parties, or, on the date when the JV Company is wound up by an order from a court, or, for a party, when it ceases to be a shareholder in the JV Company. The Agreement is governed by the law for the time being in force in New South Wales;

- (b) Black Batch Weighing System Sponsorship Agreement dated 30 April 2001 entered between Cabot (Malaysia) Sdn Bhd ("Cabot") and Good Way Rubber Industries Sdn Bhd ("GWR"). In consideration of GWR agreeing to purchase or continuing to purchase carbon black from Cabot, Cabot agreed to sponsor the cost (the "Sponsorship") of one unit of Carbon Black Batch Weighing System ("CBBWS") for the production needs of GWR. Cabot's commitment to make available the Sponsorship to GWR is limited to: -
- (1) a maximum sum of RM400,000 or the purchase price of the CBBWS whichever shall be the lesser sum.; and
  - (2) a period of 5 years.

**13. OTHER GENERAL INFORMATION (Cont'd)**

In the event GWR breaches any of its covenants, warranties or undertakings, Cabot's commitment shall, unless otherwise determined in writing by Cabot, shall forthwith cease and Cabot shall be under no further obligations of any kind to GWR;

- (c) Agency Agreement dated 17 March 2003 (the "Agreement") entered between Good Way Rubber Industries (the "Company") and Eurosia Trading Co. Ltd ("Eurosia") wherein the Company appointed Eurosia as the distributor for the Company for the manufacturing and selling of rubber compounding and retreading process know-how (the "Product") in Thailand. Eurosia acknowledges that it has no rights except as provided herein to the trademark or tradename "GOODWAY" any other trademark used on the Product from time to time. The Agreement is in force for a period of 5 years from the date of the Agreement with an option to extend for another 5 years upon such terms and conditions as may be mutually agreed between the parties;
- (d) Employment Agreement dated 15 August 2003 (the "Agreement") entered into between Good Way Rubber Industries Sdn Bhd (the "Company") and Tai Boon Wee (the "Employee") wherein the Company agreed to employ and the Employee agreed to serve the Company for a period of 3 years commencing 1 March 2003 as Chief Executive Officer. The Agreement will be automatically renewed upon its expiry for successive periods of 3 years;
- (e) Employment Agreement dated 15 August 2003 (the "Agreement") entered into between Good Way Rubber Industries Sdn Bhd (the "Company") and Wong Ping Kiong (the "Employee") wherein the Company agreed to employ and the Employee agreed to serve the Company for a period of 3 years commencing 1 March 2003 as Senior Finance Manager. The Agreement will be automatically renewed upon its expiry for successive periods of 3 years;
- (f) Employment Agreement dated 15 August 2003 (the "Agreement") entered into between Good Way Rubber Industries Sdn Bhd (The "Company") and Gan Huey Mian (the "Employee") wherein the Company agreed to employ and the Employee agreed to serve the Company for a period of 3 years commencing 1 March 2003 as Marketing Manager. This Agreement will be automatically renewed upon its expiry for successive periods of 3 years With effect from 1 April 2004 via a Letter of Transfer dated 22 March, 2004, the Employee is transferred from Marketing Manager to the position of ERP Manager and would be based at the Nilai factory;
- (g) Distributorship Agreement dated 10 September 2003 (the "Agreement") entered between Goodway Rubber Industries Sdn Bhd (the "Company") and Medityre Corporation ("Medityre"). The Company appointed Medityre as the distributor for the Company in the Philippines for the manufacturing and selling of rubber compounding and retreading process know-how (the "Product") for a period of 5 years from the date of the Agreement with an option to renew for a further period of 5 years. The Company agreed to grant exclusive distributorship to Medityre within Philippines after the expiry of 1 year from the date of the Agreement. Medityre has no rights except as provided in the Agreement to the trademark or trade name "Goodway", "Supercool" and others;

**13. OTHER GENERAL INFORMATION (Cont'd)**

- (h) Know-How and Technical Assistance Agreement (Manufacturing Technology) (the "Agreement") entered into between Good Way Rubber Industries Sdn Bhd ("Licensor") and Goodway Rubber Enterprises Private Limited ("Licensee") dated 23 October 2003. The parties agreed that Licensee would acquire the licence to use the technical information and know-how and the Licensor agreed to grant the aforesaid licence as well as the use of the tradename in respect of formula "G4", advice on production and process control, raw material procurement, equipment up gradation and A&P Support for the duration of 10 years in India only. In consideration of the licence granted and services provided, the Licensee will pay the Licensor the sum equal to 95% of the prior month's net sales of the Licensee;
- (i) Trade Name License Agreement dated 23 October 2003 entered into between Good Way Rubber Industries Sdn Bhd ("Licensor") and Goodway Rubber Enterprises Private Limited ("Licensee"). Licensor agreed to grant the right to use the Trade Name, "Supercool" for procured tread rubber (the "Product") for a period of 10 years. In consideration of the licence granted pursuant to the Know-How and Technical Assistance Agreement (Manufacturing Technology), the Licensee shall pay the Licensor the sum equal to 95% of the prior month's net sales; and
- (j) Insurance policies - the Group has purchased the following insurance policies from various insurers as follows: -
- (i) various insurance policies from Allianz General Insurance Malaysia Berhad for an aggregate sum insured of approximately RM118.9 million for the insurance coverage of the following: -
- product liability policy arising from the fault of negligence by Goodway whilst engaged in the business as manufacturer of rubber compound. Also covering the Group's products such as tread rubber, cushion gum, repair gum, sidewall repair rubber and spray cement;
  - fire for the Goodway's furniture, fixtures, fittings, office equipments, phone system and computers, on stock in trade (obstrip - rubber compound, raw materials -finished and unfinished), plant, machinery, equipment and utensils including spare tools, buildings and extensions;
  - fire consequential loss on gross profit, on wages (unskilled workers) and auditor's fees;
  - mobile plant and equipment policy for certain mobile equipment
  - electronic shield insurance policy for the computer systems and servers
  - group personal accident policy for the employees of the Group;
  - group hospital and surgical insurance for employees of the Group;
  - foreign worker compensation scheme for the various foreign workers employed; and
  - commercial vehicle policy for various vehicles used by the Group.

Other than the above mentioned material agreements or contracts (including informal arrangements or understandings), as at 31 May 2004, being the latest practicable date prior to the printing of the Prospectus, which have been entered into by Goodway Integrated and its subsidiary that are in subsistence, listed below are the material agreements or contract entered into by the shareholders of Goodway Integrated: -

**13. OTHER GENERAL INFORMATION (Cont'd)**

- (a) Put Option Agreement dated 10 February 2003 (the "Put Option Agreement") entered between BIMB Musyarakah Satu Sdn Bhd (BIMBMS) and Tai Boon Wee ("TBW"). TBW agreed to grant to BIMBMS the option to require TBW to purchase 10% of the ordinary shares of RM1.00 each in the share capital of Good Way Rubber Industries Sdn Bhd purchased by BIMBMS pursuant to the SPA dated 10 February 2003 (the "Option Shares") from BIMBMS ("Put Option") at the Option Price . BIMBMS may exercise the Put Option during the 1 year period from the date of the Put Option Agreement with an option by BIMBMS to extend for a further successive period of 1 year;
- (b) Put Option Agreement dated 28 February 2003 (the "Put Option Agreement") between Tai Boon Wee (the "Grantor") and Commerce Asset Ventures Sdn Bhd (the "Option Holder") in respect of shares in Good Way Rubber Industries Sdn Bhd (the "Company"). The Grantor agreed to grant the Option Holder the right to require the Grantor to purchase from the Option Holder the Put Shares (the "Put Option") for a total consideration to be computed in accordance with the option price formula The Put Option Agreement shall be conditional upon the acquisition by the Option Holder of the shares pursuant to the Share Acquisition Agreement dated 28 February 2003. The Option Holder may exercise the Put Option commencing the date the Option Holder is first registered as a member of the Company in respect of the Sale Shares (as defined therein) and expiring on 30 September 2004 (the "Option Period"). The Grantor agreed that the Option Holder shall be entitled, at any time during the Option Period, to sell any of the Put Shares to any party including the Grantor, pursuant to the Call Option Agreement (as defined therein) and the Shares buy-Back Agreement dated 28 February 2003;
- (c) Put Option Agreement dated 28 February 2003 (the "Agreement") entered between Commerce Technology Ventures Sdn Bhd (the "Option Holder") and Tai Boon Wee (the "Grantor"). In consideration of the Option Holder entering into the Share Acquisition Agreement 28 February 2003, TBW agreed to grant to the Option Holder the right to require the Grantor to purchase the Put Shares at the option price computed in accordance with the option price formula set out in Schedule 2 of the Put Option Agreement (the "Put Option"). The Option Holder may exercise the Put Option during the period commencing on the date the Option Holder is first registered as a member of the Company in respect of the Sale Shares (as defined therein) and expiring on 30 September 2004;
- (d) Memorandum of Deposit of Shares (Bai Bithaman Ajil Facility RM6,840,000) dated 13 March 2003 entered between Bank Islam Malaysia Berhad ("BIMB") and Tai Boon Wee ("TBW"). In consideration of BIMB making or continuing to make advances or grant credit in any form whatsoever incurring liability on behalf of TBW, TBW agreed to charge to BIMB (1) all shares, stocks, bonds, notes, debentures, certificate of deposit and other securities of any kind in the name of BIMB or deposited with BIMB; or (2) all shares, stocks, bonds, notes, debentures, certificates of deposit and other securities the trading or dealings of which may be effected by means of entries in account(s) through any depository system and which securities are now or shall be deposited with or transferred to BIMB whether as charge pledge or otherwise (collectively, the "Securities"). All the provisions and the definitions in the Asset Sale Agreement dated 13 March 2003 shall be deemed incorporated into and form part of the Memorandum;

**13. OTHER GENERAL INFORMATION (Cont'd)**

- (e) Asset Sale Agreement (Bai Bithaman Ajil Facility RM6,840,000) dated 13 March 2003 ("Agreement") entered between Bank Islam Malaysia Berhad (the "Bank") and Tai Boon Wee (the "TBW"). By a Sale of Shares Agreement dated 15 January 2003, TBW agreed to purchase from Heveama Industries Sdn Bhd 2,491,697 ordinary shares (the "Purchase Shares") of RM1.00 each of Good Way Rubber Industries Sdn Bhd (the "Company") for a total purchase price of RM6,825,167.00 (the "Purchase Shares Consideration"). The Bank agreed to make available to the Customer a Bai Bithaman Ajil Facility of RM6,840,000 to assist the TBW in settling the Purchase Shares Consideration. In accordance with the procedure under the contract of Bai Bithman Ajil, TBW sold to the Bank all his rights and interest in the Purchase Shares (collectively, the "Asset") upon the terms and conditions in the Asset Purchase Agreement dated 13 March 2003 for the purpose of the Bank immediately thereafter selling the Asset to TBW. The Bank agreed to sell to TBW the Asset for a total amount of RM13,948,187.21 by way of 120 monthly instalments. TBW executed the Memorandum of Deposit of Shares dated 13 March 2003 as a continuing security;
- (f) Asset Purchase Agreement dated 13 March 2003 (the "Agreement") entered between Tai Boon Wee ("TBW") and Bank Islam Malaysia Berhad (the "Bank"). By entering into the Agreement, TBW agreed to sell its rights to and in the Purchase Shares at the price equivalent to the facility;
- (g) Memorandum of Deposit of Investment Account Certificate (Bai Bithaman Ajil Facility of RM6,840,000) dated 13 March 2003 entered between Bank Islam Malaysia Berhad and Tai Boon Wee ("TBW"). In consideration of BIMB making or continuing to make advances or grant credit from time to time or extending or continuing to extend credit in any form whatsoever incurring liability on behalf of TBW. TBW, agreed to deposit his Investment Account Certificate as continuing security for the payment; and
- (h) Asset Purchase Agreement dated 26 March 2004 (the "Agreement") entered between Tai Boon Wee ("TBW") and Bank Islam Malaysia Berhad (the "Bank"). By a Sale and Purchase of Shares Agreement dated 28 February 2003 and the Supplemental Agreement to the SPA dated 3 November 2003, TBW agreed to purchase from Commerce Asset Ventures Sdn Bhd ("CAV") 1,245,848 ordinary shares of Good Way Rubber Industries Sdn Bhd ("GRI") (the "Purchase Shares"). By a Call Option Agreement dated 28 February 2003 and the Supplemental Agreement to the Call Option Agreement dated 3 November 2003, TBW agreed to purchase from CAV 622,924 ordinary shares of GRI (the "Call Option Shares"). Both the Purchase Shares and the Call Option Shares (the "Purchase and Option Shares") were purchased at a purchase price of RM5,412,650.17 (the "Purchase Shares Consideration"). The Bank has agreed to make available to TBW a Bai' Bithaman Ajil Facility of RM5,412,650.17 to assist TBW in settling the Purchase Shares Consideration. TBW agreed to sell its rights to and in the Purchase and Option Shares at the price equivalent to the facility for the purpose of the Bankf thereafter selling the Purchase and Option Shares to TBW.

**13. OTHER GENERAL INFORMATION (Cont'd)**

- (i) Asset Sale Agreement dated 26 March 2004 ("Agreement") entered between Bank Islam Malaysia Berhad (the "Bank") and Tai Boon Wee ("TBW"). By the Agreement for the Sale and Purchase of Shares dated 28 February 2003 (the "Agreement for the Sale and Purchase of Shares") and the Supplemental Agreement to the Agreement for the Sale and Purchase of Shares dated 3 November 2003 (the "Supplemental Agreement for the Sale and Purchase of Shares") both between Commerce Asset Ventures Sdn Bhd ("CAV") and TBW, TBW agreed to purchase from CAV 1,245,848 ordinary shares (the "Purchase Shares") of Good Way Rubber Industries Sdn Bhd ("GRI"). By a Call Option Agreement dated 28 February 2003 and the Supplemental Agreement to the Call Option Agreement dated 3 November 2003 both between CAV and TBW, TBW agreed to purchase from CAV 662,924 ordinary shares of GRI (the "Call Option Shares"). Both the Purchase Shares and the Call Option Shares (the "Purchase and Option Shares") were purchased at a purchase price of RM5,412,650.17 (the "Purchase Shares Consideration"). The Bank has agreed to make available to TBW a Bai' Bithaman Ajil Facility of 5,412,650.17 to assist TBW in settling the Purchase Shares Consideration. By entering into the Agreement for the Sale and Purchase of Shares, TBW agreed to sell its rights and interests in the Purchase and Option Shares upon the terms and conditions in the Asset Purchase Agreement dated 26 March 2004 for the purpose of the Bank immediately thereafter selling the Purchase and Option Shares to TBW. The Bank agreed to sell to TBW the for a total amount of RM7,036,445.15. The following are the securities to the facility:
- (i) Memorandum of Deposit, Letter of Authority and Letter of Undertaking to be executed by TBW ;
  - (ii) Memorandum of Deposit, Letter of Authority to be executed by Massive Structure Sdn Bhd to execute;
  - (iii) Letter of Undertaking to be executed by CAV; and
  - (iv) Letter of Undertaking to be executed by BDO Capital Consultants Sdn Bhd's.
- (j) Memorandum of Deposit of Shares (Bai' Bithaman Ajil Facility of RM5,412,650.17) dated 26 March 2004 entered between Bank Islam Malaysia Berhad ("BIMB") and Tai Boon Wee ("TBW"). In consideration of BIMB making or continuing to make advances or grant credit from time to time or extending or continuing to extend credit in any form whatsoever incurring liability on behalf of TBW, TBW agreed to charge to BIMB (1) all shares, stocks, bonds, notes, debentures, certificate of deposit and other securities of any kind which are now or may at any time after the date of the Memorandum be in the name of BIMB or deposited with BIMB or its agent or representatives or nominees; or (2) all shares, stocks, bonds, notes, debentures, certificates of deposit and other securities the trading or dealings of which may be effected by means of entries in account(s) through any depository system including but not limited to the Central Depository System and which securities are now or shall at any time after the date of the Memorandum be deposited with or transferred to BIMB or BIMB's nominee whether as charge pledge or otherwise, and this security shall include all dividends, bonus issues, offers by way of rights, benefits, rights and entitlements, option, property and advantages whatsoever arising from or attaching to them. All the provisions and the definitions in the Asset Sale Agreement dated 26 March 2004 shall be deemed incorporated into and form part of the Memorandum.

**13. OTHER GENERAL INFORMATION (Cont'd)**

- (k) Memorandum of Deposit of Shares (Bai' Bithaman Ajil Facility of RM5,412,650.17) dated 26 March 2004 entered between Bank Islam Malaysia Berhad ("BIMB") and Massive Structure Sdn Bhd ("MSSB"). In consideration of BIMB making or continuing to make advances or grant credit from time to time or extending or continuing to extend credit in any form whatsoever incurring liability on behalf of Tai Boon Wee, MSSB agreed to charge to BIMB (1) all shares, stocks, bonds, notes, debentures, certificate of deposit and other securities of any kind which are now or may at any time after the date of the Memorandum be in the name of BIMB or deposited with BIMB or its agent or representatives or nominees; or (2) all shares, stocks, bonds, notes, debentures, certificates of deposit and other securities the trading or dealings of which may be effected by means of entries in account(s) through any depository system including but not limited to the Central Depository System and which securities are now or shall at any time after the date of the Memorandum be deposited with or transferred to BIMB or BIMB's nominee whether as charge pledge or otherwise, and this security shall include all dividends, bonus issues, offers by way of rights, benefits, rights and entitlements, option, property and advantages whatsoever arising from or attaching to them. All the provisions and the definitions in the Asset Sale Agreement dated 26 March 2004 shall be deemed incorporated into and form part of the Memorandum.

**THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK**

**13. OTHER GENERAL INFORMATION (Cont'd)****13.6 MATERIAL LITIGATION**

Save as disclosed below, as at 31 May 2004, being the latest practicable date prior to the printing of the Prospectus, neither Goodway Integrated nor any of its subsidiary or associated companies are engaged in any material litigation and arbitration, either as plaintiff or defendant, which has a material effect on the financial position of Goodway Integrated or its subsidiary and associated 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 Goodway Integrated or its subsidiary and associated companies: -

**(a) High Court of Hong Kong vide High Court Action No. 716 of 2003****Goodway Rubber vs. Best Profits Trading Limited**

On 25 February 2003, Goodway Rubber commenced civil proceeding against Best Profits Trading Limited (the "Defendant"), at the High Court of Hong Kong vide High Court Action No. 716 of 2003 in respect of the outstanding invoices for the supply of raw materials. The amount claimed for is USD203,998.88, plus interest and costs. The amount outstanding is guaranteed by the two directors personally. The Defendant is a limited company without any noticeable assets and the two directors are also challenging the personal guarantees on the basis of misrepresentation and/or inducement. The case is currently at the discovery stage in the proceedings and awaiting for the Court to allocate the trial date. Goodway Rubber has been advised that Goodway Rubber should have more than even chance of obtaining judgment against the Defendant.

**(b) Shah Alam Session Court vide Summons No. 2-52-3103-1999****Goodway Rubber vs. Lee Heng Guan**

On 26 July 1999, Goodway Rubber commenced civil proceeding against Lee Heng Guan (the "Defendant") at the Shah Alam Sessions Court vide Summons No. 2-52-3103-1999 in respect of a Guarantee and Indemnity Agreement entered between Goodway Rubber and the Defendant. The amount claimed for is RM 228,875.42 together with interests at 1.5% per month from 30 November 1998 until the date of full settlement and costs. The Sessions Court granted summary judgment against the Defendant on 4 April 2002 for the aforesaid sum. The Defendant's appeal to the High Court against the decision of the Sessions Court was allowed on 4 September 2003 with costs and the matter shall be returned to the Sessions Court for full trial. The Sessions Court has not set the hearing date for the full trial as the sealed copy of the Order of the High Court has not been extracted. Goodway Rubber's solicitors are of the opinion that the Goodway Rubber's claim against the Defendant will only be allowed provided that Goodway Rubber satisfies the necessary burden of proof, including but not limited to, satisfying the Court of the following: -

- (a) that the Defendant has executed the Letter of Guarantee in his personal capacity and not in his capacity as representative of the principal debtor;
- (b) that the Guarantee has been duly accepted by Goodway Rubber;
- (c) that there is no misrepresentation on the part of Goodway Rubber in obtaining the Guarantee;
- (d) that the debt has truly been incurred by the principal debtor; and
- (e) the Guarantee is not void.

**13. OTHER GENERAL INFORMATION (Cont'd)**

- (c) **Kuala Lumpur High Court vide Companies Winding Up No. D2-28-572-1999**

**Goodway Rubber vs. LH Tyres Retreading Sdn Bhd**

On 12 June 1999, Goodway Rubber commenced a winding up proceeding against LH Tyres Retreading Sdn Bhd (the "Respondent") at the Kuala Lumpur High Court vide Companies Winding Up No. D2-28-572-1999 in respect of goods sold and delivered to the Defendant pursuant a Credit Facility Agreement dated 1 July 1997 entered between Goodway Rubber and the Respondent. The amount claimed for is RM228,875.42. The Court granted a winding-up order against the Respondent on 9 June 2000. Proof of Debt forms has been filed on behalf of Goodway Rubber on 1 November 2001. The Official Receiver has not fixed a date for the Creditors Meeting.

- (d) **High Court of Seremban vide Suit No. 22-65-1996**

**Ho Wah Genting Coach Manufacturer Sdn Bhd vs. Goodway Rubber**

On 18 January 1996, Ho Wah Genting Coach Manufacturer Sdn Bhd (the "Plaintiff") commenced civil proceeding against Goodway Rubber at the High Court of Seremban vide suit no. 22-66-1996 in respect of a purported breach of Sale and Purchase Agreement dated 16 June 1995 entered between the Company and the Plaintiff. The amount claimed for is RM670,508.00 together with interest and costs. The List of Documents and Affidavit Verifying the same of Goodway Rubber has been filed and served in April 1998. Goodway Rubber's application to strike out the suit for want of prosecution and the Court was allowed with costs on 22 August 2003.

**13.7 GENERAL INFORMATION**

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.

**13.8 CONSENTS**

The written consent of the Adviser and Managing Underwriter, Underwriters, 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, Accountants' Report and letters relating to the Consolidated Profit Forecast and the Proforma Consolidated Balance Sheets 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 Market Researcher to the inclusion in this Prospectus of their names and Market Report 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.

**13. OTHER GENERAL INFORMATION (Cont'd)**

**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) The Memorandum and Articles of Association of the Company;
- (b) The material contracts and material agreements referred to in Sections 13.4 and 13.5 of this Prospectus respectively;
- (c) The existing service contracts of the Executive Directors;
- (d) The Directors' Report and Accountants' Report as included herein;
- (e) The Reporting Accountants' letters relating to the Consolidated Profit Forecast for financial year ending 31 December 2004 and Proforma Consolidated Balance Sheets as at 31 December 2003 as included herein;
- (f) The latest audited financial statements of Goodway Integrated for the period ended 31 December 2003;
- (g) The audited financial statements of Goodway Integrated's subsidiaries other than Goodway Australia for the past five (5) financial years ended 31 December 2003;
- (h) The audited financial statements of Goodway Australia for the past four (4) years ended 30 June 2003 and the six (6) month period ended 31 December 2003;
- (i) The writ and relevant cause papers in respect of the material litigation and arbitration referred to in Section 13.6 of this Prospectus;
- (j) The Market Research Report dated 30 October 2003 and the Summary Research Report dated 15 June 2004; and
- (k) The letters of consent referred to in Section 13.8 of this Prospectus.

**THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK**

**13. OTHER GENERAL INFORMATION (Cont'd)**

**13.10 RESPONSIBILITY STATEMENTS**

This Prospectus has been seen and approved by the Directors, Promoters and Offerors of Goodway Integrated and they collectively and individually accept full responsibility for the accuracy of the information contained 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 statement herein false or misleading. The Directors hereby accept full responsibility for the profit forecast included in this prospectus and confirm that the profit forecast have been prepared based on assumptions made.

The Adviser and Managing Underwriter acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the Initial Public Offering and are satisfied that any profit forecast (for which the Directors of Goodway Integrated are fully responsible) prepared for inclusion in the Prospectus have been stated by the Directors after due and careful enquiry and have been duly reviewed by the Reporting Accountants.

**THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK**