

INFORMATION ON PEP BOTTLERS**1. History and Business**

Pep Bottlers was incorporated in Malaysia under the Act on 28 June 1996 as a private limited company under the name of KFC Feedmill Sdn Bhd. It subsequently changed its name to Pep Bottlers on 15 November 2001.

The principal activity of Pep Bottlers is investment holding. The principal activity of its associate company, Permanis is in the selling, bottling and distribution of beverages.

2. Share Capital

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

	No. of shares	Par value RM	Total RM
Authorised			
Ordinary shares	500,000	1.00	500,000
Issued and paid-up			
Ordinary shares	300,000	1.00	300,000

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

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of Issue	Total issued and paid-up share capital RM
28.06.96	3	Cash	3
05.04.02	299,997	Capitalisation of amounts owing to KFCH	300,000

3. Substantial Shareholders

The substantial shareholders of Pep Bottlers and their respective shareholdings in Pep Bottlers 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	300,000	100.00	-	-
Amanah Raya Berhad-Skim Amanah Saham Bumiputera	-	-	300,000 ¹	100.00
Datin Mariam Prudence binti Yusof	-	-	300,000 ¹	100.00
Syed Khalil Syed Ibrahim	-	-	300,000 ¹	100.00

Note:

1 *Deemed interested through CIH.*

4. Directors

The directors of Pep Bottlers, all of whom are Malaysians, and their respective shareholdings in Pep Bottlers 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	%
Y. Bhg. Datuk Haji Izhar bin Sulairman	-	-	-	-
Y. Bhg. Dato' Haji Johari bin Abdul Ghani	-	-	-	-

5. Subsidiary and Associate Company

Pep Bottlers does not have any subsidiary as at 20 April 2004.

Details of the associate company of Pep Bottlers as at 20 April 2004 is as follows:

Name	Date and country of incorporation	Issued and paid-up capital RM	Effective equity interest held %	Principal activities
Permanis	3.10.73 Malaysia	40,000,000	49.00	Selling, bottling and distribution of beverages

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6. Profit and Dividend Record

The following table summarises the audited results of Pep Bottlers for the five (5) financial years ended 31 December 2003:

	-----Audited-----				
	-----Financial year ended 31 December-----				
	1999 RM	2000 RM	2001 RM	2002 RM	2003 RM
Revenue	-	-	-	-	-
Profit before taxation	-	-	-	-	-
Taxation	-	-	-	-	-
Profit after taxation	-	-	-	-	-
Total borrowings (RM)	-	-	-	-	-
NTA (RM)	3	3	3	300,000	300,000
NTA per share (RM)	1	1	1	1	1
Shareholders' funds/No. of ordinary shares in issue (RM)	3	3	3	300,000	300,000
Weighted average no. of ordinary shares in issue	3	3	3	221,919	300,000
Net EPS (sen)	-	-	-	-	-
Gross dividend per share (%)	-	-	-	-	-

Notes:

Pep Bottlers is an investment holding company and has not commenced operations since it was incorporated on 28 June 1996. On 5 April 2002, it completed the acquisition of 49% equity interest in Permanis comprising 19,600,000 ordinary shares of RM1.00 each. Pep Bottlers does not equity account its equity interest in Permanis as consolidation is only performed at the ultimate holding company's level. This is as prescribed by paragraph 5(4)(a) of the Ninth Schedule of the Act, whereby a company is not required to prepare consolidated accounts if at the end of its financial year, the company is a wholly-owned subsidiary of another body corporate incorporated in Malaysia.

There was no extraordinary item during the financial years under review.

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TERMS, CONDITIONS AND PROVISIONS OF THE WARRANTS

(As extracted from the Second Schedule of the Deed Poll)

The Rights Issue has been authorised by an ordinary resolution of the Company's shareholders passed at the EGM of the Company held on 22 October 2003. The Warrants to be issued pursuant to the Rights Issue are constituted by a Deed Poll which contains, inter-alia, the provisions to the following effect. The principal terms of the Warrants as extracted from the Deed Poll dated 18 March 2004 are as set out below. A copy of the Deed Poll is available for inspection at the Registered Office of the Company at Level 17, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur, during normal business hours from Monday to Friday (except on public holidays) for a period of twelve (12) months from the date of this Abridged Prospectus.

1. DEFINITIONS, INTERPRETATIONS & CONSTRUCTION

- 1.1. All the definitions, interpretations and construction of the Warrants' conditions shall be the same as the main bodies of the Deed.

2. FORM

- 2.1 **Form:** Subject to the Central Depositories Act and the Rules, the Warrants are issued in registrable form and the Company may deem and treat the Warrantheadholder whose names appear on the Record of Depositors and/or Warrant Register as the absolute owner thereof, for the purpose of giving effect to the exercise of the Exercise Rights and for all other purposes.

3. EXERCISE OF EXERCISE RIGHTS

- 3.1 **Exercise Period:** Upon and subject to the Central Depositories Act, the Rules and the Conditions, the Warrantheadholders will have the right to exercise the Exercise Rights at any time during the Exercise Period upon payment of the Exercise Price in cash to subscribe for the whole or part of the New Shares in respect of which the Exercise Rights are being exercised at the Exercise Price. At the close of business on the Expiry Date, at 5.00 p.m., any Exercise Rights which have not then been exercised and delivered to the Registrar will lapse and every Warrant not exercised by then will cease thereafter to be valid for any purpose. The Company shall notify the Warrantheadholders and MSEB in writing at least thirty (30) days before the Expiry Date of the Warrants and the notice of expiry shall be published in at least one (1) English language daily newspapers circulating generally throughout Malaysia.

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- 3.2 **Mode of Exercise:** In order to exercise the Exercise Rights represented by any Warrant Certificate, a Warrantholder must complete and sign the Exercise Form (which shall be irrevocable and in the form as set out in First Schedule Part II hereof and made available by the Registrar upon request in writing by the Warrantholders or in the manner stipulated by MSEB) and deliver the same to the Registrar together with a remittance in Malaysian currency (by way of banker's draft, banker's demand draft, cashier's order, money or postal order issued by a post office in Malaysia for the credit of and account maintained by the Registrar to be known as the "CIH Warrants Account") for the amount equal to the Exercise Moneys for the total number of New Shares in respect of which the Exercise Rights are being exercised and the documents referred to in the Exercise Form. PROVIDED ALWAYS that the Registrar shall within seven (7) days from the date of receipt of the moneys pursuant to the exercise of the Warrants deposit the same into the account maintained by the Company and PROVIDED FURTHER that in every case compliance must also be made with the exchange control of Bank Negara Malaysia or other statutory requirements for the time being applicable. If any Conditions relating to the exercise of any Warrants have not been complied with under any Conditions herein, then all monies paid and all documents delivered to the Company shall be returned to the exercising Warrantholder by registered post at the risk of the Warrantholder by the seventh (7th) day following the date of notice for rectification. The Registrar of the Company reserves the right to request the Warrantholder to provide such evidence (if any) as it may require to prove the title of the person(s) exercising the Exercise Rights and due execution of the Exercise Form. Any Warrantholder exercising the Exercise Rights shall if and when so required by the Company to execute such agreement or document (if any) as the Company shall reasonably require for the purpose of compliance with any provision of the MCD, MSEB or other legal requirement and in the event of default, the Directors shall have the right to authorise a person to execute any such agreement or document on behalf of the Warrantholder. Any Warrantholder is not allowed to exercise the Exercise Rights unless the Warrants have been designated as "free securities" in accordance with the provisions of the MCD.
- 3.3 **Allotment of New Shares upon Exercise:** New Shares issuable upon the exercise of the Exercise Rights represented by any Warrant will be allotted and issued and notices of allotment despatched to the Warrantholders not later than ten (10) Market Days after the Exercise Date. The New Shares to be issued pursuant to the exercise of the Warrants shall upon allotment and issue rank pari passu in all respects with the then existing Shares save and except the entitlements to dividends, rights, allotments or other distributions, the Record Date of which is prior to the date of allotment of the New Shares. Any exercise of the Exercise Rights after 5.00 p.m. on the Expiry Date shall be null and void. The Company shall in relation to all Warrantholders who exercise the Exercise Rights, at such times and in such manner as may be prescribed by the Rules or agreed with the MCD, deposit with the MCD (or in accordance with its directions) share certificate(s) issued in the name of Malaysian Central Depository Nominees Sdn. Bhd. (or such other nominee company as may be specified by the MCD) in respect of the New Shares which have been credited into the CDS Accounts of the aforesaid Warrantholders. No share certificates will be issued or delivered to such Warrantholders. The New Shares arising from the exercise of the Exercise Rights represented by any Warrants are prescribed securities and as such the Securities Industry (Central Depositories) Act, 1991 and the Rules shall apply in respect to the dealing in the New Shares. The Registrar shall be entitled to refuse to allot and issue any New Shares pursuant to any purported exercise of the Exercise Rights by any Warrantholder if such holder does not comply with this condition 3.
- 3.4 **New Shares and Warrant Certificates:** As soon as practicable after the relevant crediting of New Shares under this Condition into the CDS Account of the Warrantholder (and not later than ten (10) Market Days after the relevant Exercise Date) the Company will issue to each Warrantholder who has exercised the Exercise Rights represented by his Warrant a notice of allotment stating the number of New Shares arising from such exercise that has been credited into the CDS Account of each Warrantholder. The relevant number of Warrants converted into New Shares shall then be duly debited from the CDS Account of each Warrantholder.
- 3.5 **Listing of New Shares arising from the exercise of Warrants:** The Company shall use all reasonable endeavours to obtain approval for all the New Shares arising from the exercise of the Exercise Rights represented by any Warrant for quotation and permission to deal from MSEB.
- 3.6 **Stamp Duty or Fees:** Any stamp duty or fees (subject to such maximum sum as shall be imposed from time to time by the authorities) or charges, if any, in relation to the exercise of the Exercise Rights and/or the New Shares will be for the account of the Warrantholders.

4. ADJUSTMENTS OF EXERCISE PRICE AND EXERCISE RIGHTS

- 4.1 **Events resulting in Adjustments:** The Exercise Price of the New Shares to which a Warrantholder is entitled to subscribe shall from time to time be adjusted by the Directors in consultation with the Approved Merchant Bank and certified by the Auditors in accordance with the provisions as contained in the Memorandum, a copy of which has been signed by a Director and the Auditors for the purpose of identification, which is deemed to form part of the Conditions and which is available for inspection by Warrantholders at the registered office of the Company. Accordingly, upon and subject to the Conditions, the Exercise Price of the New Shares to which a Warrantholder is entitled to subscribe will be adjusted in all or any of the following cases:-
- (a) an alteration of the par value of the Shares by reason of any consolidation of shares, subdivision of shares or conversion of shares; or
 - (b) an issue by the Company of Shares to Shareholders credited as fully paid by way of capitalisation of profits or reserves (including any share premium account and capital redemption reserve fund); or
 - (c) a Capital Distribution (as defined in the Memorandum) to Shareholders made by the Company whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or
 - (d) an offer or invitation to Shareholders made by the Company whereunder they may acquire or subscribe for Shares by way of rights; or
 - (e) an offer or invitation to Shareholders made by the Company by way of rights whereunder they acquire or subscribe for securities convertible into, or rights to acquire or subscribe for Shares; or
 - (f) an issue (otherwise than pursuant to a rights issue available to all Shareholders requiring an adjustment under Condition 4.1(d) and (e) above) by the Company of Shares or securities convertible into, or rights to acquire or subscribe for Shares, if in any such case the Total Effective Consideration (as defined herein) for each share is less than ninety per centum (90%) of the Last Dealt Price calculated and otherwise as provided in the Memorandum.
- 4.2 **Takeover:** If any offer or invitation for the acquisition of all the Shares then in issue is made otherwise than by the Company to the Shareholders then the Company shall, so far as it is able, procure that at the same time an offer or invitation is made to the Warrantholders as if their rights to subscribe for New Shares had been exercised the day immediately preceding the Record Date of such offer or invitation on the basis then applicable.
- 4.3 **No Adjustments:** Notwithstanding Condition 4.1, no adjustment to the Exercise Price and Exercise Rights will be required in respect of:
- (a) an issue of New Shares upon the exercise of the Exercise Rights of Warrantholders issued by the Company hereunder; or
 - (b) an issue by the Company of Shares or other securities convertible into new Shares or securities with rights to acquire or subscribe for Shares to officers, including Directors, or employees of the Company or any of its subsidiaries pursuant to a purchase or option schemes approved by the Shareholders in a general meeting including (without limitation), an issue pursuant to the Employee Share Option Scheme; or
 - (c) an issue by the Company of Shares or of securities convertible into new Shares or securities with rights to acquire or subscribe for Shares in any such case in consideration or part consideration for any other securities, assets or business; or
 - (d) an issue by the Company of Shares or of securities convertible into new Shares or securities with rights to acquire or subscribe for Shares pursuant to a special issue to Bumiputera investors approved by the relevant authorities and the members of the Company at a general meeting; or

- (e) an issue of Shares arising from the exercise of any conversion rights attached to any convertible securities or rights to acquire or to subscribe for Shares (including the Warrants herein) previously issued or to be issued by the Company whether by itself or together with any other issues; or
- (f) an issue by the Company of Shares or other securities convertible into new Shares or rights to acquire or subscribe for Shares which is also offered to the Warrantholders by way of a rights issue; or
- (g) an issue by the Company of Shares or securities convertible into new Shares or securities with rights to acquire or subscribe for Shares as long as the aggregate number of Shares issued (or in the case of securities convertible into new Shares or securities with rights to acquire or subscribe for Shares, the total number of Shares to be issued upon full conversion or full exercise) in any one financial year of the Company does not exceed ten per centum (10%) of the issued and paid-up capital of the Company as of the date of issue of the Shares or the securities (as the case may be); or
- (h) any purchase of its own Shares by the Company pursuant to the Act; or
- (i) any special issue of Shares or other securities made by the Company in compliance with any regulation made by any relevant authority.

4.4 **Rounding Effect:** The Exercise Price and the number of Warrants shall be adjusted as follows:

- (a) any adjustment to the Exercise Price will be made to the nearest one (1) 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 result in the Exercise Price falling below the par value of the Shares for the time being. In the event that any adjustment would result in the Exercise Price be reduced below the par value of a Share, then the adjustment shall be made to the par value of the Shares only. No adjustment to the Exercise Price shall be made unless it has been certified by the Auditors and an Approved Merchant Bank. No adjustment will be made to the Exercise Price in any case in which the amount by which the same would be reduced would be less than one (1) Sen and any adjustment which would otherwise then be required will not be carried forward; and
- (b) any adjustments to the number of Warrants held by each Warrantholder will be rounded downwards to the nearest whole Warrant. No adjustment to the number of Warrants shall be made unless it has been certified by the Auditors and approval-in-principle has been granted by the relevant authorities and MSEB for the listing of and quotation for such additional Warrants as may be issued as a result of such adjustment and such additional New Shares as may be issued upon the exercise of the Exercise Rights under the additional Warrants.

Notice of any adjustment will be given to Warrantholders in accordance with Condition 12.

4.5 **Other Discretionary Power Relating to Adjustments:** Notwithstanding the provisions referred to in Condition 4.1 and Condition 4.3 above, in any circumstances where the Directors consider that the adjustments provided under the said provisions should not be made or should be calculated on a different basis or that an adjustment 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) is inequitable and, if such Approved Merchant Bank shall consider this to be the case, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner as shall be considered by such Approved Merchant Bank to be, in its opinion, appropriate. Whenever there is an adjustment as herein provided, the Company shall give notice to Warrantholders within fifteen (15) Market Days of such adjustment in accordance with Condition 12 that:

- (a) the Exercise Price and/or the number of additional Warrants to be issued have been adjusted or determined as the case may be;
- (b) the event giving rise to the adjustment or determination;

- (c) the Exercise Price and/or the number of Warrants in effect prior to such adjustment or determination;
- (d) the adjusted Exercise Price and/or the adjusted number of Warrants in issue; and
- (e) the effective date of such adjustment or determination.

At all times thereafter so long as any of the Warrants remain exercisable, the Company shall make available for inspection at its registered office a signed copy of the certificate of the Auditors/Approved Merchant Bank certifying the adjustment to the Exercise Price and/or the number of Warrants issued and a certificate signed by a director of the Company setting forth the particulars of the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or the adjusted number of Warrants in issue and the effective date of such adjustment. On request, a copy of such certificate shall be sent by the Company to any Warrantholder.

Whenever there is an adjustment to the number of Warrants, the Company will as soon as practicable after the relevant adjustment but not later than fifteen (15) Market Days after the effective date of such adjustment, despatch by ordinary post notice of allotment for the additional number of Warrants issued to each Warrantholder at the risk of that Warrantholder at his address appearing in the Record of Depositors.

In the event of any adjustments to the number of Warrants issued, the Company shall arrange with MCD for the issue of additional and/or cancellation of existing Warrant Certificates to reflect the adjustment in the number of Warrants (as the case may be). MCD shall in the event of such adjustment be irrevocably authorised to alter the number of Warrants in credit in the Warrantholders' respective CDS Accounts to reflect the adjustment. The Company shall also make such entries in the Warrant Register to reflect the changes in the number of Warrants represented by the Warrant Certificates in issue after adjustment.

- 4.6 **Approved Merchant Bank's Expert Opinion:** In any circumstances where the Directors, the Approved Merchant Bank referred to in Condition 4.1 above and the Auditors are unable to agree upon any adjustment required by Condition 4.1, the Directors shall refer the adjustment to the decision of another Approved Merchant Bank acting as expert and not as arbitrator and whose decision as to such adjustment as shall be appropriate in terms of the Conditions shall be final and conclusive and no certification by the Auditors shall be necessary.
- 4.7 **Modification of Rights to Shares:** 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 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 is appropriate and if such Approved Merchant Bank and the directors of the Company shall determine that any adjustment is appropriate, the Exercise Price and/or the number of Warrants shall be adjusted accordingly. Any such modification shall be subject to the approval of MSEB and other relevant authorities.
- 4.8 **Additional Warrants:** Any additional Warrants which may be issued by the Company under this Condition 4 shall be part of the series of Warrants constituted by this Deed Poll, and shall be issued subject to and with the benefit of this Deed Poll and on such terms and conditions as the directors of the Company may from time to time think fit including but not limited to the terms and conditions as set out herein for the Warrants.
- 4.9 **Conclusive Opinion by Auditors and Approved Merchant Bank:** In giving any certificate or making any adjustment hereunder, the Auditors and any Approved Merchant Bank shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error their decision shall be conclusive and binding on all persons having an interest in the Warrants.
- 4.10 **Agreement of Adjustment:** Notwithstanding anything herein contained, any adjustment to the Exercise Price and/or any determination or adjustment of the number of additional Warrants to be issued otherwise than in accordance with the Memorandum, shall be agreed to by the Directors, the Auditors and the Approved Merchant Bank, if required.

5. FURTHER PROVISIONS RELATING TO CONVERSION

- 5.1 **Offer:** If any offer is made to all (or as nearly as may be practicable all) the ordinary shareholders (or to all or as nearly as may be practicable all), such Warrantholders other than the offeror and/or any company controlled by the offeror and/or persons associated, connected or acting in concert with the offeror) to acquire the whole or any part of the ordinary shares capital ("**the Ordinary Shares**") whilst any of the Warrant remains capable of being exercised and the Company becomes aware that the right to cast more than fifty per centum (50%) of the votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in the offeror and/or any company controlled by the offeror and/or persons associated, connected or acting in concert with the offerors, the Company shall give notice of that fact in writing to all Warrantholder within fourteen (14) days of it becoming so aware.

6. RESTRICTIONS TO PROTECT EXERCISE RIGHTS

- 6.1 **Restriction:** As from the date of issue of the Warrants and, as long as any of the Exercise Rights remain exercisable:-
- (a) the Company shall keep available free from pre-emptive or other rights part of its authorised but unissued share capital to satisfy in full all Exercise Rights for the time being outstanding; and
 - (b) the Company shall not, if and so long as the share capital of the Company is divided into Shares of more than one class, in any way modify the rights attached to the Shares as a class or to attach any special restrictions thereto save as provided in the Conditions.

7. WINDING-UP, COMPROMISE AND ARRANGEMENT OF THE COMPANY

- 7.1 **Winding-Up, Compromise and Arrangement:** If a resolution is 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 a scheme for the reconstruction of the company or the amalgamation of the Company with one or more companies, then:-
- (a) if such winding-up, compromise or arrangement has been approved by the Warrantholders, or some person designated by them for such purposes by Special Resolution, the terms of such winding up, compromise or arrangement shall be binding on all the Warrantholders; and
 - (b) in any other case every Warrantholder as evidenced in the Record of Depositors provided by MCD shall be treated as having the right to subscribe for New Shares in accordance with the terms and conditions of the Deed Poll, at any time within six (6) weeks after the commencement of such winding up, compromise or arrangement, or within six (6) weeks after the granting of the court order approving the compromise or arrangement (as the case may be) and the liquidator of the Company shall give effect to such election accordingly. If such Exercise Rights have not been exercised within the aforementioned period, the right of the Warrantholders to exercise shall lapse and the Warrants will cease to be valid for any purpose. The Company shall give notice to the Warrantholders in accordance with Condition 12 of the passing of any such resolution within seven (7) days after the passing or granting thereof. For the avoidance of doubt, the Exercise Date shall be deemed to be the date of such transfer.

Subject to the foregoing, 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 such resolution or the granting of the court order shall lapse and the Warrants will cease to be valid for any purpose.

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

8. FURTHER ISSUES

- 8.1 **Further Issue of Shares:** For the avoidance of doubt, nothing in this Deed Poll shall prevent the Company from issuing, and the Company reserves the right to Rights Shares or other securities convertible to Shares to the Shareholders for cash or as a bonus distribution or otherwise, or to any other persons or for any other purpose. In the event of an issue of Shares or other securities convertible to Shares by the Company, the Warrantholder shall not have any participating rights in respect of such issue although the Exercise Price and the number of additional Warrants to be issued shall be adjusted, calculated and determined in accordance with the Memorandum hereto, unless otherwise resolved by the Company in a general meeting.

9. MEETINGS AND MODIFICATION OF RIGHTS

- 9.1 **Warrantholders' Meeting:** Warrantholders holding not less than ten per centum (10%) of the Exercise Rights for the time being remaining unexercised may request for a meeting of Warrantholders to be held to consider any matter affecting their interests. Such meeting shall be held at such place as the Company shall reasonably determine as appropriate and the Company is entitled to receive such indemnity as the Company may require against the cost of convening and holding the meeting.
- 9.2 **Approvals from Authorities:** All or any of the rights for the time being attached to the Warrants (other than the Exercise Price or the formulae for the adjustment of the Exercise Price or the number of Warrants or other than as specifically provided in the Conditions) may be altered or abrogated by the Company from time to time (whether or not the Company is being wound up) and the sanction of a Special Resolution passed at a meeting of the Warrantholders shall be necessary and sufficient to effect such alteration or abrogation. Any of such modification shall however be subject to the approval of MSEB, the Securities Commission and any relevant authorities.
- 9.3 **Regulations relating to Meetings:** To any such meeting all the provisions of the Articles of Association for the time being of the Company as to general meetings of the Company and for notice thereof shall, mutatis mutandis, apply as if the Warrants were a class of Shares forming part of the capital of the Company save that:-
- (a) such a meeting may only be convened by, or with the consent of the Company;
 - (b) at least fourteen (14) days' notice or when the meeting is being convened for the purpose of passing a Special Resolution at least twenty one (21) days' notice (exclusive in each case of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every meeting shall be given to the Warrantholders in the manner provided in the Conditions. The notice shall specify the place, day and hour of the meeting and the general nature of the business to be transacted but it shall not be necessary except in the case of a Special Resolution to specify in the notice the terms of any resolution to be proposed. The accidental omission to give notice to or the non-receipt of notice by any of the Warrantholders shall not invalidate the proceedings at any meeting;
 - (c) the Company shall request the MCD in accordance with the Rules to prepare the Record of Depositors for the purpose of ascertaining the Depositors to whom notices of the meeting shall be given by the Company. Subject to the Security Industry (Central Depositories) (Foreign Ownership) Regulations, 1996 (where applicable), such Record of Depositors shall be the final record of all Depositors of the Warrants who shall deemed to be the Warrantholders in respect of the Warrants, eligible to be present and vote at such meetings;

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- (d) no business (other than the choosing of a Chairman) shall be transacted at any meeting unless the requisite quorum is present at the commencement of business. At any meeting at least two (2) persons being Warrantholders present in person or by proxy shall form a quorum for the transaction of business. A Special Resolution duly passed at any meeting of Warrantholders shall be binding on all Warrantholders, whether or not they are present at the meeting. Any Warrants which have not been exercised but have been lodged for exercise shall not, unless and until they are withdrawn or rejected or declared by the Company to be void in accordance with the provisions of the Conditions set out in the Third Schedule of the Deed Poll, confer the right to such Warrantholder to attend or vote at, or join in convening or be counted in the quorum for any meeting of the Warrantholders;
- (e) if within thirty minutes (30) minutes after the time appointed for the meeting quorum is not present, the meeting, if convened upon the requisition of Warrantholders shall be dissolved. In any other case it shall stand adjourned to such day and time being not less than fourteen (14) days nor more than twenty one (21) days thereafter and to such place as may be appointed by the Chairman and at such adjourned meeting two (2) persons being Warrantholders present in person or by proxy shall be a quorum for the transaction of business including the passing of Special Resolutions and at least fourteen (14) days' notice of any adjourned meeting shall be given in the same manner as for an original meeting and such notice shall state that two (2) persons being Warrantholders present or by proxy at the adjourned meeting whatever the number of Warrants held by them will form a quorum;
- (f) every Warrantholder present in person or by proxy at any such meeting or adjourned meeting shall be entitled on a show of hands to one (1) vote and every Warrantholder present in person or by proxy at any meeting shall be entitled on a poll to one (1) vote for each New Share to which such holder would be entitled at the Exercise Price on the exercise in full of the Exercise Rights represented by such holder's Warrant;
- (g) any Warrantholder present in person or by proxy may demand a poll;
- (h) a person nominated in writing by the company shall preside as chairman at every meeting and if no such person is nominated or at any meeting no person nominated shall be present within fifteen (15) minutes after the time appointed for holding the meeting, the Warrantholders present shall choose one (1) of their number to be chairman and failing such choice the Company may appoint a Chairman. The Company, any of the Company's directors, the secretaries and solicitors and any other person authorised in that behalf by the Company may attend and be heard at any meeting;
- (i) the Chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place;
- (j) at any meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands) a poll is demanded by the chairman or by one (1) or more Warrantholders present in person or by proxy and holding or representing at least ten per centum (10%) of the Warrants remaining unexercised or by Company. Unless a poll is so demanded a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or not carried by particular majority or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution;
- (k) if a poll is duly demanded it shall be taken in such manner as the chairman may direct and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded;
- (l) in the case of any equality of votes whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to the vote or votes (if any) to which he is entitled as a Warrantholder or as a proxy;

- (m) a poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such time (not being more than fourteen (14) days after the date of the meeting) and place as the chairman directs;
- (n) the demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. The demand for a poll may be withdrawn;
- (o) on a show of hands every Warrantholders (being an individual) is present in person or (being a corporation) is present by its duly authorised representatives) or by one of its officers as its proxy shall have one vote. On a poll every Warrantholders who is present in person or by proxy shall have one vote for each Warrant he holds;
- (p) on a poll, votes may be given either personally or by proxy and a Warrantholder entitled to more than one vote need not (if he votes) use all his votes or cast all the votes he uses in the same way;
- (q) the instrument appointing a proxy shall be in the usual common form or such other form as the Company may approve and shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under its common seal or under the hand of an officer or attorney duly authorised and such instrument shall be deemed to confer authority to demand or join in demanding a poll;
- (r) a person appointed to act as a proxy need not be a Warrantholder;
- (s) the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of authority shall be deposited at the registered office of the Company or such other place as the Company shall approve not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months after the date named in it as the date of its execution;
- (t) a vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at least twenty-four (24) hours before the commencement of the meeting or adjourned meeting or the taking of the poll at which the proxy is used.
- (u) a meeting of the Warrantholders subject to the provisions of this Deed Poll in addition to all other powers have the following powers exercisable by Special Resolution only, that is to say:-
 - (i) power to sanction any scheme for the reconstruction of the Company or for the amalgamation of the Company with any other company;
 - (ii) power to sanction any scheme or proposal for the exchange or substitution for the Warrants of, or the conversion of the Warrants into shares, debentures, debenture stock or any other obligations or securities of the Company or any other company formed or to be formed;
 - (iii) power to sanction any modification, abrogation or compromise of or arrangement in respect of the right of the Warrantholders against the Company whether such rights shall arise under these presents of the Warrant Certificate or otherwise;
 - (iv) power to assent to any modification or abrogation of the covenants or provisions contained in these presents proposed or agreed to by the Company and to authorise the Company any such modifications;

- (v) power to agree to the release or exoneration of the Company for any liability in respect of anything done or omitted to be done by the Company before the giving of such release; and
- (vi) power to appoint any persons (whether Warrantholders or not) as a committee to represent the interest of the Warrantholders and to confer upon such committee any powers or discretion which the Warrantholders, could themselves exercise.
- (v) a Special Resolution passed at a meeting of the Warrantholders duly convened and held in accordance with these presents shall be binding upon all the Warrantholders whether present or not present at the meeting. The passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof, the intention being that it shall rest with the meeting to determine without appeal whether or not the circumstances justify passing such resolution;
- (w) the expression "Special Resolution" means a resolution passed at a meeting of the Warrantholders duly convened and held in accordance with the provisions herein and carried by a majority consisting of not less than three-fourths (3/4ths) of the persons voting thereat upon a show of hands or if a poll is duly demanded by majority consisting not less than three three-fourths (3/4ths) of the votes given on such poll. The expression "Ordinary Resolution" means any resolution which is not a Special Resolution; and
- (x) minutes of all resolution and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Company and any such minutes as aforesaid if purporting to be signed by the chairman of the meeting shall be conclusive evidence of the matters therein stated and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been made and signed shall be deemed to have been duly held and convened and all resolutions passed or proceedings thereafter to have been duly passed and occurred.

9.4 **Modification without Consent:** Notwithstanding Condition 9.2, the Company after consultation with an Approved Merchant Bank, may, without the consent of the Warrantholders but in accordance with the terms of the Deed Poll, effect:-

- (a) any modification to the Warrants or the Deed Poll which, in the opinion of the Company, is not materially prejudicial to the interests to the Warrantholders; or
- (b) any modification of the Warrants or the Deed Poll which in its opinion, is to correct a manifest error or to comply with the rules of MCD, or the Central Depositories Act or MSEB or provisions of Malaysian law (in respect of which each Warrantholders shall sign any document or do any act which the Company reasonably require for the purpose of complying with such rules or laws). Any such modification shall be binding on Warrantholders and shall be notified to them in accordance with Condition 12 as soon as practicable thereafter provided always within fifteen (15) Market Days of such modification, waiver or authorizations.

9.5 **Form and Modification of Warrant Certificate**

- (a) Subject to the approval of the MCD and/or any other relevant authority, the Warrant Certificate shall be in the form or substantially in the form as set out in the **Second Schedule (Part A)**, with such modifications required by the MCD and/or any other relevant authority, from time to time;
- (b) If a Warrant Certificate is defaced, mutilated, lost, worn out, stolen or destroyed it may at the discretion of the Company, be replaced by the Company on payment of such costs as may be determined by the Company and on such terms as to evidence and indemnity or otherwise as the Company may require from the MCD or its nominee. The defaced, worn out or mutilated Warrant Certificate must be surrendered before replacements will be issued; and

- (c) If the form or contents of the Warrant Certificate are modified and such modification has been approved by MCD and/or any other relevant authority, the Company may replace the Warrant Certificate with the new Warrant Certificate at a cost to be determined by the Company, as modified. The old Warrant Certificate must be surrendered before its replacement will be issued. Any such old Warrant Certificate surrendered shall be treated as defaced or mutilated for purposes of the applicability of provisions in this Deed Poll in relation to the cancellation and destruction of Warrant Certificate.

10. REGISTER, TRANSFERS AND TRANSMISSION

- 10.1 **Provision of Information:** The Warrantholders shall provide the MCD all information in respect of the registration and transfer of the Warrants and further to provide and execute all documents and do all acts or things as may be required by the MCD to ensure compliance with the Central Depositories Act and the Rules. Except as required by law, the Depositor named in the Record of Depositors will be deemed to and be treated as the absolute owner of the Warrants set out against its name (whether or not the Company shall be in default in respect of the Warrants or any of the covenants contained herein and notwithstanding any notice of ownership thereon). The provisions of the Articles of Association for the time being of the Company relating to the registration, transfer and transmission of Shares and the fees payable thereon shall, mutatis mutandis, apply to the registration, transfer and transmission of each Warrant. The Warrantholder shall provide the Company with all information relating to the registration, transfer or exercise of the Warrants held by it to maintain the Warrant Register.
- 10.2 **Transfer and Transmission:** The transfer and transmission of the Warrants shall be carried out in the manner provided under the Central Depositories Act, the Rules and/or such other rules or directives as may be provided by the MCD. The Warrants shall so far as may be practicable, be transferable in lots entitling the Warrantholder to subscribe for New Shares in board lots of one hundred (100) shares and so that no person shall be recognised by the Company as having title to the Warrants entitling the holder thereof to subscribe for a fractional part of a New Share or otherwise than as the sole holder of the entirety of such Warrant.
- 10.3 **No Recognition of Trust:** Except as required by law, the Company will recognise the registered holder of any Warrant whose name appears in the Record of Depositors as the absolute owner thereof, whether or not the Company shall be in default in respect of the Warrant or any of the covenants herein and notwithstanding any notice of ownership or writing thereon. The Company shall further not be bound to take notice or see to the execution of any trust whether express, implied or constructive to which any Warrant may be subject, notwithstanding any notice it may have whether express or otherwise of the right, title, interest or claim of any person to such Warrant. Subject to the provisions of written law, no notice of any trust, express, implied or constructive shall be entered on the Warrant Register and Record of Depositors in respect of any Warrant.
- 10.4 **Set Off & Cross Claim:** Every Warrantholder will be recognised by the Company as entitled to his Warrants free from any equity, set off or cross-claim on the part of the Company against the original or any intermediate holder of the Warrants.
- 10.5 **Executors:** The executors or administrators of a deceased Warrantholder will be the only persons recognised by the Company as having any title to such Warrants.
- 10.6 **Transmission:** Subject to the provisions of the Central Depositories Act and Rules, any person becoming entitled to a Warrant in consequence of the death or bankruptcy of the Warrantholder of such Warrant may upon producing such evidence that he sustains the character in respect of which he proposes to act under this paragraph or of his title as the Company may think sufficient be registered himself as the holder of such Warrant or (subject to the succeeding paragraphs as to transfer) may transfer or withdraw such Warrant.
- 10.7 **Effective Date of Transfer:** Each Warrantholder shall be deemed to remain the holder of the Warrant(s) to be transferred until the name of the transferee is entered in the Record of Depositors in respect of those Warrants transferred.

- 10.8 **Book Closure or Record Date:** In the event transfers and transmissions shall be suspended for the purpose of setting a books closure date, the Company shall give the Warrantholders and MSED at least twelve (12) clear Market Days written notice of the period of closure and the notice shall be advertised in English language in at least one (1) daily English newspaper widely circulated throughout Malaysia. In relation to such closure the Company shall by written request made in duplicate in the prescribed form, request the MCD in accordance with the Rules to prepare the appropriate Record of Depositors.

11. CANCELLATION OF THE WARRANTS

- 11.1 **Cancellation of the Warrants:** The Registrar shall keep a full and complete record of all Warrants exercised in accordance with Condition 3 or cancelled for any other reasons in accordance with the provisions of this Deed Poll and liaise with MCD to debit the CDS Account(s) of the Warrantholders accordingly.

12. NOTICES AND ACCOUNTS

- 12.1 **Notices and Accounts:** Any notice to be given to Warrantholders hereunder shall be given and be deemed to be served in the like manner, mutatis mutandis, as any notice to Shareholders for the time being required and by advertisement of such notice in a daily newspaper widely circulated throughout Malaysia or by sending such notice to the Warrantholders personally or by post in a prepaid letter addressed to such Warrantholder at its/his/her registered address stated in the Record of Depositors, to be given by law and the Articles of Association of the Company. Upon written request, the Company shall send to each Warrantholder a copy of the Company's published annual report and accounts together with all documents required by law to be annexed thereto and copies of any statements, notices or circulars issued to Shareholders.

13. NOTICE OF NON-COMPLIANCE

- 13.1 If any Conditions relating to the exercise of any Warrants have not been met (including, without limitation, payment in full of the Exercise Money):-
- (a) the Company shall within ten (10) Market Days from the receipt of the Exercise Form from a Warrantholder or (if a cashier's order or banker's draft for payment of all or any of the Exercise Money given to the Company in respect of the exercise of such Warrants is presented by the Company for payment within ten (10) Market Days) within ten (10) Market Days from the time such cashier's order or banker's order is cleared or within ten (10) Market Days of receipt of the Exercise Form (whichever is the later), give notice in writing to the exercising Warrantholder of the conditions relating to the exercise of the relevant Warrants which have not been met; and
 - (b) the Company shall unless the Warrantholder complies with all the matters stated not to have been complied with in such notice of non-compliance in writing referred to in paragraph (a) above within seven (7) days of the date of such notice return to such Warrantholder all moneys paid and documents delivered to the Company or the Registrar in connection with the purported exercise of such Warrant in accordance with the provisions of Condition 13(a). If the Warrantholder complies with such matters within such seven (7) days, the Warrant shall be deemed to have been validly exercised on the date all such matters are complied with.
 - (c) Nothing in paragraph Condition 13 of this Schedule shall be construed as limiting, qualifying or reducing the matters which would have to be complied with (under provisions of this Deed Poll) including (without limitation), the provisions of Condition 13 by a Warrantholder when exercising a Warrant.

- (d) The Company shall be entitled to present a cashier's order or banker's draft for payment of all or any of the Exercise Money even if the cashier's order or banker's draft is not for the full Exercise Money or any of the other Conditions relating to the exercise of Warrants have not been met and such presentation by the Company shall not constitute waiver by the Company of any other amounts still due to the Company in relation to the exercise of the Warrant concerned or a waiver of any other Conditions relating to the exercise of Warrants which have not been met and the Warrantholder shall remain obliged to make those payments and perform the matters required to be performed under the Conditions relating to the exercise of Warrants.

14. GOVERNING LAW

- 14.1 **Governing Law:** The Warrants and the Conditions are governed by, and will be construed in accordance with, the laws of Malaysia. The Company and Warrantholders irrevocably agree that with respect to any proceedings in Malaysia in connection with any matter or issue relating to this Deed Poll, it shall be bound by the decision, ruling or order of the Malaysian Court.

Notes:-

THE MALAYSIA CODE ON TAKE-OVERS AND MERGERS 1998

The attention of Warrantholders are drawn to Rule 6(1) of Part II of the Malaysian Code on Takeovers and Mergers 1998 and relevant practice notes, if any, and provisions of the Securities Commission Act 1993 as amended from time to time. In particular, a Warrantholder should note that he may be under an obligation to extend a takeover offer of the Company if:-

- (a) the Warrantholder has obtained control in the Company; or
- (b) the Warrantholder holds more than thirty-three per centum (33%) but less than fifty per centum (50%) of the voting rights of the Company and intends to acquire additional New Shares by the exercise of the Exercise Rights represented by the Warrants or otherwise in any period of six (6) months, increasing such percentage of the voting rights by more than two per centum (2%); or
- (c) the Warrantholder, together with persons acting in concert with him hold less than thirty three per centum (33%) of the voting shares of the Company and thereafter the Warrantholder or any one of the persons acting in concert with him, acquires voting shares of the Company such that the combined holding of the Warrantholder and the persons acting in concert with him exceeds thirty three per centum (33%); or
- (d) the Warrantholder, together with persons acting in concert with him, hold more than thirty three per centum (33%) of the voting shares of the Company and where an acquisition of voting shares of the Company by the Warrantholder results in:
 - (i) one or more members of the group of persons acting in concert (including the Warrantholder) acquiring or being entitled to exercise or control the exercise of more than thirty three per centum (33%) of the voting shares of the Company; or
 - (ii) one or more members of the group acting in concert (including the Warrantholder) holding more than thirty three per centum (33%) and less than fifty per centum (50%) of the voting shares of the Company, acquiring more than two per centum (2%) of the voting shares in the Company in any six (6) month period; or
- (e) the Warrantholder, together with persons acting in concert with him, hold more than fifty per centum (50%) of the voting shares of the Company and the Warrantholder acquires voting shares sufficient to increase his holding to more than thirty three per centum (33%) of the Company or, if he holds more than thirty three per centum (33%) and less than fifty per centum (50%), acquires more than two per centum (2%) of the voting shares of the Company in any six (6) month period.