

NOTICE OF PROVISIONAL ALLOTMENT OF ORDINARY SHARES WITH ATTACHED WARRANTS

The Provisional Allotment Letter is a prescribed security pursuant to Section 14(5) of the Securities Industry (Central Depositories) Act, 1991 and therefore, the Securities Industry (Central Depositories) Act, 1991, the Securities Industry (Central Depositories) Amendment Act, 1998 and the Rules of Malaysian Central Depository Sdn Bhd shall apply in respect of dealings in the Provisional Allotment Letter.



C.I. HOLDINGS BERHAD

(Company No. 37918-A)

(Incorporated in Malaysia under the Companies Act, 1965)

RENOUNCEABLE RIGHTS ISSUE OF

57,377,835 NEW ORDINARY SHARES OF RM1.00 EACH IN C.I. HOLDINGS BERHAD ("CIH") ("RIGHTS SHARES")
TOGETHER WITH 57,377,835 FREE NEW DETACHABLE WARRANTS ("WARRANTS") AT AN ISSUE PRICE OF RM1.00 PER RIGHTS SHARE,
PAYABLE IN FULL UPON ACCEPTANCE, ON THE BASIS OF ONE (1) RIGHTS SHARE AND ONE (1) FREE WARRANT
FOR EVERY ONE (1) EXISTING ORDINARY SHARE OF RM1.00 EACH HELD IN CIH AT 5.00 P.M. ON 12 MAY 2004 ("RIGHTS ISSUE")

Joint Adviser



Newfields Advisors Sdn Bhd
(296051-V)

**Joint Adviser,
Managing Underwriter and Underwriter**



Commerce International Merchant Bankers Berhad
Company Number 18417-M

Underwriter



(423833-U)

To: The Shareholders of **C.I. Holdings Berhad** (37918-A) ("CIH" or "Company")

Dear Sir/Madam,

The Directors of CIH have provisionally allotted to you, in accordance with the Ordinary Resolution passed by the Company at the Extraordinary General Meeting convened on 22 October 2003 and the approvals of the Securities Commission and Bank Negara Malaysia on 12 August 2003 and 11 June 2003 for the Rights Issue and issue of Warrants respectively, the number of Rights Shares with attached Warrants as indicated below ("Provisional Allotment").

We wish to advise that the following Rights Shares with attached Warrants provisionally allotted to you in respect of the Rights Issue have been confirmed by Malaysian Central Depository Sdn Bhd ("MCD") and upon acceptance will be credited into your Central Depository System ("CDS") account.

This Provisional Allotment is made subject to the terms and conditions stated in the Abridged Prospectus dated 19 May 2004 issued by the Company.

Bursa Malaysia Securities Berhad (*formerly known as Malaysia Securities Exchange Berhad*) ("Bursa Malaysia") has already prescribed the securities of CIH on the Main Board of Bursa Malaysia to be deposited with MCD. Accordingly, the Rights Shares with attached Warrants are prescribed securities and as such, the Securities Industry (Central Depositories) Act, 1991, the Securities Industry (Central Depositories) Amendment Act, 1998 and the Rules of MCD shall apply in respect of the dealings in the said Rights Shares with attached Warrants.

With effect from 1 September 1998, all new issue of securities must be made by way of crediting the securities into the CDS accounts of the securities holders maintained with MCD. It is also mandatory for all existing securities holders to deposit all their securities with MCD by 1 December 1998.

ALL THE RIGHTS SHARES WITH ATTACHED WARRANTS TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE WILL BE ALLOTTED BY WAY OF CREDITING THE RIGHTS SHARES WITH ATTACHED WARRANTS INTO THE CDS ACCOUNTS OF THE ENTITLED SHAREHOLDERS AND/OR THEIR RENOUNCEES (IF APPLICABLE) AND NO PHYSICAL SHARE OR WARRANT CERTIFICATES WILL BE ISSUED.

The Directors of CIH reserve the right to allot any excess Rights Shares with attached Warrants applied for in such manner as they deem fit and expedient in the interest of the Company. It is the intention of the Directors of CIH to allot excess Rights Shares with attached Warrants in such manner that the incidence of odd lots will be minimised. Nevertheless, the Directors of CIH shall allocate all excess Rights Shares with attached Warrants on a fair and equitable basis.

NAME, ADDRESS AND CDS ACCOUNT NUMBER OF ENTITLED SHAREHOLDER

NUMBER OF ORDINARY SHARES HELD AT 5.00 P.M. ON 12 MAY 2004	NUMBER OF RIGHTS SHARES PROVISIONALLY ALLOTTED TO YOU	NUMBER OF FREE ATTACHED WARRANTS PROVISIONALLY ALLOTTED TO YOU	TOTAL AMOUNT PAYABLE IN FULL UPON ACCEPTANCE (AT RM1.00 PER RIGHTS SHARE) (RM)

IMPORTANT DATES

Entitlement date or record date	:	Wednesday, 12 May 2004 at 5.00 p.m.
Last day and time for sale of provisional allotment of rights	:	Monday, 31 May 2004 at 5.00 p.m.
Last day and time for transfer of provisional allotment of rights	:	Thursday, 3 June 2004 at 4.00 p.m.
Last day and time for acceptance and payment	:	Friday, 11 June 2004 at 5.00 p.m.*
Last day and time for excess application and payment	:	Friday, 11 June 2004 at 5.00 p.m.*

* or such later day and time as the Directors of CIH may decide and announce not less than two (2) market days before the stipulated day and time.

By Order of the Board
C. I. Holdings Berhad

Lim Phooi Kee (MIA 2759)
Lee Peng Khoon (MIA 2251)
Company Secretaries

Share Registrar
SIGNET SHARE REGISTRATION SERVICES SDN BHD (506293-D)
Level 26, Menara Multi-Purpose, Capital Square
No.8, Jalan Munshi Abdullah, 50100 Kuala Lumpur

THIS NOTICE OF PROVISIONAL ALLOTMENT IS DATED 19 MAY 2004

Dated this day of 2004

THIS RSF IS NOT A TRANSFERABLE OR NEGOTIABLE INSTRUMENT.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately. All enquiries concerning the Rights Issue should be addressed to the Share Registrar, Signet Share Registration Services Sdn Bhd (506293-D), Level 26, Menara Multi-Purpose, Capital Square, No.8, Jalan Munshi Abdullah, 50100 Kuala Lumpur. **INVESTORS SHOULD READ AND UNDERSTAND THE CONTENTS OF THE ABRIDGED PROSPECTUS DATED 19 MAY 2004 ("AP") TO WHICH THIS RSF RELATES BEFORE COMPLETING THIS RSF.**

This RSF, together with the AP and the Notice of Provisional Allotment ("NPA"), are not intended to be issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Entitled shareholders and/or their renounees (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers as to whether the acceptance or renunciation of all or any part of their entitlements to the Rights Shares with attached Warrants (as defined herein) to be issued pursuant to the Rights Issue would result in the contravention of any laws of such countries or jurisdictions. C.I. Holdings Berhad (37918-A) ("CIH" or "Company") and Commerce International Merchant Bankers Berhad (18417-M) ("CIMB") shall not accept any responsibility or liability in the event that any acceptance or renunciation made by the entitled shareholders and/or their renounees (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions.

Approval has been obtained from the Securities Commission ("SC") on 12 August 2003 for the Rights Issue, the listing of and quotation for the Rights Shares, Warrants and the new ordinary shares of RM1.00 each in CIH ("CIH Shares") to be issued upon the exercise of the Warrants on the Main Board of Bursa Malaysia Securities Berhad (635998-W) (formerly known as *Malaysia Securities Exchange Berhad*) ("Bursa Malaysia"). Approval has also been obtained from the shareholders of CIH at the Extraordinary General Meeting held on 22 October 2003 and from Bank Negara Malaysia for the issue of Warrants on 11 June 2003. Approval-in-principle has been obtained from Bursa Malaysia on 10 March 2004 for the admission of the Warrants to the Official List of Bursa Malaysia and the listing of and quotation for the Rights Shares, Warrants and the new CIH Shares to be issued upon the exercise of the Warrants on the Main Board of Bursa Malaysia. The official listing of and quotation for the Rights Shares and Warrants will commence after receipt of confirmation from Malaysian Central Depository Sdn Bhd (165570-W) ("MCD") that all the Central Depository System ("CDS") accounts of the entitled shareholders and/or their renounees (if applicable) have been duly credited and notices of allotment have been despatched to them. The official listing of and quotation for the new CIH Shares to be issued upon the exercise of the Warrants is expected to commence after receipt of confirmation from MCD that all the CDS account of the exercising Warrant holders have been duly credited and notices of allotment have been despatched to them.

A copy of the AP has been registered with the SC. A copy of this RSF, together with the AP and NPA, have also been lodged with the Registrar of Companies, Malaysia, who takes no responsibility for the contents of these documents. The expiry date of the AP is 18 May 2005. This RSF must not be circulated unless accompanied by a copy of the AP.

Neither the SC nor Bursa Malaysia takes any responsibility for the correctness of statements made or opinions expressed herein. Admission of the Warrants to the Official List of Bursa Malaysia and the listing of and quotation for the Rights Shares, Warrants and the new CIH Shares to be issued upon the exercise of the Warrants on the Main Board of Bursa Malaysia are in no way reflective of the merits of the Rights Issue or of CIH and its subsidiaries.

All the documentation relating to the Rights Issue including this RSF, together with the AP and NPA, have been seen and approved by the Board of Directors of CIH and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries, and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement in these documents false or misleading.

The Provisional Allotment Letter ("PAL") is a prescribed security pursuant to Section 14(5) of the Securities Industry (Central Depositories) Act, 1991 and therefore, all dealings in the PAL will be governed by the Securities Industry (Central Depositories) Act, 1991 and the Securities Industry (Central Depositories) Amendment Act, 1998 and the Rules of MCD.

Unless otherwise stated, the unit of currency used in this RSF is Ringgit Malaysia (or "RM" in abbreviation) and sen. Terms defined in the AP shall have the same meanings when used in this document, unless they are otherwise defined here or the context otherwise requires.

INSTRUCTIONS:**(i) CLOSING DATE FOR ACCEPTANCE/APPLICATION**

This RSF is valid for acceptance until 5.00 p.m. on 11 June 2004, or such later time and day as may be decided and announced by the Directors of CIH. Where the closing date for acceptance and payment is extended from the original closing date, the notice of such extension will be made not less than two (2) market days before the original closing date.

If acceptance and payment in the manner specified herein are not received by the Share Registrar, Signet Share Registration Services Sdn Bhd (506293-D), Level 26, Menara Multi-Purpose, Capital Square, No.8, Jalan Munshi Abdullah, 50100 Kuala Lumpur by 5.00 p.m. on 11 June 2004 (or such later time and day as may be decided and announced) for any part of the Rights Shares with attached Warrants provisionally allotted to you, such provisional allotment will be deemed to have been declined and will be cancelled and such Rights Shares with attached Warrants not taken up will be allotted first to applicants applying for excess Rights Shares with attached Warrants. The Directors of CIH reserve the right to allot any excess Rights Shares with attached Warrants in such manner as they deem fit in the interest of the Company.

(ii) ACCEPTANCE OF RIGHTS SHARES WITH ATTACHED WARRANTS

If you wish to accept the Rights Shares with attached Warrants provisionally allotted to you, please complete Parts I and III of this RSF and return this RSF together with the appropriate remittance made in Ringgit Malaysia by Banker's Draft/Cashier's Order/Money Order/Postal Order drawn on a bank or post office in Malaysia and made payable to "CIH RIGHTS ISSUE ACCOUNT" and crossed "ACCOUNT PAYEE ONLY" and endorsed on the reverse side with your CDS account number, name and address in block letters for the exact amount payable for the Rights Shares with attached Warrants accepted, to the Share Registrar, Signet Share Registration Services Sdn Bhd (506293-D), Level 26, Menara Multi-Purpose, Capital Square, No.8, Jalan Munshi Abdullah, 50100 Kuala Lumpur not later than 5.00 p.m. on 11 June 2004 (or such later time and day as may be decided and announced by the Directors of CIH).

The remittance must be made for the exact amount payable for the Rights Shares with attached Warrants accepted. No acknowledgement will be issued, but a notice of allotment will be despatched to you by ordinary post to the address stated in this RSF within fifteen (15) market days from the last day of acceptance and payment for the Rights Shares with attached Warrants.

(iii) APPLICATION FOR EXCESS RIGHTS SHARES WITH ATTACHED WARRANTS

Entitled shareholders and/or their renounees (if applicable) who accept the provisionally allotted Rights Shares with attached Warrants may apply for excess Rights Shares with attached Warrants. If you wish to apply for excess Rights Shares with attached Warrants, please complete Part II of this RSF (in addition to Parts I and III of this RSF) and forward this RSF, together with a separate remittance made in Ringgit Malaysia by Banker's Draft/Cashier's Order/Money Order/Postal Order drawn on a bank or post office in Malaysia and made payable to "CIH EXCESS RIGHTS SHARES ACCOUNT" and crossed "ACCOUNT PAYEE ONLY" and endorsed on the reverse side with your CDS account number, name and address in block letters for the exact amount payable for the excess Rights Shares with attached Warrants applied for to the Share Registrar, Signet Share Registration Services Sdn Bhd (506293-D), Level 26, Menara Multi-Purpose, Capital Square, No.8, Jalan Munshi Abdullah, 50100 Kuala Lumpur not later than 5.00 p.m. on 11 June 2004 (or such later time and day as may be decided and announced by the Directors of CIH).

The remittance must be made for the exact amount payable for the excess Rights Shares with attached Warrants applied for. No acknowledgement will be issued, but a notice of allotment will be despatched to you by ordinary post to the address stated in this RSF within fifteen (15) market days from the last day of application and payment for excess Rights Shares with attached Warrants. In respect of unsuccessful or partially accepted excess Rights Shares with attached Warrants, the full amount or the surplus application monies will be refunded without interest within fifteen (15) market days from the last day of application and payment for excess Rights Shares with attached Warrants by ordinary post to the address stated in this RSF at your own risk.

The Directors of CIH reserve the right not to accept any application or to accept any application in part only, without assigning any reason.

(iv) SALE/TRANSFER OF THE PROVISIONAL ALLOTMENT OF RIGHTS SHARES WITH ATTACHED WARRANTS

If you wish to sell/transfer all or part of your provisional allotment of Rights Shares with attached Warrants to more than one person, you may do so through your stockbroker, for the period up to the last trading day for sale/transfer of the provisional allotment of Rights Shares with attached Warrants. You may immediately sell or transfer your provisional allotment of Rights Shares with attached Warrants (in accordance with the Rules of MCD) in full or in part without first having to request the Company for a split of your provisional allotment of Rights Shares with attached Warrants.

In selling/transferring all or part of your provisional allotment of Rights Shares with attached Warrants, you need not deliver any document, including this RSF, to the stockbroker. However, you must ensure that you have sufficient provisional allotment of Rights Shares with attached Warrants standing to the credit of your CDS account that are available for settlement of the sale/transfer.

The purchaser(s)/renounee(s) can collect a copy of this RSF for the acceptance of his/her/their rights from his/her/their stockbroker(s), the Bursa Malaysia website (www.bursamalaysia.com), the Share Registrar or the Registered Office of the Company.

If you have sold/transferred only part of the provisional allotment of Rights Shares with attached Warrants, you may still accept the balance of your provisional allotment of Rights Shares with attached Warrants by completing Parts I and III of this RSF.

(v) GENERAL INSTRUCTIONS

- (1) All applicants must sign on the front page of this RSF. All corporate bodies must affix their Common Seals.
- (2) Malaysian Revenue Stamp (NOT POSTAGE STAMP) of Ringgit Malaysia Ten (RM10.00) must be affixed on this RSF.
- (3) Rights Shares with attached Warrants subscribed by the entitled shareholders and/or their renounees (if applicable) will be credited into their respective CDS accounts as stated in the NPA or the exact CDS accounts appearing in the Record of Depositors.
- (4) Any interest or other benefit accruing on or arising from or in connection with any application monies shall be for the benefit of the Company and the Company shall not be under any obligation to account for such interest or other benefit to you.
- (5) The contract arising from the acceptance of the provisional allotment of Rights Shares with attached Warrants by you shall be governed by and construed in accordance with the laws of Malaysia, and you shall be deemed to have irrevocably and unconditionally submitted to the exclusive jurisdiction of the courts of Malaysia in respect of any matter in connection with this RSF and the contract.
- (6) The Company reserves the right to reject any acceptance and/or application if the instructions hereinabove stated are not strictly adhered to.