

CERTIFIED TRUE EXTRACT OF THE ORDINARY RESOLUTION PERTAINING TO THE RIGHTS ISSUE PASSED AT THE EGM OF CIH HELD ON 22 OCTOBER 2003

The following ordinary resolution pertaining to the Rights Issue was passed at the EGM of the Company held on 22 October 2003:

ORDINARY RESOLUTION 2 - PROPOSED RENOUNCEABLE RIGHTS ISSUE OF 57,377,835 NEW ORDINARY SHARES OF RM1.00 EACH IN CIH ("RIGHTS SHARES") TOGETHER WITH 57,377,835 FREE NEW DETACHABLE WARRANTS ("WARRANTS") 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 ("CIH SHARE"), AT AN ISSUE PRICE OF RM1.00 PER RIGHTS SHARE ("PROPOSED CIH RIGHTS ISSUE")

"THAT, subject to the passing of Ordinary Resolutions 1, 3 and 4 and the approvals of all relevant authorities including the approval-in-principle of Kuala Lumpur Stock Exchange ("KLSE") for the admission of the Warrants to the Official List of KLSE and listing of and quotation for the 57,377,835 Rights Shares and Warrants to be issued pursuant to this resolution as well as the new ordinary shares to be issued upon the exercise of the Warrants, on the Main Board of KLSE, approval be and is hereby given to the Directors of the Company to:

- (i) create and issue the Warrants entitling the holder thereof at any time during the period of five (5) years following the date of issue of the Warrants to subscribe for one (1) new CIH Share at an exercise price of RM1.08 per CIH Share ("Exercise Price"), subject to adjustments in accordance with the provisions of the deed poll constituting the Warrants ("Deed Poll");
- (ii) create and issue such additional Warrants ("Additional Warrants") as may be required to be issued pursuant to any adjustments under the provisions of the Deed Poll;
- (iii) allot and issue the Rights Shares and free Warrants in the Company at an issue price of RM1.00 per Rights Share to the registered shareholders of the Company whose names appear in the Record of Depositors at the close of business on a date to be determined by the Directors of the Company as they may deem fit and expedient and to be announced by the Company, on the basis of one (1) Rights Share and one (1) free Warrant for every one (1) existing CIH Share held and the Rights Shares shall upon allotment and issue rank pari passu in all respects with the then existing CIH Shares save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date (namely the date as at the close of business on which shareholders must be registered in order to be entitled to any dividends, rights, allotments and/or other distributions) of which is prior to the date of allotment of the Rights Shares **AND FURTHER THAT** the Rights Shares and free Warrants to be issued pursuant to the Proposed CIH Rights Issue which are not validly taken up for any reason may be dealt with in such manner as the Directors of the Company may in their discretion think expedient and upon such terms and conditions as the Directors of the Company may decide;
- (iv) utilise the proceeds to be derived from the Proposed CIH Rights Issue for such purposes as set out in the Circular to the shareholders of the Company dated 7 October 2003;
- (v) allot and issue the appropriate number of new CIH Shares pursuant to the exercise of the free Warrants and the Additional Warrants **AND THAT** the aforementioned new CIH Shares will, upon allotment and issue, rank pari passu in all respects with the then existing CIH Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date (namely the date as at the close of business on which shareholders must be registered in order to be entitled to any dividends, rights, allotments and/or other distributions) of which is prior to the date on which such Warrants and Additional Warrants are validly exercised in accordance with the provisions of the Deed Poll **AND FURTHER THAT** fractions of a share arising from the exercise of the free Warrants to be dealt with in such manner as the Directors of the Company may in their absolute discretion deem fit;
- (vi) enter into any underwriting agreement for the underwriting of the Proposed CIH Rights Issue;

- (vii) agree that no rights subscription form and abridged prospectus be sent to shareholders of the Company having registered addresses outside Malaysia and who have not provided an address in Malaysia at least five (5) market days prior to the close of business on a date to be determined and announced later by the Directors of the Company at which documents pertaining to the Proposed CIH Rights Issue may be delivered to them; and
- (viii) to take all steps to enter into agreements, deeds, arrangements, indemnities and guarantees as the Directors of the Company may deem necessary or expedient to give full effect to the Proposed CIH Rights Issue with full powers to assent to any condition, revaluation, modification, variation and/or amendment as may be required by any relevant authorities and to deal with all matters relating thereto and to take all steps and do all acts and things in any manner as they may deem necessary in connection with the Proposed Rights Issue.”

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INFORMATION ON CIH

1. History and Business

CIH was incorporated in Malaysia under the Act on 28 February 1978 as a private limited company under the name of C.I. Holdings Sdn Bhd. It was subsequently converted to a public company on 10 December 1982 and assumed its present name. The Company was listed on the Main Board of Bursa Malaysia on 18 February 1983.

The CIH Group's principal activities are selling, bottling and distribution of beverages. The Company also has subsidiaries which are involved in investment holding, manufacturing and trading of water taps and other plumbing accessories, building, civil and infrastructure, contractor and quarry operator, provision of management services, marketing and selling of granite quarry products, granite quarrying and manufacture of bitumen hot premix for road surfacing, quarry proprietors and operators, extraction of granite, installation and servicing of automotive air-conditioning, marketing and distribution of beverages and manufacturing, marketing, selling and distribution of water products.

2. Share Capital

The authorised, and issued and fully paid-up share capital of CIH as at 20 April 2004 are as follows:

	No. of CIH Shares	Par value RM	Total RM
Authorised			
Ordinary shares	500,000,000	1.00	500,000,000
Issued and paid-up			
Ordinary shares	57,377,835	1.00	57,377,835

Details of the changes in the issued and paid-up share capital of CIH since its incorporation to 20 April 2004 are as follows:

Date of allotment	No. of CIH Shares allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
28.02.78	2	Cash	2
01.10.80	5,777,200	Issued for the acquisition of 100% of Concrete Industries (KL) Sdn Bhd	5,777,202
01.10.80	1,236,372	Issued for the acquisition of Monier (Malaysia) Sdn Bhd	7,013,574
05.12.80	36,413	Special issue to Bumiputera investors	7,049,987
06.05.81	2,350,000	Special issue to Bumiputera investors	9,399,987
29.06.81	600,020	Special issue to Bumiputera investors	10,000,007
29.06.81	1,999,993	Rights issue of one (1) for five (5) at par	12,000,000
30.09.82	5,775,000	Rights issue of one (1) for two (2) at RM1.30 per CIH Share	17,775,000

Date of allotment	No. of CIH Shares allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
16.10.82	5,925,000	Bonus issue of one (1) for three (3)	23,700,000
26.01.83	6,300,000	Public issue at par in conjunction with flotation	30,000,000
23.07.84	15,000,000	Rights issue of one (1) for two (2) at RM1.50 per CIH Share	45,000,000
04.12.89	1,076,000	Issued under Executive Employees' Share Option Scheme ("EESOS") at RM1.38 per CIH Share	46,076,000
20.03.90	59,000	Issued under EESOS at RM1.38 per CIH Share	46,135,000
15.04.91	893,000	Issued under EESOS at RM3.17 per CIH Share	47,028,000
08.04.92	6,000	Issued under EESOS at RM3.17 per CIH Share	47,034,000
21.12.92	10,343,835	Issued at the issue price of RM4.38 per CIH Share for the acquisition of business and assets of Hume Roofing Industries Sdn Bhd	57,377,835

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3. Substantial Shareholders

The substantial shareholders of CIH and their respective shareholdings in CIH according to the Register of Substantial Shareholders as at 20 April 2004, and the effect after the Corporate Exercises on their respective shareholdings are as follows:

Name	Existing as at 20 April 2004				(A) After Rights Issue				(B) After (A) and Debt Settlement				(C) After (B) and assuming full exercise of the Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of CIH Shares	% CIH Shares	No. of CIH Shares	% CIH Shares	No. of CIH Shares	% CIH Shares	No. of CIH Shares	% CIH Shares	No. of CIH Shares	% CIH Shares	No. of CIH Shares	% CIH Shares	No. of CIH Shares	% CIH Shares	No. of CIH Shares	% CIH Shares
Amanah Raya Berhad-Skim Amanah Saham Bumiputera	11,972,000	20.87	-	-	23,944,000	20.87	-	-	23,944,000	18.47	-	-	35,916,000	19.21	-	-
Syed Khalil Syed Ibrahim*	-	-	10,326,000	18.00	-	-	20,652,000	18.00	-	-	20,652,000	15.93	-	-	30,978,000	16.57
Datin Mariam Prudence Binti Yusof*	-	-	10,326,000	18.00	-	-	20,652,000	18.00	-	-	20,652,000	15.93	-	-	30,978,000	16.57
MAA**	-	-	-	-	-	-	-	-	14,851,485	11.46	-	-	14,851,485	7.94	-	-

Notes:

- * Deemed interested through Du Ain Sdn Bhd, Duclos Sdn Bhd, Syed Ibrahim Sdn Bhd, Sisma Vest Sdn Bhd and its pledged securities account under EB Nominees (Tempatan) Sdn Bhd and Sisma Water Technology Sdn Bhd.
- ** MAA was incorporated in Malaysia as a public limited company under the Act on 24 December 1970. The principal activities of MAA are underwriting of life and general insurance business.

The CIE Disposal and Acquisitions did not have any effect on the shareholdings of the substantial shareholders of CIH.

4. Directors

The Directors of CIH, all of whom are Malaysians, and their respective shareholdings in CIH according to the Register of Directors' Shareholdings as at 20 April 2004 are as follows:

Name	Direct		Indirect	
	No. of CIH Shares	Percentage of share capital %	No. of CIH Shares	Percentage of share capital %
Y.Bhg. Dato' Seri Abdul Ghani bin Abdul Aziz	-	-	-	-
Y.Bhg. Dato' Haji Johari bin Abdul Ghani	-	-	-	-
Chan Peng Chiw	-	-	-	-
Nor Hishammuddin bin Dato' Mohd Nordin	-	-	-	-
Maj. Gen. (R) Dato' Mohamed Isa bin Che Kak	-	-	-	-
Erwin Selvarajah a/l Peter Selvarajah	-	-	-	-
Y. Berhormat Datuk Syed Ali bin Tan Sri Syed Abbas Alhabshce	-	-	-	-
Y. Bhg. Dato' Azmeer bin Rashid	-	-	-	-

The Corporate Exercises will not have any effect on the shareholdings of the Directors of CIH as none of the Directors of CIH has any shareholdings, direct and indirect, in CIH.

The profiles of the Directors of CIH are as follows:

Y. Bhg. Dato' Seri Abdul Ghani bin Abdul Aziz, aged 60, a Malaysian was appointed to the Board of Directors of CIH ("Board") on 25 November 1999 as Executive Director. On 12 July 2001, he became a Non-Independent Non-Executive Chairman of the Company. On 1 November 2003, he qualified as an Independent Non-Executive Chairman. He holds a Master of Arts Degree in International Relations and Strategic Studies from Lancaster University, United Kingdom. He is a member of the Nomination Committee. He is presently a business executive and had previously served in the Royal Malaysian Air Force ("RMAF") for thirty-two (32) years where he was appointed as the Chief of the RMAF in March 1993 and retired in November 1996.

He is currently a board member of Intan Utilities Berhad and KFCH. He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has personal interest. He does not have any convictions for offences within the past ten (10) years other than traffic offences, if any.

Y. Bhg. Dato' Haji Johari bin Abdul Ghani, aged 40, a Malaysian was appointed to the Board on 29 November 2002 as Managing Director. He holds a Diploma in Accountancy from Universiti Institut Teknologi Mara, which he obtained in 1982 and is a Fellow member of the Chartered Association of Certified Accountants in England. He started his career with an international accounting firm and has held senior positions in various listed and unlisted companies including that of Chief Executive of an insurance company. He is also currently the Group Managing Director of KFCH, Ayamas and QSR.

He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has personal interest. He does not have any convictions for offences within the past ten (10) years other than traffic offences, if any.

Chan Peng Chiu, aged 64, a Malaysian was appointed to the Board on 18 May 2001 as an Independent Non-Executive Director and as the Chairman of the Audit Committee on 24 May 2001. Subsequently, he was appointed as a Senior Independent Non-Executive Director on 7 November 2002. He is also the Chairman of the Remuneration Committee and Nomination Committee. He is a Fellow member of the Institute of Chartered Accountants in England and Wales. He has been practising as a Chartered Accountant since 1969 and is a board member of several private limited companies.

He has no directorships in other public companies. He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has personal interest. He does not have any convictions for offences within the past ten (10) years other than traffic offences, if any.

Nor Hishammuddin bin Dato' Mohd Nordin, aged 38, a Malaysian was appointed to the Board as an Independent Non-Executive Director and a member of the Audit Committee on 30 May 2001. He is also a member of the Remuneration Committee and Nomination Committee. He holds a Bachelor of Law (LLB) degree with honours and was called to the Malaysian Bar as an Advocate and Solicitor of the High Court of Malaya in 1994. He is the Founding Partner of the law firm of Hisham Yoong – K.C. Lim and is presently also its principal and managing partner.

He has no directorships in other public companies. He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has personal interest. He does not have any convictions for offences within the past ten (10) years other than traffic offences, if any.

Maj. Gen. (R) Dato' Mohamed Isa bin Che Kak, aged 69, a Malaysian was appointed to the Board on 28 April 2003 as an Independent Non-Executive Director. He graduated from the Malaysian Royal Military College and was commissioned into the Royal Malay Regiment in 1958. During his military career, he attended various military training courses such as The Joint Services Command, the Staff College in Wellington, India where he qualified with Pass Staff College (psc) and The Senior Officers Management Course in Naval Staff College in Monterey, California, United States of America.

In his more than thirty-two (32) years of service in the Malaysian Army, he had served in various capacities both Regimental and Staff. Among his early appointments was the Regimental Intelligence Officer serving with the United Nation forces in the Congo. He was also appointed as the Aide De Camp (ADC) to his Majesty Yang Di-Pertuan Agong of Malaysia from 1971 to 1975. In recognition of his services, he was awarded with the military honour of Pingat Setia Angkatan Tentera (PSAT).

He is currently a board member of Affin Holdings Berhad, Gadek (Malaysia) Berhad, LBS Bina Group Berhad and Tahan Insurance Malaysia Berhad. He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has personal interest. He does not have any convictions for offences within the past ten (10) years other than traffic offences, if any.

Erwin Selvarajah a/l Peter Selvarajah, aged 35, a Malaysian was appointed to the Board on 27 August 2003 as an Independent Non-Executive Director. Subsequently, he was appointed as a Non-Independent Non-Executive Director on 1 April 2004. He holds a Bachelor of Arts in Economics and Accounting from University of Reading, United Kingdom. Having started his career briefly in London, he returned to Malaysia and joined the auditing firm of KPMG Peat Marwick in 1992. Shortly after, he was transferred to Vietnam to help start up the KPMG office there.

In 1995, he left KPMG and joined PepsiCo Beverages International's regional office in Thailand, gaining extensive experience in the consumer goods industry across Asia Pacific. His last position was Finance Director of South East Asia and Micronesia based in Singapore. In 1999, he returned to Malaysia and joined Permanis as the President and Chief Executive Officer and continues to hold this position until today.

He has no directorships in other public companies. He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has personal interest. He does not have any convictions for offences within the past ten (10) years other than traffic offences, if any.

Y. Berhormat Datuk Syed Ali bin Tan Sri Syed Abbas Alhabshee, aged 42, a Malaysian was appointed to the Board on 27 August 2003 as an Independent Non-Executive Director. He started his business career since 1980 and has vast experience in the oil and gas industry. He is a member of the Instrument Society of America. Presently, he is the Managing Director of Interbrand Sdn Bhd and Executive Director of Rimaco (M) Sdn Bhd. He also sits on the board of other private limited companies. He is also both Secretary to Corporate Affairs UMNO Wilayah Persekutuan and Barisan Nasional Wilayah Persekutuan since 2001.

He is currently a board member of T.H. Hin Corporation Berhad. He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has personal interest. He does not have any convictions for offences within the past ten (10) years other than traffic offences, if any.

Y. Bhg. Dato' Azmeer bin Rashid, aged 65, a Malaysian was appointed to the Board on 27 August 2003 as an Independent Non-Executive Director. He holds a Bachelor of Arts and Post Graduate Diploma in Public Administration from University Malaya and Master of Business Administration from University of Santa Clara, California, United States of America. He was the Deputy Chairman of Cement Industries of Malaysia Bhd (CIMA) and a member of Muda Agricultural Development Authority. Since 1964, he had held various positions in government departments including the Secretary General of the Ministry of Lands and Cooperative Development, the State Secretary of Perlis and the President of the Municipal Council of Seberang Perai, Penang. He was the Deputy Chairman of the Education Service Commission from 1997 to 2000.

He has no directorships in other public companies. He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has personal interest. He does not have any convictions for offences within the past ten (10) years other than traffic offences if any.

5. Subsidiaries and Associate Company

Details of the subsidiaries of CIH as at 20 April 2004 are as follows:

Name	Date and country of incorporation	Issued and paid-up capital RM	Effective equity interest %	Principal activities
DISB	22.12.77 Malaysia	5,967,750	100.0	Manufacture and trading of water taps and other plumbing accessories
C.I. Building Industries Sdn Bhd	20.04.93 Malaysia	70,000,002	100.0	Investment holding
C.I. Construction Sdn Bhd	13.09.99 Malaysia	1,000,000	100.0	Building, civil and infrastructure contractor and a quarry operator
C.I. Development Sdn Bhd	13.09.99 Malaysia	2	100.0	Dormant
C.I. Management Sdn Bhd	13.09.99 Malaysia	2	100.0	Provision of management services
C.I. Properties Sdn Bhd	13.09.99 Malaysia	2	100.0	Dormant
C.I. Marketing Sdn Bhd	06.09.00 Malaysia	200,000	100.0	Marketing and selling of granite quarry products
Mawar Seroja Sdn Bhd	06.10.99 Malaysia	100,000	100.0	Investment holding

Name	Date and country of incorporation	Issued and paid-up capital RM	Effective equity interest %	Principal activities
C.I. Engineering Sdn Bhd	12.09.01 Malaysia	2	100.0	Investment holding
Pep Bottlers	28.06.96 Malaysia	300,000	100.00	Investment holding
Permanis	03.10.73 Malaysia	40,000,000	*100.0	Selling, bottling and distribution of beverages
Subsidiary of C.I. Building Industries Sdn Bhd				
C.I. Quarries Sdn Bhd	12.07.73 Malaysia	6,000,000	100.0	Granite quarrying and manufacture of bitumen hot premix for road surfacing
Subsidiaries of C.I. Quarries Sdn Bhd				
C.I. Quarrying & Marketing Sdn Bhd	03.03.90 Malaysia	873,834	100.0	Granite quarrying
C.I. Damansara Quarry Sdn Bhd	27.06.84 Malaysia	100,000	65.0	Dormant
Capital Aim Sdn Bhd	14.10.92 Malaysia	250,001	100.0	Investment holding
Subsidiaries of Capital Aim Sdn Bhd				
Mutual Prospect Sdn Bhd	12.06.92 Malaysia	75,100	100.0	Quarry proprietors and operators
C.I. Quarries (Nilai) Sdn Bhd	21.10.92 Malaysia	600,002	100.0	Extraction of granite
Subsidiary of C.I. Engineering Sdn Bhd				
C.I. Auto Services Sdn Bhd	03.05.01 Malaysia	200,000	51.0	Installation and servicing of automotive air-conditioning
Subsidiaries of Permanis				
Permanis Sandilands Sdn Bhd	14.02.74 Malaysia	8,400,000	100.0	Marketing and distribution of beverages
Bevmac Sdn Bhd	25.07.91 Malaysia	2	100.0	Dormant. Assigned the trade mark "Crystal Spring"
Champs Water Sdn Bhd <i>(formerly known as Fortune Prelude Sdn Bhd)</i>	28.02.01 Malaysia	2	100.0	Manufacturing, marketing, selling and distribution of water products

Note:

- * Of which 51% equity interest is held directly by CIH and the remaining 49% equity interest is held through Pep Bottlers.

Details of the associate company of CIH as at 20 April 2004 are as follows:

Name	Date and country of incorporation	Issued and paid-up capital RM	Effective equity interest %	Principal activities
Associate company of Permanis				
Bevmac Engineering Sdn Bhd	10.04.01 Malaysia	100,000	20	Assembling/servicing beverage refrigerators and operation of vending machines

6. Profit and Dividend Record

The following table summarises the audited consolidated results of CIH for the five (5) financial years ended 30 June 2003 and the unaudited consolidated results of CIH for the six (6) months financial period ended 31 December 2003:

	-----Audited-----					-Unaudited-
	-----Financial year ended 30 June-----					6 months financial period ended 31 December
	1999 RM 000	2000 RM 000	2001 RM 000	2002 RM 000	2003 RM 000	2003 RM 000
Revenue	249,742	130,260	79,546	25,389	27,047	12,327
Profit/(Loss) before depreciation, finance costs, interest income, share of results of associate and taxation	62,848	2,071	(2,015)	(2,724)	(165,747)	(852)
Depreciation	(19,577)	(7,751)	(5,843)	(1,308)	(1,157)	(664)
Finance costs	(949)	(2,811)	(20,837)	(30,038)	(23,527)	(11,771)
Interest income	6,239	1,394	153	144	224	22
Profit/(Loss) before taxation and exceptional item	48,561	(7,097)	(28,542)	(33,926)	(190,207)	(13,265)
Share of results of associate	(97)	-	17,632	25,645	20,936	11,902
Profit/(Loss) before taxation	48,464	(7,097)	(10,910)	(8,281)	(169,271)	(1,363)
Taxation	(4,736)	(1,279)	(5,418)	(9,231)	(6,694)	(4,332)
Profit/(Loss) after taxation	43,728	(8,376)	(16,328)	(17,512)	(175,965)	(5,695)
Minority interest	(5,001)	(378)	1,422	367	221	6
Net profit/(loss)	38,727	(8,754)	(14,906)	(17,145)	(175,744)	(5,689)
Shareholders' funds (RM 000)	288,832	287,918	272,354	253,709	76,668	70,979
Total borrowings (RM 000)	14,292	16,916	297,463	322,416	331,689	330,913
NTA (RM 000)	277,178	266,475	251,577	232,932	56,204	50,515
NTA per share (RM)	4.83	4.64	4.38	4.06	0.98	0.88
No. of CIH Shares in issue (000)	57,378	57,378	57,378	57,378	57,378	57,378
Weighted average no. of CIH Shares in issue (000)	57,378	57,378	57,378	57,378	57,378	57,378

	-----Audited-----					-Unaudited-
	-----Financial year ended 30 June-----					6 months financial period ended 31 December
	1999	2000	2001	2002	2003	2003
Gross EPS/(loss per share) (sen)*						
- Basic	84.46	(12.37)	(19.01)	(14.43)	(295.01)	@(4.76)
- Diluted	84.46	(12.37)	(19.01)	(14.43)	(295.01)	@(4.76)
Net EPS/(loss per share) (sen)**						
- Basic	67.49	(15.26)	(25.98)	(29.88)	(306.29)	@(19.82)
- Diluted	67.49	(15.26)	(25.98)	(29.88)	(306.29)	@(19.82)
Gross dividend per share (%)	18	2	#0.5	0.7	-	-

In view that the CIE Disposal and Acquisitions were completed only on 1 April 2004, the consolidated results of CIH as set out above have not taken into consideration the potential effects of the CIE Disposal and Acquisitions.

Notes:

* Computed based on consolidated profit/(loss) before taxation divided by weighted average number of CIH Shares in issue.

** Computed based on consolidated net profit/(loss) divided by weighted average number of CIH Shares in issue.

Tax-exempt.

@ Annualised.

Commentary:

- (i) Figures for the financial years ended 30 June 1999 to 2001 have been restated to reflect the change in accounting policy in the financial year ended 30 June 2002. The change in accounting policy is to comply with Malaysian Accounting Standards Board ("MASB") No. 19 "Events After the Balance Sheet Date" which requires that if dividends are proposed or declared after the balance sheet date, a company should not recognise those dividends as a liability.
- (ii) Pursuant to MASB No. 1 "Presentation of Financial Statements", exceptional items are no longer reflected on the face of the income statement. Hence, exceptional items recorded in the previous years have now been restated accordingly.
- (iii) For the six (6) months financial period ended 31 December 2003, turnover for the Group recorded a slight increase of 11% compared to preceding year corresponding period, mainly attributable to higher sales volume in the tapware division. The investing results of the Group, being the share of results of associate company decreased by 13% compared to proceeding year corresponding year to date. The Group reported a loss before tax of RM0.34 million compared to RM158.86 million in the preceding year corresponding period. The higher loss in the preceding year corresponding period was mainly due to recognition of impairment loss of RM161.273 million.
- (iv) For the financial year ended 30 June 2003, turnover for the Group managed to achieve a turnover of RM27.05 million compared to RM25.39 million in the previous financial year, a slight improvement of 6.5% which was attributable to higher sales volume in the tapware and construction divisions. Despite a reduction in finance costs due to the suspension of interest on the amount owing to Puncu Ibarat Sdn Bhd effective 1 November 2002 until the completion of the Reorganisation Scheme, the Group suffered a pre-tax loss of RM169.27 million compared to RM8.28 million in the previous financial year. The loss increase was due mainly to the recognition of the impairment loss on the proposed disposal of CIE, a wholly-owned subsidiary of CIH then, which holds the investment of 57,080,000 shares of RM1.00 each, representing 29.13% equity interest in KFCH as at 30 June 2003, the loss on disposal of Hwee Ann Credit & Leasing Sdn Bhd and the losses on revaluation and disposal of certain properties in C.I. Quarries (Nilai) Sdn Bhd, a wholly-owned subsidiary of CIH.

Commentary (Cont'd):

- (v) For the financial year ended 30 June 2002, turnover for the Group reduced by 68.08% to RM25.39 million from RM79.55 million in the previous financial year. As a result, the Group suffered a loss after taxation and minority interest of RM17.15 million compared to RM14.91 million in the previous financial year. The decline in turnover was due to the exclusion of the results of the readymix division which had been disposed in January 2001. The loss after taxation and minority interest was mainly due to the increase in interest cost of RM8.888 million for the financial year ended 30 June 2002 incurred for the acquisition of 100% equity interest in Mawar Seroja Sdn Bhd ("Mawar Acquisition"), writing off of professional fees amounting to RM1.654 million incurred on the various corporate proposals which were aborted (save for Mawar Acquisition) due to the poor market sentiment and provision for loss arising from subsequent adjustment to the sales consideration in respect of the disposal of the readymix division during the previous financial year amounting to RM1.454 million arising from certain adjustments to the NTA of C.I. Readymix Sdn Bhd as at 31 January 2001 in accordance with the terms of the sales and purchase agreement.
- (vi) For the financial year ended 30 June 2001, turnover for the Group reduced by 38.93% to RM79.55 million from RM130.26 million in the previous financial year. As a result, the Group suffered a higher loss after taxation and minority interest of RM14.91 million as compared to RM8.75 million in the previous financial year. The reduction in turnover was attributed to the divestment of the readymix division in January 2001 and the contracting out of quarry operations which was completed on 1 June 2001. The loss after taxation and minority interest was mainly due to the interest cost incurred for financing the Mawar Acquisition.
- (vii) For the financial year ended 30 June 2000, turnover for the Group reduced by 47.84% to RM130.26 million compared to RM249.74 million in the previous financial year. As a result, the Group suffered a loss after taxation and minority interest of RM8.75 million as compared to a profit after taxation and minority interest of RM38.73 million in the previous financial year. The decrease in turnover was attributable to the exclusion of the roofing tiles and paver and asphalt businesses which were disposed at the end of the previous financial year and on 25 October 1999 respectively. The Group registered a gain on disposal of RM13.42 million upon the disposal of its asphalt business. However, the Group also recorded a charge for impairment in value of property, plant and equipment amounting to RM5.36 million and goodwill written-off amounting to RM13.99 million arising from the disposal of its asphalt business.
- (viii) For the financial year ended 30 June 1999, turnover for the Group declined by 33.62% to RM249.74 million from RM370.65 million. However, the Group recorded a profit after taxation and minority interest of RM38.73 million as compared to profit after taxation and minority interest of RM22.957 million in the previous financial year. The decline in turnover was in line with the economic downturn. The increase in profit after taxation and minority interest for the financial year ended 30 June 1999 was mainly due to the Group's gain on disposal of RM21.43 million arising from the disposal of shares in a subsidiary and associate companies on 10 June 1999.
- (ix) There was no extraordinary item during the financial years/period under review.

7. Historical Share Prices

The monthly high and low market prices of CIH Shares for the past twelve (12) months from May 2003 to April 2004 are as follows:

	High RM	Low RM
2003		
May	0.99	0.91
June	1.07	0.91
July	1.47	0.95
August	1.61	1.24
September	1.30	1.13
October	1.71	1.17
November	1.67	1.20
December	1.56	1.22

	High RM	Low RM
2004		
January	1.37	1.24
February	1.46	1.22
March	1.50	1.29
April	1.47	1.22

The last transacted price of CIH Shares on 19 December 2002, being the latest practicable trading date prior to the date of announcement of the Rights Issue on 20 December 2002 RM1.40

The last transacted price of CIH Shares on 7 May 2004, being the latest practicable trading date prior to the ex-date RM1.12

The last transacted price of CIH Shares on 7 May 2004, being the latest practicable trading date prior to the printing of this Abridged Prospectus RM1.12

(Source: Bursa Malaysia Daily Diary)

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INFORMATION ON PERMANIS

1. History and Business

Permanis was incorporated in Malaysia under the Act on 3 October 1973 as a private limited company under the name of Investico Construction Sdn Bhd. It changed its name to Permanis on 7 February 1975.

The principal activity of Permanis is selling, bottling and distribution of beverages. Permanis has two (2) Exclusive Bottling Agreements with PepsiCo, Inc. and Stokely-Van Camp, Inc. which grant it the exclusive rights to bottle, distribute and sell the Pepsi brand and other peripheral brands of soft drinks in the Peninsular Malaysia and Sabah such as "Mirinda", "Seven-Up", "Gatorade" and "Mountain Dew".

2. Share Capital

The authorised, and issued and fully paid-up share capital of Permanis as at 20 April 2004 are as follows:

	No. of shares	Par value RM	Total RM
Authorised			
Ordinary shares	90,850,000	1.00	90,850,000
Redeemable preference shares*	9,150,000	1.00	9,150,000
Issued and paid-up			
Ordinary shares	40,000,000	1.00	40,000,000

Note:

* Fully redeemed by Permanis on 30 June 2003.

Details of the changes in the issued and paid-up share capital of Permanis since its incorporation to 20 April 2004 are as follow:

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of Issue	Total issued and paid-up share capital RM
Ordinary shares			
03.10.73	2	Cash	2
01.07.75	2,000,000	Cash	2,000,002
31.12.76	800,000	Cash	2,800,002
21.10.77	200,000	Cash	3,000,002
19.02.82	1,500,000	Cash	4,500,002
20.11.86	4,499,998	Cash	9,000,000
21.03.96	16,000,000	Cash	25,000,000
05.04.99	15,000,000	Cash	40,000,000

Date of allotment	No. of preference shares of RM1.00 each allotted	Consideration/Type of Issue	Total issued and paid-up share capital RM
Preference shares			
28.06.01	9,150,000	Cash	9,150,000
11.03.02	(2,000,000)	Redemption	7,150,000
31.03.03	(3,000,000)	Redemption	4,150,000
30.06.03	(4,150,000)	Redemption	-

3. Substantial Shareholders

The substantial shareholders of Permanis and their respective shareholdings in Permanis according to the Register of Substantial Shareholders as at 20 April 2004 are as follows:

Name	-----Direct-----		-----Indirect-----	
	No. of ordinary shares held	%	No. of ordinary shares held	%
CIH	20,400,000	51.00	19,600,000 ¹	49.00
Pep Bottlers	19,600,000	49.00	-	-
Amanah Raya Berhad-Skim Amanah Saham Bumiputera	-	-	20,400,000 ²	51.00
Datin Mariam Prudence binti Yusof	-	-	20,400,000 ²	51.00
Syed Khalil Syed Ibrahim	-	-	20,400,000 ²	51.00

Notes:

1 Deemed interested through Pep Bottlers.

2 Deemed interested through CIH.

4. Directors

The directors of Permanis, all of whom are Malaysians, and their respective shareholdings in Permanis according to the Register of Directors' Shareholdings as at 20 April 2004 are as follows:

Director	-----Direct-----		-----Indirect-----	
	No. of ordinary shares held	%	No. of ordinary shares held	%
Erwin Selvarajah a/l Pcter Selvarajah	-	-	-	-
Abdul Malik bin Abbas	-	-	-	-
Y. Bhg. Datuk Haji Izhar bin Sulaiman	-	-	-	-
Y. Bhg. Dato' Haji Johari bin Abdul Ghani	-	-	-	-

5. Subsidiaries and Associate Company

Details of the subsidiaries and the associate company of Permanis as at 20 April 2004 are as follows:

Name	Date and country of incorporation	Issued and paid-up capital RM	Effective equity interest held %	Principal activities
Subsidiaries				
Permanis Sandilands Sdn Bhd	14.02.74 Malaysia	8,400,000	100	Marketing and distribution of beverages
Bevmac Sdn Bhd	25.07.91 Malaysia	2	100	Dormant. Assigned the trade mark "Crystal Spring"
Champs Water Sdn Bhd (<i>formerly known as Fortune Prelude Sdn Bhd</i>)	28.02.01 Malaysia	2	100	Manufacturing, marketing, selling and distribution of water products
Associate company				
Bevmac Engineering Sdn Bhd	10.04.01 Malaysia	100,000	20	Assembling/ servicing beverage refrigerators and operation of vending machines

6. Profit and Dividend Record

The following table summarises the proforma consolidated results of Permanis for the three (3) financial years ended 30 June 2001, the audited consolidated results of Permanis for the two (2) financial years ended 30 June 2003 and the audited consolidated results of Permanis for the six (6)-month financial period ended 31 December 2003:

	-----Proforma Group-----			-----Audited-----		
	-----Financial year ended 30 June-----					Six (6)-month financial period ended 31 December
	1999	2000	2001	2002	2003	2003
	RM 000	RM 000	RM 000	RM 000	RM 000	RM 000
Revenue	145,465	141,681	165,809	170,001	207,572	118,259
(Loss)/Profit before taxation	(27,769)	(9,819)	(48,932)	6,606	10,380	8,032
Taxation	(220)	-	608	(264)	(2,304)	(2,615)
(Loss)/Profit after taxation	(27,549)	(9,819)	(49,540)	6,342	8,076	5,417
Shareholders' funds	14,088	4,269	7,270	7,660	15,736	21,151
Total borrowings (RM 000)	80,503	91,253	88,510	89,977	84,399	82,264
NTA (RM 000)	14,088	4,269	870	1,260	9,576	15,151
NTA per share (RM)	0.35	0.11	0.02	0.03	0.24	0.38
No. of ordinary shares in issue (000)	40,000	40,000	40,000	40,000	40,000	40,000
Weighted average no. of ordinary shares assumed in issue (000)	40,000	40,000	40,000	40,000	40,000	40,000
Net (loss per share)/EPS (sen)	(68.87)	(24.55)	(123.85)	15.86	20.19	13.54
Gross dividend rate (%)	-	-	-	-	-	-

Commentary:

- (i) For the six (6)-month financial period ended 31 December 2003, audited turnover of RM118.26 million recorded 56.97% of the audited turnover of RM207.57 million for the financial year ended 2003. In addition, the six (6)-month audited profit after taxation of RM5.42 million recorded 67.08% of the audited profit after taxation of RM8.08 million for the financial year ended 2003. The high turnover for the six (6)-month financial period was mainly due to the high demand during the festive seasons.
- (ii) For the financial year ended 30 June 2003, the audited turnover increased by 22.10% to RM207.57 million from RM170.00 million in 2002. As a result, Permanis recorded an increase in audited profit after taxation by 27.44% to RM8.08 million in 2003 from RM6.34 million in 2002. The increase in turnover was mainly attributable to the introduction of new products such as "Pepsi Blue" and "Gatorade" drinks and the re-launching of "Seven-Up" and "Fido Dido" drink. In addition, Permanis for the first time has expanded its market to Sabah and South Africa.
- (iii) For the financial year ended 30 June 2002, turnover increased by 2.53% to RM170.00 million from RM165.81 million in 2001. As a result, Permanis recorded a profit after taxation of RM6.34 million in 2002 as compared to a loss after taxation of RM49.54 million in 2001. The increase in turnover was mainly due to the inclusion of the results of Permanis Sandilands Sdn Bhd, a wholly-owned subsidiary of Permanis acquired on 30 June 2001 into the consolidated income statement of Permanis. The increase in turnover was also due to higher sales in line with the increase in consumer demand and the introduction of new products such as "Excel" isotonic drinks and "Frost" drinking water, and the re-launching of "Chill" Asian drinks.

We refer to the attention drawn in the Auditors' Report for the financial year ended 30 June 2002 in respect of the going concern of Permanis and its subsidiaries' ability to operate profitably in the foreseeable future. In view of Permanis's competitive advantages as detailed in Section 6.11 of this Abridged Prospectus, the Directors of CHH are of the view that Permanis's future prospects are favourable. Furthermore, there is positive growth in its turnover as well as positive shareholders' funds and NTA.
- (iv) For the financial year ended 30 June 2001, proforma turnover increased by 17.03% to RM165.81 million from the proforma turnover of RM141.68 million in 2000. However, Permanis recorded a proforma loss after taxation of RM49.54 million compared to a proforma loss after taxation of RM9.82 million in 2001. The increase in proforma turnover was due to higher sales in line with the pick up in consumer demand as a result of an improvement in economic conditions. Permanis incurred a proforma loss after taxation despite the increase in turnover mainly due to a write-off of goodwill of RM53.42 million arising from the acquisition of Permanis Sandilands Sdn Bhd and Bevmac Sdn Bhd which were completed on 30 June 2001 and 7 June 2000 respectively.
- (v) For the financial year ended 30 June 2000, proforma turnover decreased further by 2.61% to RM141.68 million from RM145.47 million in 1999. However, Permanis made a lower proforma loss after taxation of RM9.82 million in 2000 compared to a proforma loss after taxation of RM27.55 million in 1999. The decrease in proforma turnover was due to lower sales as a result of persistent weak consumer demand in line with the economic downturn. However, Permanis recorded a lower proforma loss after taxation due to savings on cost cutting measures and reduced foreign exchange losses due to a stable RM.
- (vi) For the financial year ended 30 June 1999, proforma turnover recorded RM145.47 million and Permanis suffered a proforma loss after taxation of RM27.55 million in 1999. The lower proforma turnover was due to lower sales as a result of lower consumer demand for soft drinks in line with the downturn of the economy which started in mid August 1997. The proforma loss after taxation was mainly due to lower sales, higher interest costs and foreign exchange losses in 1997 during the period when the RM was not pegged to the United States Dollar ("USD") as some raw materials and packaging materials were imported and denominated in USD.
- (vii) There was no extraordinary item during the financial years under review.