

## **1. INFORMATION SUMMARY**

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**THE INFORMATION IS ONLY A SUMMARY OF THE SALIENT INFORMATION ABOUT THE GROUP AND INVESTORS SHOULD READ AND UNDERSTAND THE WHOLE PROSPECTUS PRIOR TO DECIDING WHETHER OR NOT TO INVEST IN THE SHARES, ICULS, ICPS AND WARRANTS. THE INFORMATION SUMMARY SET OUT BELOW IS DERIVED FROM THIS PROSPECTUS AND SHOULD BE READ IN CONJUNCTION WITH THE FULL TEXT OF THIS PROSPECTUS.**

### **1.1 HISTORY AND BUSINESS**

Ramunia was incorporated in Malaysia on 18 November 2003 as a private limited company under the name of Operasi Unggul Sdn Bhd. It changed its name to Ramunia Holdings Sdn Bhd on 3 March 2004 and converted into a public company on 23 April 2004.

Ramunia was incorporated for the purpose of facilitating the completion of the Restructuring Scheme, which will result in Ramunia becoming the holding company of RFSB and owner of TR Yard. Thereafter, Ramunia will seek listing on the Second Board of Bursa Securities via re-listing of SHB. The entire issued and paid-up share capital of SHB shall be disposed off by Ramunia pursuant to the Share Disposal.

The Group, via RFSB, is principally engaged in the business of fabrication of offshore oil and gas related structures and other related civil works.

RFSB was incorporated in 2001, the same year when Remcorp acquired TR Yard. At the time of acquisition, TR Yard had ceased operations and been left idle for over three (3) years. Within two (2) years of the acquisition of TR Yard by Remcorp, RFSB which operates TR Yard, has successfully revived business operations at TR Yard and re-entered the oil and gas major fabrication industry, having successfully carried out and completed contracts at TR Yard. RFSB's first secured contract was the major fabrication of jacket, topside and compression module for Petronas Carigali's gas fields located in offshore Sabah. Being in the major fabrication industry, RFSB believes that the jacket is the longest jacket ever fabricated in Malaysia to date.

In order for RFSB to re-enter the oil and gas market as a major fabricator via its operations at TR Yard, RFSB recruited skilled professionals who have proven track record in the industry. At the same time, the company also relies on strategic alliances and networking with other local and foreign expertise to provide prompt, efficient services to its clients.

TR Yard was first established and commenced operations in 1981 in the oil and gas fabrication and construction industry in Malaysia. The offshore oil and gas structures in Malaysian waters built and constructed at TR Yard include the first jacket ever to be fabricated in the country for Duyong Gas Field, a project with Petronas Carigali.

TR Yard comprises two (2) distinct purpose-built steel fabrication facilities, namely Fabrication Yard No.1 and Fabrication Yard No.2 respectively, catering mainly for the construction and engineering of offshore oil and gas structures and other related steel fabrication and engineering activities, with a combined land area of 36.422 hectares (approximately 90 acres). Fabrication Yard No.1 and Fabrication Yard No.2 can undertake steel fabrication of offshore platforms of approximately 21,000MT and 10,000MT respectively.

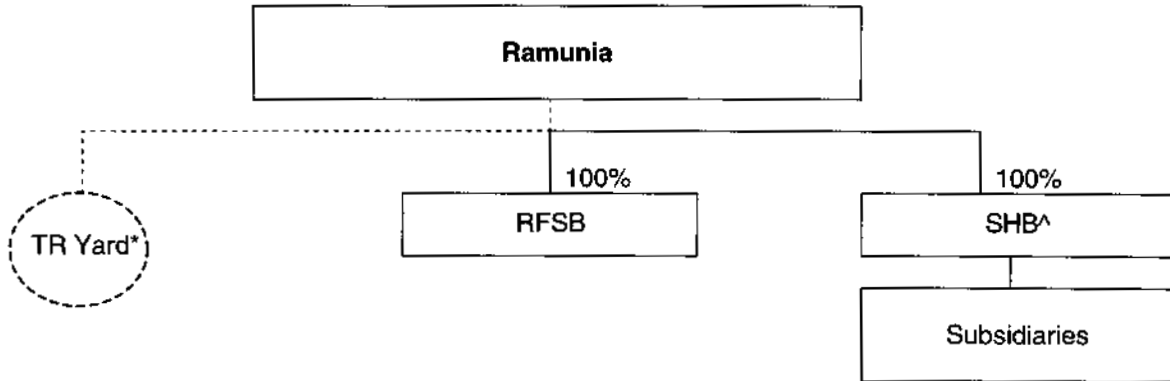
The yard is equipped with a total of two (2) wharves/load-out jetties built along the seafront, of which one (1) is located at Fabrication Yard No.1 and another at Fabrication Yard No.2. The wharf at Fabrication Yard No.1 has a quayside length of 270 metres complete with two (2) load-out skids of approximately 6,000MT and approximately 10,000MT respectively, whilst the wharf/load-out jetty at Fabrication Yard No.2 has a quayside length of 45 metres complete with a load-out skid of approximately 6,000MT. TR Yard is further complemented by a fleet of cranes of various capacities, fabrication workshop, mechanical & piping workshop, concrete fabrication floor slab, three (3) fabrication tables, production office buildings, stores and other complementary equipment and supporting infrastructures.

**1. INFORMATION SUMMARY (CONT'D)**

TR Yard is situated on reclaimed land, which is strategically located at Teluk Ramunia in the state of Johor Darul Takzim, approximately 115 kilometers by road south east of Johor Bahru. In terms of accessibility, it is accessible by a two-hour drive from Johor Bahru or a half-hour boat ride from Singapore. TR Yard enjoys deep sea frontage, which is protected from the South China Sea monsoons, at the tip of the southernmost point of the Asian Continent.

Further details on the history and business of the Group are set out in Section 4 on page 57 of this prospectus.

The structure of the Group and upon completion of the Restructuring Scheme is as set out below:-



\* *Ramunia is currently the beneficial owner of TR Yard while Remcorp is the registered proprietor of TR Yard until the instrument of transfer of TR Yard in favour of Ramunia is perfected and registered with the relevant Land Office or Registry. Please refer to Section 3.2(viii) of this prospectus for details*

^ *The entire issued and paid-up share capital of SHB shall be disposed off by Ramunia to a special purpose vehicle nominated by the SA pursuant to the Share Disposal*

For further information, please refer to section 5.3 on page 94 of this prospectus.

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## 1. INFORMATION SUMMARY (CONT'D)

## 1.2 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND TECHNICAL PERSONNEL OF RAMUNIA

The final direct and indirect shareholdings of the promoters, substantial shareholders, directors, key management and technical personnel of Ramunia are as follows:-

Name	Designation	No. of Shares Held in Ramunia															
		After Public Offering		Proforma 1@		Proforma 2@		Proforma 3@		Direct		Indirect		%			
		Direct	%	Direct	%	Direct	%	Direct	%	Direct	%	Direct	%	Direct	%	Direct	%
<b>Promoters</b>																	
Remcorp	n/a	135,263,956	64	24,000,000**	11	238,643,801	64	38,000,000**	10	267,023,646	56	45,000,000**	9	389,023,646	55	151,475,969#	21
Dato' Azizul Rahman bin Abd Samad	Chairman	-	-	159,263,956^	75	-	-	276,643,801^	74	-	-	312,023,646^	65	-	-	540,499,615^	76
<b>Substantial Shareholders</b>																	
Remcorp	n/a	135,263,956	64	24,000,000**	11	238,643,801	64	38,000,000**	10	267,023,646	56	45,000,000**	9	389,023,646	55	151,475,969#	21
Zen-End Resources Sdn Bhd	n/a	-	-	-	-	-	-	-	-	-	-	-	-	95,000,000	13	-	-
Dato' Azizul Rahman Abd Samad	Chairman	-	-	159,263,956^	75	-	-	276,643,801^	74	-	-	312,023,646^	65	-	-	540,499,615^	76
Datin Azura Hanim binti Tajudin	n/a	-	-	159,263,956*	75	-	-	276,643,801*	74	-	-	312,023,646*	65	-	-	540,499,615*	76
<b>Directors</b>																	
Dato' Azizul Rahman bin Abd Samad	Chairman	-	-	159,263,956^	75	-	-	276,643,801^	74	-	-	312,023,646^	65	-	-	540,499,615^	76
Arshad bin Ahmad	Managing Director / Chief Executive Officer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**1. INFORMATION SUMMARY (CONT'D)**

Name	Designation	No. of Shares Held in Ramunia											
		After Public Offering		Proforma 1@		Proforma 2@		Proforma 3@					
		Direct	%	Indirect	%	Direct	%	Indirect	%	Direct	%	Indirect	%
Shahul Hamid bin Mohd Ismail	Independent Non-Executive Director	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Md. Zahari bin Md. Zin	Independent Non-Executive Director	-	-	-	-	-	-	-	-	-	-	-	-
Izlan bin Izhah	Independent Non-Executive Director	-	-	-	-	-	-	-	-	-	-	-	-
Leou Thiam Lai	Independent Non-Executive Director	-	-	-	-	-	-	-	-	-	-	-	-
<b>Key Management And Technical Personnel</b>													
Norazlizi Abd Jalil	Chief Financial Officer	-	-	-	-	-	-	-	-	-	-	-	-
Ricky Chua Choong Wah	General Manager (Commercial)	-	-	-	-	-	-	-	-	-	-	-	-
Ahmad Rizal bin Abdul Samad	General Manager (Business Development)	-	-	-	-	-	-	-	-	-	-	-	-
Zulmajdi bin Hj. Abdul Rahman	General Manager (Human Resource)	-	-	-	-	-	-	-	-	-	-	-	-

## 1. INFORMATION SUMMARY (CONT'D)

Name	Designation	No. of Shares Held in Ramunia													
		After Public Offering		Proforma 1@		Proforma 2@		Proforma 3@		Direct		Indirect		%	
		Direct	%	Direct	%	Direct	%	Direct	%	Direct	%	Direct	%	Direct	%
Shakir Mustaffa	Senior Manager (Finance – Operations)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ir Abu Bakar Mohd Noor	Manager (Technical & Development)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mohammad Hattia bin Mustaffa	Manager (Operations)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Yeo Eng Poo	Finance Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-

## Notes: -

@ assuming the Restricted Offer For Sale will be fully subscribed and all Entitled Shareholders will subscribe for at least 100 Shares each, and accordingly the placement of additional Shares, up to 10,000 ICULS and/or 10,000 ICPS and disbursement of up to 10,000 Warrants by Remcorp are not required

n/a not applicable

\*\* deemed interested by virtue of its direct substantial shareholdings in Warisan Jaya Engineering Sdn Bhd, Clear Guidance Sdn Bhd, Dow Alpha Industries Sdn Bhd and Sharpville Consulting Sdn Bhd

# deemed interested by virtue of its direct substantial shareholdings in Warisan Jaya Engineering Sdn Bhd, Clear Guidance Sdn Bhd, Dow Alpha Industries Sdn Bhd, Sharpville Consulting Sdn Bhd and Zen-End Resources Sdn Bhd

^ deemed interested by virtue of his direct substantial shareholdings in Remcorp

\* deemed interested by virtue of her husband, Dato's Azizul Rahman Abd Samad's direct shareholdings in Remcorp

Proforma 1 : Assuming full conversion of ICULS

Proforma 2 : After Proforma 1 and assuming full conversion of ICPS

Proforma 3 : After Proforma 2 and assuming full exercise of Warrants

Details of the Promoters, substantial shareholders, directors, key management and technical personnel of Ramunia are set out in Section 6 of this prospectus.

## **1. INFORMATION SUMMARY (CONT'D)**

### **1.3 LICENCES AND INTELLECTUAL PROPERTY RIGHTS**

The main licence and intellectual property rights of RFSB are set out below:-

#### **1.3.1 Major Fabricator Licence**

Any person who commence or continue any business or service involving the supply of equipment and facilities and services required in connection with the exploration, exploitation, mining and obtaining of petroleum requires a licence to be issued by PETRONAS. RFSB has been issued the Major Fabricator Licence which permits RFSB to provide, among others, onshore construction/fabrication service for major fabrication (offshore structures). The salient terms of the Major Fabricator Licence are as follows:-

- (a) RFSB shall notify PETRONAS of any changes in the position of RFSB, e.g equity ownership, board of directors and management, within fourteen (14) days from the said change. Failure to comply will result in the revocation of the licence;
- (b) RFSB is required to submit the audited Annual Financial Report for the years ended/ending 30 April 2004 and 30 April 2005 before 1 November 2004 and 1 November 2005 respectively and the position of the shareholders' fund must be in the positive. If RFSB failed to comply with the either of the conditions above, it will not be listed in the "List of Licensed/ Registered Companies" PETRONAS; and
- (c) RFSB is required to submit the Registration Certificate with CIDB which is renewed two (2) weeks before the expiry date, 14 April 2005. If RFSB failed to comply with either of the conditions above, it will not be listed in the "List of Licensed/ Registered Companies" PETRONAS.

The details of the Major Fabricator Licence are set out in Section 4.2.4 on page 61 of this prospectus.

#### **1.3.2 Intellectual Property Rights**

RFSB has successfully developed a self-installing and re-locatable concept platform known as "Remstar" of which application has been made to register it as a patent in Malaysia. It is a solution to address the difficulties faced in building and installation of conventional platforms supported by braced columns where it is costly to build and too complicated to be installed, disassembled and relocated. By adopting Remstar, one can fabricate an unbraced offshore platform which is stable, versatile and economical and can be readily installed and relocated without heavy-lift vessels.

The details of the intellectual property rights are set out in Section 4.2.12 on page 74 of this prospectus.

**1. INFORMATION SUMMARY (CONT'D)****1.4 FINANCIAL HIGHLIGHTS**

The following table sets out a summary of the proforma consolidated income statements of Ramunia Group ended 30 April 2002, the financial year ended 30 April 2003 and fourteen (14) month period ended 30 June 2004 on the assumption that Ramunia Group has been in existence throughout the period under review. These financial results are provided for illustrative purposes and should be read in conjunction with the accompanying notes and assumptions included in the Accountants' Report set out in Section 11 of this prospectus.

	Period ended 30 April 2002 (RM'000)	Financial year ended 2003 (RM'000)	Fourteen- month period ended 30 June 2004 (RM'000)
Revenue	105	39,032	103,657
Gross Profit	5	3,611	9,306
(Loss)/Earnings before finance costs, research and development expense, depreciation, amortisation, preliminary expenses and taxation	(599)	1,623	5,789
Finance costs	(1)	(94)	(1,027)
Research and development expenses	-	-	-
Depreciation	(1)	(194)	(767)
Amortisation	-	-	-
Preliminary expenses	(7)	-	-
Other income	161	391	2,424
Exceptional items	-	-	-
Share of profits of associated companies and joint ventures	-	-	-
(Loss)/Profit before taxation	(447)	1,726	6,419
Taxation	-	(390)	(2,037)
(Loss)/Profit after taxation	(447)	1,336	4,382
Extraordinary items	-	-	-
Minority interests	-	-	-
Net (loss)/profit	(447)	1,336	4,382
No. of Shares assumed in issue*	212,351,942	212,351,942	212,351,942
Basic gross (loss per Share)/EPS (sen)	(0.21)	0.81	3.02
Basic net (loss per share)/EPS (sen)	(0.21)	0.63	2.06

Notes:-

RFSB was incorporated on 17 January 2001 and hence its first audited financial year end is 30 April 2002

\* Based on issued share capital of 212,351,942 Shares assuming that the Ramunia Assets Acquisitions and Debt Settlement had taken effect throughout the years

The financial statements of the Group for the years under review were not subjected to any audit qualification.

Kindly refer to Section 10.2 on page 137 and the Accountants' Report set out in Section 11 on page 161 for further details.

**1. INFORMATION SUMMARY (CONT'D)****1.5 PROFORMA CONSOLIDATED BALANCE SHEETS OF THE GROUP AS AT 30 JUNE 2004**

The proforma consolidated balance sheets of Ramunia Group as at 30 June 2004 as set out below are provided for illustrative purposes only to show the effects on the audited balance sheet of Ramunia Group, had the Restructuring Scheme been effected on that date.

	As at 30 June 2004	Proforma 1	Proforma 2	Proforma 3	Proforma 4	Proforma 5	Proforma 6
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Share capital	*	82,000	106,176	106,176	188,176	238,500	357,400
ICPS	-	41,000	50,324	50,324	50,324	-	-
ICULS (Equity component)	-	79,924	79,924	79,924	-	-	-
<b>RESERVES</b>							
Share premium^	-	-	-	-	-	-	11,890
Accumulated losses-	(6)	(3,006)	(3,006)	(36,506)	(36,506)	(36,506)	(36,506)
Shareholders' fund	(6)	199,918	233,418	199,918	201,994	201,994	332,784
<b>LONG TERM LIABILITIES</b>							
ICULS (Liability component)	-	2,076	2,076	2,076	-	-	-
DEFERRED TAXATION	-	916	916	916	916	916	916
FINANCE CREDITORS	-	3,452	3,452	3,452	3,452	3,452	3,452
	(6)	206,362	239,862	206,362	206,362	206,362	337,152
Represented by:							
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment	-	118,399	118,399	118,399	118,399	118,399	118,399
Investment in subsidiary company	-	-	33,500	-	-	-	-
Goodwill on consolidation	-	90,123	90,123	90,123	90,123	90,123	90,123
Deferred expenditure	2,081	1,163	1,163	1,163	1,163	1,163	1,163
	2,081	209,685	243,185	209,685	209,685	209,685	209,685
<b>CURRENT ASSETS</b>							
Inventories	-	1,374	1,374	1,374	1,374	1,374	1,374
Receivables	-	19,577	19,577	19,577	19,577	19,577	19,577
Amount due from customers	-	22,744	22,744	22,744	22,744	22,744	22,744
Short term deposits with licenced bank	-	1,000	1,000	1,000	1,000	1,000	1,000
Cash and cash equivalents	-	1,085	1,085	1,085	1,085	1,085	131,875
	-	45,780	45,780	45,780	45,780	45,780	176,570



**1. INFORMATION SUMMARY (CONT'D)**

	As at 30 June 2004	Proforma 1	Proforma 2	Proforma 3	Proforma 4	Proforma 5	Proforma 6
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>CURRENT LIABILITIES</b>							
Payables	2,087	24,068	24,068	24,068	24,068	24,068	24,068
Finance creditors	-	1,255	1,255	1,255	1,255	1,255	1,255
Borrowings	-	22,378	22,378	22,378	22,378	22,378	22,378
Tax payable	-	1,402	1,402	1,402	1,402	1,402	1,402
	2,087	49,103	49,103	49,103	49,103	49,103	49,103
<b>NET CURRENT (LIABILITIES)/ ASSETS</b>	(2,087)	(3,323)	(3,323)	(3,323)	(3,323)	(3,323)	127,467
	(6)	206,362	239,862	206,362	206,362	206,362	337,152
<b>NTA PER SHARE (RM)</b>	(1,043.5)	0.66	0.67	0.51	0.29	0.23	0.34

Notes: -

\* RM2.00 representing two (2) ordinary shares of RM1.00 each, prior to the subdivision of share on 24 August 2004

^ Arising from the full exercise of Warrants at the exercise price of RM0.55

~ Comprising loss on the Share Disposal of RM33,500,000 and estimated expenses of RM3,000,000 in relation to the Restructuring Scheme

Proforma 1	:	After Ramunia Assets Acquisitions
Proforma 2	:	After Proforma 1, Debt Settlement and Share Swap
Proforma 3	:	After Proforma 2 and Share Disposal
Proforma 4	:	After Proforma 3 and assuming full conversion of ICULS
Proforma 5	:	After Proforma 4 and assuming full conversion of ICPS
Proforma 6	:	After Proforma 5 and assuming full exercise of Warrants

Please refer to the Reporting Accountants' letter set out in Section 10.12 and Section 11 on page 155 and 161 respectively for further details.

**1.6 SUMMARY OF MATERIAL RISK FACTORS**

An investment in the securities listed/to be listed on the Bursa Securities involves a number of risks, some of which, including market, industry, liquidity, credit, operational, legal and regulatory risks could be substantial and inherent in the business of the Group.

Prospective investors should rely on their own evaluations and to carefully consider the investment considerations before investing in any of the securities in Ramunia pursuant to the Public Offering, which are the subject of this prospectus. The following are the main investment considerations (which may not be exhaustive) as extracted from Section 3 of this prospectus which applicants for the Public Offering should carefully consider in addition to other information contained elsewhere in this prospectus before applying for the Public Offering:-

**1. INFORMATION SUMMARY (CONT'D)**

**Risks Associated With The Group's Business and Operations**

- (i) Dependence on the Level of Oil Exploration and Production Activities in Malaysia
- (ii) Dependence on Contracts/Customers/Market
- (iii) Competition
- (iv) Dependence on Key Management and Skilled Workforce
- (v) Technological Know How and Experience
- (vi) Delay in Completion of Projects
- (vii) Foreign Exchange Risk
- (viii) Regulatory Constraints
- (ix) Political and Economic Considerations
- (x) Short Operating History and Dependency on RFSB
- (xi) Breakout of Fire, Energy Crisis and Other Emergencies and Uninsurable Risk
- (xii) Security and Environmental Concerns
- (xiii) Restrictive Covenants Pursuant to Credit Facilities Agreements
- (xiv) Achievability of Estimate and Forecast Results
- (xv) CF in respect of TR Yard Facilities

**Risks Associated With Investment in Ramunia's Securities**

- (i) No prior market for Shares
- (ii) Capital Market Risks
- (iii) Volatility of Market Price due to Subsequent Sales
- (iv) Control by Substantial Shareholder
- (v) Delay in Listing of Ramunia on the Second Board of the Bursa Securities
- (vi) Disclosure Regarding Forward-Looking Statements
- (vii) Acquisitions and Joint Ventures
- (viii) Completion of the Acquisition of TR Yard
- (ix) Material Litigation, Claim or Arbitration and Legal Uncertainties;
- (x) Events of default set out in the Trust Deed

Further details of the material risk factors are set out in Section 3 on page 47 of this prospectus.

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**1. INFORMATION SUMMARY (CONT'D)****1.7 CONSOLIDATED LOSS ESTIMATE AND FORECAST FOR THE PERIOD FROM 18 NOVEMBER 2003 TO 31 OCTOBER 2004 AND THE FINANCIAL YEAR ENDING 31 OCTOBER 2005**

	<b>Estimate 2004 RM'000</b>	<b>Forecast 2005 RM'000</b>
Revenue	161,091	193,612
Consolidated profit before taxation and exceptional items	16,890*	20,220
Exceptional items	-	(36,500)
Consolidated profit/(loss) before taxation	16,890	(16,280)
Taxation	(4,757)	(6,726)
Consolidated profit/(loss) after taxation and exceptional items	12,133	(23,006)
Less : Pre-acquisition profit	(12,233)	(2,883)
Minority interests	-	-
Consolidated loss after taxation after minority interests	(100)	(25,889)
No. of ordinary shares assumed in issue	4	176,862,987 <sup>(Note 1)</sup>
No. of ordinary shares assumed in issue	n/a	397,282,195 <sup>(Note 2)</sup>
Basic gross EPS (sen)		
- Before exceptional items	9.55 <sup>(Note 3)</sup>	11.43
- After exceptional items	9.55 <sup>(Note 3)</sup>	(9.20)
Diluted gross EPS (sen) <sup>(Note 4)</sup>		
- Before exceptional items	n/a	5.26
Basic net EPS		
- Before pre-acquisition profit but before exceptional items (sen)	6.86 <sup>(Note 3)</sup>	7.63
- After pre-acquisition profit but before exceptional items (RM)	(25,000)	0.06
- After pre-acquisition and after exceptional items (RM)	(25,000)	(0.15)
Diluted net EPS (sen) <sup>(Note 4)</sup>		
- Before pre-acquisition profit but before exceptional items	n/a	2.79
Gross PE Multiple (times) <sup>(Note 5)</sup>		
- Before exceptional items	5.24 <sup>(Note 6)</sup>	4.37 <sup>(Note 6)</sup>
- After exceptional items	5.24	n/a
Net PE Multiple (times) <sup>(Note 5)</sup>		
- Before pre-acquisition profit but before exceptional items	7.29 <sup>(Note 7)</sup>	6.55 <sup>(Note 7)</sup>
- After pre-acquisition profit but before exceptional items	n/a	8.33 <sup>(Note 7)</sup>

\* Based on RFSB's net profit before taxation for the eighteen (18) month period ended 31 October 2004

**1. INFORMATION SUMMARY (CONT'D)**

The Company is forecasted to be in a loss making position for the financial year ending 31 October 2005 upon recognition of the exceptional items of RM36.5 million. Accordingly, the effects of the assumed conversion of ICULS and ICPS and full exercise of Warrants would be anti-dilutive and the diluted EPS will not be applicable.

Notes: -

- (1) *Weighted average number of Shares prior to conversion of ICULS and ICPS from 1 January 2005 to 31 October 2005 assuming completion of the Ramunia Assets Acquisitions on 31 December 2004*
- (2) *Weighted average number of Shares assuming conversion of ICULS and ICPS on 31 December 2004. The exercise of Warrants has not been taken into consideration assuming no potential dilutive Shares arising therefrom*
- (3) *The issued and paid-up share capital of Ramunia was RM2 representing four (4) Shares only as at 31 October 2004. However, for comparison purposes, the basic gross and net EPS before pre-acquisition profit has been calculated based on the weighted average number of Shares of 176,862,987, the number of Shares assumed in issue for the financial year ending 31 October 2005*
- (4) *Calculated taking into consideration the assumed interests savings as a result of the assumed conversion of the ICULS*
- (5) *Based on offer price of RM0.50 per Share*
- (6) *Calculated based on basic gross EPS*
- (7) *Calculated based on basic net EPS before pre-acquisition profit of Ramunia for the period from 18 November 2003 (date of incorporation of Ramunia) to 31 October 2004 which is based on the net profit after tax of RFSB for the eighteen (18) month period ended 31 October 2004*

Please refer to the Reporting Accountants' letter set out in Section 10.6 on page 142 for further details.

**1.8 DIVIDEND FORECAST FOR THE FINANCIAL YEAR ENDING 31 OCTOBER 2005**

Subject to the discretion of Ramunia's Board of Directors, the Directors will recommend a dividend policy such that the shareholders will be allowed to participate in the profits of the Group whilst leaving adequate reserves for the future growth of the Group.

The Directors of Ramunia anticipate that the Ramunia Group will continue its growth and profits generated therefrom will be ploughed back into the operations of the Group. Accordingly, the Directors of Ramunia do not intend to recommend any dividend of Shares and ICPS for the financial year ending 31 October 2005.

Investors should also note that that the Directors may at their discretion waive any future dividend payments as and when necessary in the best interest of the Ramunia Group. The Company's ability to declare dividend may also be affected by the restrictions imposed on RFSB not to declare any dividend or bonus issue or make any distribution of share capital or profit without prior written consent of its financiers pursuant to its security documents.

**1.9 PROFORMA GROUP NTA AS AT 30 JUNE 2004**

	<b>Proforma Group NTA (Note 1) (RM'000)</b>	<b>NTA per ordinary Share (RM)</b>
After adjusting for the Public Offering <sup>(Note 2)</sup>	108,632	0.51
After Public Offering and upon full conversion of ICULS, ICPS and exercise of Warrants <sup>(Note 3)</sup>	241,498	0.34

**1. INFORMATION SUMMARY (CONT'D)**

Notes:-

- (1) After deducting the estimated expenses of RM3 million. Please refer to Section 2.8 for details on the estimated expenses
- (2) Based on enlarged issued and paid-up share capital of 212,351,942 Shares assuming that the Ramunia Assets Acquisitions and Debt Settlement have been completed.
- (3) Based on enlarged issued and paid-up share capital of 714,800,004 Shares assuming that the Ramunia Assets Acquisitions, Debt Settlement and Share Swap have been completed.

**1.10 PRINCIPAL STATISTICS RELATING TO THE PUBLIC OFFERING****1.10.1 Share Capital and Securities Offered/Placed Through Public Offering**

The following statistics relating to the Public Offering are derived from the full text of the prospectus and should be read in conjunction with the text.

	<b>Number of Securities</b>	<b>Amount (RM)</b>
<b>AUTHORISED SHARE CAPITAL</b>		
• Shares	1,600,000,000	800,000,000
• ICPS	110,000,000	55,000,000
	<b>1,710,000,000</b>	<b>855,000,000</b>
<b>ISSUED AND FULLY PAID-UP SHARE CAPITAL</b>	<b>212,351,942</b>	<b>106,175,971</b>
<b>RESTRICTED OFFER FOR SALE</b>		
• Shares to be offered pursuant to the Offer For Sale By SA	9,324,031	4,662,016
• ICULS to be offered pursuant to the Offer For Sale By Remcorp	46,620,155	23,310,078
• ICPS to be offered pursuant to the Offer For Sale By Remcorp	46,620,155	23,310,078
• Warrants given free of charge pursuant to the Offer For Sale By Remcorp	9,324,031*	-*
<b>PLACEMENT</b>		
• Shares to be offered pursuant to the Placement	43,763,955	21,881,978

\* 9,324,031 Warrants will be given free of charge to every Entitled Shareholder who has accepted the Offer For Sale By SA and Offer For Sale By Remcorp at the time that the Share, the ICULS and the ICPS shall be registered in the name of the Entitled Shareholders

Note: assuming the Restricted Offer For Sale will be fully subscribed and all Entitled Shareholders will subscribe for at least 100 Shares each, and accordingly the placement of additional Shares, up to 10,000 ICULS and/or 10,000 ICPS and disbursement of up to 10,000 Warrants by Remcorp are not required

The offer price is RM0.50 per Share, RM0.50 per ICULS and RM0.50 per ICPS, payable in full upon application, subject to the terms and conditions of this prospectus.

The placement price is RM0.50 per Share payable in full upon application, subject to the terms and conditions of this prospectus.

**1. INFORMATION SUMMARY (CONT'D)****1.10.2 Classes Of Securities**

The following are the securities in the Company offered/placed out:-

**(i) Shares**

The Shares to be offered/placed out pursuant to the Public Offering shall rank pari passu with one another. The Shares will rank pari passu in all respects with the Shares then in issue including any dividends, rights, allotments and/or other distributions subsequent to the allotment date thereof. The other rights attaching to the Shares are as below:-

(i)	Income	Subject to any special rights attaching to any shares which may be issued by the Company, the holders of the shares shall, in proportion to the amount paid-up or credited as paid-up on the Shares held by them, be entitled to share in the profits paid out by the Company as dividends and shall in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up, be entitled to share in any surplus in the event of the liquidation of the Company, in accordance with its Articles of Association.
(ii)	Voting	Subject to any rights or restrictions for the time being attached to any class or classes of shares at meetings of members or classes of members, each member entitled to vote may, vote in person or by proxy or by attorney, or other duly authorised representatives, and on a show of hands, every person present who is a member or proxy or attorney or duly authorised representative of a member shall have one (1) vote, and, on a poll, every member present in person or by proxy or by attorney or duly authorised representatives shall have one (1) vote for each Share he holds. Any proxy or attorney or duly authorised representative shall be entitled to vote both on a show of hands and on a poll.

**(ii) ICULS**

The rights attaching to the ICULS pursuant to the Trust Deed are set out below:-

(i)	Repayment terms and frequency of interest payments	<p>: The ICULS will not be redeemable for cash. All outstanding ICULS will be converted into new Shares on the maturity date i.e. the date falling on the third anniversary date of the first issue of the ICULS.</p> <p>The coupon is payable on the outstanding ICULS annually in arrears with the last Interest payment to be made on the maturity date</p>
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**1. INFORMATION SUMMARY (CONT'D)**

- |  |  |
|--|--|
| (ii) Rights conferred upon the ICULS holders | : The Trustee or Ramunia may, and the Trustee shall at the request in writing of one (1) or more ICULS holders holding not less than ten percent (10%) in nominal value of the ICULS for the time being outstanding and upon receiving such indemnity as the Trustee may require against the cost of convening and holding the meeting, convene a meeting of the ICULS holders. Save for any ICULS held by or on behalf of Ramunia or its related corporations, holders of the ICULS shall be entitled to vote at the ICULS holders' meeting |
|--|--|

**(iii) ICPS**

The ICPS to be offered/placed pursuant to the Public Offering shall rank pari passu with one another without any preference or priority among themselves and confer on the holders the following rights subject to the following restrictions:-

- |                     |   |
|---------------------|---|
| (i) Dividend        | Non-cumulative preferential dividend at the rate of one per cent (1%) per annum on the capital paid-up or credited as paid-up on the ICPS; and no such dividend shall be declared and/or paid on Shares in any financial year unless dividends on the ICPS shall have been paid in that financial year. The dividend is payable yearly on each dividend payment date with the final dividend being paid on the last dividend payment date prior to the conversion date provided always that any dividend declared but unpaid shall be paid to the ICPS holders in priority of any payment in respect of any other class of shares in the capital of the Company.                    |
| (ii) Further issues | The Company shall have the rights to create or issue further preference shares provided that such preference shares do not rank pari passu with the ICPS or carry terms or dividend rate or calculation of the conversion price which is more favourable than the terms or dividend rate or the conversion price of the ICPS  |
| (iii) Voting        | <p>The ICPS holders are entitled to receive notice of and attend (either in person or by proxy) any general meeting and subject to the provisions on alteration of rights in the Articles of Association, shall be entitled to vote (if on a poll at any general meeting, to one (1) vote for each ICPS held by him):-</p> <ul style="list-style-type: none"> <li>(a) upon any resolution or an alteration of articles which affects the rights and privileges attaching to the ICPS;</li> <li>(b) when the dividend or part of the dividend on the ICPS is in arrears for more than six (6) months;</li> <li>(c) upon any resolution to reduce Ramunia's share capital;</li> </ul> |

**1. INFORMATION SUMMARY (CONT'D)**

		(d) upon any resolution for the disposal of the whole of Ramunia's property, business and undertaking;
		(e) upon any resolution for the winding up of Ramunia; and
		(f) during the winding up of Ramunia
(iv)	Capital	On a return of capital on winding-up, liquidation or otherwise (other than on a conversion of shares) the surplus assets of the Company remaining after payment of its liabilities shall be applied:-
		(a) first, in paying to the holders of the ICPS on a pari passu basis, a sum equal to any dividend declared but unpaid on the ICPS;
		(b) second, in paying to the holders of the ICPS on a pari passu basis, an amount equal to the aggregate of the par value on each ICPS;
		(c) thirdly, in paying to the holders of Shares, pari passu as between themselves, a sum equal to any arrears of dividend due on the ordinary shares whether or not the Company has sufficient distributable reserves; and
		(d) fourthly, the balance of the assets shall belong to and be distributed among the holders of any class of shares in the capital of the Company other than ICPS in accordance with the respective rights attaching thereto.
		The ICPS holders shall not be entitled to participate in the profits or assets of the Company beyond such rights as are expressly set out in the Articles of Association

**(iv) Warrants**

The Warrants are constituted by the Deed Poll. Warrant holders shall not have any participating rights in the issuance of the shares or securities by Ramunia to the shareholders or securities holders or any other person or persons (whether by way of bonus, rights, special, public offer or otherwise and for whatever considerations) unless otherwise resolved by Ramunia in general meeting. Other provisions relating to the Warrants are set out below:-



**1. INFORMATION SUMMARY (CONT'D)**

- |                 |   |
|-----------------|---|
| (i) Voting      | The Company may and shall upon receipt of a request in writing of one (1) or more Warrants holders holding together in the aggregate not less than ten per centum (10%) of the Warrants for the time being remaining unexercised convene a meeting of the Warrant holders. Such meeting shall be held at such place in Malaysia and at such time as the Company shall determine or approve. On a show of hands every Warrant holder who (being an individual) is present in person or by proxy or (being a corporation) is present by proxy or its duly authorised representative shall have one (1) vote. On a poll every Warrant holder who is present in person or by proxy or by its duly authorised representative shall have one (1) vote for each Warrant he holds |
| (ii) Winding up | If whilst any Warrants remain capable of being exercised, a resolution has been passed for a member's voluntary winding up of the Company or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with one or more companies, then:-<br>(a) for the purpose of such winding-up, compromise or arrangement to which the Warrant holders or some person designated by them for such purposes by special resolution shall be a party, the terms of such winding-up, compromise or arrangement shall be binding on all the Warrant holders; and  |

**1. INFORMATION SUMMARY (CONT'D)**

- (b) in any other case, every Warrant holder shall be entitled upon and subject to the conditions set out in the Deed Poll at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of the Company or within six (6) weeks after the granting of the court order approving the compromise or arrangement (but in both cases, not later than the expiry of the exercise period), by irrevocable surrender of his Warrants to the Company by submitting the duly completed exercise form authorising the debiting of his Warrants together with payment of the relevant exercise money by banker's draft/ banker's demand draft/ cashier's order/ money or postal order (such payment being free of any foreign exchange commission, remittance charges, or other deductions), to elect to be treated as if the Warrant holder had immediately prior to the commencement of the winding up, compromise or arrangement exercised the exercise rights represented by such Warrants to the extent specified in the exercise form and be entitled to receive out of the assets of the Company which would be available in liquidation if he had on such date been the holder of the new Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly.

The Company shall give notice to the Warrant holders within seven (7) days after the passing of such resolution or the granting of the court order approving the compromise or arrangement in accordance with the Deed Poll. Subject to the foregoing, if the Company is wound up by way of a members' voluntary winding up or an order has been granted for such compromise or arrangement, all exercise rights which have not been exercised within six (6) weeks of the passing of such resolution or the granting of the court order shall lapse and the Warrants will cease to be valid for any purpose.

Subject to the foregoing, if the Company is wound up (other than by way of a members' voluntary winding up), all exercise rights which have not been exercised prior to the date of winding up or the granting of the Court order shall lapse and the Warrants will cease to be valid for any purpose.

**1. INFORMATION SUMMARY (CONT'D)****1.11 UTILISATION OF PROCEEDS**

The proceeds arising from the Public Offering will accrue to the following parties:-

	<b>RM</b>
<b>Creditors</b>	
- Pursuant to the Offer For Sale By SA	4,662,015.50
- Pursuant to the Placement	<u>19,513,953.50</u>
	<u>24,175,969.00</u>
<b>Remcorp</b>	
- Pursuant to the Offer For Sale By Remcorp - ICULS	23,310,077.50
- ICPS	23,310,077.50
- Pursuant to Placement - Shares	<u>2,368,024.00</u>
	<u>48,988,179.00</u>
<b>Total</b>	<b><u>73,164,148.00</u></b>

*Note: assuming the Restricted Offer For Sale will be fully subscribed and all Entitled Shareholders will subscribe for at least 100 Shares each, and accordingly the placement of additional Shares, up to 10,000 ICULS and/or 10,000 ICPS and disbursement of up to 10,000 Warrants by Remcorp are not required*

All proceeds of the Public Offering amounting to RM73,164,148 shall accrue to the Offerors, of which RM24,175,969 shall be utilised for settlement to the Creditors. Ramunia will not receive any of the proceeds. Hence, there is no financial impact on Ramunia from the utilisation of the proceeds arising from the Public Offering.

**1.12 WORKING CAPITAL, MATERIAL LITIGATIONS, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENT****(i) Working Capital**

The directors of Ramunia are of the opinion that, after taking into account the cash flow position and the banking facilities available, the Group will have adequate working capital for a period not less than twelve (12) months from the date of issue of this prospectus.

**(ii) Material Litigations**

Save as disclosed below, as at 30 November 2004, neither Ramunia nor its subsidiary company are engaged in any material litigation and arbitration, either as plaintiff or defendant, which has a material effect on the financial position of Ramunia or its subsidiary company 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 Ramunia or its subsidiary company:-

**(a) HTM Ogma Engineering (M) Sdn Bhd v. RFSB (Johor Bahru High Court Summons No. MT3-22-571-2004)**

The Plaintiff's claim is based upon the service provided by the Plaintiff to RFSB for the provision of skilled, semi skilled and general workers and based on a letter dated 13 October 2003 from RFSB to the Plaintiff where RFSB stated that it had agreed to pay the outstanding sum of RM259,653. The Plaintiff also claims interest on the said sum at the rate of 8% per annum from 2 September 2003 until full payment.

**1. INFORMATION SUMMARY (CONT'D)**

RFSB filed its defence and counterclaim on 10 September 2004 where RFSB had also counterclaimed against a former employee of RFSB, his wife and another on the basis of a breach of confidence, conflict of interest, breach of fidelity and lifting the corporate veil.

The decision of the court will very much depend on the evidence proved before it and the solicitors of RFSB are of the opinion that RFSB has a legitimate defence to the Plaintiff's claim.

**(b) Claim by Haven Engineering Works Sdn Bhd ("HEW")**

By letter dated 15 September 2004, HEW made a claim of RM154,579.42 against RFSB in respect of Invoice Nos. 2004/05/026 (RM122,375.38) and 2004/06/043 (RM32,204.04), for services rendered, together with late interest charges of 1.5% per month.

By letter dated 20 September 2004 to HEW's solicitors, RFSB's solicitors intimated to HEW that a sum of RM121,174.78 is still due and owing by HEW's sister company, Haven Engineering Sdn Bhd ("HE"), and which balance sum arose out of a global settlement of sums due as between RFSB, HEW and HE around August 2004.

The solicitors of RFSB are of the opinion that although the claim by HEW of RM154,579.42 is not disputed, this amount should be set off as against the sum of RM121,174.78 due from HE to RFSB as HEW's present claim was also a part of the global settlement made between the parties in August 2004. This latter sum of RM121,174.78 was deducted unilaterally by HE purportedly as "handling charges" for payment claims by RFSB against Petronas Carigali. Thus, the solicitors of RFSB are of the opinion that the sum due and payable to HEW after setting off the sum due to RFSB by HEW is only RM33,404.64.

No claim has been filed in court by either party in respect of the amounts in dispute.

**(iii) Borrowings**

Save as disclosed below and in Section 10.4 of this prospectus, the total borrowings of Ramunia Group are as follows:-

<b>Borrowings</b>	<b>As at 30 November 2004 Amount (RM'000)</b>	<b>Proforma after Restructuring Scheme Amount (RM'000)</b>
Long Term borrowings		
• Interest bearing	3,187	5,263*
• Non-interest bearing	-	-
	3,187	5,263
Short Term borrowings		
• Interest bearing	29,027	29,027
• Non-interest bearing	-	-
	29,027	29,027
<b>Total Borrowings</b>	<b>32,214</b>	<b>34,290</b>

\* taking into account the liability portion of the ICULS

The Group has no foreign currency borrowings.

**1. INFORMATION SUMMARY (CONT'D)**

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**(iv) Contingent Liabilities And Material Commitments**

Save for the claims disclosed in Section 1.12(ii) above, there is neither contingent liability nor material commitment incurred by the Group as at 30 November 2004.

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## **2. PARTICULARS OF THE PUBLIC OFFERING**

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This prospectus is dated 31 December 2004.

A copy of this prospectus has been registered with the SC. A copy of this prospectus, together with the form of application, has also been lodged with the Registrar of Companies who takes no responsibility for its contents.

**The approval of the SC obtained vide its letters dated 9 August 2004, 16 December 2004 and 27 December 2004 shall not be taken to indicate that the SC recommends the Public Offering and that investors should rely on their own evaluation to assess the merits and risks of the Public Offering.**

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991, the Bursa Securities has prescribed the Shares, ICULS, ICPS and Warrants as prescribed securities, which are required to be deposited into the CDS. In consequence thereof, the securities offered/placed through this prospectus will be deposited directly with the Depository and any dealings in these securities will be carried out in accordance with the Securities Industry (Central Depositories) Act, 1991 and the Rules of Depository.

Approval-in-principle has been obtained from Bursa Securities on 20 December 2004 for the admission to the Official List and for the listing of and quotation for the entire issued and fully paid-up share capital of Ramunia, ICULS, ICPS and Warrants as well as the Shares to be issued upon conversion of the ICULS, ICPS and exercise of Warrants on the Second Board of the Bursa Securities. These securities will be admitted to the Official List of the Bursa Securities and official quotation will commence upon receipt of confirmation from Depository that all CDS Accounts of the successful applicants have been duly credited and notices of allotment have been despatched to all successful applicants.

Acceptance of Applications will be conditional upon permission being granted by the Bursa Securities to deal in and for the quotation of the entire enlarged issued and fully paid-up Shares, ICULS, ICPS and Warrants on the Second Board of the Bursa Securities within six (6) weeks from the date of issue of this prospectus (or such longer period as may be specified by the SC), failing which any allotment made on an application to subscribe for securities in pursuance to the prospectus shall be void provided that Ramunia is notified by or on behalf of the Bursa Securities within the aforesaid timeframe. Where permission has not been granted by the Bursa Securities within the timeframe mentioned above, the monies paid in respect of any Application accepted from the Public Offering will be returned in full without interest .

Pursuant to the Bursa Malaysia Securities Listing Requirements, at least 25% of the issued and paid-up share capital of the Company must be held by a minimum number of 1,000 public shareholders holding not less than one hundred (100) shares each and there shall be not less than one hundred (100) public shareholders of ICULS, ICPS and Warrants holding not less than one (1) board lot of the said securities each at the point of listing. In the event that the above requirement is not met pursuant to the Public Offering, the Company may not be allowed to proceed with its listing on the Second Board of the Bursa Securities. In the event thereof, monies paid in respect of all Applications will be returned if the said permission is not granted.

The Bursa Securities assumes no responsibility for the correctness of any statements made or opinions or report expressed in this prospectus. Admission to the Official List of the Second Board of the Bursa Securities is not to be taken as an indication of the merits of the Company or of its securities.

All applicants must have a CDS account. In the case of an application by way of an application form enclosed in this prospectus, an applicant should state his CDS account number in the space provided in the application form. The application must not be made by way of Electronic Share Application.

## 2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)

No person is authorised to give any information or to make any representation not contained herein in connection with the Public Offering and if given or made, such information or representation must not be relied upon as having been authorised by Ramunia. Neither the delivery of this prospectus nor any Public Offering made in connection with this prospectus shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of Ramunia since the date hereof.

The distribution of this prospectus and the making of the Public Offering in certain other jurisdictions outside Malaysia may be restricted by law. Persons who may come into possession of this prospectus are required to inform themselves of and to observe such restrictions. This prospectus does not constitute and may not be used for the purpose of an invitation to subscribe for the securities offered/placed through the Public Offering in any jurisdiction in which such offer or invitation is not authorised or unlawful or to any person to whom it is unlawful to make such offer or invitation.

If you are unsure of any information contained in this prospectus, you should consult your stockbroker, bank manager, solicitor, accountant, or other professional advisers.

### 2.1 CRITICAL DATES OF THE PUBLIC OFFERING

Events	Tentative Date
Issue of Prospectus/Opening date of the Public Offering	31 December 2004
Closing date of the Public Offering / Last day and time for the acceptance of the Offer Securities and application for excess Offer Securities *	13 January 2005
Crediting of Shares, ICULS, ICPS and Warrants to successful applicants	27 January 2005
Listing date	28 January 2005

Notes:-

\* *The Closing date of the Public Offering / last day and time for the acceptance of the Offer Securities and application for excess Offer Securities may be extended for further period or periods as the directors of Ramunia and the Offerors together with the Managing Underwriter for the Offer For Sale By SA in their absolute discretion may decide*

### 2.2 OPENING AND CLOSING OF APPLICATION

The Application for the Public Offering will open at 10.00 a.m. on 31 December 2004 and will remain open until 5.00 p.m. on 13 January 2005 or for such further period or periods as the directors of Ramunia and the Offerors together with the Managing Underwriter for the Offer For Sale By SA in their absolute discretion may decide.

Where the closing date of Application is extended from the original closing date, the notice of such extension(s) will be advertised in a widely circulated English newspaper not less than one (1) market day before the original closing date. Late Applications will not be accepted.

**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)****2.3 PUBLIC OFFERING SECURITIES**

	Number of Shares	Amount (RM)
<b>AUTHORISED SHARE CAPITAL</b>	1,600,000,000	800,000,000
• Shares	110,000,000	55,000,000
• ICPS	<b>1,710,000,000</b>	<b>855,000,000</b>
<b>ISSUED AND FULLY PAID-UP SHARE CAPITAL</b>	212,351,942	106,175,971
<b>RESTRICTED OFFER FOR SALE</b>		
• Shares to be offered pursuant to the Offer For Sale By SA	9,324,031	4,662,016
• ICULS to be offered pursuant to the Offer For Sale By Remcorp	46,620,155	23,310,078
• ICPS to be offered pursuant to the Offer For Sale By Remcorp	46,620,155	23,310,078
• Warrants given free of charge pursuant to the Offer For Sale By Remcorp	9,324,031*	-*
<b>PLACEMENT</b>		
• Shares to be placed pursuant to the Placement	43,763,955	21,881,978

\* 9,324,031 Warrants will be given free of charge to every Entitled Shareholder who has accepted the Offer For Sale By SA and Offer For Sale By Remcorp at the time that the Share, the ICULS and the ICPS shall be registered in the name of the Entitled Shareholder

Note: assuming the Restricted Offer For Sale will be fully subscribed and all Entitled Shareholders of SHB will subscribe for at least 100 Shares each, and accordingly the placement of additional Shares, up to 10,000 ICULS and/or 10,000 ICPS and disbursement of up to 10,000 Warrants by Remcorp are not required

The offer price is RM0.50 per Share, RM0.50 per ICULS and RM0.50 per ICPS, payable in full upon application.

The placement price is RM0.50 per Share, payable in full upon application.

The details of the securities in the Company are as follows:-

**(i) Shares**

The Shares to be offered/placed out pursuant to the Public Offering shall rank pari passu with one another. The Shares will rank pari passu in all respects with the Shares then in issue including any dividends, rights, allotments and/or other distributions subsequent to the allotment date thereof. The other rights attaching to the Shares are as below:-



**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

(i)	Income	Subject to any special rights attaching to any shares which may be issued by the Company, the holders of the Shares shall, in proportion to the amount paid-up or credited as paid-up on the Shares held by them, be entitled to share in the profits paid out by the Company as dividends and shall in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up, be entitled to share in any surplus in the event of the liquidation of the Company, in accordance with its Articles of Association.
(ii)	Voting	Subject to any rights or restrictions for the time being attached to any class or classes of shares, at meetings of members or classes of members, each member entitled to vote may vote in person or by proxy or by attorney or other duly authorised representatives, and on a show of hands, every person present who is a member or proxy or attorney or duly authorised representative of a member shall have one (1) vote, and, on a poll, every member present in person or by proxy or by attorney or duly authorised representatives shall have one (1) vote for each Share he holds. Any proxy or attorney or duly authorised representative shall be entitled to vote both on a show of hands and on a poll.

**(ii) ICPS**

The salient terms of the ICPS to be offered/placed pursuant to the Public Offering are set out below:-

(i)	Issue Price	:	RM0.50
(ii)	Par Value	:	RM0.50
(iii)	Maturity Date	:	The date falling on the fifth anniversary of the date of first issue of the ICPS on which the ICPS in issue will automatically be converted into new Shares
(iv)	Redeemability	:	The ICPS are not redeemable
(v)	Conversion Price	:	RM0.50
(vi)	Mode Of Conversion	:	The Conversion Price shall be satisfied by tendering one (1) ICPS for cancellation, in exchange for one (1) new Share, to be issued and credited as fully paid-up  No fraction on a new Share arising on the conversion will be allotted to the ICPS holder
(vii)	Conversion Period	:	The ICPS shall be automatically converted into new Shares at the Conversion Price on the Maturity Date. There shall be no conversion prior to the Maturity Date
(viii)	Status Of ICPS	:	The ICPS shall rank pari passu with one another without any preference or priority amongst themselves

**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

(ix)	Listing Status Of ICPS	: The ICPS will be listed on the Second Board of the Bursa Securities
(x)	Status Of New Shares Upon Conversion Of ICPS	: The new Shares which arise on conversion of the ICPS shall, upon allotment and issue, rank pari passu in all respects with the Shares then in issue except that they shall not be entitled to any dividends, rights, allotments and/or other distributions the entitlement date of which precedes the date of allotment of the new Shares
(xi)	Listing Status Of New Shares Upon Conversion Of ICPS	: The new Shares to be issued upon conversion of the ICPS will be listed on the Second Board of the Bursa Securities
(xii)	Dividend	Non-cumulative preferential dividend at the rate of one per cent (1%) per annum on the capital paid-up or credited as paid-up on the ICPS; and no such dividend shall be declared and/or paid on Shares in any financial year unless dividends on the ICPS shall have been paid in that financial year. The dividend is payable yearly on each dividend payment date with the final dividend being paid on the last dividend payment date prior to the conversion date provided always that any dividend declared but unpaid shall be paid to the ICPS holders in priority of any payment in respect of any other class of shares in the capital of the Company.
(xiii)	Further issues	The Company shall have the rights to create or issue further preference shares provided that such preference shares do not rank pari passu with the ICPS or carry terms or dividend rate or calculation of the conversion price which is more favourable than the terms or dividend rate or the conversion price of the ICPS
(xiv)	Voting	The ICPS holders are entitled to receive notice of and attend (either in person or by proxy) any general meeting and subject to the provisions on alteration of rights in the Articles of Association, shall be entitled to vote (if on a poll at any general meeting, to one (1) vote for each ICPS held by him): <ul style="list-style-type: none"> <li>(a) upon any resolution or an alteration of articles which affects the rights and privileges attaching to the ICPS;</li> <li>(b) when the dividend or part of the dividend on the ICPS is in arrears for more than six (6) months;</li> <li>(c) upon any resolution to reduce Ramunia's share capital;</li> <li>(d) upon any resolution for the disposal of the whole of Ramunia's property, business and undertaking;</li> <li>(e) upon any resolution for the winding up of Ramunia; and</li> <li>(f) during the winding up of Ramunia</li> </ul>

**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

(xv) Capital	<p>On a return of capital on winding-up, liquidation or otherwise (other than on a conversion of shares) the surplus assets of the Company remaining after payment of its liabilities shall be applied:-</p> <p>(a) first, in paying to the holders of the ICPS on a pari passu basis, a sum equal to any dividend declared but unpaid on the ICPS;</p> <p>(b) second, in paying to the holders of the ICPS on a pari passu basis, an amount equal to the aggregate of the par value on each ICPS;</p> <p>(c) thirdly, in paying to the holders of Shares, pari passu as between themselves, a sum equal to any arrears of dividend due on the ordinary shares whether or not the Company has sufficient distributable reserves; and</p> <p>(d) fourthly, the balance of the assets shall belong to and be distributed among the holders of any class of shares in the capital of the Company other than ICPS in accordance with the respective rights attaching thereto.</p> <p>The ICPS holders shall not be entitled to participate in the profits or assets of the Company beyond such rights as are expressly set out in the Articles of Association</p>
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**(iii) ICULS**

The ICULS are constituted by the Trust Deed, of which the salient terms of the ICULS are set out below:-

(i)	Type and nominal value	: 3-year 1% 164,000,000 irredeemable convertible unsecured loan stocks at nominal value of RM0.50 each
(ii)	Ranking	: The new Shares to be issued pursuant to the conversion of the ICULS shall, upon allotment and issue, rank pari passu in all respects with the Shares then in issue except that they shall not be entitled to any dividends, rights, allotments and/or other distributions the entitlement date of which precedes the date of allotment of the new Shares
(iii)	Issue price	: At 100% nominal value of ICULS
(iv)	Coupon rate	: One per centum (1%) per annum payable annually in arrears
(v)	Minimum level of subscription	: The ICULS (100%) are to be issued directly to Remcorp pursuant to the Ramunia Assets Acquisitions and/or AmTrustee Berhad pursuant to the PGA
(vi)	Tenor	: Three (3) years from the date of first issue

## 2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)

(vii)	Form and denomination	<p>The ICULS will be issued in registered form in denominations of RM0.50 or multiples thereof</p> <p>The ICULS will be represented by a Global Certificate to be deposited with Depository</p>
(viii)	Underwriting arrangements	: The ICULS will not be underwritten
(ix)	Events of default	<p>The following, <i>inter-alia</i>, are the events of default:-</p> <p>(a) <b><u>Breach of obligation:</u></b> if Ramunia defaults in the performance and observance of any agreement, covenant, undertaking, stipulation, proviso or obligation herein contained and on the part of Ramunia to be performed and observed and, where such default continues for a period of fourteen (14) days from the date of receipt by Ramunia of a notice in writing from the Trustee requiring Ramunia to remedy the default and where such default is not capable of remedy, the Trustee has certified in writing that the Trustee considers, in its opinion, such default to be materially prejudicial to the interest of the ICULS holders;</p> <p>(b) <b><u>Misrepresentation:</u></b> any representation, warranty or written statement which is made (or acknowledged to have been made) by Ramunia in the Trust Deed or which is contained in any certificate, statement, legal opinion or notice provided under or in connection herewith or therewith proves to be incorrect in any material respect, or if repeated at any time with reference to the facts and circumstances subsisting at such time would not be accurate in any material respects; or</p> <p>(c) <b><u>Cross-default:</u></b> Ramunia or its Subsidiary stops or threatens to stop payment in respect of its obligations generally or if any other debenture of or moneys borrowed by Ramunia or its Subsidiary becomes repayable by reason of default or any amount owing thereunder or in respect thereof is not repaid on its due date (or within any applicable grace period) or any guarantee or indemnity given by Ramunia or its Subsidiary is not honoured when due and called upon or if any security for any such debenture, borrowed money, guarantee or indemnity becomes enforceable; or</p> <p>(d) <b><u>Winding up:</u></b> any person presents a petition for the winding-up of Ramunia or its Subsidiary or an order is made or an effective resolution passed for winding up of Ramunia or its Subsidiary (except for the purpose of a reconstruction or any amalgamation the terms of which have previously been approved in writing by the ICULS holders pursuant to a Special Resolution) or if a provisional liquidator of Ramunia or its Subsidiary is appointed; or</p>

**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

- (e) **Cessation of business:** Ramunia or its Subsidiary changes or threatens to change the nature or scope of its business, suspends or threatens to suspend a substantial part of the present business operations which they now conduct directly or indirectly, or any governmental authority expropriates or threatens to expropriate all or part of the assets of Ramunia or its Subsidiary save and except where such change in the nature or scope of its business arises from a corporate reorganisation exercise involving Ramunia and its wholly-owned subsidiaries which would not have a material adverse effect on its consolidated financial position; or
- (f) **Appointment of receiver, legal process:** if an encumbrancer takes possession of, or a receiver is appointed over the whole or any part of the assets or undertaking of Ramunia and/or its Subsidiary and such possession or appointment is certified by the Trustee to be prejudicial in its opinion to the interests of the ICULS holders; or
- (g) **Insolvency:** Ramunia or its Subsidiary is for the purpose of Section 218(2) of the Act deemed unable to pay its debts as they fall due or Ramunia or its Subsidiary becomes unable to pay its debts as they fall due or suspends or threatens to suspend making payments (whether of principal or interest) with respect to all or any class of its debts; or
- (h) **Arrangement with creditors:** Ramunia or its Subsidiary convenes a meeting of its creditors or proposes or makes any arrangement or composition with, or any assignment for the benefit of its creditors (including but not limited to a scheme of arrangement under Section 176 of the Act); or
- (i) **Material Adverse Change:** any event has occurred and such event is certified in writing to Ramunia by the Trustee to be, in its opinion, materially prejudicial to the interests of the ICULS holders provided that it shall not be an event of default if Ramunia has, within fourteen (14) days from the date on which Ramunia receives a notice in writing setting out in details particulars of the event which would have a material effect on Ramunia, remedied it to the satisfaction of the Trustee; or
- (j) **Licence, Authorisation or Approval:** there is a revocation, withholding or modification of a licence, authorisation, approval or consent that may materially and adversely impairs or prejudices Ramunia's ability to perform any of its obligations under the ICULS or the Trust Deed or any other document relating to the issue, offer or invitation in respect of the ICULS in accordance with the terms thereof; or

**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

- : (k) **Section 176 of the Act:** any steps taken by Ramunia or its Subsidiary, its creditors or any of its shareholders or any legal proceedings or applications have been commenced or steps have been initiated under Section 176 of the Act against Ramunia or its Subsidiary; or
- (l) **Assets:** all or a substantial part of the property or assets of Ramunia or its Subsidiary shall be seized or otherwise appropriated or nationalized or custody or control of such property or assets shall be assumed and retained for more than fourteen (14) days by any person acting under the authority of the Government and such event is certified in writing to Ramunia by the Trustee to be, in its opinion, materially prejudicial to the interests of the ICULS holders; or
- (m) **Non payment :** Ramunia fails to pay the interest or any amount due by it under the Trust Deed on the due date or on demand; or
- (n) **De-listing :** The securities of Ramunia (including the Shares and the ICULS) are removed from the Official List of the Bursa Securities

If any of the event(s) of default stated above occur(s), the Trustee may, in its discretion and shall if so directed by a special resolution of the ICULS holders, by giving notice in writing to Ramunia, declare that an event of default has occurred and the nominal amount of the ICULS then outstanding together with interest thereon as immediately payable by Ramunia subject always to the ICULS holders' rights to convert as stated below

Without further notice to Ramunia, the Trust Deed shall be enforceable according to the terms therein contained

Upon declaration of an event of default, each ICULS holder shall in respect of all or any of his ICULS be entitled within six (6) weeks of the declaration of an event of default (but before the Maturity Date) by notice in writing to Ramunia (such notice to be accompanied by his ICULS) to elect to be treated as if the conversion right applicable to such ICULS had been exercisable and had been exercised immediately before the date the occurrence of the event of default and in that event he will be entitled to receive out of the assets of Ramunia available in the liquidation pari passu with the shareholders of Ramunia

The Trustee upon declaring the nominal amount of the ICULS then outstanding as being immediately payable by Ramunia, shall forthwith or at any time thereafter be entitled to take such action against Ramunia to enforce the performance by Ramunia of its obligations under the Trust Deed and the ICULS

(x) Security : None

**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

(xi)	Rating assigned	:	Not applicable
(xii)	Listing status	:	Approval-in-principle has been obtained from the Bursa Securities on 20 December 2004 for the admission of the ICULS to the Official List of the Bursa Securities (Second Board) and for the listing of and quotations for the ICULS and the new Shares to be issued upon conversion of the ICULS
(xiii)	Rights conferred upon the ICULS holders	:	The Trustee or Ramunia may, and the Trustee shall at the request in writing of one (1) or more ICULS holders holding not less than ten percent (10%) in nominal value of the ICULS for the time being outstanding and upon receiving such indemnity as the Trustee may require against the cost of convening and holding the meeting, convene a meeting of the ICULS holders. Save for any ICULS held by or on behalf of Ramunia or its related corporations, holders of the ICULS shall be entitled to vote at the ICULS holders' meeting
(xiv)	Governing law	:	Laws of Malaysia. The ICULS shall at all times be governed by the guidelines issued by the SC, Bursa Securities and any other relevant authority in Malaysia and the Bursa Malaysia Securities Listing Requirements
(xv)	Repayment terms and frequency of interest payments	:	The ICULS will not be redeemable for cash. All outstanding ICULS will be converted into new Shares on the maturity date i.e. the date falling on the third anniversary date of the first issue of the ICULS. The coupon is payable on the outstanding ICULS annually in arrears with the last Interest payment to be made on the maturity date
(xvi)	Syariah principle and concept	:	Not applicable
(xvii)	Underlying assets	:	Not applicable
(xviii)	Sinking fund requirement	:	Not applicable
(xix)	Mode of Conversion period/Conversion ratio and Conversion price	:	All ICULS shall be converted into new Shares automatically on the maturity date at the rate of RM0.50 nominal value of the ICULS for one (1) Share, credited as fully paid up in the capital of Ramunia. There shall be no conversion prior to the maturity date save and except on the occurrence of an event of default wherein each ICULS holder shall in respect of all or any of his ICULS be entitled within six (6) weeks of the declaration of an event of default (but before the Maturity Date) by notice in writing to Ramunia (such notice to be accompanied by his ICULS) to elect to be treated as if the conversion right applicable to such ICULS had been exercisable and had been exercised immediately before the date the occurrence of the event of default

**(iv) Warrants**

The Warrants are constituted by the Deed Poll. The particulars of which are set out below:-

**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

(i)	Number of Warrants	:	237,800,000 on the basis of twenty-nine (29) Warrants for every twenty (20) Shares issued pursuant to the Ramunia Assets Acquisitions
(ii)	Rights attached to Warrants	:	Warrant holders shall not have any participating rights in the issuance of the shares or securities by Ramunia to the shareholders or securities holders or any other person or persons (whether by way of bonus, rights, special, public offer or otherwise and whatever consideration) unless otherwise resolved by Ramunia in a general meeting
(iii)	Exercise period	:	The Warrants may be exercised at any time on or before the date falling ten (10) years from the date of first issue of the Warrants or the date of the first granting of the rights to allotment of the Warrants, whichever is earlier. Any Warrants not exercised during the Exercise Period will thereafter lapse and cease to be valid
(iv)	Exercise price	:	RM0.55
(v)	Status of new Shares arising from the exercise of the Warrants	:	The new Shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issue, rank pari passu in all respects with the Shares then in issue except that they shall not be entitled to any dividends, rights, allotments and/or other distributions the entitlement date of which precedes the date of allotment of the new Shares
(vi)	Adjustment to Exercise Price and number of Warrants outstanding	:	The exercise price and/or the number of the Warrants outstanding shall be adjusted in accordance with the provisions set out in the Deed Poll
(vii)	Voting		The Company may and shall upon receipt of a request in writing of one (1) or more Warrants holders holding together in the aggregate not less than ten per centum (10%) of the Warrants for the time being remaining unexercised convene a meeting of the Warrant holders. Such meeting shall be held at such place in Malaysia and at such time as the Company shall determine or approve. On a show of hands every Warrant holder who (being an individual) is present in person or by proxy or (being a corporation) is present by proxy or its duly authorised representative shall have one (1) vote. On a poll every Warrant holder who is present in person or by proxy or by its duly authorised representative shall have one (1) vote for each Warrant he holds
(viii)	Winding up		If whilst any Warrants remain capable of being exercised, a resolution has been passed for a member's voluntary winding up of the Company or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with one or more companies, then:



**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

- (a) for the purpose of such winding-up, compromise or arrangement to which the Warrant holders or some person designated by them for such purposes by special resolution shall be a party, the terms of such winding-up, compromise or arrangement shall be binding on all the Warrant holders; and
- (b) in any other case, every Warrant holder shall be entitled upon and subject to the conditions set out in the Deed Poll at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of the Company or within six (6) weeks after the granting of the court order approving the compromise or arrangement (but in both cases, not later than the expiry of the exercise period), by irrevocable surrender of his Warrants to the Company by submitting the duly completed exercise form authorising the debiting of his Warrants together with payment of the relevant exercise money by banker's draft/ banker's demand draft/ cashier's order/ money or postal order (such payment being free of any foreign exchange commission, remittance charges, or other deductions), to elect to be treated as if the Warrant holder had immediately prior to the commencement of the winding up, compromise or arrangement exercised the exercise rights represented by such Warrants to the extent specified in the exercise form and be entitled to receive out of the assets of the Company which would be available in liquidation if he had on such date been the holder of the new Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly.

The Company shall give notice to the Warrant holders within seven (7) days after the passing of such resolution or the granting of the court order approving the compromise or arrangement in accordance with the Deed Poll. Subject to the foregoing, if the Company is wound up by way of a members' voluntary winding up or an order has been granted for such compromise or arrangement, all exercise rights which have not been exercised within six (6) weeks of the passing of such resolution or the granting of the court order shall lapse and the Warrants will cease to be valid for any purpose.

Subject to the foregoing, if the Company is wound up (other than by way of a members' voluntary winding up), all exercise rights which have not been exercised prior to the date of winding up or the granting of the Court order shall lapse and the Warrants will cease to be valid for any purpose

## **2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

### **2.4 BASIS OF ARRIVING AT THE PUBLIC OFFERING PRICE**

The offer prices and placement prices were determined and agreed upon by the Company, the Offerors and AmMerchant Bank as Adviser and Managing Underwriter for the Offer For Sale By SA based on various factors including the following:-

#### **Shares**

The offer/placement price of RM0.50 per Share is based on the following:-

- par value of RM0.50 of the Shares;
- PE of 8.33 times based on the forecast basic net EPS of Ramunia before exceptional items of RM36,500,000 for the financial year ending 31 October 2005 of 6.00 sen per Share;
- discount of RM0.01 or approximately 2% to the proforma NTA of Ramunia as at 30 June 2004 after the Restructuring Scheme (before conversion of ICULS, ICPS and Warrants) of RM0.51 per Share;
- the Group's history, business and financial position as outlined in Sections 1.1, 1.4 and 1.5 of this prospectus; and
- the prospects of the industry in which the Group operates as outlined in Section 4.4 of this prospectus.

#### **ICULS**

The offer/placement price of RM0.50 per ICULS is based on the issue price of the ICULS.

#### **ICPS**

The offer/placement price of RM0.50 per ICPS is based on the issue price of the ICPS.

The directors of Ramunia, the Offerors and AmMerchant Bank are of the opinion that the offer prices and placement prices of the Public Offering are fair and reasonable after careful consideration of the abovementioned factors.

However, shareholders should also note that the market prices of Shares, ICULS and ICPS upon listing on the Bursa Securities are subject to the vagaries of the market forces and other uncertainties which may affect the price of securities being traded.

Investors should form their own views on the valuation of the securities and the reasonableness of the bases used.

### **2.5 DETAILS OF THE PUBLIC OFFERING**

The Public Offering will be allocated in the following manner:-

#### **Restricted Offer For Sale**

Restricted offer for sale of the following securities to the Entitled Shareholders on a non-renounceable basis:-

- (a) 9,324,031 Shares by the SA at the offer price of RM0.50 each on the basis of one (1) Share for every two (2) ICPS allotted on 22 December 2004 pursuant to the Share Swap; and

**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

- (b) 46,620,155 ICULS and 46,620,155 ICPS by Remcorp at the offer price of RM0.50 per ICULS and RM0.50 per ICPS on the basis of five (5) ICULS and five (5) ICPS for every two (2) ICPS allotted on 22 December 2004 pursuant to the Share Swap

subject to the acceptance of the Restricted Offer For Sale by the shareholders in the following manner:-

- Acceptance of the Offer For Sale By SA is conditional upon the same shareholder accepting the Offer For Sale By Remcorp; and
- Acceptance of the Offer For Sale By Remcorp is conditional upon the same shareholder accepting the Offer For Sale By SA.

The 9,324,031 Warrants will be detached by Ramunia from the Shares upon issuance and Remcorp shall transfer or cause to be transferred/issued a Warrant free of charge to every Entitled Shareholder who has acquired one (1) Share, five (5) ICULS and five (5) ICPS for every two (2) ICPS held in accordance with the manner stated above at the time that the Share, the ICULS and the ICPS shall be registered in the name of the Entitled Shareholder.

The Restricted Offer For Sale is not renounceable. Accordingly, the Entitled Shareholders are not allowed to sell, assign or transfer their rights under the Blue Application Forms accompanied by this prospectus to any third party. The Entitled Shareholders who wish to accept the Offer Securities provisionally offered to them can also apply for additional securities in excess of their entitlement. However, the directors of Ramunia and the Offerors reserve the right to allot the excess Shares, ICULS and ICPS applied for in such manner as they deem fit. It is the intention of the directors of Ramunia and the Offerors to allot the Shares, ICULS and ICPS available for excess application (if any) in such manner that the incidence of odd lots will be minimised. Fractional entitlements arising from the Restricted Offer For Sale, if any will be disregarded.

**Placement**

Placement of the following securities:-

- (i) 39,027,907 Shares by the SA and 4,736,048 Shares and such additional number of Shares as may be required in order to meet the public shareholding spread, by Remcorp to identified investors, at the placement price of RM0.50 per Share; and
- (ii) up to 10,000 ICULS and/or 10,000 ICPS at the placement price of RM0.50 per ICULS and RM0.50 per ICPS by Remcorp, if required.

In summary, the Public Offering securities will be allocated and allotted in the following manner:-

	Restricted Offer For Sale	Placement	Total Public Offering securities
Entitled Shareholders – Shares	9,324,031	-	9,324,031
– ICULS	46,620,155	-	46,620,155
– ICPS	46,620,155	-	46,620,155
– Warrants	9,324,031*	-	9,324,031*
Placees – Shares	-	43,763,955	43,763,955
<b>Total</b>	<b>111,888,372</b>	<b>43,763,955</b>	<b>155,652,327</b>

*Note: assuming the Restricted Offer For Sale will be fully subscribed and all Entitled Shareholders will subscribe for at least 100 Shares each, and accordingly the placement of additional Shares and/or up to 10,000 ICULS and/or 10,000 ICPS and disbursement of up to 10,000 Warrants by Remcorp are not required*

## **2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

- \* *9,324,031 Warrants will be given free of charge to Entitled Shareholder who has accepted the Offer For Sale By SA and Offer For Sale By Remcorp at the time that the Share, the ICULS and the ICPS shall be registered in the name of the Entitled Shareholder*

In the event of under-subscription of the Restricted Offer For Sale, the unsubscribed securities shall be dealt with in the following manner:-

- (i) the fully underwritten 9,324,031 Shares shall be taken up by the underwriter, AmMerchant Bank. In the event that the shareholders after the closing date of the Public Offering is less than 1,000, Remcorp will place out such additional number of Shares to meet the minimum number of shareholders required for listing; and
- (ii) the ICULS, ICPS and Warrants shall be retained by Remcorp. However, if required, up to 10,000 ICULS and/or 10,000 ICPS will be made available to identified investors via private placement in order to meet the minimum number of holders required for listing at the placement price of RM0.50 per ICULS and RM0.50 per ICPS, whilst up to 10,000 Warrants shall be disbursed for free to persons who qualify as public.

As for Placement, the Placement Agent has identified places to take up 43,763,955 Shares available for application. Further, Ramunia, Remcorp and the SA had on 20 December 2004 entered into an underwriting arrangement with K&N Kenanga Bhd to underwrite the 39,027,907 Shares pursuant to Placement by SA at the price of not less than RM0.50 per Share.

### **2.6 PURPOSES OF THE PUBLIC OFFERING**

The purposes of the Public Offering are as follows:-

- (i) To provide the opportunity for the Entitled Shareholders and Malaysian institutions to participate in the equity and continuing growth of the Group;
- (ii) To enable the Group to gain recognition and certain status through its listing status and further enhance its corporate image and assist the Group in expanding its customer base;
- (iii) To enable the Group to gain access to the capital market to raise funds for future expansion, diversification, modernisation and continued growth of the Group; and
- (iv) To facilitate the listing of and quotation for the entire enlarged issued and paid-up share capital, ICULS, ICPS and Warrants of the Company on the Second Board of the Bursa Securities.

### **2.7 UTILISATION OF PROCEEDS**

All proceeds of the Public Offering amounting up to RM73,164,148 (excluding placement of additional Shares and up to 10,000 ICULS and/or 10,000 ICPS by Remcorp) shall accrue to the Offerors, of which RM24,175,969 shall be utilised for settlement to the Creditors. Ramunia will not receive any of the proceeds. Hence, there is no financial impact on Ramunia from the utilisation of the proceeds arising from the Public Offering. The proceeds arising from the exercise of Warrants shall accrue to the Company.

**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)****2.8 ESTIMATED EXPENSES OF THE RESTRUCTURING SCHEME**

Ramunia will bear all expenses incidental to the listing of and quotation for Shares, ICULS, ICPS and Warrants on the Second Board of the Bursa Securities which include the registration fee, professional fee (save for part of the investigative fee which is borne by the SA), SC fees, listing expenses and other relevant fee, which is estimated to be RM3,000,000 as shown below:-

<b>Estimated listing expenses</b>	<b>Amount (RM)</b>
Professional fees	2,100,000#
SC fees	65,000
Bursa Securities initial listing fees for Shares, ICULS, ICPS and Warrants	30,000
Printing expenses	200,000
Miscellaneous	605,000
<b>Total</b>	<b>3,000,000</b>

Notes: -

# Include fees for the adviser, reporting accountants, solicitors, valuers and other professional advisors.

In addition to the above, Remcorp will bear part of the expenses in relation to the Restructuring Scheme (which includes the Restricted Offer For Sale) of approximately RM2,000,000.

**2.9 UNDERWRITING COMMISSION AND PLACEMENT AGENT COMMISSION**

Underwriting commission is payable by Remcorp to the underwriters, namely AmMerchant Bank and K&N Kenanga Bhd in respect of the Offer For Sale By SA and Placement By SA respectively at the rate of 1.50% of the total value of Shares to be underwritten at the price of RM0.50 per Share.

A placement commission is payable by Remcorp to the Placement Agent at the rate of 1.50% of the total placement price of Shares, ICULS and ICPS successfully placed out by the Placement Agent.

**2.10 SALIENT TERMS OF THE UNDERWRITING AGREEMENTS**

*Note: Unless stated otherwise, all capitalised terms shall bear the same meanings as prescribed in the Underwriting Agreements.*

The following are extracts of the salient terms reproduced from the Underwriting Agreement dated 20 December 2004 entered into between AmMerchant Bank, Ramunia, Remcorp and the SA ("**AmMerchant Agreement**") and Underwriting Agreement dated 20 December 2004 between K&N Kenanga Bhd, Ramunia, the SA and Remcorp ("**K&N Agreement**") including termination clauses, which may allow the underwriters to withdraw from obligations under their respective agreements:-

## 2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)

### AmMerchant Agreement

#### (i) **Clause 6 - Conditions**

##### 6.1 **Details**

The obligations of the Underwriter to underwrite the Underwritten Shares under this Agreement are conditional on the performance by Remcorp, the Company and the Offerors of its obligations under this Agreement and on:

6.1.1 The Managing Underwriter being satisfied that:

6.1.1:1 there has been no material change or any development likely to result in a material adverse change in the financial position, business operations or conditions (financial or otherwise) of the Group taken as a whole from that provided in the Prospectus at the Closing Date; or

6.1.1:2 there has not occurred any event or the discovery of any facts or circumstances which would render any representation, warranty or undertaking in Clause 11 (Representations, Warranties and Undertakings) untrue or inaccurate or result in a material breach of this Agreement by Remcorp and/or the Company at the Closing Date;

6.1.2 The Managing Underwriter receiving a certificate in the form contained in **Schedule 3A (Certificate of Company)** of this Agreement dated the Issue Date signed by all the Directors of the Company stating that, to the best of their knowledge and belief, having made all reasonable enquiries, there has been no such change, development or occurrence as referred to in Clause 11 (Representations, Warranties and Undertakings) of this Agreement and the Managing Underwriter receiving a certificate in the form contained in **Schedule 3B and 3C (Certificate of the Promoters)** of this Agreement dated the Issue Date signed by all the Promoters stating that, to the best of their knowledge and belief, having made all reasonable enquiries, there has been no such change, development or occurrence as referred to in Clause 11 (Representations, Warranties and Undertakings) of this Agreement;

6.1.3 The issue of the Prospectus not later than 1 month from the date of this Agreement or such later date as the Managing Underwriter, the Company, Remcorp and the Special Administrators may from time to time agree in writing;

6.1.4 The registration of the Prospectus and such other documents as may be required in accordance with the SCA in relation to the Restricted Offer for Sale and Placement with the SC and its lodgement with the ROC by the Issue Date;

6.1.5 The approval of SC referred to in Clause 2.3 (Approval) to the Proposed Re-listing being obtained on terms acceptable to the Managing Underwriter and remaining in full force and effect and that all conditions to the approval (except for any which can only be complied with after the Restricted Offer for Sale has been completed) have been complied with;

6.1.6 The approval-in-principle of the Bursa Securities to the Proposed Re-listing being obtained on terms acceptable to the Managing Underwriter and remaining in full force and effect and that all conditions to the

**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

- approval (except for any which can only be complied with after the Restricted Offer for Sale has been completed) have been complied with;
- 6.1.7 The Managing Underwriter being satisfied that the Company will, following completion of the Restricted Offer for Sale be admitted to the Official List and its share capital be listed and quoted on the Second Board within six (6) weeks from the date of the Prospectus;
- 6.1.8 The Managing Underwriter being satisfied with the arrangements of Remcorp to pay the expenses referred to in Clause 10 (Fees and Commission);
- 6.1.9 The Managing Underwriter receiving a copy certified by a director or secretary of the Company to be a true and accurate copy and in full force and effect of a resolution of the Directors in form and substance acceptable to the Managing Underwriter:
- 6.1.9:1 approving the Offer Documents, this Agreement and the transactions contemplated by it;
- 6.1.9:2 authorising a person to sign and deliver this Agreement on behalf of the Company;
- 6.1.9:3 authorising the issuance of the Offer Documents;
- 6.1.10 The Managing Underwriter receiving a copy certified by a director or secretary of Remcorp to be a true and accurate copy and in full force and effect of a resolution of the Remcorp in form and substance acceptable to the Managing Underwriter:
- 6.1.10:1 approving the Offer Documents, this Agreement and the transactions contemplated by it;
- 6.1.10:2 authorising a person to sign and deliver this Agreement on behalf of Remcorp;
- 6.1.10:3 authorising the Restricted Offer for Sale and Placement.
- 6.1.11 This Agreement being signed by all parties and stamped;
- 6.1.12 The Restricted Offer for Sale not being prohibited or impeded by any statute, order, rule, directive or regulation promulgated by any legislative, executive or regulatory body or authority of Malaysia or any condition imposed by the regulators in approving the Restricted Offer for Sale and all consents, approvals, authorisations or other orders required by the Company, Remcorp and/or the Offerors under such laws for or in connection with the Transactions including the Restricted Offer for Sale and/or the Proposed Re-listing have been obtained and are in force on the Closing Date or the Managing Underwriter being reasonably satisfied that the same will be in force on the Closing Date;
- 6.1.13 The Managing Underwriter being satisfied that the Company, Remcorp and/or the Offerors have complied with and that the Restricted Offer for Sale is in compliance with the policies, guidelines and requirements of the SC and all revisions, amendments and/or supplements thereto; and
- 6.1.14 The Restricted Offer for Sale being approved by the shareholders of Remcorp in an extraordinary general meeting or pursuant to Section 152A of the Companies Act.

**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

6.1.15 The Placement Agreement and the Underwriting Agreement with K&N shall become unconditional in all respects (save for any condition requiring this Agreement to be unconditional) and not having been terminated or rescinded pursuant to the provisions thereof.

**(ii) Clause 10 – Fees and Commission**

10.1 In consideration of the Underwriter agreeing to underwrite the Underwritten Shares, Remcorp shall, pay the Underwriter underwriting commission at the following rate of the Offer Price for each of the Underwritten Shares:-

	<b>Underwriting Commission (%)</b>
Underwritten Shares	1.5

The amount of underwriting commission payable to the Underwriter are set out in **Schedule 2**.

10.2 The Underwriting Commission shall be payable to the Underwriter whether or not any allotment is made to the Underwriter or their respective nominees and whether or not the Underwriter becomes obliged to apply for any Underwritten Shares pursuant to Clause 9 (Underwriting Obligations). For the avoidance of doubt, any service tax chargeable in respect of the Underwriting Commission shall be borne by Remcorp.

10.3 Subject to Clause 9 (Underwriting Obligations), the Underwriting Commission shall be paid by Remcorp to the Underwriter within 3 Market Days after the listing of the entire share capital of the Company on the Second Board provided always that so long as any moneys which are due from the Underwriter under Clause 9 (Underwriting Obligations) in respect of any Underwritten Shares shall remain unpaid the Underwriter shall not be entitled to receive payment of the Underwriting Commission.

10.4 For the avoidance of doubt, any Underwriting Commission payable to the Underwriter shall remain payable to such Underwriter notwithstanding that this Agreement shall be terminated, cancelled or withdrawn or the obligations of the Underwriter shall be cancelled or terminated or withdrawn for any reasons whatsoever or the Company fails to proceed with the listing on the Second Board for any reasons whatsoever unless such termination or cancellation or withdrawal is due to the default of the Underwriter in which event the Defaulting Underwriter shall not be entitled to its Underwriting Commission but the Defaulting Underwriter shall be entitled to claim reimbursement of costs and expenses incurred under Clause 12 (Costs and Expenses).

**(iii) Clause 14 - Termination**

14.1 Notwithstanding anything herein contained, the Managing Underwriter and/or the Underwriter, acting through the Managing Underwriter may by notice in writing to the Company, Remcorp and the Offerors given at any time before the Closing Date, terminate and cancel and withdraw its commitment to underwrite the Underwritten Shares if:-



**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

- 14.1.1 there is any breach by the Company and/or Remcorp of any of the representations, warranties or undertakings, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to the Company and/or Remcorp, or by the Closing Date, whichever is earlier, or withholding of information of a material nature from the Underwriter, which is required to be disclosed pursuant to this Agreement which, in the opinion of the Managing Underwriter and/or the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Group, the success of the Restricted Offer for Sale, or the sale of the Underwritten Shares; or
- 14.1.2 there is withholding of information of a material nature from the Underwriter, which, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to the Company and/or Remcorp, which, in the opinion of the Managing Underwriter and/or Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Group, the success of the Restricted Offer for Sale, or the sale of the Underwritten Shares; or
- 14.1.3 there shall have occurred, happened or come into effect any material and adverse change to the business or financial condition of the Company or the Group; or
- 14.1.4 there shall have occurred, happened or come into effect any of the following circumstances:-
- (a) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or
  - (b) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of the Managing Underwriter and/or the Underwriter (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents);
- which, (in the reasonable opinion of the Managing Underwriter and/or the Underwriter), would have or can reasonably be expected to have, a material adverse effect on and/or materially prejudice the business or the operations of the Company or the Group, the success of the Restricted Offer for Sale, or the sale of the Underwritten Shares, or which has or is likely to have the effect of making any material part of this Agreement incapable of performance in accordance with its terms; or
- 14.1.5 there is failure on the part of the Company, Remcorp and/or the Offerors to perform any of their respective obligations herein contained.

## 2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)

14.2 Upon such notice(s) being given under Clause 14.1, the Managing Underwriter and/or the Underwriter shall be released and discharged of its obligations without prejudice to its rights whereby this Agreement shall be of no further force or effect and no party shall be under any liability to any other in respect of this Agreement, except that the Company and Remcorp shall remain liable in respect of its obligations and liabilities under Clause 11 (Representations, Warranties and Undertakings) and under Clause 12 (Costs and Expenses) for the payment of the costs and expenses already incurred prior to or in connection with such termination and for the payment of any taxes, duties or levies and for any antecedent breach.

(iv) **Clause 21 - Withdrawal Or Non-Procurement Of Approval For Listing By Bursa Securities**

The Underwriter shall have the right to terminate this Agreement by notice in writing served by the Managing Underwriter on behalf of the Underwriter on the Company, Remcorp and the Offerors in the event that the approval of the Bursa Securities for the admission of the Company to the Official List is not procured within six (6) weeks from the date of the Prospectus or such longer period as may be specified by SC and upon such termination the liabilities of the Company, Remcorp and the Offerors and the Underwriter shall become null and void and none of the parties shall have a claim against each other save as otherwise provided in this Agreement and save that the Underwriter shall, on making a joint decision, be entitled to the return of the payment consideration for those Underwritten Shares within 7 Market Days from the date of notice given by the Managing Underwriter to the Company and/or the Offerors and the Company and/or the Offerors shall, on receipt by the Underwriter of the payment consideration, be entitled to the return of those Underwritten Shares underwritten by the Underwriter.

### K&N Agreement

(i) **Clause 2 - Agreement to Underwrite**

2.1 In consideration of the payment by Remcorp of the Underwriting Commission, the Underwriter hereby agrees, at the request of the Company, Remcorp and the SA, to act as the Underwriter in respect of the SA Placement Shares and, relying upon each of the representations, warranties and undertakings by the Company, Remcorp and/or the SA (wherever applicable) set out in Clause 3, the Underwriter agrees to underwrite the Underwritten Shares upon the terms and conditions hereinafter contained.

2.2 The obligations of the Underwriter under this Agreement are conditional upon:-

2.2.1 there having been on or prior to the Closing Date, neither any material adverse change nor any development reasonably likely to result in any material adverse change, in the condition (financial or otherwise) of the Company and/or its subsidiaries, which is material in the context of the Public Offering from that set forth in the Prospectus, nor the occurrence of any event or the discovery of any fact which is inaccurate, untrue or incorrect to any extent which is or will be material in the reasonable opinion of the Underwriter, which makes any of the representations and warranties contained in Clause 3 untrue and incorrect in any material respect as though they had been given and made on such date with reference to the facts and circumstances then subsisting, nor the occurrence of any breach of the undertakings contained in Clause 3;

2.2.2 the delivery to the Underwriter by the Company:-

2.2.2.1 prior to the date of the registration of the Prospectus, a copy certified as a true copy by an authorised officer of the Company

## 2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)

- of the memorandum and articles of association of the Company and all the resolutions of the Directors and the shareholders in general meeting approving this Agreement, the Prospectus, the Public Offering and authorising the execution of this Agreement and the issuance of the Prospectus; and
- 2.2.2.2 a certificate, in the form or substantially in the form contained in the **FIRST SCHEDULE**, dated the date of the Prospectus signed by duly authorised officers of the Company stating that, to the best of their knowledge and belief, having made all reasonable enquiries, there has been no such change, development or occurrence as is referred to in Clause 2.2.1.
- 2.2.3 the delivery to the Underwriter by the Company on the Closing Date of such reports and confirmations dated the Closing Date from the Board of Directors of the Company as the Underwriter may reasonably require to ascertain that there is no material change subsequent to the date of this Agreement that will adversely affect the performance or financial position of the Group;
- 2.2.4 the Underwriter having been satisfied that arrangements have been made by Remcorp to ensure payment of the expenses referred to in Clause 12;
- 2.2.5 the Public Offering not being prohibited by any statute, order, rule, regulation or directive promulgated or issued by any legislative, executive or regulatory body or authority in Malaysia;
- 2.2.6 the Company having complied and that the Public Offering is in compliance with the policies, guidelines and requirements of Bursa Securities and/or the SC and all revisions, amendments and/or supplements thereto;
- 2.2.7 the acceptance for registration by the SC of the Prospectus and such other documents as may be required in accordance with the SCA in relation to the Public Offering and the lodgement of the Prospectus with the CCM on or before their release under the Public Offering;
- 2.2.8 Bursa Securities agreed and approved in principle on or prior to the Closing Date to the listing of and quotation of the entire enlarged issued and paid-up share capital of the Company on the Second Board of the Exchange and the SC (as the case may be) having approved the Prospectus and if such approvals shall be conditional, all conditions thereto being in terms acceptable to the Underwriter and the Underwriter being reasonably satisfied that such listing and quotation shall be granted 2 clear Market Days after the Offer Securities have been issued and notices of allotment despatched to entitled holders and after the receipt of all relevant documents pertaining to the listing and quotation of the entire enlarged issued and paid-up share capital of the Company by Bursa Securities and the Prospectus being in the form and substance satisfactory to the Underwriter; and
- 2.2.9 The issuance of the Prospectus within thirty (30) days from the date hereof or such extended period as the Parties may mutually agree in writing.
- 2.3 If any of the conditions set out in Clause 2.2 is not satisfied by the Closing Date, the Underwriter shall thereupon be entitled to terminate this Agreement and in that event except for the liability of Remcorp for the payment of costs and

## 2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)

expenses as provided in Clause 12, incurred prior to the termination, there shall be no further claims by the Underwriter against Remcorp or the SA, and the Parties shall be released and discharged from their respective obligations hereunder PROVIDED THAT the Underwriter may at its discretion with respect to its obligations waive compliance with any of the provisions of Clause 2.2.

### (ii) Clause 5 - Underwriting Commission

- 5.1 In consideration of the Underwriter's agreement to underwrite the Underwritten Shares, Remcorp shall pay to the Underwriter an Underwriting Commission of one and a half per centum (1.5%) of the Placement Price of RM0.50 for each of the Underwritten Shares. The amount of the Underwriting Commission payable to the Underwriter is RM292,709.30. Remcorp shall also bear and pay for directly all costs and expenses (including disbursements and incidentals to this exercise) relating to the preparation of any Prospectus, Information Memorandum or document issued in connection with the Public Offering and all transactions contemplated under this Agreement (including, but not limited to, printing, registrar's charges, its legal expenses and any stamp duty).
- 5.2 Subject to Clause 4, the Underwriting Commission shall be paid by Remcorp to the Underwriter no later than 3 Market Days of the listing of and quotation for the entire issued and paid up share capital of the Company on the Second Board of the Bursa Securities PROVIDED ALWAYS that so long as any monies which is due from the Defaulting Underwriter under Clause 4 in respect of any Underwritten Shares shall remain unpaid the Defaulting Underwriter shall not be entitled to receive payment of such Underwriting Commission.
- 5.3 Any Underwriting Commission payable to the Underwriter shall remain payable to the Underwriter notwithstanding that this Agreement shall be terminated or the obligations of the Underwriter shall be cancelled or terminated or withdrawn for any reasons whatsoever unless such termination or cancellation or withdrawal is due to the default of the Underwriter and in which event, the Underwriter shall not be entitled to its Underwriting Commission.
- 5.4 The Underwriter, who is also the Placement Agent, shall deduct the Underwriting Commission due to it under Clause 5.1, which must be paid free and clear of all withholding or other taxes from the aggregate Placement Price for the Remcorp Placement Shares pursuant to the Placement Agreement dated 14 December 2004.
- 5.5 All payments under this clause 5 shall be made by Remcorp without any set off, counterclaim or equity and free from, clear of and without deduction for any cost and/or expenses whatsoever, present or future save and except for those specifically provided for in this Agreement.

### (iii) Clause 8 – Termination/Lapse of Agreement

- 8.1 Notwithstanding anything herein contained, the Underwriter may by notice in writing, at any time, be entitled to terminate, cancel or withdraw their obligations and commitments under this Agreement by notice in writing delivered to the Company, Remcorp and the SA, if in the reasonable opinion of the Underwriter, there shall have occurred, happened or come into effect, any of the following circumstances, on or before the Closing Date namely:-
- 8.1.1 there is any breach by the Company and/or Remcorp of any of the representations, warranties or undertakings contained in Clause 3, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such

**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

breach shall be given to the Company and/or Remcorp to the satisfaction of the Underwriter, or by the Closing Date, whichever is earlier; or

- 8.1.2 any government requisition or other occurrence of any nature whatsoever which would or is likely to have a material adverse effect on the financial condition or business or operations of the Company and/or Remcorp, and/or the prospects or future financial condition or business or operations of the Company and/or Remcorp; or
- 8.1.3 there is withholding of information of a material nature from the Underwriter, which is required to be disclosed pursuant to this Agreement, and if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to the Company, which, in the opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Group, the success of the Public Offering, or the distribution or sale of the Offer Securities; or
- 8.1.4 there shall have occurred, happened or come into effect any material and adverse change to the business or financial condition of the Company and/or Remcorp or the Group; or
- 8.1.5 there shall have occurred, happened or come into effect any of the following circumstances:-
  - (a) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or
  - (b) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of the Underwriter (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents);

which, (in the reasonable opinion of the Underwriter), would have or can reasonably be expected to have, a material adverse effect on and/or materially prejudice the business or the operations of the Company and/or Remcorp or the Group, the success of the Public Offering, or the distribution or sale of the Offer Securities, or which has or is likely to have the effect of making any material part of this Agreement incapable of performance in accordance with its terms; or

- 8.1.6 there is failure on the part of the Company , Remcorp and/or the SA to perform any of its obligations herein contained; or
- 8.1.7 the imposition of any moratorium, suspension or material restriction on trading in securities generally in the Second Board of the Exchange due to exceptional financial circumstance or otherwise; or
- 8.1.8 upon the delivery of such notice referred to in Clause 8.1 by the Underwriter, the following shall take place within seventy-two (72) hours of the receipt of such notice:

**2. PARTICULARS OF THE PUBLIC OFFERING (CONT'D)**

- (a) Remcorp shall make payment of the Underwriting Commission to the Underwriter ; and
- (b) each party shall return all other moneys (in the case of the Underwriter, after deducting the Underwriting Commission due and owing to the Underwriter hereunder) paid to the other under this Agreement (except for monies paid by Remcorp for the payment of the expenses as provided hereunder),

and thereafter, this Agreement shall become null and void and of no further force and effect and none of the parties shall have a claim against the other save and except in respect of any antecedent breaches.

- 8.2 Upon such notice(s) being given under Clause 8.1, the Underwriter shall be released and discharged of its obligations without prejudice to its rights whereby this Agreement shall be of no further force or effect and no Party shall be under any liability to any other in respect of this Agreement, except that Remcorp shall remain liable in respect of its obligations and liabilities under Clause 3 and under Clause 12 for the payment of the costs and expenses already incurred prior to or in connection with such termination and under Clause 12 for the payment of any taxes, duties or levies and for any antecedent breach.

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