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DKSH HOLDINGS (MALAYSIA) BERHAD

(Company No. : 231378-A)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

in relation to

PART A

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

PART B

PROPOSED NEW ARTICLES OF ASSOCIATION OF THE COMPANY

The above proposals will be tabled as Special Business at the Twenty-First Annual General Meeting ("21st AGM") of DKSH Holdings (Malaysia) Berhad ("DKSH") to be held on Tuesday, June 25, 2013 at 10.00 a.m. The Notice of the 21st AGM and the Proxy Form are set out in the Annual Report 2012 of DKSH.

The Proxy Form must be completed and lodged at the registered office of DKSH at 74 Jalan University, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time fixed for the 21st AGM or at any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the 21st AGM should you subsequently wish to do so.

| | | |
|---|---|---|
| Date and time of the 21 st AGM | : | June 25, 2013 at 10.00 a.m. |
| Last date and time for lodging the Proxy Form | : | June 23, 2013 at 10.00 a.m. |
| Venue of the 21 st AGM | : | Conference Room, Ground Floor 74 Jalan University 46200 Petaling Jaya Selangor Darul Ehsan Malaysia |

This Circular is dated June 3, 2013

DEFINITIONS

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

| | | |
|---------------------------|---|---|
| Act | : | Companies Act 1965, including any amendment that may be made from time to time. |
| AGM | : | Annual General Meeting. |
| Articles | : | Articles of Association of DKSH. |
| Board or Directors | : | Board of Directors of DKSH. |
| Bursa Malaysia | : | Bursa Malaysia Securities Berhad. |
| Director | : | Shall have the meaning given in section 2(1) of the Capital Markets and Services Act 2007 and for the purposes of the Proposed 2013 RRPT Mandate shall include 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 DKSH, its subsidiary or its holding company, or a chief executive of DKSH, its subsidiary or its holding company. |
| DKSH or the Company | : | DKSH Holdings (Malaysia) Berhad. |
| DKSH Group or the Group | : | DKSH and its subsidiaries, collectively. |
| DKSH Shares or Shares | : | Ordinary shares of RM1.00 each in DKSH. |
| IT | : | Information Technology. |
| Listing Requirements | : | Main Market Listing Requirements of Bursa Malaysia, including any amendment that may be made from time to time. |
| LPD | : | Means April 30, 2013 being the latest practicable date before the printing of this Circular for practical reasons and the cut-off date for the information disclosed in this Circular unless otherwise indicated. |
| Major Shareholder | : | Means a person who has an interest or interests in one or more voting shares in DKSH and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is: (a) 10% or more of the aggregate of the nominal amounts of all the voting shares in DKSH; or (b) 5% or more of the aggregate of the nominal amounts of all the voting shares in DKSH where such person is the largest shareholder of DKSH, 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 major shareholder of DKSH or any other corporation which is its subsidiary or holding company. For the purpose of this definition, "interest in shares" shall have the meaning given in section 6A of the Act. |
| Market Expansion Services | : | Shall include the provisioning of services ranging from marketing, to providing sales force, distribution and logistics, invoicing and credit control, handling of inventory and returned goods and other value-added services. |
| Merchandising Services | : | Shall include services related to making products available to customers in shopping areas and retail outlets, primarily by stocking shelves and displays. |

DEFINITIONS (continued)

| | |
|--|---|
| Person Connected | : Shall mean a person connected in relation to a Director or Major Shareholder as defined under paragraph 1.01 of the Listing Requirements, such person who falls under any one of the following categories: (a) a family member of the Director or Major Shareholder which shall include his spouse, parent, child (including adopted child and stepchild), brother, sister, and the spouse of his child (including adopted child and stepchild), brother or sister; (b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the Director, Major Shareholder or a family member of the Director or Major Shareholder, is the sole beneficiary; (c) a partner of the Director, Major Shareholder or a partner of a person connected with that Director or Major Shareholder; (d) a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder; (e) a person in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed or is under an obligation, whether formal or informal, to act; (f) a body corporate is or its directors which/who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder; (g) a body corporate or its directors whose directions, instructions or wishes the Director or Major Shareholder is accustomed or under an obligation, whether formal or informal, to act; (h) a body corporate in which the Director, Major Shareholder or persons connected with him are entitled to exercise, or control the exercise of, not less than 15% of the votes attached to voting shares in the body corporate; or (i) a body corporate which is a related corporation. |
| Promotion Services | : Shall include introduction of products to consumers, detailing its benefits and making consumers aware of products in shopping areas and retail outlets. |
| Proposed New Articles | : Proposed adoption of new Articles as set out in Appendix II of this Circular. |
| Proposed Renewal of Shareholders' Mandate I | : Proposed renewal of the 2012 RRPT Mandate for Recurrent RPTs entered with DKSH Holding Ltd and its subsidiaries as set out in section 2.5(a) of Part A of this Circular. |
| Proposed Renewal of Shareholders' Mandate II | : Proposed renewal of the 2012 RRPT Mandate for Recurrent RPT entered with Lembaga Tabung Angkatan Tentera as set out in section 2.5(b) of Part A of this Circular. |
| Proposed 2013 RRPT Mandate | : Shall mean collectively the Proposed Renewal of Shareholders' Mandate I and the Proposed Renewal of Shareholders' Mandate II. |
| Related Party or Related Parties | : Director(s), Major Shareholder(s) or Person(s) Connected. |
| Related Party Transaction or RPT | : Transaction entered into by DKSH Group which involve the interest, direct or indirect, of Related Party(ies). |
| Recurrent RPT or Recurrent RPTs | : Related Party Transaction(s) which is/are recurrent, of a revenue or trading nature and which is/are necessary for day-to-day operations of DKSH Group. |

DEFINITIONS (continued)

RM : Ringgit Malaysia.

2012 RRPT Mandate : The existing shareholders' mandates obtained at the Company's Twentieth AGM ("20th AGM") held on June 28, 2012 for DKSH Group to enter into the recurrent related party transactions as disclosed in the Company's circular to shareholders dated June 6, 2012 and which shall expire at the conclusion of the forthcoming 21st AGM to be held on June 25, 2013.

All references to "we", "us", "our", "ourselves", "our Company" or "DKSH" in this Circular are to "DKSH Holdings (Malaysia) Berhad".

All references to "you" in this Circular are to the shareholders of the Company entitled to attend, speak and vote at the AGM and whose names appear in the Company's Record of Depositors at the time and on the date to be determined by the Board of the Company.

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PART A

CIRCULAR TO SHAREHOLDERS

in relation to

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



DKSH HOLDINGS (MALAYSIA) BERHAD
(Company No. : 231378-A)

Registered office:
74 Jalan University
46200 Petaling Jaya
Selangor Darul Ehsan

June 3, 2013

Directors:

Michael Lim Hee Kiang, *Independent Non-Executive Chairman*
James Armand Menezes, *Independent Non-Executive Director*
Datuk Haji Abdul Aziz bin Ismail, *Non-Independent Non-Executive Director*
Thon Lek, *Independent Non-Executive Director*
Alexander Stuart Davy, *Non-Independent Non-Executive Director*
John Peter Clare, *Non-Independent Executive Director/Group Finance Director*

To: Our Shareholders

Dear Sir/Madam,

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

1. INTRODUCTION

The Company had at its 20th AGM held on June 28, 2012 obtained a mandate from its shareholders for the Recurrent RPTs as set out in the circular to shareholders of the Company dated June 6, 2012. This authority granted pursuant to the shareholders' mandate obtained at the 20th AGM shall, in accordance with the Listing Requirements, expire at the conclusion of the forthcoming 21st AGM of the Company.

The Board had on May 21, 2013 announced the Company's intention to seek shareholders' approval at the 21st AGM for the proposed renewal of shareholders' mandate for recurrent RPTs to allow the Group to enter into the Recurrent RPTs with the Related Parties as set out in this Circular of the Company.

The purpose of this Circular is to provide you with the relevant information on the Proposed Renewal of Shareholders' Mandate I and the Proposed Renewal of Shareholders' Mandate II and to seek your approval for Ordinary Resolution 7 and Ordinary Resolution 8 to be tabled at the forthcoming 21st AGM of the Company as set out in Appendix I of this Circular.

WE ADVISE YOU TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTIONS TO GIVE EFFECT TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE I AND THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE II, AT THE COMPANY'S FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED 2013 RRPT MANDATE

2.1 LISTING REQUIREMENTS

Pursuant to paragraph 10.09 and Practice Note 12 of the Listing Requirements, a listed issuer may seek a shareholders' mandate in respect of recurrent related party transactions of a revenue or trading nature which are necessary for its day-to-day operations 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 is 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 more than the threshold prescribed below:
 - (i) the consideration, value of assets, capital outlay or costs of the recurrent related party transaction is RM1 million or more; or
 - (ii) any one of the percentage ratios of such recurrent related party transaction is 1% or more,whichever is the higher, or as prescribed in paragraph 10.09(1)(b) of the Listing Requirements, if applicable;
- (c) the listed issuer will issue a circular to its shareholders in relation to the shareholders' mandate which will include the information as may be prescribed by Bursa Malaysia and the draft circular must be submitted to Bursa Malaysia together with a checklist showing compliance with such information;
- (d) in a meeting to obtain shareholders' mandate, the interested director, interested major shareholder and/or interested person connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution to approve the transactions; and an interested director or interested major shareholder must ensure that the persons connected with him abstain from voting on the resolution approving the transactions; and
- (e) the listed issuer must immediately announce to Bursa Malaysia when the actual value of a recurrent related party transaction entered into by the listed issuer, exceeds the estimated value of the recurrent related party transaction disclosed in the circular to shareholders by 10% or more, and the announcement must include the information as prescribed by Bursa Malaysia.

The Company has disclosed the details of the Recurrent RPTs transacted during the financial year ended December 31, 2012 in its Annual Report 2012 for which the 2012 RRPT Mandate is in force, in accordance with paragraph 3.1.5 of Practice Note 12 of the Listing Requirements.

Similarly, disclosure will be made in the Annual Report of the Company for the next financial year ending 2013 during which the Proposed 2013 RRPT Mandate is in force, providing among others, the following information:

- (a) the type of Recurrent RPTs transacted; and
- (b) the names of the Related Parties involved in each type of the Recurrent RPTs transacted and their relationships with DKSH.

2.2 VALIDITY PERIOD

In accordance with the Practice Note 12 of the Listing Requirements, the Proposed 2013 RRPT Mandate, if approved at the forthcoming 21st AGM of the Company, will take effect from the passing of Ordinary Resolution 7 and Ordinary Resolution 8 at the 21st AGM and the authority conferred by the Proposed 2013 RRPT Mandate will continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the forthcoming 21st AGM at which the Proposed 2013 RRPT Mandate is obtained unless by an ordinary resolution passed at the next AGM of the Company, the authority is renewed; or
- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to section 143(1) of the Act (but must not extend to such extensions as may be allowed pursuant to section 143(2) of the Act); or
- (c) revoked or varied by ordinary resolution passed by the shareholders of DKSH in a general meeting,

whichever is the earlier.

2.3 PRINCIPAL ACTIVITIES OF DKSH GROUP

DKSH is principally an investment holding company. The principal activity of DKSH Group is the provisioning of Market Expansion Services, which ranges from marketing, to providing sales force, distribution and logistics, invoicing and credit control, handling of inventory and returned goods and other value-added services. These services are provided to consumer goods, healthcare and performance materials clients. DKSH Group also operates retail outlets selling Famous Amos cookies.

The principal activity of the respective subsidiaries of DKSH is as detailed below:

| | Subsidiaries of DKSH | Principal activities | DKSH's effective equity interest (%) |
|--------|---|--|---|
| (i) | DKSH Malaysia Sdn Bhd | Provision of Market Expansion Services | 100 |
| (ii) | DKSH Management Malaysia Sdn Bhd | Dormant | 100 |
| (iii) | DKSH Marketing Services Sdn Bhd | Dormant | 100 |
| (iv) | DKSH Transport Agencies (M) Sdn Bhd | Forwarding and husbanding activities | 51 |
| (v) | Macro Consolidators (M) Sdn Bhd | Freight forwarding related activities | 51 |
| (vi) | DKSH Distribution Malaysia Sdn Bhd | Provision of Market Expansion Services | 100 |
| (vii) | DKSH (B) Sdn Bhd ¹⁾ | Provision of Market Expansion Services | 100 |
| (viii) | DKSH Logistics Services Sdn Bhd | Dormant | 100 |
| (ix) | DKSH Central Services Malaysia Sdn Bhd | Property holding and provision of management services | 100 |
| (x) | The Famous Amos Chocolate Chip Cookie Corporation (M) Sdn Bhd | Sale of freshly baked chocolate chip cookies and operation of retail outlets in Malaysia | 100 |

Note:

¹⁾ Incorporated in Brunei Darussalam.

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2.4 CLASS OF RELATED PARTIES

(a) The Related Parties to which the Proposed Renewal of Shareholders' Mandate I applies are as follows:

| | Related Parties | Relationship with DKSH |
|-------|--|--|
| (i) | DKSH Resources (Malaysia) Sdn Bhd ("DKSH Resources") | DKSH Resources is a Major Shareholder of the Company (74.31% direct interest as at LPD) and a wholly-owned subsidiary of DKSH Asia. |
| (ii) | DKSH Holdings (Asia) Sdn Bhd ("DKSH Asia") | DKSH Asia is the holding company of DKSH Resources and a wholly-owned subsidiary of DKSH Holding Ltd. DKSH Asia is a Person Connected with DKSH Resources and DKSH Holding Ltd. |
| (iii) | DKSH Holding Ltd | DKSH Holding Ltd is the holding company of DKSH Asia and the ultimate holding company of DKSH Resources. DKSH Holding Ltd is a Person Connected with DKSH Asia and DKSH Resources. |
| (iv) | Alexander Stuart Davy ("ASD") | ASD (a Non-Independent Non-Executive Director) has been nominated to the Board of DKSH by DKSH Resources. ASD is a Person Connected with DKSH Resources. He is a shareholder of DKSH Holding Ltd (0.0156% direct interest as at LPD). |
| (v) | John Peter Clare ("JPC") | JPC (a Non-Independent Executive Director/Group Finance Director) has been nominated to the Board of DKSH by DKSH Resources. JPC is a Person Connected with DKSH Resources. He is a Director of DKSH Resources, DKSH Asia, Bio-Life Marketing Sdn Bhd ("Bio-Life"), DKSH Corporate Shared Services Center Sdn Bhd ("CSSC") and DKSH Smollan Field Marketing (Malaysia) Sdn Bhd ("DKSH Smollan"). Bio-Life and CSSC are wholly-owned subsidiaries of DKSH Holding Ltd whilst DKSH Smollan is a subsidiary of DKSH Holding Ltd. |

(b) The Related Parties to which the Proposed Renewal of Shareholders' Mandate II applies are as follows:

| | Related Parties | Relationship with DKSH |
|------|--|--|
| (i) | Lembaga Tabung Angkatan Tentera ("LTAT") | LTAT is a body corporate established under the Tabung Angkatan Tentera Act 1973. LTAT is a Major Shareholder of the Company (8.54% direct interest as at LPD). |
| (ii) | Datuk Haji Abdul Aziz bin Ismail ("DAA") | DAA (a Non-Independent Non-Executive Director) has been nominated to the Board of DKSH by LTAT. DAA is a Person Connected with LTAT. |

2.5 NATURE OF RECURRENT RPT

- (a) The nature of the Recurrent RPTs covered by the Proposed Renewal of Shareholders' Mandate I for which the shareholders' approval is sought, is as follows:

| | Proposed Renewal of Shareholders' Mandate I | | | | | |
|-------|---|--|---|--|----------------------------|-------------------------|
| | Nature of Recurrent RPTs | Transacting companies with whom DKSH Group transacts | Interested Directors and Major Shareholders | Estimated value ^{>} (RM'000) | 2012 RRPT Mandate | |
| | | | | | Estimated value * (RM'000) | Actual value @ (RM'000) |
| (i) | Hosting system applications, data processing applications, provision of infrastructure and support facilities, provision of IT and organisational consultancy services by the transacting company to DKSH Group | CSSC | DKSH Resources DKSH Asia DKSH Holding Ltd ASD JPC | 14,000 | 14,000 | 10,277 |
| (ii) | Sales of goods by DKSH Group to transacting companies | DKSH Holding Ltd and its subsidiaries | DKSH Resources DKSH Asia DKSH Holding Ltd ASD JPC | 20,000 | 70,000 | 12,757 |
| (iii) | Provision of distribution and logistics services by DKSH Group to transacting companies | DKSH Holding Ltd and its subsidiaries | DKSH Resources DKSH Asia DKSH Holding Ltd ASD JPC | 90,000 | 80,000 | 52,830 |
| (iv) | Provision of Merchandising Services and Promotion Services by transacting companies for products distributed by DKSH Group | DKSH Holding Ltd and its subsidiaries | DKSH Resources DKSH Asia DKSH Holding Ltd ASD JPC | 14,000 | 9,000 | 6,529 |

- (b) The nature of the Recurrent RPT covered by the Proposed Renewal of Shareholders' Mandate II for which the shareholders' approval is sought, is as follows:

| Proposed Renewal of Shareholders' Mandate II | | | | | | |
|--|---|--|---|--|---------------------------------------|------------------------------------|
| | Nature of Recurrent RPT | Transacting company with whom DKSH Group transacts | Interested Director and Major Shareholder | Estimated value ^{>} (RM'000) | 2012 RRPT Mandate | |
| | | | | | Estimated value [*] (RM'000) | Actual value [@] (RM'000) |
| (i) | Lease/tenancy of land and/or premises and/or properties, and provision of related/administrative facilities from the transacting company ⁺ | LTAT | LTAT DAA | 11,000 | 4,000 | 740 |

Notes:

- [>] The estimated aggregate value of Recurrent RPTs contemplated under the Proposed 2013 RRPT Mandate during the validity period (as disclosed in this Circular) is based on the historical and/or current actual transaction and management forecast. The actual aggregate value may vary from this estimated aggregate value.
- ^{*} The estimated aggregate value of Recurrent RPTs under the 2012 RRPT Mandate ("2012 Estimated Value") as disclosed in the preceding year's circular to shareholders dated June 6, 2012.
- [@] The actual value of the respective Recurrent RPTs transacted from June 28, 2012 up to LPD during which the 2012 RRPT Mandate is in force ("2012 Actual Value").
- None of the 2012 Actual Value has exceeded the 2012 Estimated Value by 10% or more during which the 2012 RRPT Mandate is in force.
- ⁺ Lease of premises and properties at Geran 20004 (Lot 10394), Geran 20062 (Lot 10452) and Geran 35910 (Lot 10451), all in Mukim Klang, State of Selangor (now amalgamated and held under HS(D) 66055, PT 66619, Mukim Klang, Daerah Klang, Negeri Selangor) from LTAT for a term of six years commencing from April 1, 2013 to March 31, 2019 with rental payable on a monthly basis as follows:
- monthly rental of RM739,500.00 per month for the period from April 1, 2013 to March 31, 2016.
 - monthly rental of RM790,500.00 per month for the period from April 1, 2016 to March 31, 2019.

Provision of related/administrative facilities shall include maintenance of the premises and properties, if any.

- N.B. As at December 31, 2012, there are no outstanding amount arising out of Recurrent RPTs which are due and owing to the Company by the Related Parties which have exceeded the DKSH Group's credit terms. Accordingly, there were no late payment charges imposed on the Related Parties.

3. RATIONALE FOR AND BENEFITS OF THE PROPOSED 2013 RRPT MANDATE

The Recurrent RPTs which are contemplated under the Proposed 2013 RRPT Mandate and that the Group intends to enter into are all in the ordinary course of business and are necessary for the Group's day-to-day operations. These Recurrent RPTs are likely to occur with some degree of frequency and arise at any time or from time to time. It is impractical to seek shareholders' approval on a case-by-case basis before entering into them as these transactions may be constrained by their time-sensitive and confidential nature. These Recurrent RPTs will be entered into on an arm's length basis and on terms not more favourable to the Related Parties than those generally available to the public.

By obtaining the shareholders' mandate on an annual basis, the Company does not have to convene separate general meetings from time to time to seek shareholders' approval as and when such Recurrent RPTs occur. Besides facilitating a smoother and more efficient conduct of the Company's business, this would substantially reduce administrative time, inconvenience and expenses associated with the convening of such meetings. It would also enable the Company to meet the corporate objectives of the Company and to realise business opportunities, as and when Recurrent RPTs may arise, in a more timely and effective manner.

Some of the key benefits of the Proposed 2013 RRPT Mandate are as follows:

- (a) DKSH Group will continue to benefit from the outsourcing of IT services to CSSC as this is expected to provide the DKSH Group with cost savings derived from leverage of specialist resources and systems and therefore improved effectiveness and efficiency. As such, the Proposed 2013 RRPT Mandate will allow the DKSH Group to derive cost savings through the outsourcing of IT services.

- (b) DKSH Group will continue to further benefit from engaging the subsidiaries of DKSH Holding Ltd such as DKSH Smollan and Bio-Life to perform Merchandising Services and Promotion Services. DKSH Smollan is a dedicated field-marketing company whilst Bio-Life has its own team of merchandisers and promoters and the DKSH Group will benefit by utilizing these available resources. Both DKSH Smollan and Bio-Life's services have assisted the DKSH Group's fast moving consumer goods and healthcare businesses which rely on correct and timely placement of goods on shelves to avoid out-of-stock situations. The market position of the DKSH Group is expected to be considerably strengthened with these services.
- (c) The core business of the DKSH Group is providing Market Expansion Services including but not limited to marketing, sales, provision of distribution and logistics services to local and international brand owners. By appointing the Company to distribute products of Related Parties in and outside of Malaysia, the DKSH Group would be able to benefit from the DKSH Group's effective and broad network of distribution, which will enable its products to be widely distributed.
- (d) Some of the Recurrent RPTs are for distribution of products in the region by the DKSH Group and/or its Related Parties for third party manufacturers and suppliers. Therefore, the DKSH Group sells the products to Related Parties for distribution outside of Malaysia.
- (e) The renewal of Recurrent RPT entered into with LTAT will allow the Group to continue utilizing the premises and properties leased from LTAT for its business.

4. EFFECTS OF THE PROPOSED 2013 RRPT MANDATE

The Proposed 2013 RRPT Mandate is not expected to have any effect on the share capital or the shareholdings of Directors and Major Shareholders of the Company and has no material impact on the net assets and earnings of the Company.

5. GUIDELINES AND REVIEW PROCEDURES ON RECURRENT RPT

The Company has established various procedures to ensure that the Recurrent RPTs are conducted in the ordinary course of business on an arm's length basis and on normal commercial terms which are consistent with the Group's normal business practices and policies, are not on terms more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.

In this respect, the Company has implemented the following guidelines and review procedures with regard to the Recurrent RPTs:

- (a) The Company will notify all of its subsidiaries of the identities of the Related Parties. Prior to entering into any Recurrent RPTs, the Company's subsidiaries must ensure that all such transactions are consistent with the normal business practices and policies of the Group, which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.
- (b) The Group will only enter into the Recurrent RPTs after taking into account the pricing, level of service, quality of product as compared to market prices and industry standards. The terms and prices of the transactions will be determined on an arm's length basis and on terms not more favourable to the Related Parties than those generally available to the public. Any Recurrent RPTs entered into will also be treated and processed on normal commercial terms consistent with the Group's normal business practices and policies.
- (c) Where practical and feasible, at least two other contemporaneous transactions with unrelated third parties for similar products and/or services will be used as comparison. The Group will determine whether the price and terms offered to/by the Related Parties are fair, reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products and/or services.
- (d) In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined by the Group based on those offered to/by other unrelated parties for the same or substantial similar type of transaction to ensure that the Recurrent RPTs are entered into on an arm's length basis and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

- (e) There are no thresholds for the approval of the Recurrent RPTs as all transactions will be reviewed by the Audit Committee and approved by the Board.
- (f) The Company will include a review of the Recurrent RPTs entered into pursuant to the shareholders' mandate granted as part of the Company's internal audit plan. This is to ensure that relevant approvals have been obtained and the internal control procedures for the Recurrent RPTs have been adhered to.
- (g) The Board and Audit Committee of the Company will review the internal audit reports to ascertain if the guidelines and procedures established to monitor Recurrent RPTs have been complied with.
- (h) The Company will maintain records to capture all the Recurrent RPTs which the Group has entered into pursuant to the Proposed 2013 RRPT Mandate and monitor the transaction value of the respective Recurrent RPTs.
- (i) The Board and Audit Committee of the Company will have the overall responsibility for the determination of the review procedures, including addition of new review procedures, as and when necessary. The Board and Audit Committee of the Company may also appoint individuals and committees to examine the Recurrent RPTs, as they deem appropriate. If a member of the Board or Audit Committee has an interest in a transaction, he or she will abstain from any deliberation and decision-making at the Board or Audit Committee meetings (as the case may be) in respect of the said transaction.
- (j) The Company will, where required, disclose in the annual report of the Company the breakdown of the annual aggregate value of Recurrent RPTs conducted under the Proposed 2013 RRPT Mandate during the relevant financial year, in accordance with paragraph 3.1.5 of Practice Note 12 of the Listing Requirements.

6. STATEMENT FROM THE AUDIT COMMITTEE

The Audit Committee of DKSH is of the opinion that:

- (a) the DKSH Group has in place adequate guidelines, procedures and processes as set forth in section 5 above to monitor, track and identify Recurrent RPTs in a timely manner, and such procedures and processes are reviewed on a monthly basis and whenever the need arises; and
- (b) the said guidelines and procedures are sufficient to ensure that the Recurrent RPTs are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

7. APPROVAL REQUIRED

The Proposed Renewal of Shareholders' Mandate I and the Proposed Renewal of Shareholders' Mandate II are subject to the approval being obtained from the shareholders of the Company at its forthcoming 21st AGM.

8. INTERESTS OF INTERESTED DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED

Save as disclosed in this Circular, none of the Directors or Major Shareholders or Persons Connected with them have any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate I and the Proposed Renewal of Shareholders' Mandate II.

DKSH Resources and LTAT are respectively Major Shareholders of the Company. DKSH Resources is a wholly-owned subsidiary of DKSH Asia, which in turn a wholly-owned subsidiary of DKSH Holding Ltd.

As ASD and JPC are nominated to the Board of DKSH by DKSH Resources, they are deemed interested in the Proposed Renewal of Shareholders' Mandate I. Accordingly, they have abstained and will continue to abstain from all deliberations and voting at the relevant Board meetings, and will abstain and will ensure the Persons Connected with them also abstain, from voting on (in respect of their direct and/or indirect shareholdings in the Company, if any), deliberating or approving the resolution pertaining to the Proposed Renewal of Shareholders' Mandate I at the Company's forthcoming AGM.

As DAA is nominated to the Board of DKSH by LTAT, he is deemed interested in the Proposed Renewal of Shareholders' Mandate II. Accordingly, he has abstained and will continue to abstain from all deliberations and voting at the relevant Board meetings, and will abstain and will ensure the Persons Connected with him also abstain, from voting on (in respect of their direct and/or indirect shareholdings in the Company, if any), deliberating or approving the resolution pertaining to the Proposed Renewal of Shareholders' Mandate II at the Company's forthcoming AGM.

The direct and indirect shareholdings of the interested Directors, Major Shareholders and Persons Connected with them in the Company as at LPD are as set out below:

| Interested Directors, Major Shareholders and Persons Connected | Direct interest | | Indirect interest | |
|--|-----------------|----------------|-------------------|----------------|
| | No. of Shares | % [#] | No. of Shares | % [#] |
| DKSH Resources | 117,155,076 | 74.31 | - | - |
| DKSH Asia ¹⁾ | - | - | 117,155,076 | 74.31 |
| DKSH Holding Ltd ²⁾ | - | - | 117,155,076 | 74.31 |
| LTAT | 13,467,600 | 8.54 | - | - |
| ASD | - | - | - | - |
| JPC | - | - | - | - |
| DAA | - | - | - | - |

Notes:

- [#] Percentage interest is based on the total issued and paid-up share capital of the Company as at LPD.
¹⁾ Deemed to have interest in DKSH Shares pursuant to section 6A of the Act by virtue of its direct interest in DKSH Resource.
²⁾ Deemed to have interest in DKSH Shares pursuant to section 6A of the Act by virtue of its direct interest in DKSH Asia.

DKSH Resources will abstain, and will ensure its Persons Connected will also abstain, from deliberating or approving or voting at the 21st AGM on the resolutions pertaining to the Proposed Renewal of Shareholders' Mandate I, in respect of their direct and/or indirect shareholdings in the Company.

LTAT will abstain, and will ensure its Persons Connected will also abstain, from deliberating or approving or voting at the 21st AGM on the resolutions pertaining to the Proposed Renewal of Shareholders' Mandate II, in respect of their direct and/or indirect shareholdings in the Company.

Further, where the Persons Connected with the Directors and/or Major Shareholders have any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate I and the Proposed Renewal of Shareholders' Mandate II, the Directors and/or Major Shareholders concerned will abstain from voting in respect of their direct and/or indirect shareholdings on the respective resolutions approving the Proposed Renewal of Shareholders' Mandate I and the Proposed Renewal of Shareholders' Mandate II.

9. DIRECTORS' RECOMMENDATION

- (a) Having considered all aspects of the Proposed Renewal of Shareholders' Mandate I, the Directors, except Mr Alexander Stuart Davy and Mr John Peter Clare who are both deemed interested in the Proposed Renewal of Shareholders' Mandate I, are of the opinion that the Proposed Renewal of Shareholders' Mandate I is in the best interest of the Group.

With the exception of Mr Alexander Stuart Davy and Mr John Peter Clare who are deemed interested in the Proposed Renewal of Shareholders' Mandate I in the manner as set out in sections 2.4(a) and 8 of this Circular and both of whom have therefore abstained from making any recommendation in respect of the Recurrent RPTs in which their interests are involved, the Board recommends that you vote in favour of Ordinary Resolution 7 on the Proposed Renewal of Shareholders' Mandate I to be tabled at the forthcoming 21st AGM of the Company.

- (b) Having considered all aspects of the Proposed Renewal of Shareholders' Mandate II, the Directors, except Datuk Haji Abdul Aziz bin Ismail who is deemed interested in the Proposed Renewal of Shareholders' Mandate II, are of the opinion that the Proposed Renewal of Shareholders' Mandate II is in the best interest of the Group.

With the exception of Datuk Haji Abdul Aziz bin Ismail who is deemed interested in the Proposed Renewal of Shareholders' Mandate II in the manner as set out in sections 2.4(b) and 8 of this Circular and has therefore abstained from making any recommendation in respect of the Recurrent RPT in which his interest is involved, the Board recommends that you vote in favour of Ordinary Resolution 8 on the Proposed Renewal of Shareholders' Mandate II to be tabled at the forthcoming 21st AGM of the Company.

10. AGM

The resolutions pertaining to the Proposed Renewal of Shareholders' Mandate I and the Proposed Renewal of Shareholders' Mandate II are set out in the Notice of the Company's 21st AGM, which is sent to you together with this Circular. An extract of the said resolutions is enclosed as Appendix I of this Circular.

The 21st AGM of the Company will be held on Tuesday, June 25, 2013 at 10.00 a.m. at Conference Room, Ground Floor, 74 Jalan University, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

If you are unable to attend and vote in person at the forthcoming 21st AGM and wish to appoint a proxy to attend and vote in your stead, you are requested to complete, sign and return the Proxy Form enclosed in the Company's Annual Report 2012 in accordance with the instructions contained therein and deposit the Proxy Form at the registered office of the Company no less than forty-eight (48) hours before the time set for the 21st AGM or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the 21st AGM should you subsequently wish to do so.

11. FURTHER INFORMATION

Shareholders of the Company are advised to refer to Appendix III for further information.

Yours faithfully
For and on behalf of the Board of
DKSH HOLDINGS (MALAYSIA) BERHAD

Michael Lim Hee Kiang
Independent Non-Executive Chairman

PART B

CIRCULAR TO SHAREHOLDERS

in relation to

PROPOSED NEW ARTICLES OF ASSOCIATION OF THE COMPANY



DKSH HOLDINGS (MALAYSIA) BERHAD
(Company No. : 231378-A)

Registered office:
74 Jalan University
46200 Petaling Jaya
Selangor Darul Ehsan

June 3, 2013

Directors:

Michael Lim Hee Kiang, *Independent Non-Executive Chairman*
James Armand Menezes, *Independent Non-Executive Director*
Datuk Haji Abdul Aziz bin Ismail, *Non-Independent Non-Executive Director*
Thon Lek, *Independent Non-Executive Director*
Alexander Stuart Davy, *Non-Independent Non-Executive Director*
John Peter Clare, *Non-Independent Executive Director/Group Finance Director*

To: Our Shareholders

Dear Sir/Madam,

PROPOSED NEW ARTICLES OF ASSOCIATION OF THE COMPANY

1. INTRODUCTION

The Board had on May 21, 2013 announced the Company's intention to seek shareholders' approval at the Company's 21st AGM for the Proposed New Articles. The purpose of this Circular is to provide you with the relevant information in respect of the Proposed New Articles, and to seek your approval for the Special Resolution 1 to be tabled at the forthcoming 21st AGM of the Company.

2. DETAILS OF THE PROPOSED NEW ARTICLES

The Proposed New Articles would be by way of deleting all the provisions of the Company's existing Articles, and adopting new Articles in substitution for and to supersede the existing Articles.

The full text of the Proposed New Articles is set out in Appendix II of this Circular.

3. RATIONALE OF THE PROPOSED NEW ARTICLES

The Proposed New Articles is to streamline the Company's Articles of Association to be aligned with the new and/or amended provisions of the Listing Requirements and other prevailing statutory and regulatory requirements and/or other applicable rules and guidelines which have been revised.

4. APPROVAL REQUIRED

The Proposed New Articles is subject to the approval of the shareholders of DKSH at its forthcoming 21st AGM.

5. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED

None of the Directors or Major Shareholders or Persons Connected has any interest, direct or indirect, in the Proposed New Articles.

6. DIRECTORS' RECOMMENDATION

Having considered all aspects of the Proposed New Articles, the Board is of the opinion that this proposal is in the best interest of DKSH, and accordingly, the Board recommends that you vote in favour of the Special Resolution 1 in respect of the Proposed New Articles to be tabled at the forthcoming 21st AGM.

7. AGM

The Special Resolution 1 pertaining to the Proposed New Articles is set out in the Notice of the Company's 21st AGM, which is sent to you together with this Circular. An extract of the said resolution is enclosed as Appendix I of this Circular.

The 21st AGM of the Company will be held on Tuesday, June 25, 2013 at 10.00 a.m. at Conference Room, Ground Floor, 74 Jalan University, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

If you are unable to attend and vote in person at the forthcoming 21st AGM and wish to appoint a proxy to attend and vote in your stead, you are requested to complete, sign and return the Proxy Form enclosed in the Company's Annual Report 2012 in accordance with the instructions contained therein and deposit the Proxy Form at the registered office of the Company no less than forty-eight (48) hours before the time set for the 21st AGM or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the 21st AGM should you subsequently wish to do so.

8. FURTHER INFORMATION

Shareholders of the Company are advised to refer to Appendix III for further information.

Yours faithfully
For and on behalf of the Board of
DKSH HOLDINGS (MALAYSIA) BERHAD

Michael Lim Hee Kiang
Independent Non-Executive Chairman

(1) **Ordinary Resolution 7**
Proposed Renewal of Shareholders' Mandate I for Recurrent Related Party Transactions of a Revenue or Trading Nature

"THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries ("DKSH Group") to enter into all arrangements and/or transactions involving the interests of Directors, major shareholders or persons connected with the Directors and/or major shareholders of DKSH Group ("Related Parties") as specified in section 2.5(a), Part A of the Circular to Shareholders dated June 3, 2013 ("Proposed Renewal of Shareholders' Mandate I") provided that such arrangements and/or transactions are:

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the day-to-day operations; and
- (iii) carried out in the ordinary course of business on normal commercial terms which are consistent with DKSH Group's normal business practices and policies, on terms not more favourable to Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

AND THAT such authority conferred by the shareholders of the Company upon passing of this resolution pertaining to the Proposed Renewal of Shareholders' Mandate I will continue to be in force until:

- (i) the conclusion of the next Annual General Meeting of the Company, unless by a resolution passed at that meeting, the authority is renewed; or
- (ii) the expiration of the period within which the next Annual General Meeting is required to be held pursuant to section 143(1) of the Companies Act 1965 ("Act") (but must not extend to such extensions as may be allowed pursuant to section 143(2) of the Act); or
- (iii) until the authority is revoked or varied by a resolution passed by the shareholders in a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby empowered to complete and to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to this resolution."

(2) **Ordinary Resolution 8**
Proposed Renewal of Shareholders' Mandate II for Recurrent Related Party Transactions of a Revenue or Trading Nature

"THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries ("DKSH Group") to enter into all arrangements and/or transactions involving the interests of Directors, major shareholders or persons connected with the Directors and/or major shareholders of DKSH Group ("Related Parties") as specified in section 2.5(b), Part A of the Circular to Shareholders dated June 3, 2013 ("Proposed Renewal of Shareholders' Mandate II") provided that such arrangements and/or transactions are:

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the day-to-day operations; and
- (iii) carried out in the ordinary course of business on normal commercial terms which are consistent with DKSH Group's normal business practices and policies, on terms not more favourable to Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

AND THAT such authority conferred by the shareholders of the Company upon passing of this resolution pertaining to the Proposed Renewal of Shareholders' Mandate II will continue to be in force until:

- (i) the conclusion of the next Annual General Meeting of the Company, unless by a resolution passed at that meeting, the authority is renewed; or
- (ii) the expiration of the period within which the next Annual General Meeting is required to be held pursuant to section 143(1) of the Companies Act 1965 ("Act") (but must not extend to such extensions as may be allowed pursuant to section 143(2) of the Act); or
- (iii) until the authority is revoked or varied by a resolution passed by the shareholders in a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby empowered to complete and to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to this resolution."

(3) **Special Resolution 1**
Proposed new Articles of Association of the Company

"THAT the proposed new Articles of Association of the Company as set out in the Appendix II of the Circular to Shareholders dated June 3, 2013 be and are hereby approved and adopted, with or without modifications, as the new Articles of Association of the Company in substitution for and to supersede all the existing Articles of Association AND THAT the Directors be and are hereby authorized to do all acts and things and take all steps as may be necessary to give effect to this resolution."

Full text of the Proposed New Articles of Association of DKSH Holdings (Malaysia) Berhad is as stated below:

TABLE "A" EXCLUDED

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

INTERPRETATION

2. In these Articles unless the subject matter or context dictates otherwise, the following words and phrases shall have the meaning assigned to them herein:

| | |
|-----------------------------|---|
| "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. |
| "Authorised Nominee" | shall have the meaning ascribed thereto in the Central Depositories Act. |
| "Beneficial Owner" | shall have the meaning ascribed thereto in the Central Depositories Act. |
| "Board" | means the Board of Directors for the time being of the Company. |
| "Central Depository" | means the Bursa Malaysia Depository Sdn Bhd and its successors-in-title. |
| "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. |
| "Chief Executive" | means the chief executive of the Company as defined in accordance with the Listing Requirements. |
| "Company" | means DKSH Holdings (Malaysia) Berhad (Company No. : 231378-A). |
| "Deposited Security" | means a security, as defined in Section 2 of the Central Depositories Act, in the Company standing to the credit of a Securities Account and includes security in a Securities Account that is in suspense. |
| "Depositor" | means a holder of a Securities Account. |
| "Directors" | mean the Directors for the time being of the Company or as the case may be the Directors assembled at a Board Meeting and also include alternate Directors. |
| "electronic communication" | means a document or information is sent or supplied by electronic communication if it is sent initially, and received at its destination by means of electronic equipment for the processing (which expression includes digital compression) or storage of data, and entirely transmitted, conveyed and received by wire, by radio, by optical means or by other electromagnetic means. |
| "Exempt Authorised Nominee" | means an Authorised Nominee which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act. |
| "Foreign Register" | means the register of securities holders maintained by the registrar of the Company in the jurisdiction of another stock exchange. |
| "Listing Requirements" | means the Main Market Listing Requirements of the Stock Exchange, including the practice notes and appendices that may be issued thereunder and any modifications or amendments to the Listing Requirements that may be made from time to time. |
| "Malaysian Register" | means the register of securities holders maintained by the registrar of the Company in Malaysia. |
| "Market Day" | means a day on which the Stock Exchange is open for trading in securities. |

| | |
|---|--|
| "Member" or "holder of shares" or any like expression | means any person for the time being holding shares in the Company includes a Depositor who shall be treated as if he were a Member pursuant to Section 35 of the Central Depositories Act but excludes the Central Depository in its capacity as a bare trustee. |
| "Record of Depositors" | means the record provided by the Central Depository to the Company under Chapter 24.0 of the Rules. |
| "Register of Members" | means the Register of Members to be kept pursuant to Section 158 of the Act. |
| "Registrar" | means the Registrar or its assistant or deputy of the Companies Commission of Malaysia or such other name by which it may be known from time to time. |
| "Rules" | means the Rules of the Central Depository as defined under the Central Depositories Act and any modification or amendment thereto for the time being in force. |
| "Seal" | means the common seal of the Company or in appropriate cases the official seal or duplicate common seal. |
| "Secretary" | means any person or persons appointed to perform the duties of the secretary of the Company and shall include a joint, temporary, assistant or deputy secretary. |
| "securities" | means securities as defined in Section 2(1) of the Capital Markets and Services Act 2007 or any modification, amendment or re-enactment thereof for the time being in force. |
| "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 as permitted under the Central Depositories Act and/or the Rules. |
| "shares" | means shares in the Company. |
| "Stock Exchange" | means Bursa Malaysia Securities Berhad and/or any other Stock Exchange on which the Company is listed. |

Reference to "writing" shall, unless the contrary intention appears, be construed as including references to printing, typewriting, lithography, photography, electronic communication, storage or transmission and other modes of reading information or representing or reproducing words in a visible form.

Words importing the singular only shall include the plural, and vice versa.

Words importing the masculine gender only shall include the feminine and neuter genders, and vice versa.

Words importing the word "person" shall include a corporation.

Subject as aforesaid, words or expressions contained in these Articles, except where the subject or context forbids, bear the same meanings in these Articles, shall be interpreted in accordance with the provisions of the Interpretation Acts 1948 and 1967 of Malaysia, as amended from time to time and any re-enactment thereof.

The headings and sub-headings are inserted for easier reference purposes and shall not affect the construction of these Articles.

Reference to "these Articles" means these Articles of Association as originally framed or as from time to time altered by special resolution.

Reference to "transfer" in relation to shares shall include a transfer of shares pursuant to the Rules.

COMMENCEMENT OF BUSINESS

3. Board may carry on business

Any branch or kind of business by which the Memorandum of Association of the Company, or these Articles, is either expressly or by implication authorised to undertake may be undertaken by the Board at such times or times as they think fit, and further, may be held in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

SHARES**4. Authorised share capital**

The authorised share capital of the Company is Ringgit Malaysia Five Hundred Million (RM500,000,000.00) divided into Four Hundred Ninety Nine Million One Hundred and Eighty Thousand (499,180,000) ordinary shares of Ringgit Malaysia One (RM1.00) each and Eighty Two Million (82,000,000) Redeemable Cumulative Preference Shares of one sen (RM0.01) each which Redeemable Cumulative Preference Shares shall be attached with such special rights, privileges and restrictions as contained in Article 6. Subject to the provisions of the Act and the Listing Requirements, the Company has the power to increase, sub-divide, consolidate or reduce the share capital or to divide the shares forming the capital (original, increased or reduced) of the Company into several classes.

5. Issue of shares

Subject to the Act, the Central Depositories Act, the Rules, the Listing Requirements, any other relevant authority for the time being in force, and the conditions, restrictions and limitations expressed in these Articles, the Directors may allot or otherwise dispose of the unissued share capital of the Company to such persons, at such time or times and on such terms and conditions with such preferred, deferred or other special rights or such restrictions whether in regard to dividend, voting, return of capital and either at a premium or at par or at a discount as the Directors may think fit or proper, provided always that:

- (1) no shares shall at any time be issued which shall result in the transfer of a controlling interest in the Company without the prior approval of shareholders in general meeting;
- (2) every issue of shares to employees and/or Directors shall be approved by shareholders in general meeting whereby such approval shall specifically detail the amount of shares to be issued to each Director, and only Directors holding office in an executive capacity shall participate in such an issue of shares, provided always that a Director not holding office in an executive capacity may also participate in an issue of shares pursuant to a public offer or a public issue;
- (3) the total nominal value of issued preference shares shall not exceed the total nominal value of the issued ordinary shares at any time;
- (4) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same; and
- (5) the Company has power to create and issue further preference capital ranking equally with, or in priority to, preference shares already issued, and the rights conferred upon holders of preference shares already issued shall not be deemed to be varied by the creation or issue of further preference shares ranking equally therewith.

6. Rights of preference shares holders

The Eighty Two Million (82,000,000) Redeemable Cumulative Preference Shares of one sen (RM0.01) each which shall be attached the following special rights privileges and restrictions and shall confer on their holders the following rights:

(1) As to income

The right to a fixed cumulative preferential gross dividend at the rate of five sen (RM0.05) per share per annum. Any declaration or payment of dividends shall only be made in accordance with Section 365 of the Act.

The Company may also declare interim dividends on the Redeemable Cumulative Preference Shares which shall not exceed the dividends in arrears or accrued up to the date of declarations of the interim dividends.

The holder of the Redeemable Cumulative Preference Shares may defer his preferential right to the payment of dividends in a particular year without prejudice to all other rights attaching to the Redeemable Cumulative Preference Shares. Such deferment shall be communicated in writing to the Company.

The holder of the Redeemable Cumulative Preference Shares shall not be entitled to participate in the surplus profits or assets of the Company beyond such rights as are expressly set out herein.

(2) As to voting

The right to receive notice of, to be present and speak at and to vote, either in person or by proxy, at any general meeting of the Company or by way of written resolution:

- (a) on a proposal to wind-up the Company;
- (b) on a proposal to reduce the Company's share capital;
- (c) during the winding-up of the Company;
- (d) when the dividend or part of the dividend on the share is in arrears for more than six (6) months;
- (e) on a proposal for disposal of the whole of Company's property, business and undertaking; and
- (f) on a proposal that affects rights attached to the Redeemable Cumulative Preference Shares.

(3) As to redemption

The Redeemable Cumulative Preference Shares shall subject to Section 61 of the Act, be redeemed upon and subject to the following terms and conditions:

- (a) The Company shall have the right, at any time after the second anniversary of the issuance of the Redeemable Cumulative Preference Shares to redeem such share at a premium of ninety nine sen (RM0.99) per share but in any event shall on the expiry of sixty-six (66) months from the date of issuance of the Redeemable Cumulative Preference Shares, redeem at a premium of ninety nine sen (RM0.99) per share all of the Redeemable Cumulative Preference Shares which are outstanding at that date; and if, in accordance with Section 61 of the Act, the Redeemable Cumulative Preference Shares shall not on the expiry of sixty-six (66) months from the date of issuance of the Redeemable Cumulative Preference Shares be capable of being redeemed by the Company, the holder of the Redeemable Cumulative Preference Shares shall have the option to either extend the redemption period of the Redeemable Cumulative Preference Shares on the same rights attaching to them up to five (5) years or to request that such redemption be effected as soon as possible after the Redeemable Cumulative Preference Shares shall have become capable of being redeemed.
- (b) Not less than one (1) month's notice of the intention of the Company to redeem shall be given to the holders of the Redeemable Cumulative Preference Shares to be redeemed. The notice shall be in writing and shall fix the time and place for such redemption. At the time and place so fixed the registered holders of the Redeemable Cumulative Preference Shares to be redeemed shall be bound to deliver up to the Company the relative share certificates for cancellation, and the Company shall pay to them the redemption money in respect of such Redeemable Cumulative Preference Shares together with any arrears or accruals of the cumulative preferential dividend calculated down to the date fixed for payment.
- (c) If any holder of the Redeemable Cumulative Preference Shares shall fail or refuse to surrender the certificate or certificates for such Redeemable Cumulative Preference Shares or shall fail or refuse to accept the redemption money payable in respect of them such money shall be retained and held by the Company in trust for such holder but without interest or further obligation whatsoever.
- (d) No Redeemable Cumulative Preference Share shall be redeemed otherwise than in accordance with the provisions of Section 61 of the Act.
- (e) No Redeemable Cumulative Preference Share redeemed by the Company shall be capable of reissue.

(4) As to right to conversion

No Redeemable Cumulative Preference Share may be convertible into fully paid ordinary shares of the Company at any time, whether before or after expiry of the sixty-six (66) months from the date of issuance of the Redeemable Cumulative Preference Shares or such other extended redemption period but may only be redeemed in the manner as provided under Article 6(3) herein.

(5) As to capital

Each Redeemable Cumulative Preference Share shall confer on the holder thereof the right on winding up or other return of capital (other than on the redemption of the Redeemable Cumulative Preference Share) to receive, in priority to the holders of any other class of shares in the capital of the Company in the following order of priority:

- (a) repayment in full of amounts paid up on the Redeemable Cumulative Preference Shares including the nominal sum of one sen (RM0.01) per share and the premium of ninety nine sen (RM0.99) per share; and
- (b) any arrears or accruals of the fixed cumulative preferential gross dividend on the Redeemable Cumulative Preference Shares held by them, whether declared or earned, or not, calculated down to the date of such repayment.

Subject to the provisions of the Act, the Listing Requirements and these Articles, a holder of a preference share shall be entitled to the same rights as a holder of an ordinary share in relation to receiving notices, reports and audited financial statements and attending meetings.

7. Crediting of Securities Accounts

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

8. Rights of Members

- (1) No person shall exercise any rights of a Member until his name shall have been entered in the Register of Members or his name appears in 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 Security is 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.
- (2) A Depositor whose name appears in the Record of Depositors maintained by the Central Depository pursuant to Section 34 of the Central Depositories Act in respect of the securities of a Company which have been deposited with the Central Depository shall be deemed to be a Member, debenture holder, interest holder or option holder as the case may be, of the Company and shall, subject to the provisions of the Central Depositories Act and any regulations made thereunder, be entitled to the number of securities stated in the Record of Depositors and all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such securities (whether conferred or imposed by the Act or these Articles).

9. Issue of shares to Directors

No Director shall participate in a Share Issuance Scheme unless shareholders in general meeting have approved the specific allotment to be made to such Director.

10. Allotment of shares

The Company shall duly observe and comply with the provisions of the Act and the Listing Requirements from time to time prescribed by the Stock Exchange applicable to any allotment of its shares.

11. 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 securities until after the Company 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.

12. Allotment, dispatch of notices of allotment and application for quotation

Subject to the Act, the Central Depositories Act, the Rules and these Articles, the Company shall issue, allot securities and despatch notices of allotment to the allottees, and make an application for quotation of such securities:

- (1) within eight (8) Market Days of the final application date for a public issue; or
- (2) within eight (8) Market Days after the final application closing date for a rights issue; or
- (3) within eight (8) Market Days of the book closing date for a bonus issue; or
- (4) within eight (8) Market Days after the receipt of a notice of the exercise of an option pursuant to a share scheme for employees together with the requisite payment for the subscription of shares under the share scheme for employees; or
- (5) within eight (8) Market Days after the date of receipt of a subscription form together with the requisite payment for conversion or exercise in respect of convertible securities; or
- (6) such other period as may be prescribed under the Listing Requirements or by the Stock Exchange from time to time.

13. Restriction on use of the Company's funds

The Company shall not 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 or subscription made or to be made by any person of or for any shares in the Company or in its holding company nor shall the Company make a loan for any purpose whatsoever on the security of its shares or those of its holding company, but nothing in this Article shall prohibit transactions mentioned in the proviso to Section 67(1) of the Act or the purchase by the Company of its own shares pursuant to these Articles and Section 67A of the Act. The Directors may however in their discretion accept a surrender of shares by way of compromise of any question as to whether or not the same have been validly issued or in any other case where the surrender is within the powers of the Company. Any shares so surrendered may be sold or re-issued in the same manner as forfeited shares.

14. Purchase of own shares

Subject always to the compliance with the provisions of the Act and all other applicable laws and the requirements of the Stock Exchange for the time being in force, the Company may, with the sanction of the shareholders in a general meeting, purchase its own shares upon and subject to such terms and conditions as the Directors may, in their discretion deem fit, provided that the aggregate number of shares to be acquired does not exceed ten per cent (10%) of the issued share capital of the Company.

15. Commission

The Company may pay to any person a commission in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally or procuring or agreeing to procure subscriptions, whether absolute or conditional for any shares in the Company, provided that such commission shall not exceed ten per cent (10%) of the price at which such shares are issued, or an amount equivalent to such percentage; and the requirements of the Act shall be observed. Any such commissions may be satisfied in fully paid shares of the Company, in which case the provisions of the Act shall be duly complied with. The Company may also on any issue of shares pay such brokerage as may be lawful.

16. Interest on capital

Where any shares 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 lengthened period, the Company may pay interest on so much of such share capital as is for the time being paid up for the period and subject to the condition and restrictions mentioned in Section 69 of the Act, and may charge the same to capital as part of the cost of construction of the works, buildings or plant.

17. Trust not to be recognized

Except only as by these Articles otherwise expressly provided or as required by law or as provided under the Central Depositories Act and the Rules, or pursuant to any order by court, no person (other than Central Depository) shall be recognized by the Company as holding any share upon any trust and the Company shall not, even when having notice thereof, be bound or compelled to recognize any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or any other right in respect of any share except an absolute right to the entirety thereof in the person registered as the holder of the share.

18. Payment of shares by instalment

If, by the condition of allotment of any share, the whole or part of the amount or issue price thereof shall be payable on fixed dates every such amount shall, when due, be paid to the Company by the person who for the time being and from time to time shall be registered as the holder of the share whether in the Register of Members or the Record of Depositors, or his legal personal representatives, and the word "call" wherever used in these Articles shall be deemed to include an instalment.

19. Share certificate

- (1) The certificates of title to shares, stock, debentures, debenture stock, notes and other securities shall be issued under the Seal of the Company in such form as the Directors may from time to time prescribe provided that such certificates shall comply with all security features, size and other requirements prescribed by the Stock Exchange and all such certificates 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 Director for this purpose. It shall be sufficient evidence that the Seal has been duly affixed to any such certificate and signed as aforesaid if an autographic or facsimile of the signatures of the aforesaid authorised persons appear thereon.
- (2) Nothing in these Articles shall require the Company to issue under the Seal (or its duplicate common seal or its official seal for use outside Malaysia), any certificate or other instrument, other than a share certificate, which is not required to be issued by laws.

20. Shares to be offered to Members before issue

Subject to any direction to the contrary that may be given by the Company in general meeting, 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 also 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.

VARIATION OF RIGHTS**21. Modification of rights**

Notwithstanding these Articles hereof and Article 22 below, the repayment of preference share capital other than redeemable preference share capital, or any other alteration of preference shareholders' rights, may only be made pursuant to a special resolution of the preference shareholders concerned provided always that where the necessary majority for such special resolution is not obtained at the meeting, consent in writing if obtained from the holders of three-fourth (3/4) of the preference shares concerned within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.

22. Modification of class rights

Save in respect of repayment of preference share capital or any other alteration of preference shareholders' rights all which shall be subject to Article 21 above, 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 whether or not the Company is being wound up, only be varied with the consent in writing of the holders of three-fourth (3/4) of the issued shares of that class, or with the sanction of a 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 regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two (2) persons at least holding or representing by proxy one-third (1/3) of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution the provisions of Section 152 of the Act shall with such adaptation as are necessary apply.

23. Rights on creation or issue of further shares

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards to participation in the profits or assets of the Company in some or in all respects pari passu therewith.

LIEN**24. Lien on shares or dividends**

The Company's lien on shares and dividends from time to time declared in respect of such shares, shall be restricted to unpaid calls and installments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay and has paid in respect of the shares of the Member or deceased Member.

25. Sale of shares subject to lien

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 (14) 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 registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy.

26. Application of proceeds of sale of shares

To give effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser thereof. 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.

27. Application of proceeds of shares sold under lien

The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall be paid to the person who was entitled to the shares immediately prior to the date of such sale or his executors, administrators or assignee or as he directs.

28. Imposition of liability by law

Whenever any law for the time being of any country, state or place imposes or purports to impose any immediate or future or possible liability upon the Company to make any payment or empowers any government or taxing authority or government official to require the Company to make any in respect of any shares registered in the Register of Members as held either jointly or solely by any Member or in respect of any dividends, bonuses or other moneys due or payable or accruing due or which may become due or payable to such Member by the Company or in respect of any shares registered as aforesaid or for or on account or in respect of any Member and whether in consequence of:

- (1) the death of such Member;
- (2) the non-payment of any income tax or other tax by such Member; or
- (3) any other act or thing,

the Company in every such case:

- (a) shall be fully indemnified by such Member or his executor or administrator from all liability; and/or
- (b) shall have a lien upon all dividends, bonuses and other moneys payable in respect of the shares registered in the Register of Members and/or the Record of Depositors as held either jointly or solely by such Member for all moneys paid or payable by the Company in respect of the same shares or in respect of any dividend, bonus or other moneys as aforesaid thereon or for or on account or in respect of such Member under or in consequence of any such law together with interest at the rate of eight per cent (8%) per annum thereon from date of payment to date of repayment and may deduct or set off against any such dividend, bonus or other money payable as aforesaid any moneys paid or payable by the Company as aforesaid together with interest as aforesaid; and/or

- (c) may recover as a debt due from such Member or his executor or administrator wherever constituted any moneys paid by the Company under or in consequence of any such law and interest thereon at the rate and for the period aforesaid in excess of any dividend, bonus or other money as aforesaid then due or payable by the Company to such Member.

CALLS ON SHARES

29. **Notice of calls**

The Directors may, subject to the provisions of these Articles, from time to time make such calls upon the Members in respect of all moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) as they think fit provided that fourteen (14) days' notice at least is given of each call, and each Member shall be liable to pay the amount of every call so made upon him to the Company and at the times and places specified by the Directors. A call may be revoked or postponed as the Directors may determine.

30. **Call deemed to have been made**

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

31. **Interest on call**

If a sum called in respect of a call 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 ten per cent (10%) per annum as the Directors may determine, but the Directors shall be at liberty to waive payment of that interest wholly or in part.

32. **Payment on allotment treated as call**

- (1) If by the terms of the issue of any shares or otherwise any amount is made payable at any fixed time or by instalments at any fixed times such amount or instalment shall be payable as if it were call duly made by the Directors and of which due notice had been given; and all provisions hereof with respect to the payment of calls and interests thereon or to the forfeiture of shares for non-payment of calls shall apply to such amount or instalments and the shares in respect of which they are payable.
- (2) 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.

33. **Recovery of money due for any call**

At the trial or hearing of any action or other proceeding for the recovery of any money due for any call it shall be sufficient to prove that the name of the Member sued is entered in the Register of Members as the holder or one (1) of the holders of the shares in respect of which such call was made, that the resolution making such call is duly recorded in the minutes book of the Directors and that notice of such call was duly given to the Member sued according to the provisions of these Articles and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of a debt due from the Members to the Company.

34. **Power to differentiate holders as to amount of calls to be paid and the times of payment**

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.

35. **Payment in advance of calls**

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 as may be agreed upon between the Directors and the Member paying the sum in advance in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up. Such capital paid on shares in advance of calls shall not confer a right to participate in profits.

36. No entitlement to dividend on unpaid share

A Member shall not be entitled to receive any dividend or to exercise any privilege as a Member in respect of any share upon which calls or instalments are due and unpaid.

TRANSFER OF SHARES**37. Transfer of deposited securities**

The transfer of any Deposited Security shall be by way of book entry by the Central Depository in accordance with the Rules and, notwithstanding 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.

38. Restriction of transfer

- (1) Subject to the Central Depositories Act and the Rules, there shall be no restriction on the transfer of fully paid securities except where required by law.
- (2) Subject to the Central Depositories Act and the Rules, no security shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.
- (3) The Depository may decline to register any transfer of Deposited Security that does not comply with the Central Depositories Act and the Rules.

39. Suspension of registration of transfers

The registration of transfers may be suspended at such time and for such period as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty (30) days in any year or such number of days as prescribed by the Stock Exchange and/or the Act.

40. Changes in particulars or details of Depositors

Any change in particulars or details of any Depositors of any Deposited Securities shall be made to the Depositors in the appropriate form and according to the appropriate procedure contained in the Central Depositories Act and the Rules. The Company is not obliged to amend, modify or add any particular or detail of any depositor until and unless notified or instructed in writing by the Depository.

41. Renunciation of allotment

Nothing in these Articles shall preclude the Directors from recognizing a renunciation of the allotment of any share by the allottee in favour of some other person.

42. No liability for fraud transfer

Neither the Company nor its Directors nor any of its officers shall incur any liability for the act of the Depository in registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers or the Depository, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument or transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. And in every such case, the person registered as transferee, his executors, administrators and assignees alone shall be entitled to be recognized as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

43. Record of Depositors from Central Depository

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 (1) 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 shall be the final Record of Depositors as at the specified date and/or for the specified purpose.

44. Close of Register of Members

The Register of Members may be closed at such time and for such period as the Directors may from time to time determine, provided always that they shall not be closed for more than thirty (30) days in any year. Any notice of intention to fix a books closing date and the reason therefor shall be given to the Stock Exchange, such notice shall state the books closing date which shall be at least ten (10) Market Days after the date of notification to the Stock Exchange subject to the provisions of the Listing Requirements, and the address of the share registry at which documents will be accepted for registration. In relation to such closure, the Company shall give written notice, in accordance with the Rules to issue the appropriate Record of Depositors.

TRANSMISSION OF SHARES**45. Legal representative upon death of Member**

Subject to the provisions in the Act, the Central Depositories Act, the Rules and these Articles, 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, but nothing herein contained shall release the estate of a deceased holder from any liability in respect of any share which had been held by him.

46. Rights of a person in consequence of death or bankruptcy of a Member

(1) 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 subject as hereinafter provided, 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, provided always that where the share is a Deposited Security, subject to the Rules, a transfer or withdrawal of the share may be carried out by the person becoming so entitled.

(2) A person entitled to shares in consequence of the death or bankruptcy of a Member shall be entitled 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 Central Depositories Act and the Rules, to receive and may give a discharge for all dividends and other moneys payable in respect of the shares, but he shall not be entitled to receive notice of or to attend or vote at any meeting, or, save as aforesaid, to exercise any of the rights and privileges of a Member, unless and until he shall have become a Member in respect of the shares. Where two (2) or more persons are jointly held to any share in consequence of the death of the holder of the share they shall, for the purposes of the Articles, be deemed to be the joint holders of the share.

47. Election of person entitled to be registered himself

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 a notice in writing signed by him stating that he so elects provided always that where the share is a Deposited Security and the person so becoming entitled elects to have the share transferred to him, the aforesaid notice must be served by him on the Central Depository. If he elects to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares, the Central Depositories Act and the Rules shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice of transfer were a transfer signed by that Member.

48. Entitlement of dividends

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 in that behalf, be entitled to the same dividends and other advantages, and to the same rights (whether in relation to meeting 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.

49. Notice requiring registration of transfer

The Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and, if the notice is not complied with within sixty (60) days, the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until compliance has been made with the requirements of such notice.

50. Transmission of shares where securities are listed on another stock exchange

Where:

- (1) the Securities of the Company are listed on another stock exchange; and
- (2) the Company is exempted from compliance with Section 14 of the Central Depositories Act and Section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998, as the case may be, under the Rules in respect of such Securities,

the Company shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the Company in the jurisdiction of the other stock exchange, to the Register of Members maintained by the Registrar of the Company in Malaysia and vice versa provided that there shall be no change in the ownership of such securities.

FORFEITURE OF SHARES**51. Notice requesting payment of calls**

If a Member fails to pay any call or instalment 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 hereon not exceeding ten per cent (10%) per annum as the Directors shall determine and any expenses that may have accrued by reason of such non-payment.

52. Length of notice

The notice shall name a further day (not earlier than the expiration of fourteen (14) 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.

53. Failure to comply the requirements as in notice

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given at any time thereafter, before the payment required by the notice has been made, be forfeited by 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. The Directors may accept the surrender of any share liable to be forfeited.

54. Notice of forfeiture

When any share has been forfeited in accordance with these Articles notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by reason of his death or bankruptcy as the case may be, and an entry of such notice having been given, and the forfeiture with the date thereof shall forthwith be made in the Register of Members opposite to the share, but the provisions of these Articles are Directory only and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

55. Forfeited share shall become property of the Company

A share so forfeited or surrendered shall become the property of the Company and may be re-sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto, or to any other person upon such terms and in such manner as the Directors shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit and whether with or without all or any part of the amount previously paid on the share being cancelled as paid.

56. Redemption of forfeited share

Notwithstanding any such forfeiture as aforesaid, the Directors may at any time before the forfeited share has been otherwise disposed of, permit the share so forfeited to be redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon any further or other terms they may think fit.

57. 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 a rate not exceeding ten per cent (10%) 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.

58. Results of forfeiture

The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the person whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Act given or imposed in the case of past Members.

59. Evidence of forfeiture

A statutory declaration in writing that the declarant is a Director or the 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 shares.

60. Transfer of forfeited share

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 and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title 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 this 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 assignees or as he directs.

61. Application of forfeiture provision

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 shares or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

62. Notice of forfeiture

When any share has been forfeited in accordance with these Articles notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by reason of the death or bankruptcy as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof shall forthwith be made in the Register of Members opposite to the share but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry aforesaid.

63. Proceeds of sale of forfeited share

In the event of any forfeited share on which the Company has a lien being sold or disposed of, the net proceeds of such sale or disposal after providing for the expenses of such sale or disposal and for the payment of any moneys owing to the Company in respect of which the lien exists shall be paid to the person whose share has been forfeited or his executors, administrators or assignees as the case may be or as he or she shall direct.

64. Forfeiture for non-payment of any sum under call

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.

CONVERSION OF SHARES INTO STOCK**65. The Company may convert shares into stock**

The Company may by ordinary resolution passed at a general meeting convert any paid up shares into stock and reconvert any stock into paid up shares of any denomination.

66. Holders of stock may transfer their interests

The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit; but the Directors may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but the minimum shall not exceed the nominal amount of the shares from which the stock arose.

67. Participation in dividends and profits

The holders of stock shall according to the amount of the stock held by them have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by any such aliquot part of stock which would not if existing in shares have conferred that privilege or advantage.

68. Application of provisions

All such provisions of these Articles as are applicable to paid-up shares shall apply to stock and in all such provisions the word "share" shall include "stock" and the word "shareholder" and "Member" shall include "stockholder".

ALTERATION OF CAPITAL**69. Consolidation, sub-division, cancelation and increase of shares**

- (1) Subject to the provisions of the Act and the Listing Requirements, the Company may from time to time by ordinary resolution:
 - (a) 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, increase its share capital by the creation of new shares, such new capital to be of such amount and (subject to any special rights for the time being attached to any existing class of shares) to carry such preferential, deferred or other special rights (if any) or to be subject to such conditions or restrictions (if any) in regard to dividend, return of capital, voting or otherwise, as the general meeting resolving upon such increase directs;
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (c) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association of the Company (subject nevertheless to the provisions of the Act) and so that in the subdivision 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 shares from which the reduced share is derived. Any resolution whereby any share is sub-divided may determine that, as between the holders of shares resulting from such subdivision, one (1) or more of such shares may have such preferred or other special rights over, or may be given any preference or advantage as regards dividends, return of capital voting or otherwise over the other or others of such shares;
 - (d) cancel any 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 or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled; and
 - (e) reorganise its share capital by converting part or all of an existing class or classes of shares into another class or classes of shares and from one nominal value or values to another value or values.
- (2) The Company may by special resolution reduce its share capital and any capital redemption reserve fund or any share premium account in any manner authorised by the Act and subject to any consent required by the law.

70. Offer of new shares to existing Members before issuing

Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible securities shall, before issue, 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 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.

71. New capital issued

- (1) Except so far as otherwise provided by the condition of issue, any capital raised by the creation of new shares shall be considered as part of the original share capital of the Company. All new shares shall be subject to the provisions herein contained with reference to allotments, the payment of calls and instalments, transmissions, forfeiture, lien or otherwise and shall also be subject to the Rules.
- (2) The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, as the Directors shall determine, and in particular, but without prejudice to the rights attached to any preference shares that may have been issued, such new shares may be issued with a preferential or qualified right to dividends, and in the distribution of the assets of the Company and subject to the provisions of the Act, with a special or restricted or without any right or voting.
- (3) Anything done in pursuance of the last preceding Articles shall be done in the manner provided and subject to any conditions imposed by the Act so far as they shall be applicable, and so far as they are not applicable, in accordance with the terms of the resolution authorising the same, and so far as such resolution shall not be applicable, in such manner as the Directors deem most expedient.

72. Approval to issue shares

Notwithstanding the existence of a resolution pursuant to Section 132D of the Act, the Company shall not issue shares or convertible securities if the nominal value of those shares or convertible securities when in aggregate with the nominal value of such shares or convertible securities issued during the preceding twelve (12) months exceeds ten per cent (10%) of the issued and paid-up capital of the Company, except where the shares or convertible securities are issued with the prior approval of the shareholders of the precise terms and conditions of the issue.

GENERAL MEETINGS**73. Annual General Meeting**

An annual general meeting of the Company shall be held in accordance with the provisions of the Act.

74. Extraordinary General Meeting

All general meetings other than the annual general meetings shall be called extraordinary general meetings.

75. Convening an Extraordinary General Meeting

The Directors may whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on any requisition made in accordance with the provisions of the Act, or if the Company makes default in convening a meeting in compliance with a requisition received pursuant to Section 144 of the Act a meeting may be convened by such requisitionists in the manner provided in Section 144 of the Act. Any meeting convened by requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Directors.

76. Notice of meeting

- (1) The notices convening general meetings shall specify the place, day and hour of the meeting and shall be given to all shareholders at least fourteen (14) days before the meeting or at least twenty-one (21) days before the meeting where any special resolution is to be proposed or where it is an annual general meeting, provided that a meeting of the Company shall subject always to the provisions of the Act and the Listing Requirements, notwithstanding that it is called by a shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed:
 - (a) in the case of an annual general meeting, by all the Members entitled to attend and vote thereat; and
 - (b) in the case of an extraordinary general meeting, by that number or majority in number of the Members having a right to attend and vote thereat as is required by the Act.

Provided also that subject to the provisions of the Act and the Listing Requirements, the accidental omission to give notice to, or the non-receipt of notice by, any person entitled shall not invalidate the proceedings at any general meeting.

Notwithstanding the foregoing 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 an annual general meeting of every such meeting shall also be given by advertisement in at least one (1) nationally circulated Bahasa Malaysia or English newspaper and in writing to each stock exchange on which the Company is listed.

- (2) Any notice of meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business.
- (3) The Company shall request the Central Depository in accordance with the Rules, to issue a Record of Depositors:
 - (a) to whom notices of general meetings or adjourned general meetings shall be given by the Company and subject to these Articles, 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 the registered holders of shares of the Company entitled to receive notice of the general meeting or adjourned general meeting;
 - (b) as at the latest date which is reasonably practicable which shall in any event be not less than three (3) Market Days (or such other period specified by the Act, the Central Depositories Act, the Listing Requirements, the Rules and/or Central Depository) before the general meeting or adjourned general meeting;
 - (c) and subject to these Articles, 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 by a person or proxy unless his name appears in the Record of Depositors requested for the purposes of such general meeting or adjourned general meeting; and
 - (d) provided that the accidental omission to give notice to, or the non-receipt of notice by, any person entitled shall not invalidate the proceedings at any general meeting.

77. Content of notice of general meeting

- (1) The notice of any general meeting shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall be given in any manner authorised by these Articles to the Auditors and to all Members other than such as under the provisions of these Articles are not entitled to receive such notices from the Company.
- (2) In the case of annual general meeting, the notice shall also specify the meeting as such.
- (3) In the case of special business shall also specify the general nature of that business and shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business.
- (4) Every notice calling a general meeting shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint not more than two (2) proxies a proxy to attend, speak and vote at the same meeting. The proxy may but need not be a Member of the Company. Where a Member appoints two (2) proxies, the number of shares to be represented by each proxy must be clearly indicated.

78. Special notice

Where by the Act special notice is required of a resolution, the resolution shall not be effective unless notice of the intention to move it has been given to the Company not less than twenty-eight (28) days before the meeting at which it is moved and the Company shall give its Members notice of any such proposed resolution at the same time and in the same manner as it gives notice of the meeting or, if that is not practicable shall give them notice thereof, in any manner allowed by these Articles, not less than fourteen (14) days before the meeting, but if, subject always to the provisions of the Act, after notice of the intention to move such a resolution has been given to the Company, a meeting is called for a date twenty-eight (28) days or less after the notice has been given to the Company although not given to the Company within the time required by this Article shall be deemed to be properly given.

PROCEEDINGS AT GENERAL MEETINGS**79. Business at general meeting**

All business shall be special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the audited financial statements, balance sheets, and the reports of the Directors and auditors, the election of Directors in place of those retiring, fixing the remuneration and/or fees of the Directors and the appointment and fixing of the remuneration of auditors.

80. Quorum of general meeting

No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, two (2) Members present in person shall be a quorum. For the purpose of this Article, "Member" includes a person attending as a proxy or as representing a corporation which is a Member.

81. Quorum is not present

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, and if at such adjourned meeting, a quorum is not present within half an hour from the time appointed for holding the adjourned meeting, the Members present shall be a quorum and may transact the business for which the meeting was called but no notice of any such adjournment as aforesaid shall be required to be given to the Members.

82. Chairman of general meeting

The Chairman of the Board or in his absence the Deputy Chairman (if any) shall preside as Chairman at every general meeting but if at any meeting they shall not be present within fifteen (15) minutes after the time appointed for holding the meeting or shall be unwilling to act as Chairman, the Members present shall choose one (1) of the Directors present or if no Director is present, or if all the Directors present decline to take the Chair, they shall elect one (1) of their number to be Chairman of the meeting.

83. Adjourned meeting

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 as the meeting shall determine. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of the 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. Except as provided by the Act in the case of statutory meetings, no business shall be transacted at any adjourned meeting other than the business which might have transacted at the meeting from which the adjournment took place.

84. Voting at general meeting

- (1) 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 (before or on the declaration of the result of the show of hands) demanded:
 - (a) by the Chairman;
 - (b) by at least two (2) Members present in person or by proxy;

- (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.
- (2) Unless a poll is so demanded a declaration by the Chairman of the meeting 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 or against the resolution.
- (3) If a poll is duly demanded it shall be taken in such manner as the Chairman may direct (including the use of a ballot or voting papers or tickets) and the result of a poll shall be deemed the resolution of the meeting at which the poll was demanded. The Chairman may (and if so directed by the meeting shall) appoint scrutineers for the purposes of a poll, and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the results of the poll.
- (4) The demand for a poll may be withdrawn and notice must be given of a poll not taken immediately.
85. **No poll in certain cases**
- If a poll is 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 no poll shall be demanded on the election of a Chairman of the meeting or on any question of adjournment.
86. **Casting vote by Chairman**
- In the case of an equality of votes on a show of hands, the Chairman of the meeting at which the show of hands take place shall be entitled to a second or casting vote, but not when a poll is demanded.
87. **Casting of votes by Members**
- On a poll, votes may be given either personally or by proxy or attorney, and a Member entitled to more than one (1) vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.
88. **Continuance of meeting**
- The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business, other than the question on which a poll has been demanded.

VOTES OF MEMBERS

89. **Voting rights of Members**
- Subject to these Articles and 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 proxy or by attorney or other duly authorised representative and on a show of hands. Every Member present in person or by proxy shall have one (1) vote, and on a poll every Member present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for each share he holds. The shares held or represented by a Member present in person or by proxy or by attorney or other duly authorised representative shall, in relation to shares of a Depositor, be the number of shares entered against his name in the Record of Depositors.
90. **Voting rights of shares with 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 rights is exercisable.
91. **Members entitle to vote**
- No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

92. Voting rights of lunatic Members

If any Member be a lunatic or non-compos mentis or be found to be of unsound mind, he may vote by his committee, receiver, curator bonis or other legal curator, and such last mentioned persons may give their votes either personally or by proxy or attorney.

93. Qualification of voter

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.

94. Corporations acting by representatives

Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative either at a particular meeting of the Company, or at all meetings of the Company or any class of Members and the person so authorised shall, in accordance with his authority and until his authority is revoked by the corporation, 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.

95. Member's right to appoint proxy

- (1) A Member shall be entitled to be present and to vote on any question either personally or by proxy, or as proxy for another Member at any General Meeting, on a show of hands or upon a poll and to be reckoned in a quorum in respect of any fully paid-up shares and of any shares upon which calls due and payable to the Company shall have been paid. The proxy need not be a Member of the Company and if not a Member need not be a qualified legal practitioner, an approved Company Auditor or a person approved by the Registrar. No shareholder shall be entitled to vote or be recognized in a quorum in respect of any shares upon which any call or other sum do due and payable shall be unpaid.
- (2) A Member of the Company entitled to attend and vote at a meeting of the Company, or at a meeting of any class of Members of the Company, shall be entitled to appoint any person as his proxy, but not more than two (2) proxies, to attend and vote instead of the Member at the meeting.
- (3) A proxy may, but need not, be a Member of the Company. There shall be no restriction as to the qualification of the proxy. The provision of Section 149(1)(b) of the Act shall not apply to the Company.
- (4) A proxy appointed to attend and vote at a meeting of the Company, whether on a poll or a show of hands, shall have the same rights as the Member to speak at the meeting and to be reckoned in a quorum.
- (5) Where a Member appoints more than one (1) proxy to attend and vote at the same meeting, the appointment shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified in the instrument appointing the proxies.
- (6) No shareholder shall be entitled to vote or be recognized in a quorum in respect of any shares upon which any call or other sum do due and payable shall be unpaid.

96. Appointment of proxy

- (1) Where a Member of the Company is an Authorised Nominee, it may appoint not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
- (2) Where a Member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple Beneficial Owners in one (1) Securities Account ("omnibus account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- (3) Where an Authorised Nominee appoints two (2) proxies, or where an Exempt Authorised Nominee appoints two or more proxies, the appointment shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified in the instrument appointing the proxies.

97. **Instrument appointing proxy**

- (1) The instrument appointing a proxy shall be in writing (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 its Seal, or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll. The Directors may, but shall not be bound to, require evidence of the authority under which the instrument was signed by any such attorney or officer.
- (2) 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 registered office of the Company, or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting, not less than forty-eight (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 (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy of other authority shall not be treated as valid.
- (3) 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 in respect of which the instrument is given, if no intimation in writing of such death, unsoundness of mind, revocation, or transfer as aforesaid has been received by the Company at the registered office before the commencement of the meeting or adjourned meeting at which the instrument is used.
- (4) The Company shall be entitled and bound to:
 - (a) reject any appointment of proxy if the Member is not shown to have any shares entered against his name in the Register of Members and/or subject to these Articles, the Record of Depositors made available to the Company; or
 - (b) 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 of Members and/or subject to these Articles, the Record of Depositors made available to the Company or (ii) 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 as shown in the Record of Depositors made available to the Company whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Member.

98. **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 the following form or a form as near thereto as circumstances admit:

DKSH HOLDINGS (MALAYSIA) BERHAD

Form of Proxy

| | |
|--------------------|--|
| No. of shares held | |
| CDS account no. | |

*I/We, of being a Member/Members of DKSH Holdings (Malaysia) Berhad, hereby appoint of or failing him the Chairman of the meeting as *my/our proxy to vote for *me/us on *my/our behalf at the (annual or extraordinary, as the case may be) general meeting of the Company to be held on the day of, 20..... and at the adjournment thereof.

*I/We indicate with an "x" in the spaces below how *I/we wish *my/our vote to be cast:

| Agenda | For | Against |
|--------|-----|---------|
| | | |

Subject to the abovestated voting instruction, *my/our proxy may vote or abstain from voting on any resolutions as he may think fit.

Signed this day of, 20.....

.....
Signature of Member

* Strike out whichever is not desired.

DIRECTORS**99. First Directors**

The First Directors of the Company shall be Mr Hans-Peter Eichenberger, Mr Richard Probert Evans, Mr Gonpo Tsering and Mr Michael Lim Hee Kiang.

100. Number of Directors

Unless otherwise determined by a general meeting the number of Directors shall not be less than four (4) and not more than nine (9) all of whom shall be natural persons.

101. Appointment of additional Directors

The Directors shall have power at any time, and from time to time, to appoint any person to be Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with these Articles. Any Director so appointed shall hold office only until the next following annual general meeting, 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.

102. Director need not be shareholder

A Director shall not be required to hold any share to qualify himself to be a Director of the Company until and unless the Company in general meeting shall otherwise determine. All the Directors of the Company shall be natural persons.

103. Office of Director shall be vacated in certain circumstances

The office of a Director shall be vacated:

- (1) if he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (2) if he ceases to be a Director by virtue of the Act; or
- (3) if he becomes prohibited from being a Director by reason of any order made under the provisions of the Act; or
- (4) if he 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; or
- (5) if he be convicted of any seizable offence; or
- (6) if he resigns from his office by notice in writing under his hand and given to the Company; or
- (7) if he is removed by a resolution of the Company in general meeting, of which special notice has been given, and in the case of an alternate or substitute Director by a resolution of the Directors; or
- (8) if he shall have been absent from more than fifty per cent (50%) of the total meetings of the Directors held from the date of his election or appointment to the end of any financial year of the Company (whether or not an alternate Director appointed by him attended) unless otherwise exempted by the Stock Exchange on application by the Company; or
- (9) if he is directly or indirectly interested in any contract or proposed contract with the Company and fails to declare the nature of his interest in manner required by Section 131 of the Act; and

if the office of a Director is vacated for any reason, he shall cease to be a Member of any committee and/or sub-committee of the Board.

104. Increase and reduce of Board size

Subject to these Articles and the minimum number of Directors required by the Act the Company may from time to time by ordinary resolution passed at a general meeting increase or reduce the number of Directors, and may also determine in what rotation the increased or reduced number is to go out of office.

105. Retirement of Directors

- (1) At the first annual general meeting of the Company all the Directors shall retire from office.
- (2) At the annual general meeting in every subsequent year, one-third (1/3) of the Directors for the time being or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third, shall retire from office provided always that all Directors including Managing Director and Executive Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.
- (3) The Directors to retire every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot, provided always that all Directors shall retire from office once at least in each three (3) years and shall be eligible for re-election.

106. Power to fill vacancy or appoint additional Director

The Company at the meeting at which a Director so retires may fill the vacated office by electing a person thereto, and in default the retiring Director shall if offering himself for re-election and not being disqualified under the Act from holding office as a Director be deemed to have been re-elected, unless at the meeting it is expressly resolved not to fill the vacated office or unless a resolution for the re-election of that Director is put to the meeting and lost.

107. Removal of Director

- (1) Subject to the provisions of the Act, the Company may by ordinary resolution of which special notice has been given, remove any Director before the expiration of his period of office, notwithstanding any provisions of these Articles or of any agreement between the Company and such Director but without any prejudice to any claim he may have for damages for breach of any such agreement.
- (2) The Company may by an ordinary resolution appoint another person in his stead, and the person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment the vacancy so arising may be filled by the Directors as a casual vacancy.

108. Election or nomination of Director

- (1) An election of Directors shall take place each year.
- (2) No person, not being a retiring Director, shall be eligible for election to the office of Director at any general meeting unless a Member intending to propose him for election has, at least eleven (11) clear days before the meeting, left at the registered office of the company a notice in writing duly signed by the nominee, giving his consent to the nomination and signifying his candidature for the office, or the intention of such Member to propose him for election, provided that in the case of a person recommended by the Directors for election, nine (9) clear days' notice only shall be necessary, and notice of each and every candidature for election to the Board shall be served on the registered holders of shares at least seven (7) days before the meeting at which the election is to take place.
- (3) At a general meeting at which more than one (1) Director is to be elected, each candidate shall be the subject of a separate motion and vote unless a motion for the appointment of two (2) or more persons as Directors by a single resolution shall have first been agreed to by the meeting without any vote being given against it.

109. Remuneration of Director

- (1) The ordinary remuneration to Directors shall be such fixed sum, not being a commission of or percentage of profits or of turnover, as shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provided) be divisible amongst the Directors as they may agree, or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office.
- (2) Fees payable to Directors (except salaries payable to Executive Director for their services) shall from time to time be determined by the Company in general meeting provided that such fee 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. The fees shall be deemed to accrue from day to day.

- (3) Any Director who is appointed to any executive office or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Directors may determine but not a commission on a or percentage of turnover.
- (4) The remuneration of the Managing Director or other Executive Director shall from time to time be fixed by the Directors and may be by way of salary or participation in profits or by any or all of these modes but shall not under any circumstances be remunerated by a commission on or percentage of turnover.
- (5) The Directors may also be paid all traveling, hotel and such other reasonable expenses as may reasonably be incurred by them in the execution of their duties including any such expenses incurred in connection with their attendance at meetings of the Directors or any committee of the Board or General Meetings or meetings in connection with the business of the Company as the Directors may determine.

110. **Alternate Director**

- (1) Any Director may at any time by writing under his hand and deposited at the registered office appoint any person approved by a majority of his co-Directors to be his Alternate Director and may in like manner at any time terminate such appointment.
- (2) The nomination of an Alternate Director shall be valid if a written nomination complying with the abovementioned requirements is made by hand or post or fax or by way of electronic communication, provided that such nomination shall be confirmed within two (2) months from the date that of. Any act done by the Alternate Director nominated in such written nomination between the date thereof and the date of receipt and within the period prescribed by the Company of the prescribed nomination shall be valid and effective as if such Alternate Director had been duly appointed in the first instance, whether such written nomination shall be received by the Company within the prescribed period or not.
- (3) Any appointment so made may be revoked at any time by the appointor or by a majority of the Directors, and any appointment or revocation under this Article shall be effected by notice in writing under the hand of the Director or Directors making the same to be delivered to the Secretary of the Company.
- (4) Every person acting as an Alternate Director shall be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults and he shall not be deemed to be the agent of or for the Director appointing him.
- (5) Any fee paid to an Alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter.
- (6) Any fee paid by the Company to the Alternate Director shall be deducted from the remuneration of that Director appointing him.
- (7) An Alternate Director may be repaid by the Company such expense as might properly be repaid to him if he were a Director and he shall be entitled to receive from the Company such proportion, if any, of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, provided that such fee paid by the Company to the Alternate Director shall be deducted from the remuneration of his appointor, but save as aforesaid he shall not in respect of such appointment be entitled to receive any remuneration of the Company.
- (8) The Alternate Director shall be entitled to receive notices of all meetings and to attend, speak and vote, and be counted for the quorum, and generally to exercise all powers, rights, duties and authorities of the Director appointing him, at any such meeting at which the Director appointing him is not present. For the avoidance of doubt, an alternate Director may not vote nor attend any meeting at which the Director appointing him is present.
- (9) If any Director retires by rotation and is re-elected by the meeting or is, pursuant to these Articles, deemed to be re-elected at the meeting at which such retirement took effect, any appointment made by him of an Alternate Director which was in force immediately prior to the appointor's retirement shall continue to operate after such re-election as if the appointor had not so retired.
- (10) An alternate Director shall not require any share qualification, and shall ipso facto cease to be an alternate Director:
 - (a) if his appointor for any reason ceases to be a Director or removes the appointee from office;
or

- (b) if he has a receiving order made against him or compounds with his creditors generally; or
- (c) if he becomes of unsound mind.

GENERAL POWERS AND DUTIES OF DIRECTORS

111. General power to manage business

The business of the Company shall be managed by the Directors who may exercise all such powers of the Company, and do on behalf of the Company all such acts as are within the scope of the Memorandum and Articles of Association of the Company and as are not by the Act or by these Articles or by the Listing Requirements required to 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, 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 such regulation had not been made provided always that any sale or disposal of a substantial portion of the Company's undertaking or property or any acquisition of an undertaking or property of substantial value shall be subject to the approval of or ratification by shareholders in General Meeting, such approval must be obtained prior to the transaction, action or proposal being completed.

112. Power to borrow money

- (1) The Directors may from time to time at their discretion raise or borrow for the purpose of the Company such sums of money as they think proper and may secure the repayment of such sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable, debentures or debenture stock or any mortgage, charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being, as permitted by the Act and the Listing Requirements.
- (2) The Directors shall not borrow any money or mortgage or charge any of the Company or the subsidiaries' undertaking, property or any uncalled capital, or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party, unless it is so permitted by the Listing Requirements.
- (3) If the Directors or any of them, or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.
- (4) The Directors shall cause a proper register to be kept in accordance with the provisions of the Act of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified and otherwise.
- (5) Subject to the provisions of the Act and the Listing Requirements, any debentures, debenture stock, bonds 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 meeting of the Company, appointment of Directors and otherwise.
- (6) Debentures, debenture stock or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued if permitted by the Act and the Listing Requirements.

113. Power to appoint attorneys

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 discretion (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 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 also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

114. Right to appoint advisor

The Directors may from time to time appoint any person or persons to hold office as general advisor or as advisor to the Company at the office or at any of the branches of the Company. It shall be the duty of a general advisor or advisor to assist the Company with his counsel and advice when so requested.

115. Right to engage professional services

Subject to the provisions of the Act and the Listing Requirements, 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.

116. Power to use Seal

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

117. Power to pay gratuity or pension or allowance on retirement

Subject to the provisions of the Act and the Listing Requirements, the Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Directors or former Director who has held any other salaried office or place of profit with the Company or to his widow or dependants or relations or connections and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

118. Power to establish pension or superannuation fund or life assurance scheme

Subject to the provisions of the Act and the Listing Requirements, the Directors may procure the establishment and maintenance of or participate in or contribute to any for the benefit of and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, benefits, retirement, death or disability benefits or emoluments to any persons (including Directors and other officers) who are or shall have been at any time in the employment or service of the Company or of any company which is a subsidiary of the Company or of the predecessors in business of the Company or of any such subsidiary company, or the wives, widows, families or dependants of any such persons. Subject to the objects of the Company, the Directors may also procure the establishment and subsidy of or subscription and support to any institutions, associations, club, funds or trusts calculated to be for the benefit of any such persons as aforesaid or otherwise to advance the interests and well-being of the Company or of any such other company as aforesaid or of its Members and payment for or towards the insurance of any such persons as aforesaid, and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibition or for any public, general or useful object.

119. Directors may hold other office under the Company

Subject to the provisions of the Act and the Listing Requirements, 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 or profit or as vendor, purchaser or otherwise, nor shall any such contact, or may contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested, 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 relation thereby established, provided always that Sections 131 and 132E and all other relevant provisions of the Act and these Articles are complied with.

120. Power to sign cheques and bills

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 Directors from time to time determine.

121. Power to guarantee payment of money

Subject to the provisions in the Act and the Listing Requirements, the Directors may exercise all powers of the Company to guarantee the payment of money payable under contracts or obligations of any company or any person whomsoever whether corporate or incorporate with or without securities.

122. Power to establish committees of the Board

- (1) The Directors may from time to time delegate any powers to committees consisting of such member or members of their body as they think fit and may from time to time revoke such delegation. Any committee so formed shall in the exercise of the powers conform to any regulations that may be imposed on it by the Directors.
- (2) A committee may elect a Chairman of its meeting, if no such Chairman is elected, or if at any meeting the Chairman is not present within ten (10) minutes after the time appointed for holding the meeting, the members present may choose one (1) of their number to be Chairman of the meeting.
- (3) A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of equality of votes the Chairman shall have a second or casting vote.

PROCEEDINGS OF DIRECTORS**123. Meetings of Directors**

- (1) The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit and may determine the quorum necessary for the transaction of business.
- (2) A Director may, and the Secretary on the requisition of a Director shall, at any times summon a meeting of Directors.
- (3) The Directors may also hold a meeting of Directors at two (2) or more venues within or outside Malaysia using any technology advancement that enable the Directors as a whole to participate for the entire duration of the meeting; and that all information and documents for the meeting must be made available to all Directors prior to or at the meeting.
- (4) A minute of the proceedings of such meeting is sufficient evidence of the proceedings to which it relates if certified by the Chairman of the meeting.

124. Quorum

The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed shall be two (2). The Chairman of a meeting at which only such a quorum is present, or at which only two (2) Directors are competent to vote in the question at issue, shall not have a casting vote.

125. Notice

- (1) Unless otherwise determine by the Directors, a notice specifying the place, date, and hour of the meeting and the business to be discussed thereat shall be given to all Directors. Notice of a meeting of the Directors is deemed to be duly given to a Director if it is given to him personally or by electronic communication to an address given by him to the Company for that purpose or sent in writing to him at his last-known address or another address given by him to the Company for that purpose.
- (2) A Director may waive the requirement that notice be given to him of a meeting of the Directors, either prospectively or retrospectively provided that the waiver is made and signed by the Director in writing.

126. Elect a Chairman

The Directors may from time to time elect a Chairman or Deputy Chairman amongst themselves and they shall determine the period for which they are to hold office, but if no Chairman or Deputy Chairman is elected or if at any meeting the Chairman or Deputy Chairman is not present within thirty (30) minutes after the time appointed for holding the same, the Directors present shall choose one (1) of their number to be Chairman of such meeting.

127. Continuing Directors may act to fill vacancies or summon meetings

The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the minimum number fixed by or pursuant to these Articles of the Company as the necessary quorum of Directors, the continuing Directors or Director may act for the purpose of increasing the number of Directors to such minimum number or of summoning a general meeting of the Company, but for no other purpose.

128. Validity of the acts of Directors

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

129. Disclosure of Director

Every Director shall comply with the provisions of Sections 131 and 135 of the Act in connection with the disclosure of his shareholding and interest in any contract or proposed contract with the Company and in connection with the disclosure of the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly duties or interests might be created in conflict with his duty or interest as a Director of the Company.

130. Director may be counted in quorum notwithstanding his interest

A Director, notwithstanding his interest may, provided that none of the other Directors present disagree and subject always to the provisions of the Act and the Listing Requirements, 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 hereinafter mentioned are considered or where any decision is taken upon any contract or arrangement, in which he is in any way interested provided always that he has complied with Section 131 and all other relevant provisions of the Act and of these Articles.

131. Restriction on voting

A Director shall not vote in respect of any contract, proposed contract or arrangement in which he is interested whether directly or indirectly and if he should do so his vote should not be counted, nor shall be counted, in the quorum present at the meeting but subject always to the provisions of the Act and the Listing Requirements, neither of these prohibitions shall apply to:

- (1) any arrangement for giving any Director any security or indemnity in respect of money to lent by him to or obligations undertaken by him for the benefit of the Company; or
- (2) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security; or
- (3) any contract by a Director to subscribe for or underwrite shares or debentures of the Company in the event of a public issue or offer for sale of the Company's shares or debentures,

and these prohibitions may at any time be suspended or released to any extent, and either generally or in respect of any particular contact, arrangement or transaction, by the Company in General Meeting.

132. Director's interest in corporation promoted by the Company

- (1) A Director may be or become or continue to be a Director, managing Director, manager or other officer or Member of or otherwise interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise, or any corporation, which is directly or indirectly interested in the Company 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, managing Director, manager or other officer of or Member of, or from his interest in, such corporation, whether as a nominee of the Company or otherwise, unless the Company otherwise directs at the time of his appointment.
- (2) The Director may, provided that he has complied with Section 131 and all other relevant provisions of the Act and of these Articles, 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 him as Director of such other corporation in such manner and in all respects as he thinks fit but a Director may not vote in favour of the exercise of such voting rights in the manner as aforesaid, if he may be, or is about to be appointed, a Director, managing Director, manager or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in manner aforesaid.

133. Directors' resolution in writing

A resolution in writing, signed by a majority of the Directors shall be as valid and effectual for all purposes as a resolution passed at a meeting of the Directors duly convened and held. Any such resolution may consist of several documents in like form, each signed by one (1) or more Directors. A resolution herein may be signed or approved by letter, electronic mail, telegram, telex, telefax or all other electronic communication by the Directors. An Alternate Director may sign such resolution on behalf of his appointer.

MANAGING DIRECTORS**134. Appointment of Managing Director**

The Directors may from time to time appoint or renew the appointment of any one (1) or more of their body to be Managing Director for such period not exceeding a fixed term of three (3) years and upon such terms as they think fit, and may vest in such Managing Director such of the powers hereby vested in the Directors generally as they may think fit and such powers may be made exercisable for such period or periods, and upon such conditions, and subject to such restrictions, and generally upon such terms as to remuneration (which remuneration shall be subject to these Articles) and otherwise as they may determine pursuant to any agreement entered into; and may, from time to time revoke, withdraw, alter, or vary all or any of such powers and subject thereto, shall always be under the control of the Board.

135. Service agreement

A Managing Director or Deputy or Assistant Managing Director shall, subject to the terms of any agreement entered into in any particular case and these Articles receive such remuneration (whether by way of salary, commission, or participation in profits, or partly in one way and partly in another but not by way of a commission on or percentage of turnover).

136. Remuneration

Subject to these Articles, the remuneration of Managing Director may be by way of salary or participation in profits or by any or all of those modes but shall not include a commission on or percentage of turnover.

137. Subject to retirement

A Managing Director shall, while he continues to hold that office, be subject to retirement and the provision of any contract between him and the Company, and be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of Director he shall ipso facto and immediately cease to be a Managing Director, save so far as otherwise expressly provided by the agreement (if any) under which he holds that office.

138. Power of Managing Director

A Managing Director shall be subject to the control of the Board. The Directors may entrust to and confer upon a Managing Director or Deputy or Assistant Managing Director any powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter, or vary all or any of those powers.

MINUTES**139. Minutes**

- (1) The Directors shall cause minutes to be made:
 - (a) of all appointments of senior officers to be engaged in the management of the Company's affairs;
 - (b) of the names of all the Directors present at each meeting of the Directors and of any committee of the Board, and of the Company in general meeting;
 - (c) of all resolutions and proceedings of general meetings and of meetings of the Directors and committee of the Board; and
 - (d) of all orders made by the Directors and any committee of the Board.

- (2) The minutes of any meeting of the Directors or of any committee of the Board, or of the Company, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting shall be receivable as prima facie evidence of the matters stated in such minutes.

ACCOUNTS

140. Accounts to be kept and custody of books

The Directors shall cause proper accounting and other records to be kept and shall distribute copies of balance sheets and other documents as required by the Act and shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting and other records of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or paper of the Company except as conferred by statute or authorised by the Directors or by the Company in general meeting. Subject always to Section 167(4) of the Act the books of account or records of operations shall be kept at the registered office or at such other place as the Directors think fit and shall always be open to inspection by the Directors.

141. Presentation of accounts

- (1) The Directors shall from time to time in accordance with Section 169 of the Act, cause to be prepared and laid before the Company in general meeting such profit and loss accounts, balance sheets and report as are referred to in the section. The interval between the close of a financial year of the Company and the issue of the annual audited accounts, the Directors' and auditors' reports (the "Accounts and Reports") shall not exceed four (4) months.
- (2) A copy of each of the Accounts and Reports in printed form or in CD-ROM form or in such other form of digital or electronic media or means or any combination thereof shall not less than twenty-one (21) days before the date of the meeting, be sent to every Member of, and to every holder of debentures of the Company to every other person who is entitled to receive notices from the Company under the provisions of the Act or of these Articles. The requisite number of copies of the Accounts and Reports as may be required by the Stock Exchange shall at the same time be likewise sent to the Stock Exchange provided that this Article shall not require a copy of these Accounts and Reports to be sent to any person of whose address the Company is not aware but any Member to whom a copy of these Accounts and Reports has not been sent shall be entitled to receive a copy free of charge on application at the registered office.
- (3) Notwithstanding subsection (1) above, a Member of the Company shall at all times have the right to request for a hard copy of the Accounts and Reports to be sent to them.

142. Publish particulars of securities or investments held by the Company

Save as may be necessary for complying with the provisions of the Act and the Listing Requirements or as the Company may by special resolution otherwise resolve, the Directors shall not be bound to publish any list or particulars of the securities or investments held by the Company or to give any information with reference to the same to any Member.

AUDIT

143. Audit of accounts

Once at least in every year the accounts of the Company shall be examined and the correctness of the financial statements be ascertained by one (1) or more Auditors.

144. Appointment of auditors

Auditors shall be appointed in accordance with Sections 8 and 9 of the Act and their duties regulated in accordance with the provisions of the Act.

145. Appointment or re-appointment of auditors

The Company at each Annual General Meeting shall appoint or re-appoint an Auditor or Auditors to hold office until the next Annual General Meeting and fix his or their remuneration in accordance with the provisions of the Act.

SEAL**146. Custody of Seal**

The Directors shall provide for the safe custody of the Seal and share seal of the Company which shall only be used by the authority of the resolution of the Directors or of a committee of the Board authorised by the Directors in that behalf, and every instrument to which the Seal or share seal of the Company shall be affixed shall be signed by a Director and the Secretary or another Director or some other person appointed by the Directors for the purpose but so that the Directors may by resolution determine, either generally or in any particular case, that any such signature may be affixed by some mechanical means to be specified in such resolution, provided that the use of such means is by such resolution restricted to a certificate or other document of title in respect of any share, stock, debenture or other marketable security created or issued by the Company to be given under the Seal or share seal of the Company.

147. Share seal

The Company may also have a share seal pursuant to Section 101 of the Act.

148. Seal for use abroad

The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

SECRETARY**149. Appointment of Secretary**

The first Secretary of the Company shall be Ms Chan Choi Kuan.

The Secretary 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 so appointed may be removed by them but without prejudice to any claim he or they may have for damages for breach of any contract of service with the Company. The Directors may from time to time by resolution appoint a temporary substitute for the Secretary who shall be deemed to be the Secretary during the term of his appointment. The Directors may from time to time by resolution appoint an Assistant or Deputy Secretary.

TRUSTEES**150. Appointment of trustees**

The Company may appoint any two (2) or more responsible Members to be Trustees for the Company for any purpose for which it is deemed advisable to have intervention of Trustees, and in particular the whole or any part of the property of the Company may be vested in Trustees, either for the benefit of its Members or to secure to the creditors or obligees of the Company the payment of any moneys or the performance of any obligation which the Company ought to pay or perform, and the Company may at any time fill up any vacancy in the office of Trustees.

151. Remuneration of trustees

The remuneration of the Trustees shall be such as the Directors shall determine, and shall be paid by the Company.

152. Delegate power of appointing or removing of trustees

The Company may delegate to any creditor or other persons the power of appointing or removing Trustees and may by contract in writing limit or surrender its powers of appointing or removing Trustees.

DIVIDENDS AND RESERVES**153. Payment of dividend**

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors.

154. Interim dividend

The Directors may from time to time declare and pay to the Members such interim dividends as appear to the Directors to be justified by the profits of the Company. If at any time the share capital of the Company is divided into different classes the Directors may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Directors act bona fide they shall not incur any responsibility to the holder of shares conferring any preferential rights for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights.

155. Dividends to be paid out of profits

Subject to the provisions of the Act, no dividend shall be paid otherwise than out of profits or shall bear interest against with the Company.

156. Apportionment of dividends

Subject to the rights of persons (if any) entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividends are paid, but any amount paid up on a share in advance of calls shall not, whilst carrying interest pursuant to this Article, be treated for the purposes of this Article as paid up on the share. All dividends shall be apportioned and paid pro-rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividends are paid except that if any share is issued on terms providing that it shall rank for dividend as if paid up (in whole or in part) as from a particular date, such share shall rank for dividend accordingly.

157. Power to set aside out of profit as reserves

The Directors may, before recommending any dividend, set aside out of the profit of the Company such sums as they think proper as reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending any such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares in the Company) as the Directors may from time to time think fit. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.

158. Power to deduct and retain dividends

- (1) The Directors may deduct from any dividend payable to any Member all sums of money (if any) immediately payable by him to the Company on account of calls or otherwise in relation to the shares of the Company held by him.
- (2) The Directors may retain any dividend or other moneys payable on or in respect of a share other than fully paid shares 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.
- (3) The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member, or which any person is under those provisions entitled to transfer, until such person shall become a Member in respect of such shares or shall transfer the same.
- (4) The Directors may retain any dividend payable to a Member or any part thereof and set the same off against the amount of any call made in respect of such Members' shares and unpaid and whether such call shall have been made before or after the declaration of the dividend in question.

159. Dividends shall not bear interest

Without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided, any dividend or other monies payable on or in respect of any share shall not bear interest against the Company.

160. Payment of 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 fix the value for distribution of such specific asset 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, may vest any such specific assets in trustees as may seem expedient to the Directors.

161. Fund available for dividend

- (1) Subject to the provisions of the Act where any asset, business or property is bought by the Company as from a past date upon the terms that the Company shall as from that date take the profits and bear the losses thereof, such profits or losses as the case may be, shall, at the discretion of the Directors, be credited or debited wholly or in part to revenue account, and in that case the amount so credited or debited shall, for the purpose of ascertaining the fund available for dividend, be treated as a profit or loss arising from the business of the Company and available for dividend accordingly.
- (2) Subject as aforesaid, if any shares or securities are purchased cum dividend or interest such dividend or interest when paid may at the discretion of the Directors be treated as revenue and it shall not be obligatory to capitalise the same or any part thereof.

162. Procedures of dividend payment

Any dividend, interest or other money payable by the Company in respect of any share may be paid by directly crediting the shareholders' dividend entitlements into their bank accounts by way of electronic bank transfer or other methods of transfer or remittance to such account as designated by such holder or the person entitled to such payment, or by way of cheque or warrant sent by post addressed to the holder at his registered address as it appears in the Register of Members or the Record of Depositors or, in the case of joint-holders, addressed to the holder whose name stands first in the Register of Members in respect of the shares at his address as it appears in the Register of Members or addressed to such person and at such address as the holder or joint-holders may in writing direct. Every cheque or warrant shall, unless the holder or joint-holders otherwise direct in writing, be made payable to the order of the holder whose name stands first in the Register of Members or the Record of Depositors in respect of the shares, and shall be sent at his or their risk. Every such cheque or warrant or electronic transfer or remittance shall be made payable to the order of the person to whom it is sent and the payment by cheque or warrant or electronic transfer or remittance shall constitute a good discharge to the Company. In addition, any such dividend or other sum may (subject to any restrictions which may be imposed by applicable law) be paid by any bank or other funds transfer system or such other means and to or through such person as the holder or joint-holders may in writing direct and every such payment shall constitute a good discharge to the Company.

163. Transfer of shares prior to declaration of dividend

A transfer of shares shall not pass the right to any dividend declared on such shares before the registration of the transfer provided that any dividend declared on Deposited Securities shall accrue to the Depositors whose names appear on the Record of Depositors issued to the Company or the Company's Registrar pursuant to the Rules for the purpose of determining the Depositors who are entitled to the dividends declared.

164. Loss cheque or warrant or delayed transfer

Every such cheque or warrant or electronic transfer or remittance shall be sent at the risk of the person entitled to the money represent thereby. The Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or where it has acted on any such directions. Any one or two (2) or more joint-holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by them. Where a person is entitled by transmission to a share, any dividend or other sum payable by the Company in respect of the share may be paid as if he were the holder of the share and his address noted in the Register of Members or Record of Depositors were his registered address.

165. Unclaimed dividends

All dividends unclaimed for more than one (1) year after having been declared may be disposed of in accordance with the provisions of the Unclaimed Moneys Act, 1965. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of six (6) years from the date of declaration of such dividend may be forfeited and if so shall revert to the Company.

CAPITALISATION OF PROFITS**166. Power to capitalise profits**

The Company in general meeting may upon the recommendation of the Directors by an ordinary resolution resolve that it is desirable to capitalise 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 share held by such Members respectively or paying up in full unissued shares or debenture of the Company to be allotted, distributed and 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.

167. Capitalisation of profits

Whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised 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 authorise 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 capitalisation, 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 capitalised, 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.

NOTICES**168. Notice of general meetings**

- (1) Notice of every general meeting shall be given in any manner hereinbefore authorised to:
 - (a) every Member;
 - (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 auditors for the time being of the Company; and
 - (d) the Stock Exchange.
- (2) Save as otherwise provided in these Articles or in the Act, no other person shall be entitled to receive notice of general meetings; provided that if the meeting be called for the alteration of the Company's objects, the provisions of Section 28 of the Act regarding notices to debenture holders shall be complied with.
- (3) Any notice on behalf of the Company or of the Board shall be deemed effectual if it purports to bear the signature of the Secretary, or a Director or other duly authorised officer of the Company.
- (4) The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate proceedings at that meeting.

169. Service of notice

- (1) 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 in the Register of Members or the Record of Depositors, or (if he has no registered within Malaysia) to the address, if any, within Malaysia supplied by him to the Company for 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.

- (2) Notwithstanding the provisions of these Articles and the Listing Requirements, to the extent permitted by law, the Company may serve notice on a Member by way of electronic communication or by means of publication of the notice or other document at the Company's website.

170. Service of notice by telefax etc

A notice or other document may also be served by the Company or the Secretary on any Member or Director by transmitting it by telefax or by telex with confirmed telex answerback (with postage prepaid air mail confirmation) to such Member or Director at the telefax or telex number of such Member or Director appearing in the Register of Members or the Record of Depositors or the Register of Directors or specified by such Member or Director to the Company or the Secretary as such Member's or Director's telefax or telex number for the time being in the case of telex messages and at the telefax number appearing in the Register or the Record of Depositors or the Register of Directors or specified by such Member or Director to the Company or the Secretary as such Member's or Director's telefax number for the time being in the case of telefax messages.

171. Service of notice in respect of joint holdings

With respect to any share to which persons are jointly entitled or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, all notices shall be given to the person first named in the Register of Members or to the extent permissible under the Central Depositories Act and the Rules, in the Record of Depositors and any notice so given shall be sufficient notice to all the holders of such share.

172. Service of notice on deceased Member

Subject always to the provisions of these Articles, any notice or document delivered or sent by post to, or left at, the registered address of any Member shall, if such Member be then deceased, and whether or not the Company has notice of his death, be deemed to have been duly served on his legal personal representatives.

173. Service of notice on person entitled to a share in consequence of death or bankruptcy of Member

Every person who, by operation of law, transfer, transmission or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which, prior to his name and address being entered in the Register of Members or Record of Depositors as the registered holder of such share, shall have been duly given to the person from whom he derives the title to such share provided always that a person entitled to a share in consequence of the death or bankruptcy of a Member, upon supplying to the Company and the Central Depository such evidence as the Directors may reasonably require, and as the Central Depository may require to show his title to the share, and upon supplying also an address within Malaysia for the service of notices, shall be entitled to have served upon him at such address any notice or document to which the Member but for his death or bankruptcy would be entitled, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

WINDING UP

174. 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:

- (1) 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
- (2) 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.

175. Distribution of assets in specie

If the Company is wound up the liquidator may, with the sanction of a 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.

176. Liquidator's remuneration

On the voluntary liquidation of the Company, no commission or fee shall be paid to a liquidator unless it shall have been approved by shareholders. The amount of such payment shall be notified to all shareholders at least seven (7) days prior to the meeting at which it is to be considered.

DESTRUCTION OF DOCUMENTS**177. Power to destroy documents**

The Company shall be entitled to destroy all instruments of transfer which shall have been registered at any time after a reasonable time from the date of registration thereof, and all share certificates and dividend mandates which have been cancelled or have ceased to have effect at any time after the expiration of one (1) year from the date of cancellation or cessation thereof, and all notifications of change of name or address after the expiration of one (1) year from the date they were recorded, and in favour of the Company it shall conclusively be presumed that every entry in the Register of Members which purports to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every share certificate so destroyed was a valid certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company provided that:

- (1) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice that the preservation of such document was relevant to a claim;
- (2) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company but for the provisions of this Article; and
- (3) reference in this Article to the destruction of any document includes references to its disposal in any manner.

AUTHENTICATION OF DOCUMENTS**178. Authentication of documents**

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 resolution 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 kept elsewhere other than in the registered 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.

SIGNATURES**179. Signature on document or instrument transmitted by technology**

For the purpose of these Articles, any document or instrument transmitted by any technology purporting to include a signature and/or electronic or digital signature of any of the following persons:

- (1) a holder of shares; or
- (2) a Director; or
- (3) an alternate Director; or

- (4) in the case of a corporation, which is a holder of shares, its Director or Secretary or a duly appointed attorney or duly authorised representative,

shall in the absence of express evidence to the contrary available to the person relying on such document or instrument at the relevant time, be deemed to be a document or instrument signed by such person in the terms in which it is received.

SECURITY CLAUSE

180. Information inexpedient to communicate to public

Save as may be expressly provided by the Act, no Member shall be entitled to enter into or upon or inspect any premises or property of the Company nor to require discovery of any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, it would be inexpedient in the interests of the Members of the Company to communicate to the public.

INDEMNITY

181. Indemnity of Directors and officers

Subject to the provisions of the Act, the Directors, Secretary, agents and other officers for the time being of the Company, and any trustee for the time being acting in relation to any of the affairs of the Company and his heirs, executors and administrators respectively shall be indemnified out of the assets of the Company from the against all actions proceedings, costs, charges, losses, damages and expenses which he shall or may incur or sustain by reason of any act done or omitted in or about the execution of his duty in his respective office or trusts, except such (if any) as he shall incur or sustain by or through his own willful neglect or defaults respectively, and such officer or trustee shall not be answerable for the acts, receipts, neglects or defaults, of any officer or trustee or for joining in any receipt for the sake of conformity, or for the solvency or honesty of any banker or other person with whom any moneys, or effects belonging to the Company may be lodged or deposited for safe custody or for any insufficiency or deficiency of any security upon which any moneys of the Company shall be in or about the execution of his office or trust, unless the same shall happen through the willful neglect or default of such officer or trustee.

EFFECT OF EXCHANGE CONTROL LEGISLATION

182. Permission by Controller of Foreign Exchange of Malaysia

Whether under these Articles a Member is given the right to purchase or subscribe for any shares in the Company, the said provisions shall apply if and to the extent any necessary consent or permission by the Controller of Foreign Exchange of Malaysia is granted, and unless such consent or permission is granted the relevant Articles shall be read and construed as if all reference to the Member concerned had been omitted therefrom.

EFFECT OF THE LISTING REQUIREMENTS

183. (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 given 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.

1. Responsibility statement

This Circular has been seen and approved by the Directors of the Company who collectively and individually accept full responsibility for the accuracy of the information given therein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular misleading.

2. Material contracts

Save as disclosed below, neither the Company nor its subsidiaries has entered into any material contracts (not being contracts entered into in the ordinary course of business) during the two (2) years immediately preceding the date of this Circular.

- (i) Sale and purchase agreement dated June 20, 2012 between DKSH Central Services Malaysia Sdn Bhd (Co. No. 393972-X) ("DCS"), a wholly-owned subsidiary of DKSH, and Absoland Sdn Bhd (Co. No. 1004075-H) ("ASB") for the disposal of a piece of leasehold land held under Pajakan Negeri 9747, Lot 7 Seksyen 13, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor together with a single-storey warehouse and a two-storey office building annexed thereto and erected thereon by DCS to ASB for a total cash consideration of RM30,000,000.00 (Ringgit Malaysia Thirty Million) ("Sale and Purchase Agreement"). This Sale and Purchase Agreement was completed on October 23, 2012.

3. Material litigation

Neither DKSH nor its subsidiaries is, as at the date of this Circular, engaged in any material litigation, claims or arbitration, either as plaintiff or defendant which has a material effect on the financial position or business of the DKSH Group and the Directors of the Company are not aware of any proceeding, pending or threatened against the DKSH Group or any facts likely to give rise to any proceeding which may materially and adversely affect the financial position or business of the DKSH Group.

4. Documents available for inspection

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company at 74 Jalan University, 46200 Petaling Jaya, Selangor Darul Ehsan from the date of this Circular up to and including the date of the 21st AGM:

- (i) the Memorandum and Articles of Association of the Company;
- (ii) the Audited Consolidated Financial Statements of the Company for the past two (2) financial years ended December 31, 2011 and December 31, 2012;
- (iii) the unaudited results for the financial quarter ended March 31, 2013 being the latest unaudited quarterly results since the last Audited Consolidated Financial Statements of the Company; and
- (iv) the Sale and Purchase Agreement as stated in section 2 above.