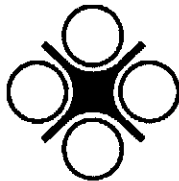


THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Pursuant to Practice Note No. 18/2005 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), Part I and Part III of this Circular are not required to be reviewed by Bursa Malaysia and have not been perused by Bursa Malaysia. Further, Bursa Malaysia takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



TAN CHONG MOTOR HOLDINGS BERHAD

(Company No. 12969-P)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

PART I

PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES

PART II

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

PART III

PROPOSED AMENDMENTS OF THE ARTICLES OF ASSOCIATION OF THE COMPANY

The ordinary and special resolutions in respect of the above proposals will be tabled at the Thirty-Sixth Annual General Meeting. The Notice of the said Meeting together with the Form of Proxy are set out in the 2007 Annual Report despatched with this Circular.

The Form of Proxy should be completed and returned in accordance with the instructions therein.

Last date and time for lodging the Form of Proxy : Tuesday, 20 May 2008 at 3:00 p.m.

Date and time of the 36th Annual General Meeting : Thursday, 22 May 2008 at 3:00 p.m.

Venue of the 36th Annual General Meeting : 3rd Floor, 21 Jalan Ipoh Kecil
50350 Kuala Lumpur

This Circular is dated 29 April 2008

DEFINITIONS

Unless where the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	:	Companies Act, 1965
AGM	:	Annual General Meeting
APM	:	APM Automotive Holdings Berhad
APM Group	:	APM and its subsidiaries
Articles	:	Articles of Association of TCMH
Audit Committee	:	Audit committee of TCMH comprising Seow Thiam Fatt, Dato' Ng Mann Cheong and Dato' Haji Kamaruddin @ Abas bin Nordin, all of whom are Independent Non-Executive Directors
Auto Dunia	:	Auto Dunia Sdn Bhd
Board	:	Board of Directors of TCMH
Bursa Malaysia	:	Bursa Malaysia Securities Berhad
Code	:	Malaysian Code on Take-Overs and Mergers, 1998
Director	:	The meaning given in Section 2 of the Capital Markets and Services Act 2007 and for the purpose of the Proposed Shareholders' Mandate, shall have the meaning given in Section 4 of the Act and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director of the listed issuer or any other company which is its subsidiary or holding company or a chief executive officer of the listed issuer, its subsidiary or holding company
EPF	:	Employees Provident Fund Board
EPS	:	Earnings per share
LR	:	Listing Requirements of Bursa Malaysia
Major Shareholder	:	Person who has an interest or interests in one or more voting shares in a company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is:- (a) equal to or more than 10% of the aggregate of the nominal amounts of all the voting shares in the company; or (b) equal to or more than 5% of the aggregate of the nominal amounts of all the voting shares in the company where such person is the largest shareholder of the company.

For the purpose of this definition, "interest in shares" shall have the meaning given in Section 6A of the Act.

A major shareholder includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed issuer or any other company which is its subsidiary or holding company

DEFINITIONS (Cont'd)

NA	:	Net assets
Parasand	:	Parasand Limited
Proposals	:	Proposed Share Buy-Back, Proposed Shareholders' Mandate and Proposed Amendments of the Articles collectively
Proposed Amendments of the Articles	:	Proposed amendments of the Articles as more fully described in Section 4 and Appendix I of this Circular and the Schedule to Appendix I
Proposed Share Buy-Back	:	Proposed renewal of authority for TCMH to purchase and/or hold its own ordinary shares up to ten per centum (10%) of the issued and paid-up share capital of the Company
Proposed Shareholders' Mandate	:	Proposed renewal of the Shareholders' Mandate for the TCMH Group to enter into RRPT with Related Party
Related Party	:	Director, Major Shareholder or person connected with such Director or Major Shareholder; and "Related Parties" shall be construed accordingly
Related Party Transaction	:	Transaction entered into by the listed issuer or its subsidiaries which involves the interest, direct or indirect, of a Related Party
RM and sen	:	Ringgit Malaysia and sen respectively
RRPT	:	Related Party Transactions of a revenue or trading nature which are recurrent and necessary for the day-to-day operations and in the ordinary course of business
SC	:	Securities Commission
Shareholders' Mandate	:	Shareholders' general mandate pursuant to Paragraph 10.09 of the LR in respect of RRPT
TCC	:	Tan Chong Consolidated Sdn Bhd
TCIL	:	Tan Chong International Limited
TCIL Group	:	TCIL and its subsidiaries
TCMH or Company	:	Tan Chong Motor Holdings Berhad
TCMH Group or Group	:	TCMH and its subsidiaries
TCMH Shares	:	Ordinary shares of RM0.50 each in the Company
WTCH	:	Warisan TC Holdings Berhad
WTCH Group	:	WTCH and its subsidiaries

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TAN CHONG MOTOR HOLDINGS BERHAD

(Company No. 12969-P)
(Incorporated in Malaysia)

Registered Office:

62-68 Jalan Ipoh
51200 Kuala Lumpur

29 April 2008

Board of Directors:

Dato' Tan Heng Chew (*Executive Deputy Chairman*)
Tan Eng Soon (*Group Managing Director*)
Azman bin Badrillah
Dato' Ng Mann Cheong
Dato' Haji Kamaruddin @ Abas bin Nordin
Seow Thiam Fatt

To: The Shareholders of Tan Chong Motor Holdings Berhad

Dear Shareholders:

PART I PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES

PART II PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

PART III PROPOSED AMENDMENTS OF THE ARTICLES OF ASSOCIATION OF THE COMPANY

1. INTRODUCTION

At the Company's AGM held on 17 May 2007, the Directors had obtained shareholders' approval for:

- (a) the Directors to purchase and/or hold up to 10% of the issued and paid-up share capital of the Company; and
- (b) the Company and its subsidiaries to enter into recurrent Related Party Transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations and are in the ordinary course of business of the Group.

The above approvals shall, in accordance with the LR, lapse at the conclusion of the forthcoming AGM unless fresh approvals are obtained.

On 26 February 2008, the Company announced to Bursa Malaysia that it would seek the renewal of authority from its shareholders to purchase its own ordinary shares and the renewal of the shareholders' mandate for recurrent related party transactions of a revenue or trading nature as well as to seek the shareholders' approval on the proposed amendments to the Articles of Association of TCMH.

The Proposed Share Buy-Back and Proposed Shareholders' Mandate would become effective immediately upon the passing of the proposed resolutions and will expire at the conclusion of the next AGM of the Company unless the authority and mandate are further renewed by resolutions passed at a general meeting (either unconditionally or subject to conditions) or upon the expiration of the period within which the next AGM is required by law to be held, or if earlier revoked or varied by ordinary resolutions of the shareholders of the Company in a general meeting, whichever occurs first.

The purpose of this Circular is to provide you with information on the Proposals and to seek your approval for the proposed resolutions to be tabled at the forthcoming AGM of the Company.

2. PART I PROPOSED SHARE BUY-BACK

2.1 DETAILS OF THE PROPOSED SHARE BUY-BACK

The Board proposes to seek authority from its shareholders to purchase and/or hold up to ten per centum (10%) of the issued and paid-up share capital of the Company through its appointed stockbrokers. As at 31 March 2008, the issued and paid-up share capital of the Company was RM336,000,000 comprising 672,000,000 TCMH Shares less 4,617,000 TCMH Shares already purchased and held as treasury shares.

The shareholders' approval for the Proposed Share Buy-Back does not impose an obligation on the Company to purchase its own shares on Bursa Malaysia. The approval will allow the Board to exercise the power of the Company to purchase its own ordinary shares at any time within the abovementioned time period using the internal funds of the Company and/or external borrowings. The amount of internally generated funds and/or external borrowings to be utilised will only be determined later depending on the availability of internally generated funds, actual number of TCMH Shares to be purchased and other cost factors. The actual number of TCMH Shares to be purchased will depend on the market conditions as well as the retained profits and financial resources available to the Company. The Proposed Share Buy Back will reduce the cashflow of the Company by an amount dependent on the purchase price of TCMH Shares and the actual number of TCMH Shares bought back.

The Board proposes to allocate a sum of not exceeding the retained profits of the Company for the purchase of the TCMH Shares subject to compliance with Section 67A of the Act and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase. The audited retained profits of the Company as at 31 December 2007 was RM787.2 million. The Company did not have any share premium as at 31 December 2007.

The purchased shares may be cancelled immediately or retained as treasury shares or a combination of both. The purchased shares held as treasury shares, may either be subsequently cancelled or distributed as share dividends or resold by the Company on Bursa Malaysia, or both, depending on the availability of, amongst others, the retained profits of the Company. The distribution of treasury shares as share dividends may be applied as a reduction of the retained profits and/or the share premium account (if applicable) of the Company.

An immediate announcement will be made to Bursa Malaysia upon the purchase or resale of the shares. In addition, the Company will also announce whether the purchased shares will be cancelled or retained as treasury shares or a combination of both.

TCMH shall only purchase its own ordinary shares at a price which is not more than fifteen per centum (15%) above the weighted average market price for the five (5) market days immediately preceding the date of the purchase(s).

The Company may only resell the purchased shares held as treasury shares at a price which is not less than the weighted average market price for the five (5) market days immediately preceding the date of resale or not less than 5% below the weighted average market price for the five (5) market days immediately prior to the resale provided that (i) the resale takes place no earlier than thirty (30) days from the date of purchase and (ii) the resale price is not less than the cost of purchase of the shares being resold.

As at 31 March 2008, the public shareholding spread of the Company was approximately 43.97%.

For the purpose of illustration, if the Company purchases up to the maximum number of TCMH Shares as allowed under the Proposed Share Buy-Back and assuming the purchases will not reduce the number of TCMH Shares currently held by the Directors, the substantial shareholders or persons connected with the Directors and/or substantial shareholders, the public shareholding spread of the Company based on the position as at 31 March 2008 is expected to be reduced to approximately 38.17%.

2.2 POTENTIAL ADVANTAGES AND DISADVANTAGES

2.2.1 Advantages

The Proposed Share Buy-Back provides the opportunity for TCMH to stabilise the supply and demand of TCMH Shares in the open market and thereby allowing the share price of TCMH to better reflect the fundamental value of TCMH Shares. In addition, the purchased shares may be held as treasury shares and resold on Bursa Malaysia with the intention of realising a potential gain without affecting the total issued and paid-up share capital of the Company. Should any treasury shares be distributed as share dividends, this will serve to reward the shareholders of the Company.

Furthermore, the share repurchase by the Company may enhance the EPS and NA per share of TCMH, depending on factors such as purchase prices of the TCMH Shares and the effective funding cost and/or loss in interest income to the Company.

2.2.2 Disadvantages

The Proposed Share Buy-Back may result in the Group foregoing other investment opportunities that may emerge in the future and may also reduce the amount of resources available for distribution in the form of dividends to shareholders of TCMH. However, the financial resources of the TCMH Group may recover and increase upon the resale of the repurchased shares which are held as treasury shares.

Nevertheless, the Board will be mindful of the interests of TCMH and its shareholders in undertaking the Proposed Share Buy-Back.

2.3 PURCHASE, CANCELLATION AND RE-SALE IN THE PREVIOUS 12 MONTHS

TCMH had purchased 770,000 of its own shares in the 12 months preceding the date of this Circular. Together with the 3,847,000 shares bought back earlier, the total number of shares bought back as at 31 March 2008 was 4,617,000. TCMH has not made any cancellation of its own shares or re-sold any of its treasury shares during the same period. Details of the shares bought back and currently held as treasury shares are as follows:

Date	No. of shares bought back and held as treasury shares	Highest price paid per share (RM)	Lowest price paid per share (RM)	Average price paid per share (RM)	Total Consideration* (RM)
02/04/2007	50,000	1.22	1.21	1.2250	61,250.12
03/04/2007	50,000	1.20	1.20	1.2089	60,444.00
29/05/2007	50,000	1.29	1.27	1.2935	64,475.88
30/05/2007	50,000	1.23	1.22	1.2351	61,754.32
28/06/2007	50,000	1.23	1.22	1.2361	61,804.64
06/07/2007	50,000	1.30	1.30	1.3096	65,481.00
09/07/2007	50,000	1.29	1.28	1.2975	64,877.16
10/07/2007	50,000	1.28	1.27	1.2844	64,222.00
11/07/2007	50,000	1.27	1.27	1.2794	63,970.40
12/07/2007	50,000	1.30	1.29	1.3066	65,330.04
13/07/2007	50,000	1.31	1.31	1.3197	65,985.20
24/08/2007	50,000	1.22	1.22	1.2290	61,451.40
28/08/2007	50,000	1.24	1.24	1.2492	62,458.80
29/08/2007	46,000	1.24	1.24	1.2492	57,463.06
30/08/2007	22,000	1.24	1.24	1.2492	27,482.60
10/09/2007	6,400	1.26	1.26	1.2695	8,124.61
12/09/2007	19,600	1.30	1.30	1.3096	25,669.08
13/09/2007	20,000	1.30	1.30	1.3096	26,192.40
18/09/2007	5,000	1.29	1.29	1.2997	6,498.28
20/11/2007	1,000	2.22	2.22	2.2372	2,237.21

* Including transaction cost

2.4 EFFECTS OF THE PROPOSED SHARE BUY-BACK

In the event that the Company purchases 62,583,000 TCMH Shares and the shares so repurchased are cancelled or alternatively retained as treasury shares or both, the effects of the Proposed Share Buy-Back on the share capital, NA, working capital, earnings and substantial shareholders' and Directors' shareholdings as well as the implications relating to the Code are as set out below:

(a) Share capital

In the event that the maximum number of shares authorised under the Proposed Share Buy-Back are purchased and cancelled, the issued and paid-up share capital of TCMH as at 31 March 2008 will be as follows:

	<u>No. of shares</u>	<u>Amount (RM)</u>
Issued and paid-up share capital	672,000,000	336,000,000
Purchased and held as treasury shares as at 31 March 2008	(4,617,000)	(2,308,500)
Proposed Share Buy Back if the maximum no. of shares are purchased	(62,583,000)	(31,291,500)
Resultant issued and paid-up share capital, if the treasury shares are cancelled	604,800,000	302,400,000

However, if all the TCMH Shares purchased are retained as treasury shares, the share repurchase would not have any effect on the share capital of TCMH, although substantially all rights attached to the shares held as treasury shares would be suspended.

(b) NA

The effect of the share repurchase on the NA per share of the TCMH Group is dependent on the purchase prices of the TCMH Shares. Nonetheless, the share repurchase would reduce the NA per share of the TCMH Group if the purchase price exceeds the NA per share at the relevant point in time. Conversely, the NA per share of the TCMH Group would increase if the purchase price is less than the NA per share at the relevant point in time. Based on the audited accounts as at 31 December 2007 the NA of the TCMH Group is RM1.85 per share.

(c) Working capital

The share repurchase will result in an outflow of cashflow and thereby reduce the working capital of the TCMH Group, the quantum of which is dependent on the purchase prices of the TCMH Shares and the number of TCMH Shares repurchased. Nevertheless, the Board will be mindful of the interests of TCMH and its shareholders in undertaking the Proposed Share Buy-Back and will assess the working capital needs of the TCMH Group prior to any repurchase of TCMH Shares. In the event the Company purchases its own shares using external borrowings, the Company will ensure that it has sufficient funds to repay the external borrowings.

(d) Earnings

The effect of the share repurchase on the EPS of the TCMH Group is dependent on the purchase prices of TCMH Shares and the effective funding cost and/or loss in interest income to the Company thereof. For instance, the share buy back will increase the EPS of the TCMH Group if the effective funding cost and/or interest income forgone to the Company attributable to every purchased share is lower than the EPS of the TCMH Group and vice versa.

(e) Dividends

Assuming the Proposed Share Buy-Back is implemented in full and the dividend quantum is maintained at historical levels, the share repurchase will have the effect of increasing the dividend rate of TCMH as a result of a decrease in the number of shares in TCMH which are entitled to participate in the dividends.

For the financial year ended 31 December 2007, TCMH declared an interim dividend of 5% tax exempt and proposed a final dividend of 10% less income tax.

(f) Substantial shareholders' and directors' shareholdings

The effects of the share repurchase on the shareholdings of substantial shareholders and Directors based on the Register of Substantial Shareholders and the Register of Directors' Shareholdings respectively as at 31 March 2008 are as follows:

Substantial shareholders	No. of TCMH Shares held							
	Before the Proposed Share Buy-Back				After the Proposed Share Buy-Back			
	Direct	%	Indirect	%	Direct	%	Indirect	%
TCC	304,266,662	45.59	-	-	304,266,662	50.31	-	-
NML	37,333,324	5.59	-	-	37,333,324	6.17	-	-
EPF	33,661,200	5.04	-	-	33,661,200	5.57	-	-
Dato' Tan Heng Chew	16,690,462	2.50	311,242,362	46.64 ⁽¹⁾	16,690,462	2.76	311,242,362	51.46 ⁽¹⁾
Tan Eng Soon	2,956,000	0.44	311,242,362	46.64 ⁽¹⁾	2,956,000	0.49	311,242,362	51.46 ⁽¹⁾
Dato' Tan Kim Hor	180,234	0.03	304,266,662	45.59 ⁽²⁾	180,234	0.03	304,266,662	50.31 ⁽²⁾
Dato' Tan Boon Pun	427	⁽³⁾	304,266,942	45.59 ⁽⁴⁾	427	⁽³⁾	304,266,942	50.31 ⁽⁴⁾
Dato' Tan Hoe Pin	10,000	⁽³⁾	304,266,662	45.59 ⁽²⁾	10,000	⁽³⁾	304,266,662	50.31 ⁽²⁾
Dr. Tan Ban Leong	180,400	0.03	304,266,662	45.59 ⁽²⁾	180,400	0.03	304,266,662	50.31 ⁽²⁾
Dr. Tan Kang Leong	10,000	⁽³⁾	304,266,662	45.59 ⁽²⁾	10,000	⁽³⁾	304,266,662	50.31 ⁽²⁾
Tan Beng Keong	-	-	304,266,662	45.59 ⁽²⁾	-	-	304,266,662	50.31 ⁽²⁾
Tan Chee Keong	29,000	⁽³⁾	304,266,662	45.59 ⁽²⁾	29,000	⁽³⁾	304,266,662	50.31 ⁽²⁾
Tan Kheng Leong	-	-	304,266,662	45.59 ⁽²⁾	-	-	304,266,662	50.31 ⁽²⁾
Directors								
Dato' Tan Heng Chew	16,690,462	2.50	314,575,752	47.14 ⁽⁵⁾	16,690,462	2.76	314,575,752	52.01 ⁽⁵⁾
Tan Eng Soon	2,956,000	0.44	311,242,362	46.64 ⁽¹⁾	2,956,000	0.49	311,242,362	51.46 ⁽¹⁾
Azman bin Badrillah	20,000	⁽³⁾	-	-	20,000	⁽³⁾	-	-
Dato' Ng Mann Cheong	-	-	41,000	0.01 ⁽⁶⁾	-	-	41,000	0.01 ⁽⁶⁾
Dato' Haji Kamaruddin @ Abas bin Nordin	2,992	⁽³⁾	-	-	2,992	⁽³⁾	-	-
Seow Thiam Fatt	10,000	⁽³⁾	-	-	10,000	⁽³⁾	-	-

Notes:

- (1) Deemed interest by virtue of interests in TCC and Wealthmark Holdings Sdn Bhd ("Wealthmark") pursuant to Section 6A of the Act.
- (2) Deemed interest by virtue of interest in TCC pursuant to Section 6A of the Act.
- (3) Less than 0.01%.
- (4) Deemed interest by virtue of interests in TCC and Progroup Nominees Sdn Bhd ("PNSB") pursuant to Section 6A of the Act.
- (5) Deemed interest by virtue of interests in TCC and Wealthmark pursuant to Section 6A of the Act and interests of spouse and children by virtue of Section 134(12)(c) of the Act.
- (6) Interest of spouse by virtue of Section 134(12)(c) of the Act.

(g) Implication relating to the Code

The Proposed Share Buy-Back, if carried out in full will result in the equity interest of TCC in TCMH to increase from 45.59% as at 31 March 2008 to 50.31% after the share repurchase.

If the Proposed Share Buy-Back results in the equity interest of TCC and persons acting in concert with it in TCMH to increase by more than 2% in any six (6) months period, pursuant to Part II of the Code, TCC and persons acting in concert with it may be obliged to undertake a mandatory offer for all the TCMH Shares not held by them collectively.

However, under Practice Note 2.9.10 of the Code, the SC may grant an exemption for holders of voting shares, directors and persons acting in concert with the directors of a company when the company repurchases its shares subject to certain conditions such as the following, depending on the circumstances surrounding the application for the waiver:

- (i) A holder of voting shares who triggers the mandatory obligation as a result of a reduction of the voting shares of the company through a buy back scheme under the Act will be exempted if the increase in his holding is inadvertent and as a result of any action that is outside his direct participation. The SC, however will not grant an exemption if the holder of voting shares has previously acquired voting shares in the knowledge that the company intends to seek permission from its holders of voting shares to purchase its own voting shares;

- (ii) Directors and persons acting in concert with the directors may also apply for exemption under the Code, which may be granted by the SC if the directors and/or persons acting in concert with the directors have obtained the approval from the independent holders of voting shares of the company, on a poll, at a meeting of the holders of the relevant class of securities for the parties concerned to gain control of the company, or, if their existing holding of voting shares is more than 33% but less than 50%, to increase their voting shares by more than 2% in any six (6) month period, without having to make a mandatory offer under Part II of the Code;
- (iii) The SC will not normally waive an obligation under Part II of the Code if the directors and persons acting in concert with them have previously acquired voting shares in the knowledge that the company intended to seek permission from its holders of voting shares to purchase its own shares;
- (iv) An exemption, if granted by the SC under Practice Note 2.9.10, would be invalidated if the applicant seeking a waiver under Practice Note 2.9.10 and persons acting in concert with him purchases, acquires or becomes entitled to any voting shares of the offeree during the period between the holders of voting shares' meeting referred to in paragraph (ii) and the granting of the exemption by the SC under Practice Note 2.9.10; and
- (v) An applicant seeking an exemption under Practice Note 2.9.10 and persons acting in concert with him, must at all times disclose to the SC all acquisitions, purchases or entitlements to acquire or purchase voting shares of the offeree made by the applicant and persons acting in concert in a 12 month period from the date of granting of an exemption by the SC.

2.5 SHARE PRICES

The monthly highest and lowest prices of TCMH Shares traded on Bursa Malaysia for the last 12 months from April 2007 to March 2008 were as follows:

	High RM	Low RM
2007		
April	1.31	1.19
May	1.54	1.19
June	1.32	1.20
July	1.38	1.25
August	1.31	1.14
September	1.37	1.22
October	2.09	1.33
November	2.50	2.07
December	2.33	2.08
2008		
January	2.36	1.84
February	1.98	1.82
March	1.90	1.47

The last transacted price of TCMH Shares on 22 April 2008, being the latest practicable date prior to the printing of this Circular RM1.75

(Source: The Star)

2.6 DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

None of the Directors, substantial shareholders of the Company and persons connected with the Directors and substantial shareholders of the Company have any interest, direct or indirect, in the Proposed Share Buy-Back.

2.7 DIRECTORS' RECOMMENDATION

The Board is of the opinion that the Proposed Share Buy-Back is fair, reasonable and in the best interest of the Company and its shareholders and therefore recommends that you vote in favour of the proposed resolution in relation to the Proposed Share Buy-Back to be tabled at the forthcoming AGM.

3. PART II PROPOSED SHAREHOLDERS' MANDATE

TCMH is principally an investment holding company which provides management services to its subsidiaries which are involved in the assembly and distribution of motor vehicles, provision of after-sales services, provision of financial services such as hire purchase, insurance agency services, money lending and that of a licensed money changer.

The Board wishes to seek the approval of the shareholders of TCMH for the renewal of the Shareholders' Mandate given at the AGM held on 17 May 2007 which would enable the TCMH Group to continue to enter into RRPT provided that such transactions are in the ordinary course of business and undertaken at arm's length, on normal commercial terms of the TCMH Group which are not more favourable to the Related Parties than those generally available to the public (where applicable) and are not to the detriment of the minority shareholders. These include transactions such as those described in section 3.2.

3.1 LISTING REQUIREMENTS OF BURSA MALAYSIA

Under Paragraph 10.09 of the LR, a listed issuer may seek a Shareholders' Mandate subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;
- (b) The Shareholders' Mandate is subject to annual renewal and disclosure being made in the annual report of the aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the financial year where the aggregate value is equal to or exceeds the applicable prescribed threshold under paragraph 2.1 of PN12/2001.
- (c) issuance of a circular to shareholders by the listed issuer; and
- (d) in a meeting to obtain shareholders' mandate, the interested Director, interested Major Shareholder or interested person connected with a Director or Major Shareholder; and where it involves the interest of a person connected with a Director or Major Shareholder, such Director or Major Shareholder, must not vote on the resolution approving the transactions. An interested Director or interested Major Shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions.

The estimated transaction values for the financial year ending 31 December 2008 as set out in section 3.2 are based on the projected business volume for the current financial year ending 31 December 2008. The actual value of transactions may, however, vary from the estimated values disclosed in section 3.2, in light of the changing economic and competitive environment. Nevertheless, disclosures will be made in accordance with the LR in the Annual Report of the Company for the financial year ending 31 December 2008 of the actual aggregate value of transactions made pursuant to the Proposed Shareholders' Mandate during the said financial year.

3.2 CLASSES OF RELATED PARTIES

3.2.1 Related Parties arising from the internal re-organisation and de-merger scheme of the TCMH Group

The TCMH Group completed the internal re-organisation of its Foreign, Autoparts and Non-Motor Divisions in 1999, resulting in the complete de-merger and emergence of three (3) additional and separate listed groups of companies, i.e. the WTCH Group, the APM Group and the TCIL Group, each with distinct areas of business activities and are accountable for their own performance and profitability. TCMH does not own any shares in WTCH, APM or TCIL.

The RRPT between the TCMH Group and the said groups of companies are as set out in sections 3.2.1.1 to 3.2.1.3.

3.2.1.1 WTCH Group

WTCH is an investment holding company which provides management services to its subsidiaries, including TCIM Sdn Bhd which distributes heavy equipment and machinery under brand names such as Nissan, John Deere and Sumitomo and Mayflower Acme Tours Sdn Bhd which provides travel and car rental services.

The Directors and Major Shareholders of the TCMH Group who are interested in the RRPT with the WTCH Group and the nature of their interests as at 31 March 2008 are as follows:

Related Party	TCMH					WTCH				
	Directorship in the TCMH Group	Shareholding in TCMH				Directorship in the WTCH Group	Shareholding in WTCH			
		Direct	%	Indirect	%		Direct	%	Indirect	%
TCC	-	304,266,662	45.59	-	-	-	15,213,333	22.99	13,440,000	20.31 ⁽¹⁾
Dato' Tan Heng Chew	Director	16,690,462	2.50	314,575,752	47.14 ⁽⁸⁾	Director	802,033	1.21	29,426,302	44.47 ⁽²⁾
Tan Eng Soon	Director	2,956,000	0.44	311,242,362	46.64 ⁽²⁾	-	70,000	0.11	28,653,333	43.30 ⁽³⁾
Dato' Tan Kim Hor	-	180,234	0.03	304,266,662	45.59 ⁽⁴⁾	-	153,742	0.23	28,653,333	43.30 ⁽³⁾
Dato' Tan Boon Pun	-	427	- ⁽⁵⁾	304,266,942	45.59 ⁽⁶⁾	-	21	- ⁽⁵⁾	28,653,347	43.30 ⁽⁷⁾
Dato' Tan Hoe Pin	-	10,000	- ⁽⁵⁾	304,266,662	45.59 ⁽⁴⁾	-	8,000	0.01	28,653,333	43.30 ⁽³⁾
Dr. Tan Ban Leong	-	180,400	0.03	304,266,662	45.59 ⁽⁴⁾	-	30,000	0.05	28,653,333	43.30 ⁽³⁾
Dr. Tan Kang Leong	-	10,000	- ⁽⁵⁾	304,266,662	45.59 ⁽⁴⁾	-	500	- ⁽⁵⁾	28,653,333	43.30 ⁽³⁾
Tan Beng Keong	-	-	-	304,266,662	45.59 ⁽⁴⁾	-	1,000	- ⁽⁵⁾	28,653,333	43.30 ⁽³⁾
Tan Chee Keong	-	29,000	- ⁽⁵⁾	304,266,662	45.59 ⁽⁴⁾	-	15,000	0.02	28,653,333	43.30 ⁽³⁾
Tan Kheng Leong	-	-	-	304,266,662	45.59 ⁽⁴⁾	-	13,500	0.02	28,653,333	43.30 ⁽³⁾

Notes:

- (1) Deemed interest by virtue of interest in Parasand pursuant to Section 6A of the Act.
- (2) Deemed interest by virtue of interests in TCC and Wealthmark pursuant to Section 6A of the Act.
- (3) Deemed interest by virtue of interests in TCC and Parasand pursuant to Section 6A of the Act.
- (4) Deemed interest by virtue of interest in TCC pursuant to Section 6A of the Act.
- (5) Less than 0.01%
- (6) Deemed interest by virtue of interests in TCC and PNSB pursuant to Section 6A of the Act.
- (7) Deemed interest by virtue of interests in TCC, Parasand and PNSB pursuant to Section 6A of the Act.
- (8) Deemed interest by virtue of interests in TCC and Wealthmark pursuant to Section 6A of the Act and interests of spouse and children by virtue of Section 134(12)(c) of the Act.
- (9) Deemed interest by virtue of interests in TCC and Parasand pursuant to Section 6A of the Act and interest of spouse by virtue of Section 134(12)(c) of the Act.

The RRPT between the TCMH Group and the WTCH Group, which are carried out at arm's length, on normal commercial terms of the TCMH Group which are not more favourable to the WTCH Group than those generally available to the public and are not to the detriment of the minority shareholders, are as detailed below:

Types of transaction	Details	Estimated amount for the financial year ending 31 December 2008 (RM' 000)
Sale of goods and services	The TCMH Group sells motor vehicles and provides after sales services to the WTCH Group.	30,671
Insurance agency services	The TCMH Group (through a subsidiary, TCCL Sdn Bhd) sells certain insurance products such as motor, property and marine policies to the WTCH Group.	185
Administrative & consultancy services	The TCMH Group provides administrative and consultancy services to the WTCH Group.	400
Travel agency and car rental services	The TCMH Group uses the air ticketing and car rental services provided by the WTCH Group.	1,224
Purchase of goods and services	The TCMH Group purchases agriculture machinery, forklifts and generators and receives after sales services from the WTCH Group.	10,549
	The TCMH Group acts as the dealer for the machinery division of the WTCH Group in East Malaysia.	
Rental income	The TCMH Group rents office premises at Jalan Ipoh Kecil, Kuala Lumpur to the WTCH Group.	4
	Rental income for the above is received on a monthly basis. The tenure for the rental of the said office space is for a period that is not more than three (3) years.	

3.2.1.2 APM Group

The APM Group is engaged in the manufacturing and distribution of a wide-range of automotive products and components including suspension systems, heat exchange systems, electrical systems, plastic components and car interiors and seating.

The Directors and Major Shareholders of the TCMH Group who are interested in the RRPT with the APM Group and the nature of their interests as at 31 March 2008 are as follows:

Related Party	TCMH					APM				
	Directorship in the TCMH Group	Shareholding in TCMH				Directorship in the APM Group	Shareholding in APM			
		Direct	%	Indirect	%		Direct	%	Indirect	%
TCC	-	304,266,662	45.59	-	-	-	45,639,999	23.05	40,320,000	20.36 ⁽¹⁾
Dato' Tan Heng Chew	Director	16,690,462	2.50	314,575,752	47.14 ⁽¹²⁾	Director	4,224,199	2.13	94,122,307	47.53 ⁽¹³⁾
Tan Eng Soon	Director	2,956,000	0.44	311,242,362	46.64 ⁽²⁾	Director	210,000	0.11	91,943,799	46.43 ⁽³⁾
Dato' Tan Kim Hor	-	180,234	0.03	304,266,662	45.59 ⁽⁹⁾	-	461,225	0.23	85,959,999	43.41 ⁽⁵⁾
Dato' Tan Boon Pun	-	427	-(6)	304,266,942	45.59 ⁽⁷⁾	-	28,064	0.01	86,156,541	43.51 ⁽⁸⁾
Dato' Tan Hoe Pin	-	10,000	-(6)	304,266,662	45.59 ⁽⁴⁾	-	5,000	-(6)	86,138,499	43.50 ⁽⁹⁾
Dr. Tan Ban Leong	-	180,400	0.03	304,266,662	45.59 ⁽⁴⁾	-	90,000	0.05	86,138,499	43.50 ⁽⁹⁾
Dr. Tan Kang Leong	-	10,000	-(6)	304,266,662	45.59 ⁽⁴⁾	-	1,500	-(6)	85,959,999	43.41 ⁽⁵⁾
Tan Beng Keong	-	-	-	304,266,662	45.59 ⁽⁴⁾	-	-	-	86,138,499	43.50 ⁽⁹⁾
Tan Chee Keong	-	29,000	-(6)	304,266,662	45.59 ⁽⁴⁾	-	14,000	0.01	85,959,999	43.41 ⁽⁵⁾
Tan Kheng Leong	-	-	-	304,266,662	45.59 ⁽⁴⁾	-	40,500	0.02	85,959,999	43.41 ⁽⁵⁾
Tan Eng Hwa	Director ⁽¹⁰⁾	1,380,058	0.21	7,023,224	1.05 ⁽¹¹⁾	Director	462,008	0.23	5,990,928	3.03 ⁽¹¹⁾

Notes:

- (1) Deemed interest by virtue of interest in Parasand pursuant to Section 6A of the Act.
- (2) Deemed interest by virtue of interests in TCC and Wealthmark pursuant to Section 6A of the Act.
- (3) Deemed interest by virtue of interests in TCC, Parasand and Wealthmark pursuant to Section 6A of the Act.
- (4) Deemed interest by virtue of interest in TCC pursuant to Section 6A of the Act.
- (5) Deemed interest by virtue of interests in TCC and Parasand pursuant to Section 6A of the Act.
- (6) Less than 0.01 %
- (7) Deemed interest by virtue of interests in TCC and PNSB pursuant to Section 6A of the Act.
- (8) Deemed interest by virtue of interests in TCC, Parasand, PNSB, Exepro Sdn Bhd ("ESB") and Magic Rooms Sdn Bhd pursuant to Section 6A of the Act.
- (9) Deemed interest by virtue of interests in TCC, Parasand, ESB pursuant to Section 6A of the Act.
- (10) Director of the subsidiary or subsidiaries of TCMH to which the relevant RRPT relate.
- (11) Deemed interest by virtue of interests in Solomon House Sdn Bhd and Wealthmark pursuant to Section 6A of the Act and interest of spouse by virtue of Section 134(12)(c) of the Act.
- (12) Deemed interest by virtue of interests in TCC and Wealthmark pursuant to Section 6A of the Act and interests of spouse and children by virtue of Section 134(12)(c) of the Act.
- (13) Deemed interest by virtue of interests in TCC, Parasand and Wealthmark pursuant to Section 6A of the Act and interest of spouse by virtue of Section 134(12)(c) of the Act.

The RRPT between the TCMH Group and the APM Group, carried out at arm's length, on normal commercial terms of the TCMH Group which are not more favourable to the APM Group than those generally available to the public (where applicable) and are not to the detriment of the minority shareholders, are as detailed below:

Types of transaction	Details	Estimated amount for the financial year ending 31 December 2008 (RM' 000)
Sale of goods and services	The TCMH Group sells motor vehicles, parts and provides after sales services to the APM Group	2,081
Purchase of goods	The TCMH Group buys automotive components from the APM Group for the assembly of new cars and also as replacement parts for distribution to dealers and motor repair workshops.	60,970
Warranty Claim	The TCMH Group claims for warranty for automotive components purchase from the APM Group.	91
Insurance agency services	The TCMH Group (through a subsidiary, TCCL Sdn Bhd) sells certain insurance products such as motor, property and marine policies to the APM Group.	277
Administrative & consultancy services	The TCMH Group provides administrative and consultancy services to the APM Group	200
Rental income	<p>The TCMH Group rents space in the following premises and properties to the APM Group:</p> <ul style="list-style-type: none"> (a) Office premises at Jalan Kemajuan, Pending Industrial Estate, Kuching Sarawak; (b) Factory premises at Jalan Perusahaan 1, Batu Caves, Selangor Darul Ehsan; and (c) Workshop at Jalan Segambut, Kuala Lumpur. <p>Rental income for the above is received on a monthly basis. The tenure of the agreements for the properties involved, are of varying duration that is not more than three (3) years.</p>	886
Rental expenses	<p>The TCMH Group rents from the APM Group portions of vacant lands at Lot 1 and Lot 3, Jalan 6/3, Kawasan Perusahaan Seri Kembangan, 43300 Seri Kembangan, Selangor for use as vehicle storage yard.</p> <p>Rental payment for the above is paid on a monthly basis. The tenure of the agreement for the spaces involved is for a lease period that is not more than three (3) years.</p>	372

3.2.1.3 TCIL Group

The TCIL Group's principal businesses consist of the distribution of motor vehicles, property investment and development and industrial equipment distribution in Singapore. The TCIL Group's other major businesses include motor vehicle distribution in Hong Kong, industrial equipment distribution in Thailand and the manufacturing of auto parts in the People's Republic of China.

The Directors and Major Shareholders of the TCMH Group who are interested in the RRPT with the TCIL Group and the nature of their interests as at 31 March 2008 are as follows:

Related Party	TCMH					TCIL				
	Directorship in the TCMH Group	Shareholding in TCMH				Directorship in the TCIL Group	Shareholding in TCIL			
		Direct	%	Indirect	%		Direct	%	Indirect	%
TCC	-	304,266,662	45.59	-	-	-	912,799,986	45.34	-	-
Dato' Tan Heng Chew	Director	16,690,462	2.50	314,575,752	47.14 ⁽⁸⁾	-	(2)	(2)	912,799,986	45.34 ⁽²⁾
Tan Eng Soon	Director	2,956,000	0.44	311,242,362	46.64 ⁽⁷⁾	Director	-	-	1,029,544,986	51.14 ⁽³⁾
Dato' Tan Kim Hor	-	180,234	0.03	304,266,662	45.59 ⁽⁶⁾	-	(2)	(2)	912,799,986	45.34 ⁽²⁾
Dato' Tan Boon Pun	-	427	.(5)	304,266,942	45.59 ⁽⁴⁾	-	(2)	(2)	912,799,986	45.34 ⁽²⁾
Dato' Tan Hoe Pin	-	10,000	.(2)	304,266,662	45.59 ⁽⁴⁾	-	(2)	(2)	912,799,986	45.34 ⁽²⁾
Dr. Tan Ban Leong	-	180,400	0.03	304,266,662	45.59 ⁽⁶⁾	-	(2)	(2)	912,799,986	45.34 ⁽²⁾
Dr. Tan Kang Leong	-	10,000	.(2)	304,266,662	45.59 ⁽⁴⁾	-	(2)	(2)	912,799,986	45.34 ⁽²⁾
Tan Beng Keong	-	-	-	304,266,662	45.59 ⁽⁴⁾	-	(2)	(2)	912,799,986	45.34 ⁽²⁾
Tan Chee Keong	-	29,000	.(3)	304,266,662	45.59 ⁽⁴⁾	-	(2)	(2)	912,799,986	45.34 ⁽²⁾
Tan Kheng Leong	-	-	-	304,266,662	45.59 ⁽⁴⁾	Director	2,205,000	0.11	913,009,986	45.35 ⁽⁷⁾

Notes:

- (1) Deemed interest by virtue of interests in TCC and Wealthmark pursuant to Section 6A of the Act.
- (2) Direct and indirect interests (other than through TCC) of the Related Party in TCIL are not available to the Company as the Related Party is not required by statute or law to disclose the details of his interest to TCIL or the Company.
- (3) Deemed interest by virtue of interests in TCC and a corporation controlled by Tan Eng Soon.
- (4) Deemed interest by virtue of interest in TCC pursuant to Section 6A of the Act.
- (5) Less than 0.01%.
- (6) Deemed interest by virtue of interests in TCC and PNSB pursuant to Section 6A of the Act.
- (7) Deemed interest by virtue of family member's shareholdings and interest in TCC.
- (8) Deemed interest by virtue of interests in TCC and Wealthmark pursuant to Section 6A of the Act and interests of spouse and children by virtue of Section 134(12)(c) of the Act.

The RRPT between the TCMH Group and the TCIL Group are carried out at arm's length, on normal commercial terms of the TCMH Group which are not more favourable to the TCIL Group than those generally available to the public and are not to the detriment of the minority shareholders.

The said RRPT with TCIL comprise the provision of automotive workshop services which are estimated at RM48,000 per annum and the purchase of other automotive components from the TCIL Group estimated at RM0.18 million per annum.

3.2.2 Auto Dunia

Auto Dunia is involved in the importation and sale of motor vehicles and also provides workshop services and distributes spare parts, engine oil and other automotive related products.

Apart from being an appointed authorised dealer of new Nissan motor vehicles in several locations in Malaysia, Auto Dunia is an importer of Renault completely-built-up (CBU) vehicles for the sole and exclusive sale to the TCMH Group pursuant to a Tripartite Agreement entered with Renault and a subsidiary of TCMH. The TCMH Group may further enter into other arrangements with Auto Dunia in relation to the importation of CBU vehicles and/or to purchase from Auto Dunia CBU and locally assembled vehicles for sale by the TCMH Group from time to time.

Dato' Tan Heng Chew and Tan Eng Soon, Directors of TCMH, have declared Auto Dunia to be a body corporate associated with them under Section 122A of the Act. Azman bin Badrillah, a Director of TCMH, has disclosed that he is a Major Shareholder and Director of Auto Dunia. Dato' Syed Alwi bin Tun Syed Nasir, a director of a subsidiary of TCMH has disclosed that he is a Major Shareholder and a Director of Auto Dunia.

The Directors and Major Shareholders of the TCMH Group who are interested in the RRPT with Auto Dunia and the nature of their interests as at 31 March 2008 are as follows:

Related Party	TCMH					Type of interests
	Directorship in the TCMH Group	Shareholding in TCMH				
		Direct	%	Indirect	%	
Dato' Tan Heng Chew	Director	16,690,462	2.50	314,575,752	47.14 ⁽²⁾	Auto Dunia is a body corporate associated with Dato' Tan Heng Chew
Tan Eng Soon	Director	2,956,000	0.44	311,242,362	46.64 ⁽¹⁾	Auto Dunia is a body corporate associated with Tan Eng Soon
Azman bin Badrillah	Director	20,000	⁽²⁾	-	-	Director and Major Shareholder ⁽³⁾
Dato' Syed Alwi bin Tun Syed Nasir	Director	-	-	-	-	Director and Major Shareholder ⁽⁴⁾

Notes:

- (1) Deemed interest by virtue of interests in TCC and Wealthmark pursuant to Section 6A of the Act.
- (2) Less than 0.01%.
- (3) Azman bin Badrillah holds 39,000 shares or 39% shareholding in Auto Dunia.
- (4) Dato' Syed Alwi bin Tun Syed Nasir holds 30,000 shares or 30% shareholding in Auto Dunia.
- (5) Deemed interest by virtue of interests in TCC and Wealthmark pursuant to Section 6A of the Act and interests of spouse and children by virtue of Section 134(12)(c) of the Act.

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The RRPT between the TCMH Group and Auto Dunia are carried out at arm's length, on normal commercial terms of the TCMH Group which are not more favourable to Auto Dunia than those generally available to the public (where applicable) and are not to the detriment of the minority shareholders. The descriptions of the transactions presently envisaged to be carried out are as detailed below:

Types of transaction	Details	Estimated amount for the financial year ending 31 December 2008 (RM' 000)
Sale of goods and services	The TCMH Group sells motor vehicles, spare parts and provides after sales service to Auto Dunia.	8,850
Purchase of vehicles	The TCMH Group has entered into an arrangement with Auto Dunia in relation to the importation of CBU vehicles for the sole and exclusive sale by the TCMH Group.	26,000
	The TCMH Group may further enter into other arrangements with Auto Dunia in relation to the importation of CBU vehicles and/or for the purchase of CBU or locally assembled vehicles for sale by the TCMH Group from time to time.	20,000

3.3 PRICING

The terms of the pricing of the above RRPT are consistent with the TCMH Group's usual business pricing practices and policies and are not more favorable to the Related Parties than to the public (where applicable) and are not to the detriment of the minority shareholders of TCMH.

However, for certain transactions, the condition that the terms of the transactions (including pricing) are not more favourable to the Related Parties than to the public may not be applicable. For example, certain products supplied by the APM Group to the TCMH Group are based on technical designs/specifications and are not available from other suppliers or to the public.

3.4 DISCLOSURE AND REVIEW PROCEDURES

Disclosure will be made in accordance with the LR in the Annual Report of the Company of the aggregate value of RRPT conducted pursuant to the Proposed Shareholders' Mandates during the financial year ending 31 December 2008.

3.4.1 Review procedures for the RRPT

The TCMH Group has implemented the following methods and procedures to ensure that the RRPT are undertaken at arm's length, on normal commercial terms of the TCMH Group which are not more favourable to the Related Party than those generally available to the public (where applicable) and are not to the detriment of the minority shareholders:

- (a) A list of Related Parties has been circulated to all operating companies with the instruction that, as in the past, all RRPT are required to be undertaken at arm's length and on normal commercial terms (where applicable).
- (b) All companies are required to provide half-yearly reports on all RRPT to the internal audit department.

- (c) The internal audit department shall review significant RRPT to ensure that transactions are undertaken at arm's length, on normal commercial terms of the TCMH Group which are not more favourable to the Related Party than those generally available to the public (where applicable) and are not to the detriment of the minority shareholders of TCMH.
- (d) The Audit Committee shall review the half-yearly and yearly reports on RRPT issued by the internal audit department to ascertain that the guidelines and procedures established to monitor the RRPT have been complied with. The internal audit department shall highlight any exceptions arising from work done.
- (e) The Board and the Audit Committee shall be responsible for the determination of review procedures, with the authority to sub-delegate such responsibilities to individuals or committees within the TCMH Group, as they deem appropriate.
- (f) If a member of the Board or Audit Committee has an interest in the RRPT, he shall abstain from participating in the deliberation and voting in respect of the said RRPT.

3.4.2 Audit Committee's Statement

The Audit Committee has seen and reviewed the procedures mentioned above and are of the view that the said procedures are sufficient to ensure that the RRPT are in the ordinary course of business and undertaken at arm's length, on normal commercial terms of the TCMH Group which are not more favourable to the Related Parties than those generally available to the public (where applicable) and are not to the detriment of the minority shareholders.

3.5 RATIONALE

All transactions with Related Parties are entered into for the long-term benefit of the TCMH Group. The Related Parties represent an existing market with reliable payment terms for TCMH Group's products and provide a good source for certain components purchased by the TCMH Group. Sales to Related Parties also contribute to overall higher sales for the TCMH Group thus increasing trading volume, higher production efficiency and better bargaining power when negotiating with vendors. This is consistent with TCMH Group's objectives of brand building and maintaining our competitive edge.

The RRPT envisaged under the Proposed Shareholders' Mandate are in the ordinary course of business of the TCMH Group and are undertaken at arm's length, on normal commercial terms of the TCMH Group which are not more favourable to the Related Parties than those generally available to the public (where applicable) and are not to the detriment of the minority shareholders.

The Proposed Shareholders' Mandate on an annual basis would eliminate the need to convene separate general meetings from time to time to seek shareholders' approval as and when potential RRPT arise, thereby reducing time and the expenses in convening such meetings without compromising the corporate objectives and adversely affecting the business opportunities available to the TCMH Group.

3.6 EFFECTS

The Proposed Shareholders' Mandate is not expected to have any effect on the issued and paid-up share capital of TCMH and substantial shareholders' shareholdings in TCMH but is expected to have a positive effect on the earnings and NA of the TCMH Group.

3.7 DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

Save as disclosed in section 3.2, none of the other Directors, Major Shareholders and persons connected with the Directors and Major Shareholders of TCMH have any interest as defined in the LR, direct or indirect, in the Proposed Shareholders' Mandate.

The Directors of TCMH who are interested in the RRPT (namely Dato' Tan Heng Chew, Tan Eng Soon and Azman bin Badrillah) have abstained and will continue to abstain from deliberating and voting on the resolutions in respect of the Proposed Shareholders' Mandate which involves their respective interests at the relevant meetings of the Board.

The interested Directors of the TCMH Group (namely Dato' Tan Heng Chew, Tan Eng Soon, Azman bin Badrillah, Tan Eng Hwa and Dato' Syed Alwi bin Tun Syed Nasir) will abstain and will also ensure that persons connected with them will abstain from voting in respect of their direct and/or indirect shareholdings in the Company (if any) on the relevant resolutions pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

The interested Major Shareholder of TCMH, namely TCC will abstain and will also ensure that persons connected with it including those other Major Shareholders who have deemed interest by virtue of their interests as described in section 3.2 (namely Dato' Tan Kim Hor, Dato' Tan Boon Pun, Dr Tan Ban Leong, Dato' Tan Hoe Pin, Dr Tan Kang Leong, Tan Beng Keong, Tan Chee Keong and Tan Kheng Leong) and persons connected with them, will abstain from voting in respect of their direct and/or indirect shareholdings in the Company on the relevant resolutions pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

3.8 DIRECTORS' RECOMMENDATION

The Board, with the exception of the interested Directors as disclosed in section 3.7, is of the opinion that the Proposed Shareholders' Mandate are fair, reasonable and in the best interest of the Company and therefore recommends that you vote in favour of the proposed resolutions in relation to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

4. PART III PROPOSED AMENDMENTS OF THE ARTICLES

4.1 DETAILS OF THE PROPOSED AMENDMENTS OF THE ARTICLES

The explanatory notes on the Proposed Amendments of the Articles are set out in Appendix I to this Circular and the full text of the Articles with changes made to the existing provisions marked up for ease of reference, are set out in the Schedule of Appendix I.

4.2 RATIONALE

The rationale for the Proposed Amendments of the Articles is *inter alia* as follows:

- (a) to bring the Articles in line with the recent amendments of the Listing Requirements;
- (b) to streamline the Articles with the recent amendments to the Act which took effect on 15 August 2007;
- (c) to clarify the wording of certain Articles; and
- (d) to renumber the Articles in numerical running order with all previous numbering such as 5A, 7A, 7B, 7C, 33A, 33B, 107A renumbered accordingly and the Articles specified as "(deleted)" due to previous amendments such as Articles 13, 16, 37, 44(A), 44(B), 67, 130, 145, 152 removed permanently and to make consequential renumbering following the further deletion of certain Articles such as Articles 91 and 108 for reasons stated in Appendix I.

4.3 EFFECTS

The Proposed Amendments of the Articles will have no effect on the share capital, net assets, working capital and earnings per share of the Company.

4.4 DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

None of the Directors, substantial shareholders and persons connected with them have any interest, direct and/or indirect, in the Proposed Amendments of the Articles.

4.5 DIRECTORS' RECOMMENDATION

The Board is of the opinion that the Proposed Amendments of the Articles in the best interest of the Company and therefore recommends that you vote in favour of the proposed resolution in relation to the Proposed Amendments of the Articles to be tabled at the forthcoming AGM.

5. APPROVALS REQUIRED

The Proposals are conditional upon the approval of the shareholders of TCMH at the forthcoming AGM. However, the Proposals are not inter-conditional.

6. AGM

The AGM, the notice of which is set out in the 2007 Annual Report, will be held at 3rd Floor, 21 Jalan Ipoh Kecil, 50350 Kuala Lumpur on Thursday, 22 May 2008 at 3:00 p.m., for the purpose of considering and, if thought fit, passing the proposed resolutions on the ordinary businesses and the special businesses of the AGM which include the proposed resolutions on the Proposals.

If you are unable to attend the AGM in person, please return the completed Form of Proxy attached to the 2007 Annual Report to the Company's Registered Office at 62-68 Jalan Ipoh, 51200 Kuala Lumpur, so as to arrive not less than 48 hours before the time fixed for the holding of the AGM. The Form of Proxy should be completed strictly in accordance with the instructions contained therein. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently find that you are able to do so.

7. ADDITIONAL INFORMATION

Shareholders are requested to refer to the Appendix II for additional information.

Yours faithfully
for and on behalf of the Board
TAN CHONG MOTOR HOLDINGS BERHAD

Dato' Ng Mann Cheong
Independent Non-Executive Director

APPENDIX I

EXPLANATORY NOTES ON THE PROPOSED AMENDMENTS OF THE ARTICLES
(to be read together with full text of the proposed Articles set out in the Schedule to Appendix I at the end of this Circular and in the order of the proposed new numbering of the Articles)

Article No.	Provision relating to	Explanatory Notes
2	Interpretation	The definitions and interpretation provisions of Article 2 have been rearranged in alphabetical order. The proposed amendments to the definitions and the insertion of new definitions are either to add clarity to the definitions for the purposes of interpretation of the Articles or to update the references made therein as in the case of renumbered Articles 2(g), 2(u) and 2(x).
5	Restriction of use of Company Funds	For clarity and to correct the cross references to the relevant section of the Companies Act 1965 ("CA") and as a consequential amendment to the renumbering of the Articles as more fully explained in the paragraph below.
6 and subsequent Articles	Renumbering of Articles	The Articles have been renumbered in numerical running order, with all previous numbering such as 5A, 7A, 7B, 7C, 33A, 33B, 107A renumbered accordingly and the Articles specified as "(deleted)" due to previous amendments which have been approved such as existing Articles 13, 16, 37, 44(A), 44(B), 67, 130, 145, 152 removed. Following the proposal to delete certain existing Articles such as Articles 91 and 108 for reasons stated below, consequential renumbering has also been made. Consequential amendments have also been made to cross references following the renumbering of the Articles. Such amendments are not detailed here but are marked up in the proposed Articles set out in the Schedule.
12	Restriction on issue of shares to Directors etc	For clarity.
13	Preference shares	To be consistent with the deletion of paragraph ("para") 7.05 and 7.08(2) of the Listing Requirements ("LR").
16	Withdrawal of securities	To be consistent with the provisions of the Securities Industry (Central Depositories) Act 1991 and the CA.
29	Forfeiture of non-payment	For clarity.
33	Title of purchaser of forfeited shares	For clarity.
47	When shares offered to existing members	For clarity.
57(a)	Notice of meetings	To comply with para 7.17 of the LR.
57(b)(ii)	Notice of meetings	To comply with para 7.18(2) of the LR.
61	Chairman of General Meeting	To be consistent with the new definition of "Board" and for clarity.

Article No.	Provision relating to	Explanatory Notes
64	Voting on resolutions	To clarify when a poll may be demanded.
67(c)	Number of votes	To comply with para 7.19A of the LR and to clarify that one member is entitled to one vote on a show of hands.
69	Right of persons entitled under transmission Articles	To cross refer to the applicable Article for clarity.
73	Form and appointment of proxy	The provisions of the existing Article 74 (Form of Proxy) has been deleted and incorporated in this Article.
75(b)	Proxy need not be a member	For clarity.
77(c)	Votes of Proxy	To clarify the manner of determination of votes of proxy when the number of such votes are in conflict with the entitlement under the Record of Depositors.
78	Directors shall be natural persons	To be consistent with the deletion of this requirement from para 7.23 of the LR as this requirement is provided for under Section 122(2) of the CA.
86	Right to hold other office under the Company	The amendment is proposed to clarify that the right of a Director to hold other office or place of profit without having to account to the Company is subject to compliance with Section 131 of the CA in relation to the disclosure of his interest and other relevant provisions of the CA. Under the amended Section 131(7B) of the CA, a contract entered into in contravention of Section 131 of the CA due to the failure of the interested Director to make the necessary disclosure, is voidable at the instance of the company. Under Section 132E(4) of the CA, directors who carry out any related party arrangement or transaction without prior approval of shareholders are liable to account for any gain made by them and indemnify the company for any loss suffered.
87	Effect on quorum of interested Director	The amendment is to make the provisions of this Article consistent with Section 131A of the CA which allows an interested Director who has declared his interest to be counted to make the quorum.
88	Director not to vote in contracts where he has an interest	The amendment is to make the provisions of this Article consistent with Section 131A of the CA which not only prohibits an interested Director from voting but also from participation in any discussion in respect of the contract or arrangement in which he is interested. In this connection, the existing Article 91 is proposed to be deleted as the provisions thereof overlap with the provisions of this Article.
89	Director also officer of associated company	The amendment is to serve as a reminder that the provisions of this Article are subject to compliance with the provisions of the CA and to make a distinction between the reference to Directors in their capacity as Directors of the Company by using the term "Director" and in their capacity as directors of other companies by using the term "director".

Article No.	Provision relating to	Explanatory Notes
92	Register of Directors' shareholdings	To be consistent with the wording used in Section 134 of the CA.
93(c)	Appointment of alternate Director	To clarify the method and update the means of communication for the appointment and removal of alternate Directors.
93(d)	Cessation of appointment as alternate Director	For clarity.
96, 101	Deletion of existing Article 94(c) (Appointment of Managing Director prior to 1 June 2001)	The existing Article 94(c) is a transitional provision arising from the introduction of the requirement for a Managing Director to retire by rotation every three years which is now no longer needed and therefore proposed to be deleted. A similar amendment has been made to Article 96 and consequential amendment has been made to Article 101.
97	Office of Directors how vacated	To update the provision and to comply with para 7.29 of the LR. Although there is now no requirement for Article 97(g) to be retained under para 7.29 of the LR, nevertheless para 15.05(3)(c) of the LR provides that if a Director is absent from more than 50% of total meetings of Directors held, he shall cease to be a Director and therefore this Article has been retained but modified to allow for him to continue to be a director if an exemption is obtained from Bursa Malaysia.
98	Powers and duties of Directors	The amendment is proposed so that wording of this Article will be consistent with the new Section 131B of the CA which provides that the business and affairs of a company must be managed by or under the direction of the board of directors subject to any modification, exception or limitation contained in the CA or the memorandum or articles of association of the company. An exception has been introduced to address the issue of Directors being unable to act because all Directors are regarded as interested Directors.
106	Removal of Director	To clarify that this provision is subject to Section 128 of the CA.
	Deletion of existing Article 108 (Continuing Directors may act)	This Article is proposed to be deleted as the provisions thereof overlap with those in Article 80.
129	Power to retain dividends in respect of transmission shares	To cross refer to the applicable Article for clarity.
139	Profit and loss accounts to be made up and laid before Company and Balance Sheet to be made out yearly	To allow for the issuance of the annual report and other related documents in CD ROM form as permitted under para 9.23A of the LR and to make the provisions of this Article subject to the provisions of the LR.

Article No.	Provision relating to	Explanatory Notes
142	Appointment, removal and resignation of auditors	To be consistent with the provisions of the CA and to clarify the term of the office of the auditors.
145(4)	Notice of general meeting	To comply with para 7.17 of the LR.
150	Transmission of shares	To comply with para 7.14 of the LR.
	Deletion of existing Article 153(7) (Definition of "Listing Requirements")	Deleted as the definition of "Listing Requirements" is now set out in Article 2.

Minor amendments such as the following have not been specifically set out in the above Explanatory Notes but have been marked up in the full text of the proposed Articles set out in the Schedule to Appendix I at the end of this Circular:

- (1) changes made to the spelling of wording such as "Special Resolution" to "special resolution", "Ordinary Resolution" to "ordinary resolution" and "section" to "Section" in Articles 7, 9, 36, 37, 46, 49, 50, 51 and 146 respectively ;
- (2) consequential amendments arising from the insertion of new definitions or amendments to existing definitions such as the amendment made to Article 108; and
- (3) changes made to the headings of certain Articles such as Articles 56, 81, 109 and 110.

ADDITIONAL INFORMATION**1. RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Directors of TCMH and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all enquires as were reasonable in the circumstances, and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement herein false or misleading.

2. MATERIAL CONTRACTS

Neither TCMH nor its subsidiaries have entered into any material contracts (not being contracts entered into in the ordinary course of business) within the past two (2) years up till 31 March 2008 (being the latest practicable date prior to the printing of this Circular).

3. MATERIAL LITIGATION

Saved as disclosed below, neither TCMH nor its subsidiaries as at 31 March 2008 are engaged in any material litigation, claims or arbitration either as plaintiff or defendant and the Board is not aware of any proceedings, pending or threatened, against TCMH or its subsidiaries or of any facts likely to give rise to any proceedings which might materially affect the position or business of TCMH or its subsidiaries:

- (i) The Company and its wholly-owned subsidiary, TC Euro Cars Sdn Bhd ("TCEC") were served with a Writ of Summons ("Writ") and a Statement of Claim on 11 July 2003 filed by Inokom Corporation Sdn Bhd and Quasar Carriage Sdn Bhd as plaintiffs in Kuala Lumpur High Court Civil Suit No. S2-22-822-2003. The first defendant in the suit is Renault s.a.s while the Company and TCEC are the second and third defendants respectively.

The main claim made by the plaintiffs that is relevant to the Company and TCEC is the claim for "General Damages in the sum of RM150,000,000.00 against all the defendants for conspiracy to injure" in relation to the Renault Kangoo project as alleged in the Statement of Claim. The plaintiffs also claimed costs and any other relief to be awarded by the High Court. The Company and TCEC's applications to strike out the plaintiffs' Writ and Statement of Claim were allowed with costs by the Senior Assistant Registrar of the High Court of Malaya at Kuala Lumpur on 16 January 2004. The plaintiffs appealed to the Judge in Chambers of the High Court of Malaya at Kuala Lumpur and the said appeals were allowed by the said Judge on 20 May 2004. Both the Company and TCEC have filed appeals against the decisions of the said Judge with the Court of Appeal of Malaysia. The date(s) of the hearing of the appeals have yet to be fixed by the Court of Appeal of Malaysia.

- (ii) TCM, a wholly-owned subsidiary of TCMH, was served with a Writ of Summons and Statements of Claim in 1985 filed by Teck Guan Trading (Sabah) Sdn Bhd ("Teck Guan") as plaintiff in Kota Kinabalu High Court Suit K1420 of 1985. The suit was consolidated with Kota Kinabalu High Court Suit K243 of 1989 by order of the Court made on 25 and 30 September 1999. Nissan Motor Co. Ltd ("Nissan") and Auto Dunia Sdn Bhd ("Auto Dunia") were the co-defendants of the suit.

In the suit:

- (a) Teck Guan claims against TCM and Auto Dunia jointly and severally for damages estimated in the principal sum of RM10,672,411.19 for inducing Nissan to breach the sole distributorship agreement to sell Nissan vehicles in Sabah.
- (b) Teck Guan is also claiming against TCM for liquidated damages of RM2,970,327.00 for TCM's alleged breach of agreement to procure the best obtainable rate for marine insurance premium, port charges and local delivery charges for the vehicles sold and delivered to Teck Guan and/or overcharging Teck Guan the marine insurance premium, port charges and local delivery charges.
- (c) Alternatively Teck Guan is claiming for damages against TCM for damages for the unlawful termination of the sole distributorship agreement allegedly made in 1978 between Teck Guan and TCM.

TCM is defending Teck Guan's claim and its Defence has been filed. Before full trial, TCM raised preliminary issues of law. Such issues were dismissed by the High Court Judge and therefore, TCM has filed an appeal to the Court of Appeal. The Court of Appeal has yet to fix a hearing date for the appeal. In the meantime, the High Court has vacated the trial dates of 16 to 20 June 2008 and a new date has not been fixed. The solicitors representing TCM are of the opinion that TCM has a valid defence to Teck Guan's claim.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company following the publication of this Circular from Mondays to Fridays (except public holidays) during business hours up to and including the date of the AGM:

- (i) Memorandum and Articles of Association of TCMH;
- (ii) Financial statements of the TCMH Group for the two (2) financial years ended 31 December 2006 to 2007; and
- (iii) Relevant Cause papers in respect of material litigation referred to in section 3.

SCHEDULE TO APPENDIX I

COMPANIES ACT, 1965

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

TAN CHONG MOTOR HOLDINGS BERHAD

COMPANIES ACT, 1965

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

TAN CHONG MOTOR HOLDINGS BERHAD

PRELIMINARY

1. Table A excluded

The Regulations contained in Table "A" in the Fourth Schedule to the Companies Act, 1965 shall not apply to the Company except in so far as the same are repeated or contained in these Articles.

2. Interpretation

In these Articles if not inconsistent with the subject or context:-

- (a) "the Act" means the Companies Act, 1965 and any statutory modification, amendment or re-enactment thereof and any and every other legislation made thereunder for the time being in force.
- ~~(b)~~ ~~(z)~~ Reference to "these Articles" means these Articles of Association as originally framed or as from time to time altered by special resolution and "Article" means one of these Articles.
- ~~(c)~~ ~~(k)~~ "Authorised Nominee" shall have the meaning ascribed thereto in the Central Depositories Act.
- ~~(d)~~ ~~(l)~~ "beneficial owner" has the meaning ascribed thereto in the Central Depositories Act.
- ~~(e)~~ "Board" means the board of directors of the Company.
- ~~(f)~~ ~~(m)~~ "Central Depositories Act" means the Securities Industry (Central Depositories) Act 1991 and any statutory modification, amendment or re-enactment thereof and any and every other legislation made thereunder for the time being in force.

- (g) ~~(n)~~"Central Depository" means the Malaysian Central Bursa Malaysia Depository Sdn. Bhd. or such other name by which it may be known from time to time ~~(Company No. 165570-W).~~
- (h) ~~(b)~~"the Company" means TAN CHONG MOTOR HOLDINGS BERHAD (Company No. 12969-P).
- (i) ~~(e)~~"Depositor" means a holder of securities account established by the Central Depository.
- (j) ~~(p)~~"Deposited Security" means a security standing to the credit of a securities account and includes a security in a securities account that is in suspense.
- (k) ~~(e)~~"the Directors" means the directors of the Company.
- (l) "Listing Requirements" means the Listing Requirements of the Stock Exchange including any amendment to the Listing Requirements that may be made from time to time.
- (m) ~~(e)~~"market day" means a day on which the stock market of the Stock Exchange is open for trading in securities.
- (n) ~~(r)~~"member" or "shareholder" or "holder of shares" or any like expression means a person who is registered as the holder of shares in the capital of the Company including a Depositor who may be an Authorised Nominee whose name appears in the Record of Depositors and who has a credit balance of shares in the Company in his securities account (except the Central Depository or its nominee Company).
- (o) ~~(d)~~"the office" means the Registered Office for the time being of the Company.
- (p) ~~(e)~~"Record of Depositors" means a record provided by the Central Depository to the Company under Chapter 24.0 of the Rules.
- (q) ~~(e)~~"the register" means the register of members to be kept pursuant to the Act.
- (r) ~~(t)~~"Rules" means the rules of the Central Depository as defined under the Central Depositories Act for the time being in force.
- (s) ~~(f)~~"the seal" means the common seal of the Company.
- (t) ~~(g)~~"Secretary" means any person or persons appointed to perform the duties of a secretary of the Company and shall include an assistant or deputy secretary.

- (u) "securities" shall have the meaning given in ~~s~~Section 2 of the ~~Securities Commission Act 1993~~Capital Markets and Services Act 2007.
- (v) "securities account" means an account established by the Central Depository for a Depositor for the recording of deposit of securities and for dealings in such securities by the Depositor.
- (w) "Statutes" means the Act, the Central Depositories Act and every other Act for the time being in force concerning companies and affecting the Company.
- (x) "Stock Exchange" means Bursa Malaysia Securities Berhad Kuala Lumpur Stock Exchange and/or where the context permits, any other stock exchange on which the shares of the Company are listed.
- (y) ~~(h)~~Expressions referring to "writing" or "written" shall, unless the contrary intention appears, be construed as including references to type-writing, printing, lithography, photography, electronic storage or transmission and other modes of representing or reproducing words in a visible form and/or method of recording information or fixing information in a form capable of being preserved.
- ~~(z)~~ ~~(y)~~Headings and notes are included only for convenience and shall not affect meaning.
- ~~(aa)~~ ~~(i)~~Words importing the singular only shall include the plural and the masculine gender shall include the feminine and neuter genders and the word "person" shall include a corporation.
- ~~(bb)~~ ~~(j)~~Words or expressions contained in these Articles shall be interpreted in accordance with the provisions of the Interpretation Acts 1948 and 1967, the Act, the Central Depositories Act and the Rules.

SHARE CAPITAL

3. Share Capital

The share capital of the Company is RM500,000,000 divided into 1,000,000,000 shares of 50 sen each.

BUSINESS

4. Directors may carry on business

Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Directors at such time or times as they may think fit and further may be suffered by them to be in abeyance whether such branch or kind of business may have been actually

commenced or not so long as the Directors may deem it expedient not to commence or proceed with the same.

5. Restriction of use of Company Funds

None of the funds of the Company shall be applied in the purchase of or lent on the security of shares of the Company; nor shall the Company give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company, but nothing in this Article shall prohibit transactions ~~mentioned in the proviso to~~ permitted under Section 67(24) of the Act or the purchase by the Company of its own shares pursuant to Article ~~65A~~ and Section 67A of the Act.

6. ~~5A.~~ Purchase of Own Shares

Subject to the provisions of the Act and any regulations made thereunder and to any rights previously conferred on the holders of any class of shares and to any requirements imposed by the Stock Exchange in respect of securities admitted to listing, and any rules or guidelines ("Rules and Guidelines") of any relevant authorities (whether having the force of law or not) issued from time to time whether by way of amendment, modification or variation or in replacement thereof (other than any such of the Rules and Guidelines compliance with which by the Company is waived by the relevant authority), the Company may purchase or may enter into a contract under which it will or may purchase any of its shares of any class, including any redeemable shares.

Neither the Company nor the Directors shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares.

MODIFICATION OF RIGHTS

6.7. Class rights may be modified

If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied, modified, abrogated or dealt with and preference capital may be repaid (other than redeemable preference capital) if agreed to by the holders of three-fourths of the preference shares at a general meeting called for the purpose either while the Company is a going concern or during or in contemplation of a winding-up with the sanction of a ~~S~~Special Resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these Articles relating to general meetings shall mutatis mutandis apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one third of the issued shares of the class. Provided that where the necessary majority for

such a Special Resolution is not obtained at the meeting, consent in writing if obtained from the holders of three-fourths of the preference shares concerned within two months of the meeting, shall be as valid and effectual as a Special Resolution carried at the meeting. To every Special Resolution the provisions of Section 152 of the Act shall with such adaptations as are necessary apply.

SHARES

7.8. Issue of shares

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject to the provisions of these Articles and to the Act and to the provisions of any Resolution of the Company, shares in the Company may be issued by the Directors, who may allot, or otherwise dispose of such shares to such persons, on such terms and conditions, with such preferred, deferred or other special rights, and subject to such restrictions and at such times as the Directors may determine; but the Directors in making any issue of shares shall comply with the following conditions:-

- (i) no shares shall be issued at a discount except in compliance with the provisions of Section 59 of the Act;
- (ii) in the case of shares offered to the public for subscription the amount payable on application on each share shall not be less than five per centum (5%) of the nominal amount of the share;
- (iii) in the case of shares, other than ordinary shares, no special rights shall be attached until the same have been expressed in these Articles;
- (iv) no issue of shares shall be made which will have the effect of transferring a controlling interest in the Company to any person or corporation without the prior approval of the members of the Company in general meeting.
- (v) subject to Article 128 and notwithstanding the existence of a resolution pursuant to Section 132D of the Act, no equity securities or other securities with rights of conversion to equity may be issued if the nominal value of these securities, when aggregated with the nominal value of any other securities of the same class which the Company has issued during the previous 12 months, exceeds 10% of the nominal value of that same class of securities on issue at the commencement of that period of 12 months except where the securities are issued with the prior approval of the company in general meeting of the precise terms and conditions of the issue.

9. 7A. Issue of Securities

The Company must ensure that all new issues of shares for which listing is sought on the Stock Exchange are made by way of crediting the securities accounts of the allottees with such shares save and except where it is specifically exempted from

compliance with ~~s~~Section 38 of the Central Depositories Act, in which event it shall so similarly be exempted from compliance with this Article. For this purpose, the Company must notify the Central Depository of the names of the allottees and all such particulars required by the Central Depository, to enable the Central Depository to make the appropriate entries in the securities accounts of such allottees. The Company shall obtain an auditors' certificate that the issue of new shares is in accordance with this Article.

10. 7B. Allotment and Despatch of Notices of Allotment

Subject to the Act and Article 117C, the Company must allot shares for which listing is sought on the Stock Exchange and despatch notices of allotment to the allottees, within 15 market days of the final application date for an issue of shares or such other period as may be prescribed by the Stock Exchange.

11. 7C. Allotment or Issue of Securities

The Company must not allot or issue securities or cause or authorise its registrars to cause the securities accounts of the allottees to be credited with the additional shares until after it has filed with the Stock Exchange an application for listing of such additional securities and been notified by the Stock Exchange that such new issue of securities has been approved in principle for listing.

8.12. Restriction on issue of shares to Directors etc

(a) Except in the case of an issue of securities on a pro rata basis to members and subject to Article 812(b), no Director or major shareholder or person connected with any Director or major shareholder shall participate directly or indirectly in an issue of equity securities or other securities with rights to conversion to equity of the Company unless the members in general meeting have approved of the specific allotment to be made to such Director, major shareholder or person connected with any Director or major shareholder. In a meeting to obtain the approval of the members as aforesaid, ~~any whether the allotment is in favour of a Director or a major shareholder who is interested in the allotment or, where the allotment is in favour of or~~ a person connected with a Director or major shareholder, such Director or major shareholder as well as such person who is so connected shall abstain from exercising any voting rights on the matter. The notice of meeting shall state:

- (i) the number of securities to be allotted;
- (ii) the precise terms and conditions of the issue and allotment;
- (iii) the purpose of the allotment; and
- (iv) the identity and relationship of the connected persons with the Director or major shareholder, where applicable.

- (b) No Director shall participate in an issue of shares to employees of the Company unless the members in general meeting have approved of the specific allotment to be made to such Director and unless he holds office in an executive capacity.
- (c) In this Article "major shareholder" and "person connected with any Director or major shareholder" shall have the meaning ascribed thereto in the Listing Requirements of the Stock Exchange.

9.13. Preference shares

Subject to the Act, any preference shares may, with the sanction of an Ordinary Resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed ~~but the total nominal value of the issued preference shares shall not exceed the total nominal value of the issued ordinary shares at any time~~ and the Company shall not issue preference shares ranking in priority above preference shares already issued, but may issue preference shares ranking equally therewith. The rights attaching to shares of a class other than ordinary shares shall be expressed. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving notices, reports and audited accounts, and attending general meetings of the Company. Preference shareholders shall also have the right to vote in each of the following circumstances:

- (i) on a proposal to reduce the capital; or
- (ii) on a proposal to wind up the Company; or
- (iii) on a proposal for the disposal of the whole of the Company's property, business and undertaking; or
- (iv) on a proposal that affects their rights and privileges attached to the share; or
- (v) when the dividend or part of the dividend on the preference shares is in arrears for more than six months; or
- (vi) during the winding up of the Company. Preference shareholders must be entitled to a return of capital in preference to ordinary shareholders when the Company is wound up.

10.14. Commission and interest on capital

- (a) The Company may exercise the powers of paying commissions conferred by the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the commission shall not exceed the rate of 10 per cent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 per cent of that price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of

fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

- (b) Subject always to Section 69 of the Act where any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest on so much of such share capital as is for the time being paid up and charge the interest so paid to capital as part of the cost of the construction or provision.

11.15. Trust not to be recognized

Except as permitted by law or as provided by these Articles, the Central Depositories Act or the Rules, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future, or partial interest in any shares or unit of a share or (except only as by these Articles or by law or by the Central Depositories Act or by the Rules otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

CERTIFICATES WITHDRAWAL OF SECURITIES

12.16. Withdrawal of securities

~~A Depositor shall not withdraw the securities which have been deposited with the Central Depository except in such manner as may be specified in the Rules pursuant to Section 24 of the Central Depositories Act. Subject to the provisions of the Act, the Central Depositories Act and the Rules, every Depositor who shall be permitted to initiate a withdrawal of Deposited Security pursuant to Section 24 of the Central Depositories Act and the Rules shall be entitled to receive within fifteen (15) market days (or such other period as may be specified by the Central Depository, the Rules and/or the Stock Exchange) of lodgement of transfer and/or all relevant documents of the Deposited Security to be withdrawn one (1) certificate for all his shares of each class, upon payment of such sum not exceeding Ringgit Malaysia Three (RM3/-) only or such other sum as may from time to time be permitted by the Stock Exchange and the Central Depository plus the stamp duty payable under any law for the time being in force for every certificate, each for one (1) or more of his shares of each class as he may reasonably require. Where a member transfers part only of the shares comprised in a certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu upon payment of such sum as may from time to time be permitted by the Stock Exchange and the Central Depository plus the stamp duty payable under any law for the time being in force for every certificate.~~

13. — (Deleted)

CALLS ON SHARES

14.17. Directors may make calls

The Directors may from time to time make calls upon the members in respect of any money unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall be payable at less than one month after the date fixed for the payment of the last preceding call and each member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine.

15.18. When call made

A call shall be deemed to have been made at the time when the resolution of the Directors authorizing the call was passed and may be required to be paid by instalments.

16. (Deleted)

17.19. Interest on calls in arrears

If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding 10% per cent per annum as the Directors may determine, but the Directors shall be at liberty to waive payment of that interest wholly or in part.

18.20. Terms of issue may be treated as call

Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if the sum had become payable by virtue of a call duly made and notified.

19.21. Directors may differentiate between holders

The Directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.

20.22. Payment of calls in advance

The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the money uncalled and unpaid upon any shares held by him, and upon all or any part of the money so advanced may (until the same would, but for the advance, become payable) pay interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) 8 per cent per annum as may be agreed upon between the Directors and the member paying the sum in advance but no money so advanced shall, whilst carrying interest, confer any right to participate in profits.

LIEN**21.23. Company's lien on shares**

The Company shall have a first and paramount lien on every share (not being a fully paid share) registered in the name of a member (whether solely or jointly with others) for all moneys (whether presently payable or not) that the Company may be called upon by law to pay and has paid in respect of such shares whether before or after the member's death and for all unpaid calls and instalments due and unpaid in respect of such shares. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall be extended to all dividends payable thereon.

22.24. Power to enforce lien by sale

The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the holder of the share for the time being, or the person entitled thereto by reason of his death or bankruptcy.

23.25. Power to transfer shares

To give effect to any such sale the Directors may authorize some person to transfer the shares sold to the purchaser thereof including where appropriate, by giving and signing such instructions and documents as required under the Central Depositories Act or the Rules (in the name of the member whose shares are being or have been sold) to the Central Depository for the purposes of authorizing and effecting the book-entry of the shares sold as Deposited Securities to the purchaser and/or doing all such acts deeds and things as may be necessary to give full effect to the sale. The Purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

24-26. Application of proceeds of sale

The proceeds of the sale shall be received by the Company and applied in payment of (i) such part of the amount in respect of which the lien exists as is presently payable, and (ii) accrued interest and expenses, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person whose shares have been forfeited, or his executors, administrators or assignees or as he directs.

FORFEITURE OF SHARES

25-27. Call unpaid, notice must be given

If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

26-28. Form of notice

The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.

27-29. Forfeiture for non-payment

If the requirements of any such notice as aforesaid are not complied with by the date specified therein, any share in respect of which the notice has been given may at any time thereafter; ~~before the payment required by the notice has been made,~~ be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

28-30. Forfeited share

A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit.

29-31. Liability on forfeiture

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all money which, at the date of forfeiture, was payable by him to the Company in respect of the shares (together with interest at the rate of 10 per cent per annum from the date of forfeiture on the money for the time being unpaid if the

Directors think fit to enforce payment of such interest), but his liability shall cease if and when the Company receives payment in full of all such money in respect of the shares.

30.32. Statutory declaration as conclusive evidence

A statutory declaration in writing that the declarant is a Director or Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

31.33. Title of purchaser of forfeited shares

The Company may receive the consideration, if any, given for a forfeited share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of (including where appropriate, by giving and signing such instructions and documents as required under the Central Depositories Act or the Rules (in the name of the member whose shares are being or have been sold) to the Central Depository for the purposes of authorizing and effecting the book-entry of the shares sold as Deposited Securities to the purchaser and/or doing all such acts deeds and things as may be necessary to give full effect to the sale) and he shall thereupon be registered as the holder of the share, and he shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, or disposal of the share. Subject to any lien for sums not presently payable, if any, or any residue of the proceeds of sale of shares which are forfeited and sold or disposed of, after the satisfaction of the unpaid calls or instalments payable at fixed times and accrued interest and expenses, shall be paid to the person entitled to the shares immediately before the forfeiture thereof or his executors, administrators, or assigns or as he directs.

32.34. Application of forfeiture provisions

The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

TRANSFER OF SHARES

33.35. Exception of transfer

Subject to the Statutes, the Rules and these Articles any member may transfer all or any of his shares by instrument in writing in any usual or common form approved by the Stock Exchange or in any other form which the Directors may approve and any member may transfer Deposited Security in accordance with the Central Depositories Act and the Rules. The instrument shall be executed by or on behalf

of the transferor provided that, subject to compliance with the Central Depositories Act and the Rules, an instrument of transfer in respect of which the transferee is the Central Depository shall be effective although not signed by or on behalf of the Central Depository if it has been certified by an authorized depository agent pursuant to Section 18 of the Central Depositories Act. Subject to the Statutes and the Rules the transferor shall remain the holder of the shares transferred until the transfer is registered and the name of the transferee is entered in the register of members in respect thereof.

36. 33A. Transfer of shares by book entry

The transfer of any Deposited Security shall be by way of book entry by the Central Depository in accordance with the Rules and, notwithstanding ~~s~~Sections 103 and 104 of the Act, but subject to subsection 107C(2) of the Act, and any exemption that may be made from compliance with subsection 107C(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such Deposited Security.

37. 33B. Obligation to keep register not affected

Nothing in these Articles shall be construed as affecting the obligation of the Company to keep a register of its members under ~~s~~Section 158 of the Act and a register of option holders under ~~s~~Section 68A of the Act and to open them for inspection in accordance with the provisions of the Act except that the Company shall not be obliged to enter in such registers the names and particulars of Depositors who are deemed to be members or option holders.

34.38. Terms of registration

Subject to compliance with the Central Depositories Act and the Rules the instrument of transfer must be left for registration at the office together with such fee not exceeding Ringgit Malaysia Three (RM3/-) as the Directors from time to time may require or such other sum the Stock Exchange may permit accompanied by the certificate of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, and thereupon the Company shall subject to the powers vested in the Directors by these Articles register the transferee as a shareholder and retain the instrument of transfer.

35.39. Refusal to register transfer

Subject to the provisions of the Statutes and the Rules, the Directors may decline to register the transfer of a share (not being a fully paid share) to a person of whom they shall not approve, and they may also decline to register the transfer of a share on which the Company has a lien or any transfer of shares, whether fully paid-up or not, made to an infant or person of unsound mind or if the registration of the transfer would result in a contravention of or failure to observe the provisions of a law in Malaysia.

36.40. Notice of refusal to register transfer

Subject to the Statutes and the Rules, if the Directors decline to register a transfer they shall within one month after the date on which the transfer was lodged with the Company send to the transferor and to the transferee, notice of the refusal.

37. (Deleted)

38.41. Closing of register

- (a) The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine not exceeding in the whole thirty (30) days in any year provided that at least twelve (12) clear market days or such other period specified by the Stock Exchange notice of such closure shall be given to the Stock Exchange stating the period and the purpose or purposes of such closure. The same shall also be advertised in a major daily newspaper circulating generally throughout Malaysia.
- (b) Subject to Article 574(b) below, the Company may pursuant to Section 34 of the Central Depositories Act and the Rules request for the Record of Depositors and in this connection, may request for the Record of Depositors as at a specified date. At least three and a half (3½) clear market days or such other period specified by the Act, the Central Depositories Act, the Rules and/or the Central Depository prior notice shall be given to the Central Depository to enable the Central Depository to prepare the appropriate Record of Depositors.
- (c) A Record of Depositors requested by the Company as at any specified date and/or for any specified purpose when made available to the Company may be treated as the final Record of Depositors as at the specified date and/or for the specified purpose. If there shall be more than one Record of Depositors made available to the Company as at the specified date and/or for the specified purpose then the later or last of the Record of Depositors prepared by the Central Depository and confirmed by the Central Depository as a correct Record of Depositors shall be the final Record of Depositors as at the specified date and/or for the specified purpose. If such confirmation from the Central Depository shall not be available, then the later or last of the Record of Depositors received by the Company shall be deemed to be the final Record of Depositors as at the specified date and/or for the specified purpose.

TRANSMISSION OF SHARES

39.42. Death of holder

In case of the death of a member, the legal personal representatives of the deceased shall be the only persons recognized by the Company as having any title to his interest in the shares provided always that where the share is a Deposited

Security, subject to the Rules, a transfer of the share may be carried out by the person becoming so entitled.

40.43. Rights on death or bankruptcy

Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as may from time to time properly be required by the Directors and the Central Depository and subject as hereinafter provided and subject to compliance with these Articles, the Statutes and the Rules, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy.

41.44. Election with regard to registration

Subject to the Act, the Central Depositories Act and the Rules, if the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company and the Central Depository a notice in writing signed by him stating that he so elects. If he elects to have another person registered he shall testify his election by executing to that person a transfer of the share or such other instrument as the Central Depository may require in favour of that person. All the limitations, restrictions, and provisions of these Articles, the Act, the Central Depositories Act and the Rules relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer or such other instrument as the Central Depository may require as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer or such other instrument as the Central Depository may require were a transfer signed by that member.

42.45. Dividends and voting powers

Where the registered holder of any share dies or becomes bankrupt his personal representative or the assignee of his estate, as the case may be, shall, upon the production of such evidence as may from time to time be properly required by the Directors and the Central Depository in that behalf, and subject to the Statutes and the Rules, be entitled to the same dividends and other advantages, and to the same rights (whether in relation to meetings of the Company, or to voting, or otherwise), as the registered holder would have been entitled to if he had not died or become bankrupt.

INCREASE OF CAPITAL

43.46. Increase of share capital

The Company may from time to time, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, by Ordinary Resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount

and to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital, or otherwise as the Company by the resolution authorising such increase directs.

44.47. When shares offered to existing members

Subject to any direction to the contrary that may be given by the Company in general meeting, ~~and~~ any original shares for the time being unissued and not allotted and any new shares or other convertible securities from time to time to be created shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares or securities which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Article.

~~44(A). (Deleted)~~

~~44(B). (Deleted)~~

45.48. New capital to be considered as part of the present share capital

Except so far as otherwise provided by the conditions of issue, any capital raised by the creation of new shares shall be considered as part of the original share capital of the Company, and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

ALTERATION OF CAPITAL

46.49. Consolidation, sub-division, and cancellation

The Company may by ~~O~~rdinary ~~R~~esolution:-

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) subdivide its shares or any of them into shares of smaller amount than is fixed by the Memorandum, so however that in the sub-division the proportion between the amount paid and the amount (if any) unpaid on

each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

- (c) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

47.50. Reduction of capital

The Company may by Special Resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner authorised by the Act and with, and subject to, any incident authorized, and consent required by law.

CONVERSION OF SHARES INTO STOCK

48.51. Conversion of shares into stock

The Company by Ordinary Resolution may convert any paid-up shares into stock, and may convert any stock into paid-up shares of any denomination. When any shares have been converted into stock, the several holders of such stock may, thenceforth, transfer their respective interest therein or any part of such interest, in the same manner and subject to the same regulations as and subject to which fully paid-up shares in the Company's capital may be transferred, or as near thereto as circumstances will admit. But the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable, and direct that fractions of a Ringgit Malaysia shall not be dealt with, but with power, nevertheless, at their discretion to waive such rules in any particular case provided the minimum so fixed shall not be greater than the nominal amount of the share from which the stock arose.

49.52. Participation in dividends and profits

The stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company, and for other purposes, as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted, but so that none of such privileges or advantages, except the participation in profits of the Company, or in the assets of the Company on a winding-up, shall be conferred by any such aliquot part of stock as would not, if existing in shares, have conferred such privileges or advantages. Save as aforesaid, all the provisions herein contained shall, as far as circumstances will admit, apply to stock as well as to shares.

BORROWING POWERS

50.53. Directors' borrowing powers

The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company, or its subsidiaries, but not for those of any unrelated third party.

51.54. Debentures etc. may be issued at a discount or with special privileges etc.

Any bonds, notes, debentures, debenture stock or other securities may be issued at a discount, premium or otherwise, and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

GENERAL MEETINGS

52.55. Annual general meeting and extraordinary general meetings

An annual general meeting of the Company shall be held in accordance with the provisions of the Act on such day and such place as shall be fixed by the Directors. All general meetings other than the annual general meeting shall be called extraordinary general meetings.

53.56. Convening of extraordinary general meeting on requisition

The Directors may whenever they so decide by resolution convene an extraordinary general meeting of the Company. In addition, an extraordinary general meeting shall be convened on such requisition as is referred to in Section 144 of the Act or, if the Company makes default in convening a meeting in compliance with a requisition received pursuant to Section 144, a meeting may be convened by the requisitionists themselves in the manner provided in Section 144 of the Act.

54.57. Notice of meetings

- (a) Subject to the provisions of the Act relating to ~~S~~pecial ~~R~~esolutions and agreements for shorter notice, fourteen (14) days' notice of meeting at the least and, in case of a meeting convened to pass a special resolution or where it is an annual general meeting, twenty one (21) days' notice of meeting at least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place, the day and the hour of meeting and in case of special business the general nature of that business shall be given to such persons as are entitled to receive such notices from the Company. Any notice of a meeting called to consider special business shall be accompanied by a

statement regarding the purpose and effect of any proposed resolution in respect of such special business. At least fourteen (14) days' notice or twenty one (21) days' notice in the case where any special resolution is proposed or where it is the annual general meeting, of every such meeting shall be given by advertisement in at least one (1) nationally circulated Bahasa Malaysia or English daily newspaper~~the daily press~~ and in writing to the Stock Exchange.

- (b) (i) The Company shall request the Central Depository, in accordance with the Rules, to prepare the Record of Depositors to whom notices of general meetings or adjourned general meetings shall be given by the Company.
- (ii) The Company shall request the Central Depository in accordance with the Rules, to prepare a Record of Depositors as at ~~a date~~ the latest date which is reasonably practicable which shall in any event be not less than 3 market days (or such other period specified by the Act, the Central Depositories Act, the Rules and/or the Central Depository) before the date of the general meeting or adjourned general meeting.
- (c) Subject to Article ~~3841~~(c), the Record of Depositors requested under this Article when made available to the Company shall be treated as the final record of all Depositors who shall be deemed to be entitled to receive notice of general meeting or adjourned general meeting.
- (d) Subject to Article ~~3841~~(c) and the Securities Industry (Central Depositories) (Foreign Ownership) Regulations, 1996 (where applicable), a Depositor shall not be regarded as a member entitled to attend any general meeting or adjourned general meeting and to speak and vote thereat unless his name appears in the Record of Depositors requested for the purposes of such general meeting or adjourned general meeting.

55.58. Business at extraordinary general meeting

Subject always to the provisions of Section 151 of the Act no business shall be transacted at an extraordinary general meeting except business of which notice has been given in the notice convening the meeting and no business shall be transacted at an annual general meeting, other than business of which notice has been given as aforesaid, with the exception of declaring a dividend, the consideration of the accounts, balance-sheets, and the report of the Directors and Auditors, the election of Directors, and the appointment and fixing of the remuneration of the Auditors.

56.59. Omission to give notice

The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any member shall not invalidate the proceedings at any meeting.

57.60. Quorum to consist of Three

Three members personally present shall be a quorum for a general meeting and no business shall be transacted at any general meeting unless the requisite quorum be present at the commencement of the business.

58.61. Chairman and Deputy Chairman of General Meeting

The Chairman of the ~~Directors Board~~ or in his absence the Deputy Chairman (if any) shall be entitled to take the chair at every general meeting. If there be no Chairman or Deputy Chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act the Directors present may choose a Chairman and in default of their so doing the members present shall choose one of the Directors to be eChairman and if no Director present be willing to take the chair shall choose one of their number to be Chairman.

59.62. Adjournment for want of quorum

If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Directors may determine.

60.63. Adjournment generally

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 other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

61.64. Voting on resolutions

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demande, whether before the resolution is put to the vote of the meeting or (before or on the declaration of the result of the show of hands) demande :-

- (a) by the Chairman; or
- (b) by at least five members present in person or by proxy; or

- (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (d) by a member or members holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. The demand for a poll may be withdrawn.

62.65. Taking of poll

If a poll is duly demanded it shall be taken in such manner and either at once or after an interval or adjournment or otherwise as the Chairman directs, and the result of the poll shall be the resolution of the meeting at which the poll was demanded, but a poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. 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 Chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may, in addition to the powers of adjourning meetings contained in Article 630, adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

63.66. Chairman's casting vote

In the case of an 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 second or casting vote.

64.67. Number of votes

- (a) Subject to these Articles, in particular Articles 913, 574(b), (c) and (d), 674(b) and (c) and 6971, a member shall be entitled to be present and to vote at any general meeting in respect of any share or shares upon which all calls due to the Company have been paid.
- (b) No person shall exercise any rights of a member until his name shall have been entered in the register or the Record of Depositors and he shall have paid all calls and other moneys for the time being due and payable on any share held by him whether alone or jointly with any other person PROVIDED THAT the Central Depository or its nominee company in whose name the Deposited Securities are registered shall not be entitled to any

such rights unless required by virtue of the Central Depositories Act or the Rules or the context of these Articles.

- (c) Subject to any rights or restrictions for the time being attached to any class or classes of shares, at meetings of members or classes of members each member entitled to vote may vote in person or by representative or by proxy or attorney and on a show of hands every ~~person present who is a member~~ present in person or a-by representative or by proxy or by attorney of a member shall have one vote, and on a poll every member present in person or by representative or by proxy or by attorney ~~or other duly authorised representative~~ shall have one vote for each share he holds. By way of clarification and for the avoidance of doubt, notwithstanding that the shares in the Company of a member are held in more than one securities account in the name of the member and/or Authorised Nominees, such member if present in person and/or by representative and/or by proxy and/or by attorney shall have one vote only on a show of hands. In these Articles, the shares held or represented by a member present in person or by representative or by proxy or by attorney shall, in relation to shares of a Depositor, be the number of shares entered against his-the name of such Depositor in the latest Record of Depositors made available to the Company pursuant to Article 57(b)(ii).

65.68. Corporation members

Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise one person, or failing him another person as alternate, whether a member of the Company or not as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

66.69. Rights of persons entitled under transmission aArticles

Any person entitled under ~~the a~~ transmission Article, namely, Article 42 or Article 43, to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares unless the Directors have previously admitted his right to vote at such meeting in respect thereof.

67. (Deleted)

68.70. Member of unsound mind

A member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, whether on a show of hands or on a poll, by his committee or by such other person as properly

has the management of his estate, and any such committee or other person may vote by proxy or attorney.

69.71. Member in default

No member shall be entitled to be present, or to vote at any general meeting in respect of shares in the Company on which calls payable by him have not been paid.

70.72. Time for objection

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

71.73. Form and appointment instrument of proxy

The instrument appointing a proxy shall be in writing in such form as the Directors may from time to time prescribe ~~(in the common or usual form)~~ under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorized.

72.74. Poll demanded by proxy

The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

73.75. Proxy need not be a member

- (a) A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149 (1) (a) and (b) of the Act shall not apply to the Company.
- (b) A member shall ~~not~~ be entitled to appoint not more than two proxies to attend and vote at a meeting of the Company except where the member is a Depositor who is also an Authorised Nominee, then the Authorised Nominee may appoint one proxy in respect of each securities account the Authorised Nominee holds with ordinary shares in the Company standing to the credit of such securities account as reflected in the Record of Depositors requested by the Company pursuant to Article 574(b)(ii) for the purposes of the meeting for which the Authorised Nominee is appointing the proxy. Each appointment of proxy by an Authorised Nominee pursuant to this Article shall be by a separate instrument of proxy which shall specify the securities account number and the name of the beneficial owner for whom the Authorised Nominee is acting.

74. Form of proxy

~~Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in such form as the Directors may from time to time prescribe.~~

75.76. Deposit of Proxy

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 that power or authority shall be deposited at the office, or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

76.77. Votes of Proxy irrevocable unless notice received by Company

- (a) A vote given in accordance with the terms of an instrument of proxy or attorney shall be valid notwithstanding the previous death or unsoundness of mind of the principal or revocation of the instrument or of the authority under which the instrument was executed, or the transfer of the share (including any transfer pursuant to the Rules) in respect of which the instrument is given, if no intimation in writing of such death, unsoundness of mind or revocation, or transfer as aforesaid has been received by the Company at the office or recorded in the Record of Depositors made available to the Company before the commencement of the meeting or adjourned meeting at which the instrument is used.
- (b) The Company shall be entitled and bound to reject any instrument of proxy lodged if the member is not shown to have any shares entered against his name in the register and/or the latest Record of Depositors made available to the Company.
- (c) The Company shall be entitled and bound to accept as the maximum number of votes which in aggregate the proxy appointed by the member is able to cast on a poll, the aggregate number of shares which is entered (i) against the name of that member in the register and/or the latest Record of Depositors made available to the Company (ii) or in the case of a member who is a Depositor and an Authorised Nominee, against the securities account number and name of the beneficial owner for whom the Authorised Nominee is acting where that number is smaller than the aggregate number specified in the instrument or instruments of proxy executed by or on behalf of that member. ~~Ifn the event~~ a member other than an Authorised Nominee has executed a number of two (2) instruments of proxy and ~~some one~~ one of the proxies on a poll cast votes in favour of a resolution while the other proxies, appointed by the same member, on a poll cast votes against a resolution

and the aggregate number of votes specified in the instruments of proxy is greater than the aggregate number of votes entered against the name of that member in the register and/or the Record of Depositors made available to the Company, then the total number of votes deemed to be cast shall be the votes entered against the name of the member in the register and/or the Records of Depositors and such total shall be pro rated for the purposes of determining the number of votes cast in favour of ~~the resolution or and~~ against the resolution, ~~as the case may be,~~ shall be in the same proportion as the number of votes cast in favour of ~~the resolution or and~~ against the resolution, ~~as the case may be,~~ based on the aggregate number of votes as specified in the instruments of proxy.

DIRECTORS

77.78. Names of Directors

The Directors of the Company at the date of the adoption of these Articles are:-

DATUK TAN YUET FOH
TAN KIM HOR
JOJI OKUMURA
TAN SRI DATUK HAJI MOHD. ARIFF bin DARUS
TAN TONG HENG

~~All the Directors of the Company shall be natural persons.~~

78.79. Eligibility to become a director

No person shall without the leave of the Court be eligible to be appointed as a Director who is an undischarged bankrupt or has been convicted within or without Malaysia:-

- (a) of any offence in connection with the promotion, formation or management of a corporation;
- (b) of any offence involving fraud or dishonesty punishable on conviction with imprisonment for three months or more; or
- (c) of any offence under the provisions of the Act.

79.80. Number of Directors

The Company may from time to time in general meeting increase or reduce the number of Directors. Until otherwise determined by general meeting the number of Directors including a Managing Director shall not be less than three nor more than ten but in the event of any casual vacancy occurring and reducing the number of Directors below the aforesaid minimum the continuing Directors or Director may, except in an emergency, act only for the purpose of filling up such vacancy or

vacancies to such minimum number or of summoning a general meeting of the Company but for no other purpose.

80.81. Appointment by Board of Directors

The Directors shall have power at any time and from time to time to appoint any other qualified person as Director, either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or pursuant to Article ~~79~~80 and any Director so appointed shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

81.82. Qualification of Director

The shareholding qualification for Directors may be fixed by the Company in general meeting and until so fixed no shareholding qualification for Directors shall be required.

82.83. Remuneration of Director

The Directors shall be paid for their services as follows:-

- (i) Directors who hold no executive office in the Company shall be paid fees by a fixed sum and not by a commission on or percentage of profits or turnover.
- (ii) Fees payable to all Directors shall be determined by the Company in general meeting and shall not be increased except pursuant to a resolution passed at a general meeting where notice of the proposed increase has been given in the notice convening the meeting. Such fees may be divided among the Directors in such proportions and manner as the Directors shall determine.
- (iii) Any fee paid to an alternate Director shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration paid to the latter.
- (iv) If any Director who holds no executive office shall be required to perform extra services or to go or reside abroad or shall otherwise be specially occupied about the Company's business he shall be entitled to receive a salary to be fixed by the Board or at the option of such Director by the Company in general meeting. Such salary may be either in addition to or substitution for any fees payable pursuant to sub-clause (i) of this Article.
- (v) Salaries payable to Directors who do hold an executive office in the Company may not include a commission on or percentage of turnover but may include a commission on or percentage of profits.

83.84. As to the duty and liability of Directors

A Director shall at all times act honestly and use reasonable diligence in the discharge of the duties of his office and shall not make use of any information acquired by virtue of his position to gain directly or indirectly an improper advantage for himself or for any other person or to cause detriment to the Company.

84.85. General duty to make disclosure

Every Director shall give notice to the Company of such events and matters relating to himself as may be necessary or expedient to enable the Company and its officers to comply with the requirements of the Act.

85.86. Right to hold other office under the Company

Subject to compliance with Section 131 of the Act and any other relevant provisions thereof, a Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise ~~nor shall and~~ any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, shall not be liable to be avoided, ~~nor shall and~~ any Director so contracting or being so interested shall not be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.

86.87. Effect on quorum of interested Director

Subject to compliance with Section 131 of the Act and without prejudice to Article 88, ~~A~~ a Director, notwithstanding his interest may, ~~provided that none of the other Directors present disagree,~~ be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any office or place of profit under the Company or whereat the Directors resolve to exercise any of the rights of the Company, (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a Director to hold any office or place of profit under any other company, or whereat the terms of any such appointment as hereinbefore mentioned are considered or whereat any decision is taken upon any contract or arrangement in which he is in any way interested.

87.88. Director not to vote in contracts where he has an interest

~~A Director shall not vote in regard to any contract or proposed contract or arrangement in which he has directly or indirectly an interest. No Director shall participate in any discussion nor vote in respect of any contract or arrangement or proposed contract or arrangement in which he is directly or indirectly interested~~

(unless the interest is one that need not be disclosed under Section 131 of the Act), and if he should do so his vote shall not be counted.

88.89. Director also officer of associated company

Subject to compliance with the Act, A Director of the Company may be or become a Director or other officer of or otherwise interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a Director or officer of, or from his interest in, such corporation unless the Company otherwise directs at the time of his appointment. The Directors may exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company, or exercisable by them as Directors of such other corporation in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing ~~themselves or any of them~~ Directors or other officers of such corporation) and any Director may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be, or is about to be, appointed a Director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in manner aforesaid.

89.90. Right to payment for professional services

Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as Auditor of the Company.

90.91. Expenses

The Directors shall be paid all their travelling and other expenses properly and necessarily expended by them in and about the business of the Company including their travelling and other expenses incurred in attending Board Mmeetings of the Company.

91. Restriction on right to vote

~~No Director shall vote in respect of any contract or arrangement in which he is directly or indirectly interested, and if he should do so his vote shall not be counted but this prohibition may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, arrangement or transaction by the Company in general meeting.~~

92. Register of Directors' Shareholdings

The Company shall keep a register showing with respect to each Director of the Company the particulars ~~number and description and, in the case of debentures, the amount~~ of any shares in or debentures of the Company or a corporation that is deemed to be related to that the Company which are held by or in trust for him or

of which he has any right to become the holder (whether on payment or not) or in which he has, directly or indirectly, any beneficial interest but the register need not include particulars of shares in any related corporation which is the wholly-owned subsidiary of the Company or of another corporation.

ALTERNATE DIRECTOR

93. Alternate Director

- (a) Each Director shall have power from time to time to nominate any person, not being a Director, who has been approved for the purpose by a majority of the other Directors to act as his alternate Director and at his discretion to remove his alternate Director.
- (b) An alternate Director shall (except as regards power to appoint an alternate Director and remuneration) be subject in all respects to the terms and conditions existing with reference to the other Directors, and shall be entitled to receive notices of all meetings of the Directors and to attend speak and vote at any such meeting at which his appointor is not present.
- (c) Subject to Article 93(a) Any appointment or removal of an alternate Director shall be effected in writing under the hand of the Director making the same and sent to the Company by hand, post, facsimile or electronic mail may be made by fax or email - cable, telegram or radiogram - or in any other manner approved by the Directors. Any facsimile or electronic mail sent cable, telegram or radiogram shall be confirmed as soon as possible by the physical delivery to the Company of a letter signed by such Director, but may be acted upon by the Company meanwhile.
- (d) If a Director making any such appointment as aforesaid shall cease to be a Director (otherwise than by reason of vacating his office at a meeting of the Company at which he is re-elected), the person appointed by him shall thereupon cease to be an alternate Director and therefore cease to have any power or authority to act as such an alternate Director.
- (e) A Director shall not be liable for the acts and defaults of any alternate Director appointed by him.
- (f) An alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.

MANAGING DIRECTORS

94. Appointment

- (a) The Directors may from time to time appoint any one or more of their body to be Managing Director or Managing Directors for such period not exceeding three (3) years and upon such terms as they think fit, and may vest in such Managing Director or Managing Directors as may be appointed by them such of the powers hereby vested in the Directors generally as they may think fit, but provided always that such Managing Director or Managing Directors shall be subject to the control of the Board.
- (b) Any appointment of a Managing Director shall provide that notwithstanding the term of his appointment, the Managing Director shall retire from office at any annual general meeting where he shall not be re-elected; accordingly, his appointment shall terminate as of the date of such annual general meeting and such termination shall not be regarded as breach of the terms of the appointment or dismissal of the Managing Director.
- ~~(c) Any appointment of a Managing Director which shall be for a term of more than three (3) years made prior to 1 June 2001 shall be valid and such Managing Director shall not be required to retire from office in accordance with Article 101 provided that any reappointment of the Managing Director shall thereafter be subject to the provisions hereof and Article 101.~~

95. Remuneration of Managing Director

The remuneration of a Managing Director or Managing Directors shall be fixed by the Directors and may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes but shall not include a commission on or percentage of turnover.

96. Retirement and removal of Managing Director

~~Subject to provisions of any contract between him and the Company entered into prior to 1 June 2001, a A Managing Director shall be subject to retirement by rotation, and he shall be reckoned as a Director for the purpose of determining the rotation or retirement of Directors or in fixing the number of Directors to retire, and he shall be subject to the same provisions as to removal as the other Directors of the Company and if he ceases to hold the office of Director from any cause shall ipso facto and immediately cease to be a Managing Director.~~

DISQUALIFICATION OF DIRECTORS

97. Office of Directors how vacated

~~Subject as otherwise provided and to the terms of any Subsisting agreement, the office of a Director shall become vacant if the Director:-~~

- (a) ceases to be a Director by virtue of the Act;
- (b) during his term of office becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (c) becomes prohibited from being a Director by reason of any order made under the Act or contravenes Section 130 of the Act;
- (d) during his term of office becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental disorder;
- (e) resigns his office by notice in writing to the Company;
- (f) for more than six months is absent, without permission of the Directors, from meetings of the Directors held during that period-;
- (g) is absent from more than 50% of the total meetings of the Directors held during any financial year of the Company or such shorter period during which the Director was appointed to his office except when an exemption or waiver has been obtained from the Stock Exchange.

POWERS AND DUTIES OF DIRECTORS

98. Powers and duties

~~Save that any sale or disposal by the Directors of a substantial portion of the Company's main undertaking or property shall be subject to ratification by Ordinary Resolution of the members in general meeting, The business and affairs of the Company shall be managed by or under the direction of the Directors who may pay all expenses incurred in promoting and registering the Company, and exercise all such powers of the Company as are not, by the Act, the Listing Requirements or by these Articles, required to be exercised by the Company in general meeting, provided that if for any reason whatsoever the Board is unable to exercise any of its powers hereunder, in particular for the reason that all the Directors are to be regarded as interested in a particular matter, such powers may be exercised by the Company in general meeting subject, nevertheless, to any of these Articles, to the provisions of the Act, and to such regulations, being not inconsistent with these Articles or the provisions of the Act, as may be prescribed by the Company in general meeting; but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.~~

99. Cheques, bills etc

All cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for money paid to the Company shall be signed, drawn,

accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors from time to time determine.

100. Use of seal abroad

The Directors may exercise all the powers of the Company in relation to any official seal for use outside Malaysia and in relation to branch registers.

RETIREMENT, ROTATION AND REMOVAL OF DIRECTORS

101. Rotation and retirement of Directors

~~Subject to Articles 94(c) and 96, a~~At every annual general meeting one-third of the Directors (including a Managing Director) or if their number is not a multiple of three then the number nearest to one-third shall retire from office and be eligible for re-election provided that all Directors including the Managing Director shall retire from office once at least in each three years, but shall be eligible for re-election.

102. Which Directors to retire

The Directors to retire in every year shall, subject nevertheless as hereinafter provided, be the Directors who have been longest in office since their last election, but as between persons who became Directors on the same day, the Director to retire shall, unless they otherwise agree among themselves, be determined by lot.

103. Eligibility for election

Only the following persons shall be eligible for election to the office of Director at any general meeting namely:-

- (i) a Director retiring at the meeting;
- (ii) a person recommended by the Directors and in respect of whom, not less than nine clear days before the day appointed for the meeting, there shall have been left at the office a consent to act as a Director duly signed by such person;
- (iii) a person in respect of whom not less than eleven nor more than twenty-one clear days before the date appointed for the meeting there shall have been left at the office a notice in writing, signed by a member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election, or notice in writing signed by that person giving his consent to the nomination and signifying his candidature for the office.

104. No appointment of Directors by single resolution

At a general meeting a motion for the appointment of two or more persons as Directors of the Company by a single resolution shall not be made unless a

resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.

105. Seven-day notice required

Not less than seven days notice shall be given to every member of the name of each person who is eligible for election as a Director at a general meeting.

106. Removal of Director

Subject to Section 128 of the Act, ~~T~~he Company may by ~~O~~rdinary ~~R~~esolution of which special notice is given remove any Director before the expiration of his period of office, and may, if thought fit, by ~~O~~rdinary ~~R~~esolution appoint another Director in his stead. The person so appointed shall hold office so long as the Director in whose place he is appointed would have held the same if he had not been removed.

PROCEEDINGS OF DIRECTORS

107. Meetings

The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and in particular the method of giving notice of meetings of Directors as they think fit. Any one Director may at any time and the Secretary shall on the requisition of any one Director summon a meeting of the Directors. Unless otherwise determined by the Directors from time to time notice of all Directors' meetings shall be given to all Directors and their alternates. Except in the case of an emergency, seven days' notice of every Directors' meeting shall be given in writing and the notice of each Directors' meeting shall be served in the manner referred to in Article 1434 and the said Article 1434 shall apply mutatis mutandis to the service of notices of Directors' meetings on Directors as it applies to the service of notices on members of the Company. In addition to a notice of any Directors' meeting sent by post, such notice may be sent by facsimile, electronic mail or by any means of telecommunication in permanent written form, and service of the notice shall be deemed to be effected at the expiration of 12 hours after the same was despatched by facsimile, electronic mail or such other means of telecommunication, and in proving such service it shall be sufficient to prove that the facsimile or electronic mail or other such transmission was properly addressed and despatched. The facsimile transmission report or the electronic mail transmission report, as the case may be, shall be prima facie evidence of the act, date and time of despatch of such notice.

108. 407A.—Meeting by conference telephone

Members of the ~~b~~Board of Directors or of any committee thereof may participate in a meeting of the Directors or of such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear and speak with each other. A participant shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in

a quorum accordingly. The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is. Resolutions passed at such meeting shall be subsequently confirmed by such resolutions being signed by all the Directors who participated at such meeting and such resolutions shall be as valid and effectual as if the resolutions had been passed at a meeting of the Directors or committee as the case may be duly convened and held where all participants were present in the same location.

~~108. Continuing Directors may act~~

~~Subject to Article 79, the continuing Directors may act notwithstanding any vacancy in their body.~~

109. Chairman's casting vote and quorum

(a) Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman shall have a second or casting vote except where only two Directors are competent to vote on the question at issue or are the quorum present at the meeting.

(b) The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed, shall be three.

110. Chairman and ~~Vice-Deputy~~ Chairman of meetings of Directors

The Directors may elect a Chairman and a Deputy Chairman of their meetings and determine the period for which they are to hold office and unless otherwise determined the Chairman and Deputy Chairman shall be elected annually. The Chairman or in his absence the Deputy Chairman shall preside at all meetings of Directors. If neither a Chairman nor a Deputy Chairman is elected, or if at any meeting the Chairman or the Deputy Chairman is not present within half an hour of the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting.

111. Directors may delegate powers to Committee

The Directors may delegate any of their powers to Committees consisting of such member or members of their body as they may think fit. Any Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors.

112. Chairman of Committee

A Committee may elect a Chairman of its meetings. If no such Chairman is elected or if at any meeting the Chairman is not present within half an hour after the time appointed for holding the same, the members present may choose one of their number to be Chairman of the meeting.

113. Casting Vote of Chairman of Committee

A Committee may meet and adjourn its meetings as its members think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes the Chairman shall have a second or casting vote except where only two members of the Committee are competent to vote on the question at issue or are the quorum at the meeting. The quorum at meetings of Committees of Directors shall be two unless some larger number has been fixed by the Director's resolution creating the Committee.

114. Validity of acts of Directors and Committee

All acts done bona fide at any meeting of the Directors, or of a committee of Directors, or by any person acting as a Director, shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were disqualified to be a Director, be as valid as if every such person had been duly appointed and qualified to be a Director.

115. Directors' circular resolutions

A resolution in writing signed or approved by letter or telefax by all the Directors who may at the time be present in Malaysia or the Republic of Singapore and who are sufficient to form a quorum, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted; provided that where a Director is not so present but has an alternate who is so present, then such resolution must also be signed by such alternate. All such resolutions shall be described as "Directors' Circular Resolutions" and shall be forwarded or otherwise delivered to the Secretary without delay, and shall be recorded by him in the Company's Minute Book and submitted for confirmation at a meeting of the Board next following the receipt thereof by him. Any such resolution may be executed in any number of counterparts, each signed by one or more Directors or their alternates, all of which taken together and when delivered to the Secretary shall constitute one and the same resolution.

MINUTES

116. Minutes

The Directors shall cause minutes to be duly entered in books provided for the purpose:-

- (a) Of all appointments of officers.
- (b) Of all the names of the Directors present at each meeting of the Directors and of any Committee of Directors.
- (c) Of all resolutions and proceedings of general meetings and of meetings of the Directors and Committees.

(d) Of all orders made by the Directors and any Committee of Directors.

117. Minute book in the office

The books containing the minutes of proceedings of any general meeting shall be kept by the Company at the office or the principal place of business in Malaysia of the Company, and shall be open to the inspection of any member without charge.

REGISTER OF DIRECTORS, MANAGERS AND SECRETARIES

118. To keep a Register of Directors, Managers and Secretaries

The Directors shall cause to be kept at the office a register of Directors, Managers and Secretaries of the Company as required under the Act.

SECRETARY

119. Appointment

The Secretary or Secretaries shall, in accordance with the Act, be appointed by the Directors for such term, at such remuneration, and upon such conditions as the Directors think fit and any Secretary or Secretaries so appointed may be removed by them. The Directors may from time to time by resolution appoint a temporary substitute for the Secretary or Secretaries who shall be deemed to be the Secretary during the term of his appointment. The first Secretaries of the Company are Chan Chee Hong and Wilson Chan.

SEAL

120. Affixing seal

The Directors shall provide for the safe custody of the seal, which shall only be used by the authority of the Directors or of a Committee of the Directors authorised by the Directors in that behalf, and every instrument to which the seal is affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose.

AUTHENTICATION OF DOCUMENTS

121. Appointed persons

Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or

extracts; and where any books, records, documents or accounts are elsewhere than in the office the Local Manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.

122. Authenticated document to be conclusive evidence

A document purporting to be a copy of a resolution of the Directors or an extract from the minutes of a meeting of the Directors which is certified as such in accordance with the provisions of Article 121 shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Directors.

POWER OF ATTORNEY

123. Appointment of attorney

The Directors may from time to time by power of attorney appoint any corporation, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorize any such attorney to delegate all or any of the powers, authorities, and discretions vested in him.

DIVIDENDS

124. Payment of dividends

The profits of the Company which it shall from time to time decide to distribute by way of dividend subject to any special conditions on which any shares shall have been issued, shall be divisible amongst the members in proportion to the amount of capital paid up or credited as paid up on the shares held by them respectively.

125. Amount of dividend

The Company in general meeting may declare a dividend to be paid to the members according to their rights and interests in the profits and may fix the time for payment. No larger dividend shall be declared than is recommended by the Directors but the Company in general meeting may declare a smaller dividend.

126. No dividends except out of profits

Save as hereinbefore provided no dividend shall be payable except out of the profits of the Company and no dividend shall carry interest as against the Company.

The declaration of the Directors as to the amount of the profits of the Company shall be conclusive.

127. Interim dividends

The Directors may from time to time pay to the members on account of the next forthcoming dividend such interim dividends as in their judgement the position of the Company justifies.

128. Power to retain dividends on which Company has a lien

The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

129. Power to retain dividends in respect of transmission shares

The Directors may retain the dividends payable upon shares in respect of which any person is under the ~~a~~ transmission Article, namely, Article 42 or Article 43, entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.

~~130. (Deleted)~~

~~131-130.~~ Transfer not to affect right to dividend declared before registration

Subject to the provisions of the Central Depositories Act and the Rules, a transfer of shares shall not pass the right to any dividend declared thereon after such transfer and before the registration of the transfer.

~~132-131.~~ Notice of declaration of dividend

Notice of the declaration of any dividend, whether interim or otherwise, shall be given to the holders of shares in the manner provided in Article ~~384~~41(a).

~~133-132.~~ Dividends payable by post

Unless otherwise directed, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled as it appears in the register and/or the Record of Depositors. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

DIVIDEND IN SPECIE

~~134-133.~~ Power to distribute dividends in specie

Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in

particular of paid up shares, debentures or debenture stock of any other company or in any one or more of such ways, and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.

CAPITALIZATION OF PROFITS

135.134. Capitalisation on recommendation of Directors

The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution. A share premium account and a capital redemption reserve may, for the purposes of this Article, be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

136.135. Appropriations and allotments

Whenever such a resolution as aforesaid shall have been passed the Directors shall make appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorize any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

ACCOUNTS

137.136. Accounts to be kept

The Directors shall cause to be kept proper books of account with respect to all sums received and expended by the Company and the matters in respect of which such receipt and expenditure takes place and of the assets, credits and liabilities of the Company.

138.137. Custody of books

The books of account shall be kept at the office or at such other place as the Directors think fit and shall always be open to inspection by the Directors.

139.138. Accounts and books may be inspected by members

The Directors shall from time to time determine whether, in any particular case or class of cases, or generally, and to what extent, and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by statute or authorised by the Director or by a resolution of the Company in general meeting.

140.139. Profit and loss accounts to be made up and laid before Company and Balance Sheet to be made out yearly

Once at least in every year the Directors shall lay before the Company in general meeting a profit and loss account for the period since the preceding account, or (in the case of the first account) since the incorporation of the Company, made up to a date not more than six months before such meeting and the interval between the close of a financial year of the Company and the issue of accounts relating to it shall not exceed four months. A balance-sheet shall also be made out in every year as at the date to which the profit and loss account is made up, and shall be laid before the Company in general meeting. The said account and balance sheet shall be accompanied by such reports and documents and shall contain such particulars as are prescribed by the Act, the Listing Requirements or any other law, and the Directors shall in their report state the amount which they recommend to be paid by way of dividend, and the amount (if any) which they propose to carry to any reserve fund. The Auditor's report shall be attached to the balance sheet and shall be read before the Company in general meeting and be open to inspection by any member. A copy of each such document in printed form or in CD ROM form or in such other form of electronic media or any combination thereof shall not less than twenty one fourteen days before the date of the meeting (or such shorter period as may be agreed in any year for the receipt of notice of the meeting pursuant to Article 574 of these presents or such other period as may be permissible by law and the Listing Requirements) be sent to every member of, and to every holder of debentures of the Company and to every other person who is entitled to receive notices from the Company under the provisions of the Act or of these presents. The requisite

number of copies of each such document as may be required by the Stock Exchange from time to time shall at the same time be likewise sent to each Stock Exchange upon which the Company's shares are listed. Provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one of joint holders but any member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the office.

LANGUAGE

141.140. Accounts to be kept in English or Malay Language

Where any accounts, minute books or other records required to be kept by the Act are not kept in the Malay or English language, the Directors shall cause a true translation of such accounts, minute books and other records to be made from time to time at intervals of not more than seven days and shall cause such translation to be kept with the original accounts, minute books and other records for so long as the original accounts, minute books and other records are required by the Act to be kept.

AUDIT

142.141. Audit

Once at least in every year the accounts of the Company shall be examined and the correctness of the profit and loss account and balance sheet ascertained by one or more Auditor or Auditors.

143.142. Appointment, Removal and Resignation of Auditors

The Company at each ~~ordinary annual general~~ meeting shall appoint an Auditor or Auditors to hold office until the conclusion of the next ordinary annual general meeting and their appointment, remuneration, rights and duties, removal and resignation shall be regulated by Sections 8, 9, 172, 172A, 173, 174, 174A and 175 of the Act.

NOTICES

144.143. Service of notices

A notice may be given by the Company to any member either personally or by sending it by post to him at his registered address as appearing in the register or Record of Depositors, or (if he has no registered address within Malaysia or the Republic of Singapore) to the address, if any, within Malaysia or the Republic of Singapore supplied by him to the Company for the giving of notices to him. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and to have been effected in the case of a notice of a meeting, on the day after the date

of its posting, and in any other case at the time at which the letter would be delivered in the ordinary course of post.

~~145.~~ (Deleted)

146.144. Notice after death or bankruptcy

A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignee of the bankrupt, or by any like description, at the address, if any, within Malaysia or the Republic of Singapore supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

147.145. Notice of general meeting

- (1) Notice of every general meeting shall be given in any manner hereinbefore authorized to:-
 - (a) every member with a registered address in Malaysia or the Republic of Singapore or an address for service of notices in Malaysia or Republic of Singapore or such other place approved by the Directors;
 - (b) every person entitled to a share in consequence of the death or bankruptcy of a member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting;
 - (c) the Auditor for the time being of the Company; and
 - (d) every Stock Exchange in which the Company is listed.
- (2) No other person shall be entitled to receive notices of general meetings.
- (3) Whenever any notice is required to be given under the provisions of the law of Malaysia or of these Articles, a waiver thereof or the shortening of the period of such notice, may be effectively executed in writing by the person or persons entitled to such notice.
- (4) At least fourteen days' notice of every general meeting shall be given by advertisement in at least one (1) nationally circulated Bahasa Malaysia or English one-issue-of-a-daily newspaper circulating in Malaysia.

WINDING UP

148.146. Distribution in specie

If the Company is wound up the Liquidator may, with the sanction of a ~~S~~Special Resolution of the Company, divide amongst the members in kind the whole or any part of the assets of the Company (whether they consist of property of the same kind or not) and may for that purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how the division shall be carried out as between the members or different classes of members. The Liquidator may, with the like sanction, vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction, thinks fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

149.147. Distribution of assets

Save that this Article shall be without prejudice to the rights of holders of shares issued upon special terms and conditions, the following provisions shall apply.

- (a) If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding-up on the shares held by them respectively; and
- (b) If in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed among the members in proportion to the capital paid up, or which ought to have been paid up at the commencement of the winding-up, on the shares held by them respectively.

150.148. Liquidator's remuneration subject to approval by members

On the voluntary liquidation of the Company, no commission or fee shall be paid to a Liquidator unless it shall have been approved by members. The amount of such payment shall be notified to all members at least seven days prior to the meeting at which it is to be considered.

INDEMNITY

151.149. Indemnity to officers

Every Director, Managing Director, agent, Auditor, Secretary, and other officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is

acquitted or in connexion with any application under the Act in which relief is granted to him by the Court in respect of any negligence, default, breach of duty or breach of trust applicable to his duty to the Company.

152. (Deleted)

SHARES FROM FOREIGN REGISTER

153:150. Transmission of securities shares- Application for registration of shares on Malaysian Register

(1) — Where -

- (a) the ~~securities shares~~ of the Company are listed on a another stock exchange ~~which is specified to be an approved market place in the Securities Industry (Central Depositories) Exemption (No.2) Order, 1998 (hereinafter referred to as an "Approved Market Place");~~ and
- (b) the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act, 1998, as the case may be, under the Rules in respect of such shares~~securities~~,

subject to compliance with and there being no contravention of any applicable laws, regulations and/or directives, the Company shall, upon request by a member permit a transmission of securities shares held by such member from the register of members maintained by the registrar of the Company in the jurisdiction of the other stock exchange ~~Approved Market Place (hereinafter referred to as "the Foreign Register")~~, to the register of members maintained by the registrar of the Company in Malaysia and vice versa (hereinafter referred to as "the Malaysian Register") -provided that there shall be no change in the ownership of such ~~securities shares~~ shares.

(2) — ~~For the avoidance of doubt, the Company shall not allow any transmission of securities from the Malaysian Register into the Foreign Register.~~

SHARES OF DIFFERENT MONETARY DENOMINATIONS

154:151. Voting rights of shares of different monetary denominations

Where the capital of the Company consists of shares of different monetary denominations, voting rights shall be prescribed in such a manner that a unit of capital in each class, when reduced to a common denominator, shall carry the same voting power when such right is exercisable.

COMPLIANCE

155.152. Compliance with Statutes, Regulations and Rules

The Company shall comply with provisions of the relevant governing statutes, regulations and rules as may be amended, modified or varied from time to time, or any other directive or requirement imposed by the Stock Exchange, the Central Depository and other appropriate authorities to the extent required by law notwithstanding any provisions in these Articles to the contrary.

156.153. Effect of the Listing Requirements

- (1) Notwithstanding anything contained in these Articles, if the Listing Requirements prohibit an act being done, the act shall not be done.
- (2) Nothing contained in these Articles prevents an act being done that the Listing Requirements require to be done.
- (3) If the Listing Requirements require an act to be done or not to be done, authority is deemed to be given under these Articles for that act to be done or not to be done (as the case may be).
- (4) If the Listing Requirements require these Articles to contain a provision and they do not contain such a provision, these Articles are deemed to contain that provision.
- (5) If the Listing Requirements require these Articles not to contain a provision and they contain such a provision, these Articles are deemed not to contain that provision.
- (6) If any provision of these Articles is or becomes inconsistent with the Listing Requirements, these Articles are deemed not to contain that provision to the extent of the inconsistency.
- ~~(7) For the purpose of this Article, unless the context otherwise requires, "Listing Requirements" means the Listing Requirements of the Stock Exchange including any amendment to the Listing Requirements that may be made from time to time.~~