
17. TERMS AND CONDITIONS OF THE RCULS

(As extracted from the Trust Deed dated 17 January 2003 and the Supplemental Trust Deed dated 8 April 2003 in respect of the RCULS)

By ordinary resolution of the Company duly passed on 14th January 2003, approval was given by the shareholders of the Company to the Directors to create and issue Ten Million (10,000,000) nominal value of redeemable convertible unsecured loan stocks ("RCULS"), which are to be issued by the Company to MGR, the Creditors and/or the Creditors Agent in registered form in denominations and multiples of RM1.00 (but subject to such exclusions or arrangements as the Directors may deem necessary or expedient to deal with any legal or practical requirements or problems under or in connection with the laws of any jurisdictions (other than Malaysia) or the requirements of any regulatory bodies or stock exchanges) which RCULS shall bear interest rate of 1%, 3%, 5%, 7% and 9% per annum for the first, second, third, fourth and fifth year respectively, payable in arrears annually on the first, second, third and fourth anniversary of the date of issuance of RCULS and on the Maturity Date. The last day for the redeemable convertible unsecured loan stocks to be converted is the Maturity Date.

Unless the context otherwise requires, all definitions herein shall have the same meaning ascribed to them in the Trust Deed.

1. PAYMENT OF INTEREST

- 1.1 The Company agrees with the Trustee that, subject to the other provisions of the Trust Deed, the Company will and until the relevant Original Loan Stocks shall have been redeemed in accordance with Clause 8 of the Trust Deed and/or converted, upon exercise of the Conversion Right in accordance with the Trust Deed, as the case may be or otherwise satisfied, pay to the Loan Stockholders (as well after as before any judgment or other order of a court of competent jurisdiction) interest on the relevant outstanding Original Loan Stocks during the Interest Period at the rate of one per cent (1%), three per cent (3%), five per cent (5%), seven per cent (7%) and nine per cent (9%) per annum for the First (1st), Second (2nd), Third (3rd), Fourth (4th) and Fifth (5th) year respectively based on the nominal value of the Original Loan Stocks, payable in arrears annually on the First (1st), Second (2nd), Third (3rd) and Fourth (4th) anniversary of the Issue Date and on the Maturity Date respectively.
- 1.2 Interest will be calculated on the basis of a three hundred and sixty five (365) day year and on the actual number of days elapsed and accrued daily from and including the Issue Date or the previous Interest Payment Date (whichever is the later) up to but excluding the Interest Payment Date on which the interest is paid and will be rounded downward to the nearest Sen. In the event of a leap year, then the interest shall be calculated on the basis of a three hundred and sixty six (366) day year and the rest of this provision shall apply mutatis mutandis.
- 1.3 Every payment by the Company direct to the Loan Stockholders in respect of interest on the Original Loan Stocks held by them respectively shall be a satisfaction pro tanto of the obligation of the Company in respect of that interest under the Trust Deed and the obligation and liability of the Trustee with regard to that relevant interest payment.
- 1.4 In the event the Company fails to pay the interest referred to in clause 3.1 of the Trust Deed upon expiry of the relevant anniversary date of the Issue Date or any other monies payable pursuant to the Trust Deed, the Company shall be liable to pay default interest at the rate of Eight per cent (8%) per annum on such interest or other monies outstanding commencing from the due date and expiring on the date of payment of the same.

2. REDEMPTION OF LOAN STOCKS

- 2.1 Each Loan Stockholder shall have the right to redeem all or any part of his Loan Stocks which have not been redeemed or converted in accordance with Clause 8 of the Trust Deed or Condition 2 of the First Schedule (Part II) of the Trust Deed at the Redemption Price together with interest accrued thereon up to the Redemption Date (after deduction of any tax chargeable) on a Redemption Date in accordance with the provisions of this Condition.

- 2.2 Each Loan Stockholder may subject to the Rules of the Central Depository ("the Rules") exercise the Redemption Right by giving a Redemption Notice to the Company not less than thirty (30) days prior to a Redemption Date which shall be effective on the Redemption Date and only if:-
- (a) the Redemption Notice is in the form set out in the First Schedule of the Trust Deed or in such other form as the Company may agree or prescribed from time to time;
 - (b) the Redemption Notice is duly completed, signed and, if required, stamped;
 - (c) the Loan Stockholder has complied with the requirements set out in the Redemption Notice in the manner herein provided and in the form and manner provided in the Trust Deed;
 - (d) the Redemption Notice is received by the Company at its registered office for the time being (or the Transfer Office if the Company permits or requires) on a Market Day not less than thirty (30) days prior to the Redemption Date and such evidence (if any) as the Directors may require to prove the title of the persons exercising the Redemption Right and due execution of the Redemption Notice; and
 - (e) the Loan Stockholder has paid any taxes and stamp, issue, registration and other duties arising on or in connection with the exercise of the Redemption Right and also all taxes (if any) arising by reference to any disposal or deemed disposal of a Loan Stock in connection with such redemption.
- 2.3 If the Redemption Right has been duly exercised in accordance with Clause 8 of the Trust Deed or Condition 2 of the First Schedule (Part II) of the Trust Deed, the Company shall redeem such Loan Stocks in accordance with the Rules and repay the Redemption Price for the Loan Stocks specified in the Redemption Notice together with any accrued interest (after deduction of any tax duty or charge) up to the day preceding the relevant Redemption Date.
- 2.4 The Company shall subject always to the Rules pay the Redemption Price for such Loan Stocks redeemed by despatching a cheque for the Redemption Price to the Loan Stockholder at the address stated in the Redemption Notice by registered post and such cheque shall be despatched within ten (10) Market Days from the relevant Redemption Date.
- 2.5 All Loan Stocks redeemed under the Trust Deed shall cease to carry interest from and including the Interest Payment Date immediately preceding the redemption date.
- 2.6 For the avoidance of doubt, all Loan Stocks in respect of which Loan Stocks have been redeemed shall cease to be valid for all purposes after the relevant Redemption Date, and the Company shall have no further obligations in respect of them.

3. CONVERSION RIGHT

- 3.1 Each Loan Stockholder shall have the right to convert all or any part of his Loan Stocks which have not been redeemed in accordance with Clause 8 of the Trust Deed and Condition 3 of the First Schedule (Part II) of the Trust Deed into fully paid New Shares of the Company at the Conversion Price (any fraction of a New Share resulting therefrom to be disregarded and the Company shall not be required to pay the value of such fraction to the Loan Stockholder) on a Market Day during the conversion Period in accordance with the provisions of Clause 9 of the Trust Deed and Condition 3 of the First Schedule (Part II) of the Trust Deed.

- 3.2 Each Loan Stockholder may exercise the Conversion Right by giving Conversion Notice which shall be effective on the Conversion Date and only if:-
- (a) the Conversion Notice is in the form set out in the First Schedule of the Trust Deed or in such other form as the Company may agree or prescribed from time to time;
 - (b) the Conversion Notice is duly completed, signed and, if required, stamped;
 - (c) the Loan Stockholder has complied with the requirements set out in the Conversion Notice and has paid the Conversion Price in the manner herein provided and in the form and manner provided in the Trust Deed;
 - (d) the Conversion Notice is received by the Company at its registered office for the time being (or the Transfer Office if the Company permits or requires) on a Market Day during the Conversion Period and such evidence (if any) as the Directors may require to prove the title of the persons exercising the Conversion Right and due execution of the Conversion Notice; and
 - (e) the Loan Stockholder has paid any taxes and stamp, issue, registration and other duties arising on or in connection with the exercise of the Conversion Right and also all taxes (if any) arising by reference to any disposal or deemed disposal of a Loan Stock in connection with such conversion.
- 3.3 If the Conversion Right has been duly exercised in accordance with Clause 9 of the Trust Deed and Condition 3 of the First Schedule (Part II) of the Trust Deed, the Company will on conversion (which for the purpose of Clause 9.5 of the Trust Deed and Condition 3.5 of the First Schedule (Part II) of the Trust Deed shall be on a day chosen by the Directors which is within ten (10) Market Days of the date of receipt of the Conversion Notice by the Company) allot and issue to the relevant Loan Stockholder such number of New Shares credited as fully paid to which the Loan Stockholder is entitled by virtue of the exercise of the Conversion Right, and such allotment and issue shall constitute full satisfaction of the principal moneys in respect of the Loan Stocks so converted.
- 3.4 The Company shall within ten (10) Market Days after every such allotment credit the New Shares into the CDS account of the person entitled thereto.
- 3.5 The Company will compulsorily convert on the last day of the Conversion Period any Loan Stock which is still outstanding and has not been converted or redeemed in accordance with the Trust Deed at the end of the Conversion Period into New Shares at the Conversion Price in compliance with any provision of the Securities Industry (Central Depositories) Act 1991 ("SICD Act") and the Rules of the Central Depository ("the Rules") (any fraction of a New Share resulting therefrom to be disregarded and the Company shall not be required to pay the value of such fraction to the Loan Stockholder and the other provisions of Clause 9 and Condition 3 of the First Schedule (Part II) of the Trust Deed shall mutatis mutandis apply to such conversion and the Company will, thereafter, allot and issue such New Shares to the relevant Loan Stockholder which allotment and issue shall constitute full satisfaction of principal moneys in respect of the Loan Stocks so converted. For the avoidance of doubt, the Conversion Price can only be, and shall be deemed to have been, satisfied by way of utilising the nominal amount of the Loan Stocks only.
- 3.6 All Loan Stocks converted under the Trust Deed shall cease to carry interest from and including the Conversion Date.
- 3.7 The New Shares issued and allotted upon conversion of the Loan Stocks shall rank pari passu in all respects with the existing Shares in issue at the Conversion Date, except that they will not be entitled to any dividends, rights, allotments and/or other distributions the Record Date of which is prior to such Conversion Date.
- 3.8 Without Prejudice to other provisions of the Trust Deed, if at any time the aggregate principal amount of all outstanding Loan Stocks is not more than twenty five percent (25%) of the total Loan Stocks, the Company may on any day before the last day of the Conversion Period compulsorily convert all (but not some) of the outstanding Loan Stocks at the Conversion Price by giving thirty (30) days' notice to the relevant Loan Stockholders, and Clause 9.8 of the Trust Deed and Condition 3.6 of the First Schedule (Part II) of the Trust Deed shall apply mutatis mutandis to such compulsory conversion by the Company. For the avoidance of doubt, the Conversion Price can only be, and shall be deemed to have been, satisfied by way of utilising the nominal amount of the Loan Stocks only.

- 3.9 For the avoidance of doubt, all Loan Stock in respect of which Loan Stocks have been converted (whether compulsorily or otherwise) shall cease to be valid for all purposes after the relevant Conversion Date, and the Company shall have no further obligations in respect of them.
- 3.10 In the case of compulsory conversion under either Clauses 9.8 or 9.12 of the Trust Deed and Conditions 3.8 or 3.12 of the First Schedule (Part II) of the Trust Deed, the New Shares will be credited into the securities account of the Trustee at the risk of the relevant Loan Stockholders, if the Company does not have the CDS account number of the respective Loan Stockholders. The Trustee and the Company shall then deal with the New Shares in the manner provided in section 353 of the Companies Act or any other relevant provisions of the Companies Act.

4. CDS ACCOUNT AND REGISTER

- 4.1 The Loan Stocks shall be credited directly into the CDS Account of the Loan Stockholders.
- 4.2 The Company shall comply with the Conditions and shall give effect to the Conversion Right if exercised in accordance with the Trust Deed and the Loan Stocks shall be held subject to and with the benefit of the Conditions all of which shall be deemed to be incorporated in the Trust Deed, and the Trust Deed shall be binding on the Company, the Trustee and the Loan Stockholders and all persons claiming through or under them respectively.
- 4.3 The Further Loan Stocks (if any) shall if issued will be also credited into the CDS Account of the Loan Stockholders.
- 4.4 There shall not be any joint-holder(s) of the Loan Stock.
- 4.5 Subject to the provisions of the SICD Act and the Rules, the Loan Stocks are transferable in multiples of one (1) in the manner prescribed in the Third Schedule of the Trust Deed but each broad lot shall be in the amount of RM100.00 Loan Stocks.
- 4.6 Each Loan Stockholders shall be deemed to remain the registered holder of the Loan Stocks appearing under his name standing to the credit of his CDS Account until such time as the name of the transferee is entered in the Record of Depositors and the Register hereunder. In the event of any discrepancy whatsoever, the entries in the Record of Depositors shall be deemed to be the correct entries.
- 4.7 The executors or administrators of a deceased Loan Stockholder shall be the only persons recognised by the Company as having any title to such Loan Stocks.
- 4.8 Any person becoming entitled to Loan Stocks in consequence of the death, bankruptcy or liquidation of any Loan Stockholder may, upon producing such evidence that he sustains the character in respect of which he proposes to act under this condition or of his title, be registered as the holder of such Loan Stocks or may transfer such Loan Stocks in the manner as prescribed in the Third Schedule of the Trust Deed.
- 4.9 The Company shall maintain the Register in accordance with the Third Schedule of the Trust Deed.

5. ADJUSTMENT OF THE CONVERSION PRICE

- 5.1 Subject to the Fourth Schedule of the Trust Deed and the Trust Deed, the Conversion Price shall from time to time be adjusted in accordance with the following provisions by the Directors in consultation with an Approved Merchant Bank and certified by the Auditors (but so that if the event gives rise to more than one adjustment under Conditions 5.1(a) to 5.1(d) below, the adjustment shall be made in such manner as the Approved Merchant Bank shall determined:-
- (a) If and whenever a Share by any reason including consolidation, reduction, subdivision or conversion shall have a different par value, the Conversion Price shall be adjusted by multiplying it by the following fraction:-

$$\frac{\text{Revised par value for each Share}}{\text{Original par value for each Share}}$$

Such adjustments will be effective from the close of the Market Day immediately preceding the date on which the consolidation or subdivision or conversion becomes effective.

- (b) If and whenever the Company shall make any issue of Shares to its Shareholders credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature and including any share premium account and capital redemption reserve fund but excluding any issue of Shares made where the Shareholders had an option to take a cash or other dividend in lieu of the relevant Shares), the Company shall vary the Conversion Price, in which event the Conversion Price shall be adjusted by multiplying it by the following fraction:-

$$\frac{A}{A + B}$$

where:-

A = the aggregate number of issued and fully paid-up Shares immediately before such capitalisation issue;

B = the aggregate number of Shares to be issued pursuant to any allotment to Shareholders credited as fully paid by way of capitalisation of profits or reserves (including any share premium account and capital redemption reserve fund but excluding any issue of Shares made where the Shareholders had an option to take a cash or other dividend in lieu of the relevant Shares); and

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the day next following the Record Date for such issue.

- (c) If and whenever the Company shall make a Capital Distribution (as defined below) to its Shareholders whether on a reduction of capital (but excluding any reduction in respect of capital which is lost or unrepresented by available assets) or otherwise, then the Conversion Price shall be adjusted by multiplying it by the following fraction:-

$$\frac{C - D}{C}$$

where:-

C = the Current Market Price (as defined below) of each Share on the Market Day immediately preceding the date on which the Capital Distribution is publicly announced or (failing any such announcement) immediately preceding the date of the Capital Distribution (as defined below);

D = the fair market value as determined (with the concurrence of the Auditors) by an Approved Merchant Bank of the portion of the Capital Distribution attributable to one Share; and

For the purposes of this Condition 5.1(c) above, "Capital Distribution" shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of an issue of Shares (not falling under Condition 5.1(b) above or other securities credited as fully or partly paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund). Any dividend charged or provided for in the accounts of any period shall (whenever paid and howsoever described) be deemed to be a Capital Distribution unless it is paid out of the aggregate of the net profits attributable to the Shareholders for any period after 30th September 2002 as shown in the audited income statement of the Company, Crest Builder Sdn Bhd and Crestland Development Sdn Bhd.

For the purpose of this Condition 5.1(c) above, "Current Market Price" in relation to each Share for the relevant day shall be the weighted average (rounded down to the nearest RM0.01 per Share) of transacted prices of such Shares quoted on the KLSE for the 5 consecutive Market Days immediately preceding the day in question.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the day next following the date on which Shareholders must be registered to participate therein.

- (d) If and whenever the Company shall make any offer or invitation to its Shareholders whereunder they may acquire or subscribe for Shares by way of rights, then the Conversion Price shall be adjusted by multiplying it with the following fraction:-

$$\frac{C - D}{C}$$

where:-

C = the closing market price of each Share on the Market Day immediately preceding the date determined by KLSE to be the date on which the Shares are to be traded ex-all; and

D = the value of rights attributable to one Share (as defined below).

For the purpose of the definition of "D" above, the "value of the rights attributable to one Share" shall be calculated in accordance with the formula:-

$$\frac{C - E}{F + 1}$$

where:-

C = as in C above;

E = the subscription price for one additional Share under the offer or invitation to acquire or subscribe for Shares by way of rights;

F = the number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one additional Share by way of rights; and

1 = one

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the closing date for such issue.

For the purpose of this provision, "closing date" in relation to the relevant transaction means the date on which the payment of the proceeds of that transaction becomes due and payable.

5.2 Notwithstanding any of the provisions contained herein, no adjustment to the Conversion Price will be required in respect of:-

- (a) the issue of New Shares upon the exercise of the Conversion Right by the Loan Stockholders or the issue of Shares upon the conversion of any securities convertible into Shares or the exercise of the securities with rights to acquire or subscribe for Shares issued by the Company on or prior to the date of the Trust Deed including but without limitation to the warrants issued or to be issued under the Deed Poll dated 17th January 2003 and the ICULS issued under the Trust Deed dated 17th January 2003;
- (b) the issue of Shares or the issue of Shares upon the conversion of securities convertible into Shares or upon the exercise of securities with rights to acquire or subscribe for Shares granted or to be granted from time to time by the Company pursuant to any purchase or option scheme established for the benefit of officers (including directors holding executive office) and employees of the Company and/or any of its subsidiaries and approved by the Shareholders (whether before or after the date of the Trust Deed); or
- (c) the issue by the Company of shares or securities convertible into Shares or securities with rights to acquire or subscribe for Shares in full or part satisfaction of any consideration for the purchase or acquisition of any shares in any other company or corporation, of any other securities or of property, assets, undertakings or business;
- (d) the issue by the Company of shares or securities convertible into Shares or securities with rights to acquire or subscribe for Shares for cash or consideration other than for cash in conformity to any economic or other policy of the Government of Malaysia or other appropriate authority;

- (e) the issue by the Company and/or debentures holders of the Company of Shares or securities convertible into Shares or securities with rights to acquire or subscribe for Shares by way of a rights issue;
 - (f) the issue by the Company to Shareholders of Shares or securities convertible into Shares or securities with rights to acquire or subscribe for Shares by way of a rights issue by subscription in cash where the offer for such an issue have been extended rateably to both the Shareholders and the Loan Stockholders;
 - (g) the issue by the Company of Shares or securities convertible into Shares or securities with rights to acquire or subscribe for Shares as long as any such issue of Shares (or in the case of securities convertible into Shares or securities with rights to acquire or subscribe for Share the total number of Shares to be issued upon full conversion or full exercise) does not exceed Ten per centum (10%) of the issued and paid up capital of the Company as at the date of issue of the Shares or the securities (as the case may be); and
 - (h) any issue of Shares or securities under the scheme of reconstruction of MGR.
- 5.3 Any adjustment to the Conversion Price will be rounded upwards to the nearest one sen and in no event shall any adjustment (otherwise than as provided under Condition 5.5 below and otherwise than upon the consolidation of Shares into shares of a larger par value) involve an increase in the Conversion price or a reduction in the Conversion Price below the par value of the Shares for the time being. No adjustments to the Conversion Price shall be made unless it has been certified to be in accordance with the Fourth Schedule under the Trust Deed by the Auditors. No adjustments will be made to the Conversion Price in any case in which the amount by which the same would be reduced would be less than one sen but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.
- 5.4 If for any reason an event giving rise to an adjustment (the "first adjustment") made to the Conversion Price pursuant to these Conditions is cancelled, revoked or does not occur in its entirety, the New Conversion Price or adjusted Conversion Price shall be re-adjusted to the Conversion Price prevailing immediately prior to the first adjustment with effect from such date and in such manner and on such terms and conditions as an Approved Merchant Bank may consider appropriate.
- 5.5 Notwithstanding the provisions referred to in the Fourth Schedule under the Trust Deed, in any circumstances where the Directors consider that any adjustment to the Conversion Price provided under the said provisions should not be made or should be calculated on a different basis or date or should take effect on a different date or that an adjustment to the Conversion Price should be made notwithstanding that no such adjustment is required under the said provisions, the Company may appoint an Approved Merchant Bank to consider whether for any reason whatsoever the adjustment to be made (or the absence of an adjustment) or the adjustment to be made in accordance with the provisions of the Fourth Schedule under the Trust Deed is appropriate or inappropriate, as the case may be, and if such Approved Merchant Bank shall consider the adjustment to be appropriate or inappropriate (as the case may be), the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner and on such terms and conditions as shall be considered by such Approved Merchant Bank to be in its opinion appropriate.
- 5.6 Whenever there is an adjustment as herein provided, the Company shall give notice to Loan Stockholders in accordance with Clause 36 of the Trust Deed that the Conversion Price has been adjusted and setting forth the event giving rise to the adjustment, the Conversion Price in effect prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment and shall at all times thereafter as long as any of the Loan Stocks remains exercisable, make available for inspection at its registered office a signed copy of the certificate of the Auditors certifying the adjustment to the Conversion Price and a certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the Conversion Price in effect prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment and shall, on request and at the expense of the relevant Loan Stockholder, send a copy thereof to any Loan Stockholder.
- 5.7 If the Directors, Approved Merchant Bank and the Auditors are unable to agree upon any adjustment to the decision of another approved Merchant Bank acting as expert and not as arbitrator and whose decision as to such adjustment shall be final and conclusive and no certification by the Auditors shall in such circumstances be necessary.

- 5.8 Without prejudice to the generality of Condition 5.5 above, if the Company shall in any way modify the rights attached to any Share or loan capital so as to convert or make convertible such Share or loan capital, or attach thereto any rights to acquire or subscribe for Shares, the Company shall appoint an Approved Merchant Bank to consider whether any adjustment is appropriate and if such Approved Merchant Bank and the Directors shall determine that any adjustment is appropriate, the Conversion Price shall be adjusted accordingly.
- 5.9 In giving any certificate or making any adjustment hereunder, the Auditors and the Approved Merchant Bank shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decisions shall be conclusive and binding on all Loan Stockholders and persons having an interest in the Loan Stocks.

6. LIMITATION ON BORROWING

- 6.1 The Company agrees with the Trustee that so long as any of the Original Loan Stocks remains outstanding, except with the prior sanction of a Special Resolution of the Loan Stockholders, the Company and its subsidiaries will not borrow any sum or sums if the borrowing would have the effect that the aggregate outstanding principal amount borrowed by the Company and its subsidiaries (whether before or after any such borrowing) on secured or unsecured accounts exceeds or would exceed three (3) times the amount of shareholders' funds as disclosed in the latest consolidated balance sheet of the Group.
- 6.2 Subject only to Clause 7.1 of the Trust Deed, the Company shall be entitled to ensure the repayment of any money borrowed, raised or owing in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock, perpetual or otherwise, charged upon, and by mortgage, charge, lien, debentures or debenture stock of and on the whole of any part of the Company's property or assets (both present or future), including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company of any obligation or liability it may undertake. The debentures, debenture stock, mortgage, charge or lien created by the Company hereunder may rank in priority to the Company's obligations under the Trust Deed.

7. EVENT IN WHICH LOAN STOCKS BECOME REPAYABLE

The Trustee may, and if so directed by a Special Resolution, shall (subject to its right to be indemnified under the Trust Deed), declare (by giving a written notice to the Company) that the outstanding Loan Stocks are immediately due and repayable, and the Loan Stocks then outstanding shall thereupon become immediately due and repayable at their nominal amounts of Ringgit Malaysia One (RM1.00) each together with accrued interest up to and including the date of repayment, if any of the following events shall occur, that is to say:

- (a) if the Company fails to pay any interest owing on the Loan Stocks for at least ninety (90) days;
- (b) if the Company fails to perform or observe any of its obligations under the Trust Deed (other than as provided in Clause 10.1(a) of the Trust Deed) and/or the Facility Agency Agreement upon receipt of a notice from AmMerchant Bank Berhad informing of the same, and (except where the Trustee reasonably considers that such default is not capable of remedy) such failure continues for thirty (30) days after a written notice from the Trustee to the Company requiring the Company to remedy such default is received by the Company;
- (c) if a distress or execution or seizure before judgment is levied or enforced upon or sued out against a substantial part of the assets of the Company and is not paid out, withdrawn or discharged within thirty (30) days (or such longer period as the Trustee may consider appropriate in relation to the jurisdiction concerned), except if the same is disputed in good faith under or pursuant to proceedings duly instituted by the Company;
- (d) if a petition to wind up the Company is presented against the Company, except if the same is disputed in good faith under or pursuant to proceedings duly instituted by the Company;
- (e) if an encumbrancer takes possession or a receiver is appointed in respect of the whole or any substantial part of the assets of the Company and such possession or appointment is certified by the Trustee to be in its reasonable opinion materially prejudicial to the interests of the Loan Stockholders;

- (f) if an effective resolution is passed by the Company or an order of a court of competent jurisdiction is made for the winding-up of the Company, except for the purposes of or pursuant to a consolidation, amalgamation, merger or reconstruction the terms of which shall have been agreed in writing by the Trustee;
- (g) if it is or will become unlawful for the Company to perform or comply with any one or more of its obligations under this Trust Deed;
- (h) if the Company ceases or threatens to cease to carry on the whole or substantial part of its business which it carries on as at the date of this Trust Deed;
- (i) if the Company is for the purposes of section 218 of the Companies Act deemed to be unable to pay its debts; or
- (j) if the Original Loan Stocks shall have been delisted or shall cease to be listed on the KLSE by reason of the Company's default of the Listing Requirements of the KLSE (and, for the avoidance of doubt, a suspension of trading at the request of the Company or the KLSE shall not be considered a de-listing or cessation of listing);
- (k) any borrowed money of the Company is not paid when due or becomes due and payable or any guarantee or indemnity given by the Company in respect of such borrowed money is not honoured when due and called upon, but only if the aggregate amount of such borrowed money which is not paid and the amount under such guarantee or indemnity which is not honoured (both of which have occurred and is continuing) equals or exceeds RM10,000,000.00 or its equivalent in other currency;
- (l) any consent, authorisation, licence or approval of, registration with or declaration to governmental or public bodies or authorities or courts in Malaysia (if any) required by the Company to authorise or required by the Company in connection with the execution, issue, sale, delivery, validity, enforceability or admissibility in evidence of the Trust Deed or the Loan Stocks or the performance by the Company of its obligations under this Trust Deed or the Loan Stocks (as the case may be) is modified to such degree as would be materially prejudicial to the interests of the Loan Stockholders or is not granted or is revoked or terminated or expired and is not renewed or otherwise ceases to be in full force and effect; or
- (m) all or a material part of the undertaking(s) or assets of the Company is seized, nationalised, expropriated or compulsorily acquired by or under the authority of any governmental body in Malaysia, but only if the relevant governmental body does not make or does not propose to make an offer of compensation which would be sufficient to repay amounts due on all outstanding Loan Stocks;
- (n) if a scheme of arrangement under section 176 of the Companies Act 1965 is entered into between the Company and its creditors.

provided that upon the occurrence of any of the events specified in Clauses 10.1(a) or (c) of the Trust Deed, the Loan Stocks shall nevertheless not become immediately due and repayable unless and until the Trustee shall have first served a written notice on the Company requiring the Company to pay the interest in arrear or to remove, discharge or pay out such distress, execution or seizure and the Company shall have failed to comply with such notice for a period of at least thirty (30) days.

8. ENFORCEMENT OF RIGHTS

Except as otherwise stated in the Trust Deed, only the Trustee may pursue the rights and remedies available under the general law or under the Trust Deed to enforce the rights of the Loan Stockholders against the Company, and no Loan Stockholder shall be entitled to pursue such rights and remedies against the Company unless the Trustee having become bound to do so in accordance with the terms of the Trust Deed, fails to do so within a reasonable period and such failure shall be continuing.

9. SERVICE OF NOTICE

Any notice or demand to the Company or the Trustee required to be given, made or served for any purpose of the Trust Deed, shall be given, made or served by sending the same by pre-paid ordinary post (airmail if overseas), or by fax, telegram, cable or telex, in each case to be confirmed by a copy forthwith sent by pre-paid ordinary post as provided above, or by delivering the same by hand to the Company or the Trustee, as the case may be, at its registered office for the time being. Any notice sent by post as provided in this Clause shall be deemed to have been given, made or served forty-eight (48) hours after despatch if sent by inland post and ninety-six (96) hours after despatch if sent by overseas post and any notice sent by fax, telegram, cable or telex as provided in this Clause shall be deemed to have been given, made or served immediately on despatch.

10. MODIFICATION OF TRUST DEED

10.1 The Trustee may, subject to the approval of the SC (if required), at any time and from time to time without any consent from the Loan Stockholders concur with the Company in making any addition, deletion or modification to the Trust Deed, provided that the Trustee shall be of the opinion that such addition, deletion or modification will not be materially prejudicial to the interests of the Loan Stockholders or is necessary to correct manifest error or which is of a formal, minor or technical nature.

10.2 Without limiting the generality of Clause 26.1 of the Trust Deed, the Trustee may, subject to the approval of the SC (if required) and the Company, without the consent of the Loan Stockholders at any time and from time to time approve any addition to, or modification of or deletion from the Trust Deed (including any amendment, addition, modification or deletion for the purpose of giving effect to Clause 25 of the Trust Deed or any change in the law governing the Trust Deed or the cancellation of the Trust Deed and the substitution therefor or a new trust deed or other instrument) and may if appropriate, approve the appointment by the Company of any new or substitute trustee of any such amended, modified or substituted trust deed or instrument, provided that the Trustee is satisfied that the rights and interests of the Loan Stockholders are properly safeguarded and that, having regard to the Company's Successor (or the relevant subsidiary of the Company Successor, as the case may be) and to the jurisdiction and law applicable to the Company's Successor (or the relevant subsidiary of the Company Successor, as the case may be), the rights and interests of the Loan Stockholders under the amended, modified or substituted trust deed or other instrument are, as nearly as is practicable, the same as or comparable to the rights and interests of the Loan Stockholders under the Trust Deed.

10.3 The Company may effect any modification, addition or deletion in respect of any provisions of the Trust Deed with the consent of the Trustee which consent shall not be unreasonably withheld but without the consent of the Loan Stockholders at any time and from time to time for the purpose of complying with the Rules, the SICD Act, the rules of the SC and any applicable laws and each Loan Stockholder and the Trustee shall comply with the Rules, the SICD Act, the rules of the SC and all applicable laws.

10.4 The Company shall notify the Loan Stockholders of any such modification, addition or deletion (unless the Trustee otherwise agrees) made under this clause as soon as practicable thereafter in the manner provided in the Trust Deed. For avoidance of any doubt, any such modification, addition or deletion shall be binding upon the Loan Stockholders.

11. GENERAL INDEMNITY OF TRUSTEE

11.1 Without prejudice to any rights of indemnity given to the Trustee by law but subject to Clause 22 of the Trust Deed, the Trustee and every person appointed by the Trustee, or to whom any trust, power or discretion may be delegated by it, shall be indemnified by the Company in priority to any payment to the Loan Stockholders in respect of all liabilities and reasonable expenses (including reasonable professional fees) incurred by it or such person in the execution or purported execution of the trusts, powers, authorities or discretions vested in them under the Trust Deed, and against all liabilities, actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Trust Deed, provided that it is not due to the negligence, wilful default or fraud of the Trustee or such persons, and the Trustee may retain and pay out of any moneys in its hands upon the trust under the Trust Deed all sums necessary to effect such indemnity and also the remuneration of the Trustee as provided in the Trust Deed.

- 11.2 The Trustee is not liable for anything done or omitted to be done in accordance with a direction given to the Trustee by the Stock Holders at any meeting called under section 86, 87 or 88 of the Securities Commission Act 1993 ("the Act").

12. ISSUE OF FURTHER LOAN STOCKS

- 12.1 The Company shall have the right at any time and from time to time (but subject always to the provisions of Clause 5 and Clause 7 of the Trust Deed) without the consent of the Loan Stockholders or the Trustee to create and issue further unsecured loan stocks either identical in all respect to the Original Loan Stocks (or in all respects except the date from which the same shall rank for interest) so that the same can be consolidated and form a single series with the Original Loan Stocks, or upon such terms and conditions as to interest, premium and otherwise and to raise further borrowing on such terms and conditions as the Company may think fit, provided that whenever it is proposed to create and issue any further unsecured loan stocks pursuant to the provisions of this Clause 5 which is proposed to be constituted by a deed supplemental to the Trust Deed, the Company shall give to the Trustee not less than fourteen (14) days' notice in writing of its intention to do so stating the amount of further unsecured loan stocks proposed to be created and issued.
- 12.2 Any further unsecured loan stocks created and issued pursuant to the provisions of Clause 5 of the Trust Deed so as to form a single series with the Original Loan Stocks shall be constituted by a deed supplemental to the Trust Deed and any other further unsecured loan stocks created and issued pursuant to the provisions of the Clause 5 of the Trust Deed may (if the Trustee so agrees) be constituted by a deed supplemental to the Trust Deed. In any such case, the Company shall prior to the allotment of any further unsecured loan stocks to be so constituted or as soon as practicable thereafter execute and deliver to the Trustee a duly stamped deed supplemental to the Trust Deed and containing undertakings by the Company in the form mutatis mutandis of Clause 3 of the Trust Deed in relation to the payment of interest in respect of such Further Loan Stocks and such other provisions (corresponding to any of the provisions contained in the Trust Deed) as the Trustee shall reasonably require.
- 12.3 A memorandum of every deed supplemental to the Trust Deed shall be endorsed by the Trustee on the Trust Deed and by the Company on the duplicate of the Trust Deed.

13. NOTICE OF MEETINGS

- 13.1 Every Loan Stockholder shall be entitled to receive notice of all meetings of Loan Stockholders.
- 13.2 The Company will upon written request send to each Loan Stockholder copy of the Company's annual report and audited accounts together with all other documents required by law to be annexed thereto within 21 days after the date of receipt of the request by the Company.
- 13.3 All notices and the notice of allotment of the New Shares and other documents to be sent to the Loan Stockholders will be sent by registered post at the risk of the Loan Stockholders to their respective addresses in Malaysia as shown in the Register, or, in the case of notice, may be given by publishing the notice in a newspaper in Malaysia, or in such manner as the Company and the Trustee may agree at any time and from time to time. Any notice or document sent by post to the Loan Stockholders shall be deemed to have been given twenty-four (24) hours after despatch and, in proving the giving of any notice or document by post, it shall be sufficient to prove that the envelope containing the notice or document was properly addressed, stamped and posted. Any notice given by publishing the same in a newspaper in Malaysia shall be deemed to have been given on the first date of such publication. Notwithstanding any other provisions of the Trust Deed, a Loan Stockholder who has not supplied an address in Malaysia to the company for inclusion in the Register shall not be entitled to receive any notices and documents to be given pursuant to the Trust Deed.
- 13.4 Each Loan Stockholder must provide an address in Malaysia to the Company for inclusion in the Register and that address shall be the only address included in the Register.

14. GOVERNING LAW AND JURISDICTION

The Trust Deed shall be governed by and construed in all respects in accordance with the laws of Malaysia. The Company and the Trustee irrevocably submit to the non-exclusive jurisdiction of the courts of Malaysia in respect of any matter arising out of or in connection with the Trust Deed and the Loan Stocks.

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18. TERMS AND CONDITIONS OF THE WARRANTS

(As extracted from the Deed Poll dated 17th January 2003 and the Supplemental Deed Poll dated 8 April 2003)

By Ordinary Resolution of the Company duly passed on 14th January 2003, approval was given by the shareholders of the Company to the Directors to create and issue 24,000,000 warrants ("Original Warrants") which are to be constituted by the Deed Poll. The terms and conditions of the Warrants are set out in the Deed Poll and include provisions to the effect set out below.

1. CREATION OF WARRANTS / RIGHTS OF WARRANTS HOLDERS

- 1.1. The Company shall create and issue the Warrants, whereby each Warrant entitles the Warrant Holder to subscribe for one (1) New Share at any time during the Exercise Period at a price per New Share equal to the Exercise Price in accordance with the Deed Poll.
- 1.2. The Company also undertakes to create and issue such Additional Warrants as may be required / permitted under the Deed Poll. Such Additional Warrants shall be created and issued subject to and with the benefit of the Deed Poll, to the same extent as the Original Warrants subject to the terms and conditions of the Supplementary Deed Poll to be issued in respect of the Additional Warrants.
- 1.3. The Warrants shall as between the holders of the Warrants rank pari passu without discrimination / preference, and the Original Warrants and the Additional Warrants shall be deemed to form part of the same series for all purposes under the Deed Poll.
- 1.4. Subject as aforesaid, the Warrants shall be issued and credited directly into the CDS Account of the Warrant Holders and the Warrant Holders shall deal with the Warrants in such manner as may be prescribed under the Rules of the Central Depository and approved by the Central Depository.

2. EXERCISE OF EXERCISE RIGHTS

- 2.1. Subject to the terms and conditions of the Deed Poll, each Warrant Holder shall have the right by way of exercise of each Warrant held by the Warrant Holder which remains unexercised on a Market Day during the Exercise Period to subscribe for one (1) New Share at the Exercise Price per New Share (as adjusted from time to time under the provisions of the Deed Poll).
- 2.2. The Exercise Price for the New Shares must be paid by way of banker's draft / cashier's order in Ringgit Malaysia drawn on a bank operating in Malaysia made out in favour of "CREST BUILDER HOLDINGS BERHAD 2003/2013 WARRANT EXERCISE ACCOUNT".
- 2.3. The Company will then allot and issue New Shares arising from the exercise of the Exercise Rights represented by any Warrants not later than ten (10) Market Days after the relevant Exercise Date, and the New Shares shall upon allotment and issue rank pari passu in all respects with the then existing Shares in issue at the Exercise Date, except that they shall not be entitled for any the dividends, rights, allotments and or other distributions on the Record Date of which is prior to the relevant date of allotment of such New Shares. No New Shares shall be issued and allotted upon the exercise of the Exercise Rights represented by any Warrants after the expiry of the Exercise Period.
- 2.4. In respect of a Warrant Holder who has exercised the Exercise Rights in relation to the Warrants the notice of allotment shall be dispatched by the Company to the Warrant Holder within ten (10) Market Days after a notice of exercise is received by the Company and the New Shares shall forthwith be credited in the CDS Account of the Warrant Holder.

3. PROCEDURE FOR EXERCISE OF WARRANTS

- 3.1. In order to exercise the Exercise Rights in relation to the Warrants, a Warrant Holder must complete and sign the Exercise Form (as set out in the First Schedule of the Deed Poll or in such other form as the Company may agree / prescribe from time to time and as approved by the KLSE) which shall be made available by the Company to the exercising Warrant Holder in the manner as may be stipulated by the

KLSE and do and deliver the following to the Company at its registered office for the time being on a Market Day during the Exercise Period (or at the Transfer Office if the Company permits or requires):-

- (a) the Exercise Form duly completed and executed by the Warrant Holder(s) and, if required, stamped;
- (b) the payment as set out in Condition 2.2 of the Second Schedule of the Deed Poll in full satisfaction of the aggregate Exercise Price for all the New Shares to be subscribed by the Warrant Holder;
- (c) such evidence as the Directors may require to prove the identity of the person(s) exercising the Exercise Rights and due execution of the Exercise Form and, where applicable the form of nomination and the form of acceptance;
- (d) comply with the requirements set out in the Exercise Form, the provisions of the Central Depositories Act, the Rules of the Central Depository, the rules of the KLSE and all other legal requirements applicable to the exercise of the Exercise Rights; and
- (e) pay any taxes, and stamp, issue, registration and other duties arising on or in connection with the exercise of the Exercise Rights and also all taxes (if any) arising by reference to any disposal or deemed disposal of a Deposited Warrant in connection with such exercise.

- 3.2. Once the Exercise Form is duly delivered, the exercise of such Exercise Rights and all documents and moneys submitted, shall be irrevocable and cannot be withdrawn except with the consent of the Director.
- 3.3. The relevant Warrant shall be treated as having been exercised, and the Warrant shall be cancelled or deemed to be cancelled, on the Exercise Date, provided that all the requirements set out in Condition 2 of the Second Schedule of the Deed Poll have been satisfied.
- 3.4. Any Warrant which has not been exercised in accordance with the Deed Poll shall at the expiry of the Exercise Period lapse and cease thereafter to be valid for any purpose.

4. ADJUSTMENT OF EXERCISE PRICE AND NUMBER OF WARRANTS

- 4.1. Upon and subject to the provisions of the Deed Poll, the Exercise Price and any additional Warrants which a Warrant Holder may be entitled to be issued with shall from time to time be adjusted, calculated or determined by the Directors in consultation with the Approved Merchant Bank and certified by the Auditors in accordance with the following provisions.
- 4.2. If and whenever the Shares by reason of any consolidation or subdivision or conversion shall have a different par value, then the Exercise Price and the additional number of Warrants to be issued shall be adjusted, calculated or determined in the following manner:-

- (a) New Exercise Price =

$$S \times \frac{\text{Revised par value for each Share}}{\text{Original nominal value for each Share}}$$
- (b) Additional number of Warrants to be issued =

$$\left(T \times \frac{\text{Original par value for each Share}}{\text{Revised nominal value for each Share}} \right) - T$$

where:-

S = existing Exercise Price; and
 T = existing number of Warrants held; and

- (c) the par value of the Shares shall be adjusted to the revised par value.

Each such adjustment will be effective from the close of business on the Market Day next following the date on which the consolidation or subdivision or conversion becomes effective.

- 4.3. If and whenever the Company shall make any issue of Shares to the Shareholders certified as fully paid, by way of capitalisation of profits or reserves (whether of a capital or income nature and including any share premium account and capital redemption reserve fund), the Exercise Price and the additional number of Warrants to be issued shall be adjusted, calculated or determined in the following manner:-

$$\text{New Exercise Price} = S \times \frac{(A)}{(A + B)}$$

$$\text{Additional number of Warrants to be issued} = T \times \frac{(A + B)}{(A)} - T$$

where:-

- A = the aggregate number of Shares in issue on the Record Date immediately before such capitalisation issue;
- B = the aggregate number of Shares to be issued pursuant to any allotment to Shareholders credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature and including any share premium account and capital redemption reserve fund);
- S = S in Condition 4.2 (b) above; and
- T = T in Condition 4.2(b) above.

Each such adjustment will be effective (if appropriate retroactively) from the commencement of the day next following the Record Date for such issue.

- 4.4. If and whenever the Company shall make:-

- (a) a Capital Distribution to the Shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or
- (b) any offer or invitation to all of the Shareholders pursuant to which they may acquire or subscribe for Shares by way of rights; or
- (c) any offer or invitation to all of the Shareholders by way of rights pursuant to which they may acquire or subscribe for securities convertible into Shares or securities with rights to acquire or subscribe for Shares,

then and in any such case the Exercise Price, and in the case of Condition 4.4 (b) or 4.4 (c) above, the additional number of Warrants to be issued shall be adjusted, calculated or determined in the following manner:-

$$\text{New Exercise Price} = S \times \frac{(C-D)}{C}$$

$$\text{Additional number of Warrants to be issued} = \frac{(T \times C) - T}{(C-D)}$$

where:-

- S = S in Condition 4.2(b) above;
- T = in Condition 4.2(b) above;
- C = the Average Price of One (1) Share as shall be determined in accordance with any guideline or rule issued by the Securities Commission from time to time (if any), or if there is none, the Average Price of one (1) Share on the Market Day next preceding the date on which the Capital Distribution or, as the case may be, the offer or invitation is publicly announced to the KLSE or (falling any such announcement), next preceding the date of the announcement of the Record Date of the Capital Distribution or, as the case may be, of the offer or invitation;

- D = (aa) in the case of an offer or invitation to acquire or subscribe for Shares or to acquire or subscribe for securities convertible into Shares or for securities with rights to acquire or subscribe for Shares by way of rights under Condition 4.4 (b) or 4.4 (c) above, the value of rights attributable to one (1) Share (as defined below); or
- (bb) in the case of any other transaction falling within this Condition 4.4, the fair market value, as determined (with the concurrence of the Auditors) by the Approved Merchant Bank of that portion of the Capital Distribution attributable to one (1) Share.

For the purpose of sub-paragraph (aa) above the "value of the rights attributable to one (1) Share" shall be calculated in accordance with the formula:-

$$\frac{C - E}{F + 1}$$

where:-

- C = C in this Condition 4.4 above;
- E = the exercise consideration for one (1) additional Share under the terms of such offer or invitation to acquire or subscribe for Shares, the conversion value paid to convert into one (1) additional Share, or the exercise price paid in connection with rights to acquire or subscribe for one (1) additional Share under the offer or invitation, as the case may be; and
- F = the number of Shares which it is necessary to hold in order to be offered or invited by way of rights to acquire or subscribe for one (1) additional Share or security convertible into one (1) additional Share or security with rights to acquire or subscribe for one (1) additional Share under the offer or invitation, as the case may be.

For the purpose of this Deed Poll, "Capital Distribution" shall (without prejudice to the generality of that expression) include distribution in cash or specie or by way of issue (not falling under Condition 4.3 above of Shares or other securities credited as fully or partly paid-up by way of capitalisation, of profits or reserves (whether of a capital or income nature and including any share premium account or capital redemption reserve fund).

Any dividend charged or provided for in the accounts of any period shall (whenever paid and howsoever described) be deemed to be a Capital Distribution unless it is paid out of the aggregate of the net profits attributable to the Shareholders as shown in the audited consolidated profit and loss accounts of the Company.

Each such adjustment will be effective (if appropriate retroactively) from the commencement of the date next following the Record Date for such issue.

- 4.5. (a) If and whenever the Company makes any allotment to its Shareholders as provided in Condition 4.3 above and also any offer or invitation to all or substantially all of the Shareholders as provided in Condition 4.4 (b) or 4.4 (c) above and the Record Date for the purposes of the allotment is also the Record Date for the purpose of the offer or invitation, the Exercise Price shall be adjusted in the manner shown below:-

$$\text{New Exercise Price} = S \times \frac{[(G \times C) + (H \times I)]}{[(G + H + B) \times C]}$$

and in respect of each case referred to in Condition 4.3 and Condition 4.4 (b) above, the additional number of Warrants to be issued shall be calculated in the manner shown below:-

$$\text{Additional number of Warrants to be issued} = (T \times \frac{[(G + H + B) \times C]}{(G \times C) + (H \times I)}) - T$$

where:-

- B = B in Condition 4.3 above;
- C = C in Condition 4.4 above;
- G = the aggregate number of issued and fully paid-up Shares in issue on the Record Date;
- H = the aggregate number of New Shares under an offer or invitation to acquire or subscribe for Shares by way of rights or under an offer or invitation by way of rights to acquire or subscribe for securities convertible into Shares or securities with rights to acquire or subscribe for Shares (as the case may be);
- H* = the aggregate number of New Shares under an offer or invitation to acquire or subscribe for Shares by way of rights;
- I = the exercise consideration of one (1) additional Share under the offer or invitation to acquire or subscribe for Shares or the exercise price on conversion of such securities or exercise of such rights to acquire or subscribe for one (1) additional Share, as the case may be;
- I* = the exercise consideration of one (1) additional Share under the offer or invitation to acquire or subscribe for Shares;
- S = S in Condition 4.2 (b) above; and
- T = T in Condition 4.2(b) above.

Each such adjustment will be effective (if appropriate retroactively) from the commencement of the date next following the Record Date for such issue.

- 4.6. If and whenever the Company makes any offer or invitation to all or substantially all of the Shareholders as provided in Condition 4.4 (b) above together with an offer or invitation to all or substantially all of the Shareholders as provided in Condition 4.4 (c) above, the Exercise Price and the additional number of Warrants to be issued shall be adjusted, calculated or determined in the following manner:-

$$\text{New Exercise Price} = S \times \frac{[(G \times C) + (H \times I) + (J \times K)]}{[(G + H + J) \times C]}$$

$$\text{Additional number of Warrants to be issued} = \frac{(T \times [(G + H^*) \times C])}{(G \times C) + (H^* \times I^*)} - T$$

where:-

- C = C in Condition 4.4 above;
- G = G in Condition 4.5 above;
- H = H in Condition 4.5 above;
- H* = H* in Condition 4.5 above;
- I = I in Condition 4.5 above;
- I* = I* in Condition 4.5 above;
- J = the aggregate number of New Shares to be issued to its Shareholders upon conversion of such securities or exercise of such rights to acquire or subscribe for Shares by the Shareholders;
- K = the exercise price on the conversion of such securities or exercise of such rights to acquire or subscribe for one (1) additional Share;
- S = S in Condition 4.2 (b) above; and
- T = T in Condition 4.2 (b) above.

Each such adjustment will be effective (if appropriate retroactively) from the commencement of the date next following the Record Date for the above transactions.

- 4.7. If and whenever the Company makes an allotment to its Shareholders as provided in Condition 4.3 above and also makes an offer or invitation to all or substantially all of the Shareholders as provided in Condition 4.4 (b) above together with an offer or invitation to all or substantially all of the Shareholders as provided in Condition 4.4 (c) above, and the Record Date for the purpose of allotment is also the Record Date for the purpose of the offer or invitation, the Exercise Price and the additional number of Warrants to be issued shall be adjusted, calculated or determined in the following manner:-

$$\text{New Exercise Price} = S \times \frac{[(G \times C) + (H \times I) + (J \times K)]}{[(G+H+J+B) \times C]}$$

$$\text{Additional number of Warrants to be issued where} = \frac{(T \times (G+H^*+B) \times C)}{(G \times C) + (H^* \times I^*)} - T$$

- B = B in Condition 4.3 above;
 C = C in Condition 4.4 above;
 G = G in Condition 4.5 above;
 H = H in Condition 4.5 above;
 H* = H* in Condition 4.5 above;
 I = I in Condition 4.5 above;
 I* = I* in Condition 4.5 above;
 J = J in Condition 4.6 above;
 K = K in Condition 4.6 above;
 S = S in Condition 4.2 (b) above; and
 T = T in Condition 4.2(b) above.

Each such adjustment will be effective (if appropriate retroactively) from the Commencement of the date next following the Record Date for the above transactions.

- 4.8. If and whenever (otherwise than pursuant to a rights issue available to all or substantially all of the Shareholders alike and requiring an adjustment under Conditions 4.4 (b), 4.4 (c), 4.5, 4.6 or 4.7 above) the Company issue either any Shares or securities convertible into Shares or securities with rights to acquire or subscribe for Shares, and in any such case, the Total Effective Consideration per Share is less than ninety percent (90%) of the Average Price for one (1) Share or, as the case may be, the price at which the Shares will be upon conversion of such securities or exercise of such rights is determined, then the Exercise Price shall be adjusted, calculated or determined in the following manner:-

$$\text{New Exercise Price} = \frac{L+M}{L+N} \times S$$

where:-

- L = the aggregate number of Shares in issue at the close of business on the KLSE on the day immediately preceding the date on which the relevant adjustment becomes effective;

- M = the number of Shares which the Total Effective Consideration would have purchased at the Average Price (exclusive of expenses);
- N = the aggregate number of Shares so issued or, in the case of securities convertible into Shares or securities with rights to acquire or subscribe for Shares, the maximum number (assuming no adjustment of such rights) of Shares which may be issued upon full conversion of such securities or the exercise in full of such rights; and
- S = S in Condition 4.2 (b) above.

For the purposes of the Deed Poll, the "Total Effective Consideration" shall be as determined by the Directors with the concurrence of the Approved Merchant Bank and shall be:-

- (a) in the case of the issue of Shares, the aggregate consideration receivable by the Company on payment in full for such Shares; or
- (b) in the case of the issue by the Company of securities wholly or partly convertible into Shares, the aggregate consideration receivable by the Company on payment in full for such securities, or such part of the securities as is convertible together with the total amount receivable by the Company upon full conversion of such securities (if any); or
- (c) in the case of the issue by the Company of securities with rights to acquire or subscribe for Shares, the aggregate consideration attributable to the issue of such rights together with the total amount receivable by the Company upon full exercise of such rights;

in each case without any deduction of any commissions, discounts or expenses paid allowed or incurred in connection with the issue thereof, and the "Total Effective Consideration per Share" shall be the Total Effective Consideration divided by the number of Shares issued as aforesaid or, in the case of securities convertible into Shares or securities with rights to acquire or subscribe for Shares, by the maximum number of Shares issuable on full conversion of such securities or on exercise in full of such rights.

Each such adjustment will be effective (if appropriate retroactively) from the close of the Market Day next preceding the date on which the issue is announced or (failing any such announcement) immediately preceding the date on which the Company determined the offering price of such Shares, securities or rights.

- 4.9. For the purpose of the Deed Poll, the "Average Price" in relation to one (1) Share for any relevant day shall be the price of one (1) Share as derived from the average of the Last Dealt Price for one or more board lot(s) of the Shares traded on the KLSE for the five (5) consecutive trading days before such relevant day.
- 4.10. The provisions in the Third Schedule of the Deed Poll on adjustment of the Exercise Price and any additional Warrants which a Warrant Holder may be entitled to be issued with shall be subject to the following:-
- (a) on any such adjustment the resultant Exercise Price, if not an integral multiple of one Sen, shall be rounded up to the nearest one Sen and in no event shall any adjustment (otherwise than upon the consolidation of Shares into Shares of a larger par value) involve an increase in the Exercise Price or reduce the number of Warrants that a Warrant Holder is already entitled to;
- (b) no adjustment shall be made to the Exercise Price in any case in which the amount by which the same would be reduced in accordance with the provisions of the Third Schedule of the Deed Poll would be less than one Sen or less than one (1) Warrant, and any adjustment that would otherwise be required then to be made will not be carried forward and will not be taken into account in any subsequent adjustment;
- (c) no adjustment shall be made in any event whereby the Exercise Price would be reduced to below the par value of a Share; and

- (d) if an event giving rise to any such adjustment shall be capable of falling within any two or more of Conditions 4.2 to 4.8 (both inclusive) or if such event is capable of giving rise to more than one adjustment, the adjustment shall be made in such manner as the Directors, the Approved Merchant Bank and the Auditors may agree; and
- (e) if for any reason an event giving rise to an adjustment to the Exercise Price and/or the additional number of Warrants to be issued pursuant to the provisions of the Third Schedule of the Deed Poll is cancelled, revoked or not completed, the adjustment shall not be required to be made or shall be reversed with effect from such date and in such manner as the Directors, the Approved Merchant Bank and the Auditors may agree.

4.11. Whenever there is an adjustment as provided in the Third Schedule of the Deed Poll the Company shall give notice to Warrant Holders within twenty one (21) days of such adjustment in accordance with the provisions of the Deed Poll that:-

- (i) the Exercise Price has been adjusted and additional number of Warrants are to be issued;
- (ii) the event giving rise to the adjustment;
- (iii) the Exercise Price and the number of Warrants in effect prior to such adjustment;
- (iv) the adjusted Exercise Price and the additional number of Warrants to be issued; and
- (v) the effective date of such adjustment.

At all times thereafter so long as any of the Warrants remains, exercisable, the Company shall make available for inspection at its registered office for the time being a signed copy of the certificate of the Auditors certifying the adjustment to the Exercise Price and the number of Warrants (unless the certificate is not required pursuant to the Third Schedule of the Deed Poll) and a certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the adjusted Exercise Price and the additional number of Warrants to be issued and the effective date of such adjustment. The Company shall, on request and at the expense of the Warrant Holder, send a copy of such certificate of the Auditors (if any) and the Director to that Warrant Holder.

Whenever there is an adjustment to the number of Warrants, the Company will as soon as practicable but not later than five (5) Market Days after the effective date of such adjustment credit directly into the CDS Account of each Warrant Holder Warrant Certificate(s) for the additional number of Warrants to be issued and the notices of such shall be despatch by registered post to each Warrant Holder at the risk and expense of that Warrant Holder.

4.12. If the Company shall in any way modify the rights attached to any share or loan capital which is not described above so as to convert or make convertible such share or loan capital into or attach thereto any rights to acquire or subscribe for Shares, the Company shall appoint an Approved Merchant Bank to consider whether any adjustment, calculation or determination is appropriate and if such Approved Merchant Bank and the Directors shall determine that any adjustment, calculation or determination is appropriate, the Exercise Price shall be adjusted and/or the number of additional Warrants to be issued shall be calculated or determined accordingly.

4.13. Where more than one event which gives or may give rise to an adjustment to the Exercise Price and/or any additional Warrants to be issued under the Third Schedule of the Deed Poll occurs within such a short period of time that in the opinion of the Company a modification would need to be made to the provisions of the Third Schedule of the Deed Poll in order to give the intended result, such modification shall be made as may be advised by an Approved Merchant Bank to be in its opinion appropriate for that purpose.

- 4.14. Notwithstanding the other provisions of the Third Schedule of the Deed Poll, in any circumstances where the Directors consider that adjustments to the Exercise Price and/or any additional Warrants to be issued as provided for under the provisions of the Third Schedule of the Deed Poll should not be made or should be calculated on a different basis or different date or should take effect on a different date or that an adjustment to the Exercise Price and/or the issuance of additional Warrants should be made notwithstanding that no adjustment or further issuance is required under the provisions of the Third Schedule of Deed Poll, the Company may appoint an Approved Merchant Bank to consider whether for any reasons whatever the adjustment, calculation or determination to be made (or the absence of an adjustment, calculation or determination) is appropriate or inappropriate, as the case may be. If such Approved Merchant Bank shall consider the adjustment, calculation or determination to be inappropriate, the adjustment, calculation or determination shall be modified or nullified (or an adjustment, calculation or determination made even though not required to be made) in such manner as may be considered by such Approved Merchant Bank to be in its opinion appropriate.
- 4.15. Upon calculation or determination of the additional Warrants to be issued, the number of any additional number of Warrants to be issued to each Warrant Holder, if not an integral multiple of one Warrant, will be rounded downwards to the nearest whole Warrant. No additional number of Warrants will be issued unless approval-in-principle has been granted by the relevant authorities and the KLSE for the listing and quotation of such additional Warrants as may be issued as a result of such adjustment and such additional Shares as may be issued on the exercise of any of such additional Warrants.
- 4.16. Any Additional Warrants which may be issued by the Company under the Third Schedule of the Deed Poll shall be constituted by the Deed Poll, and shall be issued subject to and with the benefit of the Deed Poll and on such terms and conditions as the Directors may from time to time think fit including but not limited to the terms and conditions as set out in the Third Schedule of the Deed Poll.
- 4.17. If the Directors, the Approved Merchant Bank and the Auditors are unable to agree upon any adjustment calculation or determination required under the provisions of the Third Schedule of the Deed Poll, the Directors shall refer the adjustment, calculation or determination to the decision of another Approved Merchant Bank acting as expert and not as arbitrator and whose decision as to such adjustment, calculation or determination shall be final and conclusive and no certificate by the Auditors shall in such circumstances be necessary.
- 4.18. In giving any certificate or making any adjustment under the Third Schedule of the Deed Poll, the Auditors and the Approved Merchant Bank shall be deemed to be acting as experts and not as arbitrators and, in the absence of manifest error, their decisions shall be conclusive and binding on the Warrant Holders and all other persons having an interest in the Warrants.
- 4.19. Subject to the other provisions of the Third Schedule of the Deed Poll, any adjustment to the Exercise Price and the number of additional Warrants to be issued otherwise than in accordance with the Deed Poll shall only be made if agreed to by the Company, the Auditors and the Approved Merchant Bank.

5. WINDING UP, AMALGAMATION AND RECONSTRUCTION OF THE COMPANY

- 5.1. Where a resolution has been passed for a members' 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 the amalgamation of the Company with one or more companies, then:-
- (a) if such winding-up, compromise or arrangement has been approved by the Warrant Holders by way of a Special Resolution, 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 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 end of the Exercise Period), irrevocably surrender on a Market Day of his Warrant to the Company by submitting the Exercise Form(s) duly completed authorising the debiting of his CDS Account in respect of his Warrants together with payment of the relevant Exercise Price and otherwise in accordance with the Deed Poll, to elect to be treated as if he had on the Market Day immediately prior to the commencement of such winding-up, compromise or arrangement exercised the Exercise Rights represented by such Warrants to the extent specified in the Exercise Form(s) and 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 in accordance with the Deed Poll of the passing of any such resolution or the granting of the court order within seven (7) days after the passing or granting thereof. For the avoidance of any doubt, the Exercise Date shall, for the purposes of Condition 2.7 of the Second Schedule of the Deed Poll only, be deemed to be the date of such surrender.

- 5.2. Subject to Condition 5.1 above, if the Company is wound up by way of 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 the resolution or the granting of the court order, shall lapse and the Warrants will cease to be valid for any purpose.
- 5.3. Subject to Conditions 5.1 and 5.2 above, 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 commencement of the winding up shall lapse and the Warrants will cease to be valid for any purpose.

6. MODIFICATION OF RIGHTS

- 6.1. Subject to Condition 6.2 and 6.3 below, the company with the approval of KLSE may effect any modification, addition or deletion in respect of any provisions of the Deed Poll at any time and from time to time with the consent or agreement of the Warrant Holders given by way of a Special Resolution.
- 6.2. Subject to Condition 6.3 below, the Company with the approval of the KLSE may effect any modification, addition or deletion in respect of any provisions of the Deed Poll at any time and from time to time without the consent of the Warrant Holders if, in the opinion of the Approved Merchant Bank, such modifications addition or deletion will not be materially prejudicial to the interests of the Warrant Holders, or if it is of a formal, minor or technical nature or is made to correct a manifest error.
- 6.3. The Company may effect any modification, addition or deletion in respect of any provisions of the Deed Poll without the consent of the Warrant Holders for the purpose of complying with any applicable laws or rules, or the Rules, the Securities Industry (Central Depositories) Act 1991 ("the SICD Act"), the rules of the KLSE and any applicable laws.
- 6.4. No modification, addition or deletion in respect of any provisions of the Deed Poll may be effected except in accordance with the Deed Poll.

7. ENFORCEMENT BY WARRANT HOLDERS

- 7.1. The Company hereby acknowledges and agrees that the benefits of the obligations and conditions in this Deed Poll imposed on the Company shall enure to each Warrant Holder.
- 7.2. Each Warrant Holder shall, subject to any applicable law, be entitled severally to enforce these obligations and conditions against the Company insofar as each such Warrant Holder's warrant is concerned, without the need to join the initial allottee of any such Warrant or any intervening or other Warrant Holders in the proceedings for such enforcement.

8. MISCELLANEOUS

- 8.1. Every Warrant Holder shall be entitled to receive notice of all meetings of Warrant Holders.
- 8.2. The Company will upon written request send to each Warrant Holder a copy of the Company's latest published annual report and audited accounts together with all other documents required by law to be annexed thereto within twenty one (21) days after the date of receipt of the request by the Company.
- 8.3. In accordance with the Fifth Schedule of the Deed Poll, the Company shall at all times procure that the principal Warrant Register of the Warrants be kept at the registered office for the time being of the Company or at the Transfer Office or at such other place in Malaysia. The Company may also keep or procure to be kept one or more branch Warrant Registers in such place or places as the Company shall determine
- 8.4. All notices, and other documents to be sent to the Warrant Holders will be sent by registered post at the risk of the Warrant Holders to their respective addresses in Malaysia as shown in the Warrant Register or Record of Depositors as the case may be or, in the case of notice, may be given by publishing the notice in a widely circulated newspaper in Malaysia, or in such manner as the Company may decide at any time and from time to time. Any notice or document sent by post to the Warrant Holders shall be deemed to have been given twenty four (24) hours after despatch and, in proving the giving of any notice or document by post it shall be sufficient to prove that the envelope containing the notice or document was properly addressed, stamped and posted. Any notice given by publishing the same in a widely circulated newspaper in Malaysia shall be deemed to have been given on the first date of such publication. Notwithstanding any other provisions of the Deed Poll, a Warrant Holder who has not supplied an address in Malaysia to the Company for inclusion in the Warrant Register or Record of Depositors as the case may be shall not be entitled to receive any notices and documents to be given pursuant to the Deed Poll.
- 8.5. Each Warrant Holder must provide an address in Malaysia to the Company and that address shall be only used for such purpose described in Clause 8.4 above.

9. GOVERNING LAW AND JURISDICTION

- 9.1. This Deed Poll is governed by, and shall be constructed in accordance with the Laws of Malaysia.
- 9.2. The Company and the Warrant Holders shall be deemed to have irrevocably submitted to the non-exclusive jurisdiction of the courts of Malaysia in connection with any matter on issue relating to the Deed Poll.