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If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately. If you have sold or transferred all your shares in **TIME dotCom Berhad ("Tdc")**, you should immediately hand this Circular together with the accompanying Form of Proxy to the agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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TIME dotCom Berhad

(Company No: 413292-P)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

in relation to the

PART A

PROPOSED CAPITAL REPAYMENT TO THE SHAREHOLDERS OF Tdc BY REDUCTION OF THE SHARE PREMIUM RESERVES VIA A CASH DISTRIBUTION OF RM379,616,250 ON THE BASIS OF 15 SEN CASH FOR EVERY ONE (1) EXISTING ORDINARY SHARE OF RM1.00 EACH HELD IN Tdc AT A DATE TO BE DETERMINED LATER

PART B

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF Tdc

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Part A Advised by



AmMerchant Bank Berhad

(23742-V) A member of the AmBank Group

The Notice of an Extraordinary General Meeting to be held at Banquet Hall, Main Lobby, Kuala Lumpur Golf & Country Club (KLGCC), No. 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 1 September 2004 at 10.00 a.m. together with the Form of Proxy are enclosed in this Circular. Shareholders are advised to refer to the Notice of the Extraordinary General Meeting and the Form of Proxy enclosed. The Form of Proxy should be lodged at the registered office of the Company at Level 1, Wisma TIME, 249, Jalan Tun Razak, 50400 Kuala Lumpur not less than forty-eight (48) hours before the time fixed for holding the meeting or at any adjournment thereof, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll. The lodging of the Form of Proxy will not preclude you from attending and voting at the meeting if you are able to do so.

The last day and time for lodging the Form of Proxy is on Monday, 30 August 2004 at 10.00 a.m.

This Circular is dated 10 August 2004

DEFINITIONS

For the purpose of this Circular, except where the context otherwise requires, the following abbreviations and definitions shall apply :-

Act	- The Companies Act, 1965 and includes any amendments thereto
AmMerchant Bank	- AmMerchant Bank Berhad (23742-V)
Article(s)	- The Articles of Association of TdC as amended from time to time
Board	- The Board of Directors of TdC
Bursa Securities	- Bursa Malaysia Securities Berhad (formerly known as Malaysia Securities Exchange Berhad) (635998-W)
EGM	- Extraordinary General Meeting
Entitlement Date	- The date on which shareholders must be registered in the Record of Depositors in order to participate in the Proposed Capital Repayment. The aforesaid entitlement date will be announced once determined by the Board
High Court	- High Court of Malaya
Listing Requirements	- The Listing Requirements of Bursa Securities
NTA	- Net tangible assets
Proposed Amendments	- Proposed amendments to the Articles as more particularly set out in Section 2 of Part B of this Circular
Proposed Capital Repayment	- Proposed capital repayment to the shareholders of TdC by reduction of the share premium reserves via a cash distribution of RM379,616,250 on the basis of 15 sen cash for every one (1) existing Share held in TdC at the Entitlement Date
Proposed TRSB Distribution	- Proposed capital repayment exercise to be undertaken by TRSB via a capital reduction pursuant to Section 64 of the Act
RM and sen	- Ringgit Malaysia and sen respectively
Record of Depositors	- A record maintained by the Bursa Malaysia Depository Sdn Bhd (formerly known as Malaysian Central Depository Sdn Bhd) pursuant to Chapter 24.0 of its rules, including any amendments thereof
SC	- Securities Commission
Share(s)	- Ordinary share(s) of RM1.00 each
TdC or Company	- TIME dotCom Berhad (413292-P)
TdC Group or Group	- TdC and its subsidiaries
TRSB	- TIME Reach Sdn Bhd (11683-W), a wholly-owned subsidiary of TdC

TABLE OF CONTENTS

PART A**LETTER FROM THE BOARD TO THE SHAREHOLDERS OF TdC CONTAINING :-**

	Page
1. INTRODUCTION	1
2. PROPOSED CAPITAL REPAYMENT	2
2.1 Details Of The Proposed Capital Repayment	2
2.2 Implementation Of The Proposed Capital Repayment	2
3. RATIONALE FOR THE PROPOSED CAPITAL REPAYMENT	2
4. EFFECTS OF THE PROPOSED CAPITAL REPAYMENT	3
4.1 Share Capital	3
4.2 NTA	3
4.3 Earnings	3
4.4 Substantial Shareholders' Shareholdings	3
5. CONDITIONS TO THE PROPOSED CAPITAL REPAYMENT	4
6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS	4
7. ESTIMATED TIME FRAME FOR COMPLETION	4
8. DIRECTORS' RECOMMENDATION	4
9. EGM.....	4
10. FURTHER INFORMATION	4

PART B**LETTER FROM THE BOARD TO THE SHAREHOLDERS OF TdC CONTAINING :-**

1. INTRODUCTION	5
2. PROPOSED AMENDMENTS.....	6
3. RATIONALE FOR THE PROPOSED AMENDMENTS.....	6
4. EFFECTS OF THE PROPOSED AMENDMENTS.....	6
5. CONDITIONS TO THE PROPOSED AMENDMENTS.....	6
6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS	6
7. DIRECTORS' RECOMMENDATION	6
8. EGM.....	7
9. FURTHER INFORMATION	7

APPENDICES

APPENDIX I - DETAILS OF THE PROPOSED AMENDMENTS	8
APPENDIX II - FURTHER INFORMATION	28
NOTICE OF EGM	29
FORM OF PROXY.....	ENCLOSED

PART A

PROPOSED CAPITAL REPAYMENT TO THE SHAREHOLDERS OF TdC BY REDUCTION OF THE SHARE PREMIUM RESERVES VIA A CASH DISTRIBUTION OF RM379,616,250 ON THE BASIS OF 15 SEN CASH FOR EVERY ONE (1) EXISTING SHARE HELD IN TdC AT A DATE TO BE DETERMINED LATER

TIME dotCom Berhad

(Company No: 413292-P)

(Incorporated in Malaysia)

Registered Office :

Level 1, Wisma TIME
249, Jalan Tun Razak
50400 Kuala Lumpur

10 August 2004

Directors

YBhg. Dato' Ir. Wan Muhamad Wan Ibrahim (*Chairman*)

Mr Tan See Yin (*Managing Director*)

YBhg. Dato' Abdul Rahim Abu Bakar (*Independent, Non-Executive Director*)

YBhg. Dato' Haji Shaik Daud Md Ismail (*Independent, Non-Executive Director*)

Puan Elakumari Kantilal (*Non-Independent, Non-Executive Director*)

Encik Abdul Kadir Md Kassim (*Non-Independent, Non-Executive Director*)

Encik Kamaludin Abdul Kadir (*Independent, Non-Executive Director*)

Encik Othman Abdullah (*Non-Independent, Non-Executive Director*)

Puan Azian Mohd. Noh (*Non-Independent, Non-Executive Director*) / Alternate Director to Encik Othman Abdullah

Encik Amiruddin Abdul Aziz (*Non-Independent, Non-Executive Director*)

To : The Shareholders of TdC

Dear Sir / Madam,

PROPOSED CAPITAL REPAYMENT TO THE SHAREHOLDERS OF TdC BY REDUCTION OF THE SHARE PREMIUM RESERVES VIA A CASH DISTRIBUTION OF RM379,616,250 ON THE BASIS OF 15 SEN CASH FOR EVERY ONE (1) EXISTING SHARE HELD IN TdC AT A DATE TO BE DETERMINED LATER

1. INTRODUCTION

On 25 May 2004, AmMerchant Bank, on behalf of the Company, announced that the Company is proposing to distribute RM379,616,250 to the shareholders of TdC on the basis of 15 sen cash for every one (1) existing Share held in TdC at the Entitlement Date.

Apart from the Proposed Capital Repayment and Proposed Amendments, there are no other corporate exercises which have been announced and pending completion prior to the printing of this Circular.

The purpose of the Circular is to provide you with the details of the Proposed Capital Repayment together with your Board's recommendation and to seek your approval for the resolution on the Proposed Capital Repayment to be tabled at the forthcoming EGM.

2. PROPOSED CAPITAL REPAYMENT

2.1 Details Of The Proposed Capital Repayment

TdC proposes to distribute RM379,616,250 to the shareholders of TdC on the basis of 15 sen cash for every one (1) existing Share held in TdC at the Entitlement Date.

The cash will be paid to the shareholders of the Company whose names appear on the Record of Depositors as at the Entitlement Date.

2.2 Implementation Of The Proposed Capital Repayment

In order to facilitate the Proposed Capital Repayment, TdC proposes to reduce its share premium reserves in accordance with the provisions of Sections 60(2) and 64 of the Act by an amount equal to the amount to be distributed pursuant to the Proposed Capital Repayment of RM379,616,250. Based on the audited accounts of the Company as at 31 December 2003, the share premium reserves of TdC are approximately RM1,950.4 million. Pursuant to the Proposed Capital Repayment, the share premium reserves of the Company will reduce to approximately RM1,570.8 million, as shown in the table under Section 4.2 of Part A of this Circular.

Section 64(1) of the Act provides that "*Subject to confirmation by the court, a company may if so authorised by its articles by special resolution reduce its share capital in any way and in particular, without limiting the generality of the foregoing, may do all or any of the following:-*

- (a) extinguish or reduce the liability on any of its shares in respect of share capital not paid-up;*
- (b) cancel any paid-up capital which is lost or unrepresented by available assets; or*
- (c) pay off any paid-up share capital which is in excess of the needs of the company,*

and may so far as necessary alter its memorandum by reducing the amount of its share capital and of its shares accordingly."

Section 60(2) of the Act further provides that "*... the provisions of this Act relating to the reduction of the share capital of a company shall subject to this section apply as if the share premium account were paid-up share capital of the company."*

As the Proposed Capital Repayment involves a reduction of the share premium reserves of TdC, the High Court's approval will be required to effect the reduction. An application will be made to the High Court upon obtaining the shareholders' approval for the Proposed Capital Repayment at the forthcoming EGM.

3. RATIONALE FOR THE PROPOSED CAPITAL REPAYMENT

After taking into account the future operating requirements and financial obligations of the TdC Group, the Board is of the view that the Company is having a capital base that is in excess of the future operating requirements and financial obligations of the TdC Group. Accordingly, the Board believes that the Company is in a position to return part of the shareholders' investment in TdC, having taken into consideration the best interest of the TdC Group going forward.

4. EFFECTS OF THE PROPOSED CAPITAL REPAYMENT

4.1 Share Capital

The Proposed Capital Repayment will not have any effect on the issued and paid-up share capital of TdC. However, there will be a reduction in the share premium reserves of the Company by RM379,616,250, being the amount to be distributed pursuant to the Proposed Capital Repayment.

The effect of the Proposed Capital Repayment on the share premium reserves of the Company based on the audited consolidated balance sheet of TdC as at 31 December 2003 is set out in Section 4.2 of Part A of this Circular.

4.2 NTA

Based on the audited consolidated balance sheet of TdC as at 31 December 2003 and on the assumption that the Proposed Capital Repayment had been effected on that date, the effect of the Proposed Capital Repayment on the proforma NTA of the TdC Group is as follows :-

	Audited as at 31 December 2003 (RM'000)	After Proposed Capital Repayment (RM'000)
Share capital	2,530,775	2,530,775
Share premium	1,950,374	1,570,758
Accumulated losses	(708,663)	* (708,963)
Shareholders' funds	3,772,486	3,392,570
Less : Goodwill on consolidation	(626,275)	(626,275)
NTA	3,146,211	2,766,295
No. of Shares in issue ('000)	2,530,775	2,530,775
NTA per Share (RM)	1.24	1.09

* after deducting the estimated expenses for the Proposed Capital Repayment of approximately RM300,000

4.3 Earnings

The Proposed Capital Repayment is not expected to have any material effect on the earnings of the TdC Group for the financial year ending 31 December 2004 as it is only expected to be completed in the fourth (4th) quarter of 2004.

Pursuant to the Proposed Capital Repayment, the cash holding of the TdC Group will be reduced by RM379,616,250. Based on a fixed deposit rate of 3.0% per annum, there will be a reduction in interest income amounting to approximately RM11.4 million. Apart from that, the Proposed Capital Repayment will not have any material effect on the earnings of the TdC Group for the financial year ending 31 December 2005.

4.4 Substantial Shareholders' Shareholdings

The Proposed Capital Repayment will not have any effect on the shareholdings of the substantial shareholders of TdC.

5. CONDITIONS TO THE PROPOSED CAPITAL REPAYMENT

The Proposed Capital Repayment is subject to the following :-

- (i) the approval of the shareholders of TdC at the forthcoming EGM; and
- (ii) the confirmation of the High Court for the reduction in the share premium reserves pursuant to Sections 60(2) and 64 of the Act.

6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

Save for their respective entitlements under the Proposed Capital Repayment for which all existing shareholders of the Company are entitled to, none of the Directors, major shareholders as well as persons connected with them have any interest, direct and / or indirect, in the Proposed Capital Repayment.

7. ESTIMATED TIME FRAME FOR COMPLETION

Barring unforeseen circumstances, the Proposed Capital Repayment is expected to be completed in the fourth (4th) quarter of 2004.

8. DIRECTORS' RECOMMENDATION

Having considered the rationale and effects of the Proposed Capital Repayment, and after careful deliberation, the Board is of the opinion that the Proposed Capital Repayment is in the best interest of the Company and its shareholders. Accordingly, the Board recommends that you vote in favour of the relevant resolution to be tabled at the forthcoming EGM.

9. EGM

An EGM, the notice of which is enclosed with this Circular, is to be held at Banquet Hall, Main Lobby, Kuala Lumpur Golf & Country Club (KLGCC), No. 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 1 September 2004 at 10.00 a.m. for the purposes of considering and, if thought fit, passing the resolution so as to give effect to the Proposed Capital Repayment.

If you are unable to attend and vote in person at the EGM, you are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instructions printed thereon as soon as possible so as to arrive at the registered office of the Company not less than forty-eight (48) hours before the time fixed for holding the EGM or at any adjournment thereof, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll. The completion and return of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

10. FURTHER INFORMATION

Shareholders are requested to refer to the attached appendix for further information.

Yours faithfully
For and on behalf of the Board
TIME dotCom Berhad

Dato' Ir. Wan Muhamad Wan Ibrahim
Chairman

PART B

PROPOSED AMENDMENTS TO THE ARTICLES

TIME dotCom Berhad

(Company No: 413292-P)
(Incorporated in Malaysia)

Registered Office :

Level 1, Wisma TIME
249, Jalan Tun Razak
50400 Kuala Lumpur

10 August 2004

Directors

YBhg. Dato' Ir. Wan Muhamad Wan Ibrahim (*Chairman*)
Mr Tan See Yin (*Managing Director*)
YBhg. Dato' Abdul Rahim Abu Bakar (*Independent, Non-Executive Director*)
YBhg. Dato' Haji Shaik Daud Md Ismail (*Independent, Non-Executive Director*)
Puan Elakumari Kantilal (*Non-Independent, Non-Executive Director*)
Encik Abdul Kadir Md Kassim (*Non-Independent, Non-Executive Director*)
Encik Kamaludin Abdul Kadir (*Independent, Non-Executive Director*)
Encik Othman Abdullah (*Non-Independent, Non-Executive Director*)
Puan Azian Mohd. Noh (*Non-Independent, Non-Executive Director*) / Alternate Director to Encik Othman Abdullah
Encik Amiruddin Abdul Aziz (*Non-Independent, Non-Executive Director*)

To : The Shareholders of TdC

Dear Sir / Madam,

PROPOSED AMENDMENTS TO THE ARTICLES

1. INTRODUCTION

On 8 July 2004, the Company announced that it is proposing to amend its Articles, inter-alia, as follows :-

- (a) for the Directors' circular resolutions to be signed by all the Directors;
- (b) to empower the Directors to exercise the borrowing powers of the Company;
- (c) to accommodate the use of modern electronic technology as an alternative means of communication with shareholders;
- (d) to implement electronic transfer of remittance as additional method of payment to shareholders in respect of future dividends, interest or other moneys payable in cash for their Shares held in TdC; and
- (e) to change the existing Articles to be in compliance with the latest Listing Requirements and other statutory and / or regulatory requirements.

Apart from the Proposed Capital Repayment and the Proposed Amendments, there are no other corporate exercise which have been announced and pending completion prior to the printing of this Circular.

The purpose of the Circular is to provide you with the details of the Proposed Amendments together with your Board's recommendation and to seek your approval for the resolution on the Proposed Amendments to be tabled at the forthcoming EGM.

2. PROPOSED AMENDMENTS

The details of the Proposed Amendments are set out in Appendix I of this Circular.

3. RATIONALE FOR THE PROPOSED AMENDMENTS

The rationale for the Proposed Amendments are as follows :-

- (a) to amend the existing Article 108 to provide for circular resolutions of the Directors to be signed by all the Directors for good corporate governance practice;
- (b) to empower the Directors to exercise the Company's borrowing power under Article 112 as part of their general fiduciary duties;
- (c) to provide the Company with the flexibility to use electronic technology as an alternative communication tool with its shareholders and to implement the use of electronic transfer of remittance with respect to future dividends and / or other cash distributions declared by the Company to the shareholders from time to time; and
- (d) to be consistent with the latest Listing Requirements and other statutory and / or regulatory requirements.

The rationale for each of the Proposed Amendments are further set out in Appendix I of this Circular.

4. EFFECTS OF THE PROPOSED AMENDMENTS

The Proposed Amendments will have no effect on the share capital, NTA, earnings and substantial shareholders' shareholdings of the Company.

5. CONDITIONS TO THE PROPOSED AMENDMENTS

The Proposed Amendments are subject to the approval of the shareholders of TdC at the forthcoming EGM.

6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

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

7. DIRECTORS' RECOMMENDATION

Having considered the rationale of the Proposed Amendments, and after careful deliberation, the Board is of the opinion that the Proposed Amendments are in the best interest of the Company and its shareholders. Accordingly, the Board recommends that you vote in favour of the relevant resolution to be tabled at the forthcoming EGM.

8. EGM

An EGM, the notice of which is enclosed with this Circular, is to be held at Banquet Hall, Main Lobby, Kuala Lumpur Golf & Country Club (KLGCC), No. 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 1 September 2004 at 10.00 a.m. for the purposes of considering and, if thought fit, passing the resolution so as to give effect to the Proposed Amendments.

If you are unable to attend and vote in person at the EGM, you are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instructions printed thereon as soon as possible so as to arrive at the registered office of the Company not less than forty-eight (48) hours before the time fixed for holding the EGM or at any adjournment thereof, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll. The completion and return of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

9. FURTHER INFORMATION

Shareholders are requested to refer to the attached appendix for further information.

Yours faithfully
For and on behalf of the Board
TIME dotCom Berhad

Dato' Ir. Wan Muhamad Wan Ibrahim
Chairman

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS

No.	Existing Articles	Proposed Amendments	Rationale
1.	<p>Article 2 :- Definition</p> <p>"Exchange" - <u>Kuala Lumpur Stock Exchange</u>;</p> <p>"Central Depository" – <u>Malaysian Central Depository Sdn. Bhd. (165570-W)</u></p> <p>"In Writing" - written, printed or lithographed or visibly expressed in all or any of these or any other modes of representing or reproducing words;</p> <p>N/A</p>	<p>The definition of Kuala Lumpur Stock Exchange be replaced with "Bursa Malaysia Securities Berhad or its successor".</p> <p>The definition of "Malaysian Central Depository Sdn Bhd be replaced with "Bursa Malaysia Depository Sdn Bhd (165570-W) or its successor".</p> <p>To insert the words in bold to the definition of "In Writing" :- written, printed or lithographed, or visibly expressed in all or any of these or any other modes of representing or reproducing words; including any electronically communicated notice or document by way of electronic transmission which the recipient can print or read by use of an appropriate device, subject always to such terms and conditions that the Company may impose in accepting or allowing any or all electronically communicated notices or documents as satisfying the requirement of being in writing.</p> <p>A new Article 2A be inserted as follows :- "Where in these Articles, any document is required to be signed, an electronic signature affixed to such document (in form and subject to such conditions as may be prescribed by the Company) may be accepted as fulfilling the requirements of the Articles unless the Company otherwise decides that electronic signatures shall not be accepted for a particular class of documents, instruments or for specific purposes and occasions."</p>	<p>Kuala Lumpur Stock Exchange had officially changed its name to Bursa Malaysia Securities Berhad on 20 April 2004.</p> <p>Malaysian Central Depository Sdn Bhd had officially changed its name to Bursa Malaysia Depository Sdn Bhd on 20 April 2004.</p> <p>The new definition would accommodate the acceptance of electronically communicated messages as satisfying the requirement of "in writing" subject to terms and conditions imposed by the Company.</p> <p>To permit the use of electronic signatures on documents.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
	N/A	<p>A new Article 2B be inserted as follows:</p> <p>“Where in these Articles a notice, document or instrument may be sent to a member, and/or may be received by the Company by way of electronic transmission, the Company may specify the manner, mode and type of electronic transmission to be used subject always to such terms and conditions that the Company shall impose.”</p>	<p>To allow the acceptance of notices, documents or instruments by way of electronic transmission in certain circumstances and for the Company to formally embrace modern communication technology in its administration.</p>
2.	<p>Article 8 – Rights of classes of shares</p> <p>Whenever the share capital of the company is divided into different classes of shares, the special rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act <u>whether or not the Company is being wound-up</u> be varied or abrogated, with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class, and preference capital other than redeemable preference share may be repaid if agreed to by a special resolution of the holders of the preference shares at a general meeting called for the purpose. To every such separate general meeting all the provisions of these Articles relating to general meetings of the Company, or to the proceedings thereat, shall mutatis mutandis, apply except that the necessary quorum shall be two persons at least holding or representing by proxy one third the nominal amount 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. <u>Provided that where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing</u></p>	<p>To delete the underlined words such that the new provision shall read as follows :-</p> <p>Whenever the share capital of the company is divided into different classes of shares, the special rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act be varied or abrogated, with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class, and preference capital other than redeemable preference share may be repaid if agreed to by a special resolution of the holders of the preference shares at a general meeting called for the purpose. To every such separate general meeting all the provisions of these Articles relating to general meetings of the Company, or to the proceedings thereat, shall mutatis mutandis, apply except that the necessary quorum shall be two persons at least holding or representing by proxy one third the nominal amount 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.</p>	<p>To comply with the provisions of the Act.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
	<p><u>if obtained from the holders of three fourths of the issued shares of the class concerned within two months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.</u></p>		
3.	<p>Article 12 – Power to consolidate shares/cancel shares/sub-divide shares/convert class of shares</p> <p>The Company may by ordinary resolution:</p> <p>(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.</p> <p>(b) Cancel any shares which, at the date of the passing of the Power to resolution, have not been taken, or agreed to be taken by any person and diminish the amount of its capital by the amount of the shares so cancelled.</p> <p>(c) Sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Act) and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have such preferred or other special rights or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.</p> <p>(d) Subject to the provisions of these Articles and the Act, convert any class of shares into any other class of shares.</p>	<p>To amend the marginal note by deleting the underlined parts so that the new marginal note shall read as follows :-</p> <p>Article 12 – Power to consolidate shares/cancel shares/sub-divide shares</p> <p>To insert the words in bold and to delete Article 12 (d) such that the new provision shall read as follows :-</p> <p>The Company may by ordinary resolution, subject to the Act and the requirements of the Exchange :</p> <p>(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.</p> <p>(b) Cancel any shares which, at the date of the passing of the Power to resolution, have not been taken, or agreed to be taken by any shares. person and diminish the amount of its capital by the amount of the shares so cancelled.</p> <p>(c) Sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Act) and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have such preferred or other special rights or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.</p>	<p>To comply with the provisions of the Act.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
4.	<p>Article 14 – Issue of securities</p> <p><u>A</u> Company must ensure that all new issues of securities for which listing is sought 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 Section 38 of the Central Depositories Act, in which event it shall so similarly be exempted from compliance with this Article.</p> <p>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.</p>	<p>To substitute the underlined word with the following word in bold such that the new provision shall read as follows :-</p> <p>The Company must ensure that all new issues of securities for which listing is sought 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 Section 38 of the Central Depositories Act, in which event it shall so similarly be exempted from compliance with this Article.</p> <p>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.</p>	<p>To correct the typographical error in the existing Article 14.</p>
5.	<p>Article 15 – Power to reduce share capital redemption reserve fund or share premium account/Waiver to convene EGM</p> <p>Subject to confirmation by the Court, the Company may by special resolution reduce its share capital or any capital redemption reserve fund or share premium account in any manner.</p> <p><u>Notwithstanding Article 16, the Company may apply to the Exchange upon which the Company's shares are listed for waiver of convening Extraordinary General Meeting to obtain shareholders' approval for further issue of shares (other than bonus or rights issues) where the aggregate issues of which in anyone financial year do not exceed 10 percent of the issued capital.</u></p>	<p>To amend the marginal note by substituting the underlined parts so that the new marginal note shall read as follows :-</p> <p>Article 15 – Power to reduce share capital redemption reserve fund or share premium account / Power to issue shares and securities</p> <p>To delete the last paragraph as underlined and insert the following paragraph in bold such that the new provision shall read as follows :-</p> <p>Subject to confirmation by the Court, the Company may by special resolution reduce its share capital or any capital redemption reserve fund or share premium account in any manner.</p> <p>Subject to the Act, the requirements of the Exchange, the Articles and any other relevant law, the Directors may exercise the power of the Company to issue shares and/or securities.</p>	<p>To make the existing Article 15 comply with Section 132D of the Act.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
6.	<p>Article 16 – Pre-emption</p> <p>Subject to any direction to the contrary that may be given by the Company in a general meeting and these Articles, all 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 these Articles. Notwithstanding the above the <u>Company may apply to the Exchange to waive the convening of an extraordinary general meeting to obtain shareholders' approval for further issue new shares so long as the aggregate issue of such shares in anyone financial year of the Company does not exceed ten percent (10%) of the issued and fully paid share capital of the Company at the commencement of that financial year.</u></p>	<p>To delete the last sentence as underlined such that the new provision shall read as follows :-</p> <p>Subject to any direction to the contrary that may be given by the Company in a general meeting and these Articles, all 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 these Articles.</p>	<p>To make the existing Article 16 comply with Section 132D of the Act.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
7.	<p>Article 17 - Allotment of securities and despatch of notice of allotment</p> <p><u>With respect to Deposited Security, the Company shall allot securities and despatch notices of allotment of securities to the allottees within twenty (20) market days of the final application closing date for issues of securities or such other period as may be prescribed by the Exchange.</u></p>	<p>To delete Article 17 in entirety and replace with the following new provision :-</p> <p>With respect to Deposited Security, the Company shall allot securities and despatch notices of allotment of securities to the allottees within such period as may be prescribed by the Exchange from time to time.</p>	<p>To provide for the allotment of securities and despatch of notice of allotment of securities to comply with the various timelines set out in the Listing Requirements.</p>
8.	<p>Article 22 – Directors may make calls</p> <p>The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the terms of issue thereof made payable at fixed times, and each member shall (subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment), pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine.</p>	<p>To insert the following words in bold such that the new provision shall read as follows :-</p> <p>The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the terms of issue thereof made payable at fixed times, and each member shall (subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment), pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine provided that a revocation of a call shall not be construed as an extinguishment of the liability of a member to pay any moneys unpaid on their shares.</p>	<p>To make the existing Article 22 comply with Section 64 of the Act.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
9.	<p>Article 27 – Capital paid on shares in advance of calls</p> <p>The Director may, if they think fit, receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him, and such payments in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is made, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at such rate (not exceeding eight (8%) per centum per annum.) as the member paying such sum and the Directors agree upon. <u>No such sum paid in advance of calls shall entitle the member paying such sum to any portion of a dividend declared in respect of any period to the date upon which such sum would, but for such payment become presently payable.</u></p>	<p>To delete the last sentence as underlined and insert the following sentence in bold such that the new provision shall read as follows :-</p> <p>The Director may, if they think fit, receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him, and such payments in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is made, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at such rate (not exceeding eight (8%) per centum per annum.) as the member paying such sum and the Directors agree upon. Capital paid on shares in advance of calls shall not, whilst carrying interest, confer a right to participate in profits.</p>	<p>To comply with Paragraph 7.09 of the Listing Requirements which states that capital paid on shares in advance of calls shall not, whilst carrying interest, confer a right to participate in profits.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
10.	<p>Article 39 - Suspension of registration</p> <p>The registration of transfer may be <u>suspended</u> at such times and for such periods as the Directors may from time to time determine <u>not exceeding in the whole, thirty (30) days in any year. At least eighteen (18) market days' notice</u>, or such other period as may from time to time be specified by the Exchange governing the Registrar concerned, of intention to close the Register shall be published in a daily newspaper circulating in Malaysia and also be given to the Exchange. The said notice shall state the period and purpose or purposes for which the Register is being closed. At least three (3) market days or such other period as may from time to time be specified by the Rules, prior notice shall be given to the Central Depository to prepare the appropriate Register.</p>	<p>The marginal note on "Suspension of registration" be substituted with "Fixing of books closing date"</p> <p>To substitute the underlined words with the following words in bold, such that the new provision shall read as follows :-</p> <p>The books of the Company may be closed at such times and for such periods as the Directors may from time to time determine but shall not exceed thirty (30) days in any year. At least twelve (12) clear market days' notice, or such other period as may from time to time be specified by the Exchange governing the Registrar concerned, of intention to close the Register shall be published in a daily newspaper circulating in Malaysia and also be given to the Exchange. The said notice shall state the period and purpose or purposes for which the Register is being closed. At least three (3) market days or such other period as may from time to time be specified by the Rules, prior notice shall be given to the Central Depository to prepare the appropriate Register.</p>	<p>To use the same reference as used by the Bursa Securities.</p> <p>To comply with Paragraph 9.19 (1) of the Listing Requirements where books closing date shall be at least twelve (12) clear market days after the date of announcement to the Bursa Securities.</p>
11.	<p>Article 55(a) - Particulars in a notice of meeting</p> <p>The notices convening meetings shall specify the place, day and hour of the meeting, and shall be given to all shareholders at least 14 days before the meeting or at least 21 days before the meeting where any special resolution is to be proposed or where it is an annual general meeting. Any notice of a 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. At least 14 days' notice <u>in the case where any special resolution is proposed or where it is the annual general meeting</u>, of every such meeting shall be given by advertisement in the daily press and in writing to each stock exchange upon which the company is listed.</p>	<p>To substitute the underlined words with the following words in bold such that the new provision shall read as follows :-</p> <p>The notices convening meetings shall specify the place, day and hour of the meeting, and shall be given to all shareholders at least 14 days before the meeting or at least 21 days before the meeting where any special resolution is to be proposed or where it is an annual general meeting. Any notice of a 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. At least 14 days' notice or in the case of any special resolution or where it is an annual general meeting, 21 days' notice of every such meeting shall be given by advertisement in the daily press and in writing to each stock exchange upon which the company is listed.</p>	<p>To comply with Paragraph 7.17 of the Listing Requirements where twenty one (21) days' notice is required for meetings where special resolution is to be tabled or if it is an annual general meeting.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
12.	<p>Article 71 - Member entitled to vote</p> <p>Subject to Article 54, a member of the Company shall be entitled <u>to be entitled</u> to be present and <u>to vote</u> at any general meeting in respect of share or shares upon which all calls due to the company have been paid.</p> <p>Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint <u>at least</u> one proxy in respect of each securities account it holds with ordinary shares of the company standing to the credit of the said securities account.</p>	<p>To delete the underlined words such that the new provision shall read as follows :-</p> <p>Subject to Article 54, a member of the Company shall be entitled to be present and vote at any general meeting in respect of share or shares upon which all calls due to the company have been paid.</p> <p>Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one proxy in respect of each securities account it holds with ordinary shares of the company standing to the credit of the said securities account.</p>	<p>The Frequently Asked Questions (FAQ) Circular issued by the Bursa Securities on 1 June 2001 provides that a listed issuer may restrict the number of proxy appointed by an authorised nominee to one (1) proxy per securities account.</p>
13.	N/A	<p>A new Article 73A be inserted as follows :-</p> <p>Article 73A - Proxies</p> <p>Subject to the Act, a member holding 1000 shares or less in the Company shall be entitled to appoint one (1) proxy to attend and vote at the same meeting. A member holding more than 1000 shares in the Company shall be entitled to appoint a maximum of two (2) proxies to attend and vote at the same meeting provided always that where a member appoints two proxies the appointments shall be invalid unless he specifies the proportions of holdings to be represented by each proxy.</p>	<p>The proposed new Article is in accordance with Section 149(1) of the Act.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
14.	<p>Article 76 – Instrument appointing proxy to be deposited</p> <p>The instrument <u>appoint</u> a proxy or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Office or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll not less than twenty-four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.</p>	<p>To substitute the underlined word with the word in bold such that the new provision shall read as follows :-</p> <p>The instrument appointing a proxy or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Office or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll not less than twenty-four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.</p>	<p>To correct the typographical error in the existing Article 76.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
15.	<p>Article 78 – Validity of vote and voting rights of proxy</p> <p>A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding previous death or insanity of the principal or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office (or at such other place as may be <u>specified for the deposit of instruments appointing proxies</u>) before the commencement of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used. A proxy shall be entitled to vote on a show of hands on any question at any general meeting.</p>	<p>To delete the underlined words and to substitute / insert the following words in bold such that the new provision shall read as follows :-</p> <p>A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding previous death or insanity of the principal or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the place of meeting as set out in the notice of meeting (or at such other place as may be determined by the Company) 1 hour before the commencement of the meeting or adjourned meeting (or in the case of a poll 1 hour before the time appointed for the meeting) at which the proxy is used. A proxy shall be entitled to vote on a show of hands on any question at any general meeting.</p> <p>The Company may in its absolute discretion without any liability whatsoever accept any intimation in writing of such death, insanity, revocation or transfer that is received by the Company at the place of meeting less than 1 hour before the meeting.</p>	<p>The proposed amendments would provide administrative efficiency to the Company with regards to revocation of proxy by the shareholders.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
16.	<p>Article 87 - Full-time director</p> <p>(a) The Directors may pay pensions or allowances (either revocable or irrevocable and either subject or not subject to any terms or conditions) to any <u>full-time Director as hereinafter defined</u> on or at any time after his retirement from <u>his</u> office or employment under the Company or under any subsidiary company or on or after his death to his widow or other dependants.</p> <p>b) The Directors shall also have power and shall be deemed always to have had power to establish and maintain and to concur with subsidiary companies in establishing and maintaining any schemes or funds for providing pensions, sickness or compassionate allowance, life assurances or others benefits for staff (including any Director for the time being holding my executive office or any office of profit in the Company) or employees of the Company or of any such subsidiary company and for the widows or other dependants of such persons and to make contributions out of the Company's moneys for any such schemes or funds.</p> <p>c) <u>In this Article the expression "full-time Director" shall mean and Full-time director include any Director who has for a continuous period of not less than five years been engaged substantially whole-time in the business of the Company or any subsidiary company in any executive office or any office of profit or partly in one or partly in another.</u></p>	<p>To delete the underlined words and insert the following words in bold for Articles 87(a) and (b) and that Article 87(c) be deleted in entirety. The revised Article 87 shall read as follows :-</p> <p>(a) Subject to the Act and the requirements of the Exchange, the Directors may but are not obliged to pay pensions or allowances (either revocable or irrevocable and either subject or not subject to any terms or conditions) to any executive director on or at any time after his retirement from office or employment under the Company or under any subsidiary company or on or after his death to his widow or other dependants.</p> <p>b) The Directors shall also have power and shall be deemed always to have had power to concur, to establish and maintain and to have power to concur with subsidiary companies in establishing and maintaining any schemes or funds for providing pensions, sickness or compassionate allowance, life assurances or others benefits for staff (including any Director for the time being holding any executive office or any office of profit in the Company) or employees of the Company or of any such subsidiary company and for the widows or other dependants of such persons and to make contributions out of the Company's moneys for any such schemes or funds.</p>	<p>There is no reference to "full time Director " in the Listing Requirements. The Listing Requirements only has provisions for Executive and Non-Executive Directors. This Article is amended to avoid confusion.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
17.	<p>Article 90 – Appointment of Managing Director</p> <p><u>The Directors may from time to time, subject to these Articles, appoint one or more of their body to be Managing Director or other executive director for such period and on such term as they think fit. A Director appointed as Managing Director (but not any other executive director) shall not be appointed for a term exceeding five (5) years (but without prejudice to his re-appointment at the end of his term of office) and shall not while holding that office be subject to retirement by rotation or taken into account in determining the rotation or retirement of Directors. Without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company the appointment of a Managing Director or any other executive director, shall be subject to determination ipso facto if he ceases from any cause to be a Director, or if the Directors resolve that his term of office be determined.</u></p>	<p>That the existing Article 90 be deleted in entirety and substituted with the following new provision :-</p> <p>Subject to the Act, the requirements of the Exchange and the Articles, the Directors may from time to time, appoint one or more of their body to be Managing Director or as executive director on such terms and conditions as they think fit.</p>	<p>To comply with Paragraph 7.28 (2) of the Listing Requirements where all Directors shall retire from office once at least in every three (3) years.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
18.	<p>Article 93 - Office of Director vacated in certain cases</p> <p>The office of a Director shall become vacated if the director:-</p> <p>(a) becomes of unsound mind;</p> <p>(b) becomes bankrupt; or;</p> <p>(c) is absent from more than 50% of the total board of directors' meetings held during a financial year;</p>	<p>To insert the words highlighted in bold such that the new provision shall read as follows :-</p> <p>The office of a Director shall become vacated if the director:-</p> <p>(a) 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;</p> <p>(b) becomes bankrupt or makes any arrangement or composition with his creditors generally ; or</p> <p>(c) is absent from more than 50% of the total board of directors' meetings held during a financial year and that a waiver to exempt his less than 50% attendance was not granted by the Exchange ;</p> <p>(d) cease to be a director by virtue of the Act;</p> <p>(e) becomes prohibited from being a director by reason of any order made under the Act;</p> <p>(f) resigns his office by notice in writing to the Company; or</p> <p>(g) is directly or indirectly interested in any contract or proposed contract with the company and fails to declare the nature of his interest in the manner required by the Act and/or these Articles.</p>	<p>The proposed amendment is in accordance with the regulations set out in Table A of Fourth Schedule of the Act and the FAQ Circular issued by the Bursa Securities on 1 June 2001 where a listed issuer is allowed to incorporate a new provision to provide that the absence of a Director for more than 50% of board meetings would not disqualify him from being a Director should the Bursa Securities grant him a waiver of compliance with the requirement of 50% attendance.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
19.	<p>Article 94 – Retirement of Directors</p> <p>Subject to these Articles at the first annual general meeting of the Company all the Directors shall retire from office, and at <u>the annual general meeting in every subsequent year</u> one third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office and be eligible for re-election provided always that all Directors <u>except the Managing Director or joint Managing Director for a fixed period pursuant to these Articles</u> shall retire from office once at least in each three (3) <u>year period but shall be eligible for re-election.</u></p>	<p>To delete the underlined words and insert the following words in bold, such that the new provision shall read as follows :-</p> <p>Subject to these Articles, the requirements of the Exchange and the Act, at the first annual general meeting of the Company all the Directors shall retire from office, and at every annual general meeting thereafter one third of the Directors, excluding the Managing Director and joint Managing Director and Executive Directors, for the time being, or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office and be eligible for re-election provided always that all Directors shall retire from office once at least in each three (3) years.</p>	<p>To comply with Paragraph 7.28 (2) of the Listing Requirements where all Directors shall retire from office at least once in every three (3) years.</p>
20.	<p>Article 96 - Retiring Director eligible for re-election</p> <p>The Company at the meeting at which a Director retires under any provision of these Articles may by ordinary resolution fill the vacated office by electing a person thereto. <u>In default, the retiring Director shall be deemed to have been re-elected unless:</u></p> <p>(a) <u>at such meeting it is expressly resolved not to fill such vacated office, or a resolution for the re-election of such Director is put to the meeting and lost; or</u></p> <p>(b) <u>such Director is disqualified under the Act from holding office as a Director or has given notice in writing to the Company that he is unwilling to be re-elected; or</u></p> <p>(c) <u>such Director has attained any retiring age applicable to him as Director.</u></p>	<p>To delete the underlined words such that the new provision shall read as follows :-</p> <p>The Company at the meeting at which a Director retires under any provision of these Articles may by ordinary resolution fill the vacated office by electing a person thereto.</p>	<p>The existing provision provides that a retiring Director may be deemed re-elected without a resolution for his re-election being voted upon. This is not in line with Paragraph 7.28(1) of the Listing Requirements which states that an election of Directors shall take place each year.</p> <p>All the situations contemplated under subparagraphs (a), (b) and (c) result in automatic vacancy and therefore do not require shareholders' approval.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
21.	<p>Article 108 - Resolution by circulation</p> <p>A resolution in writing signed by or approved by letter by a <u>majority of the Directors for the time being in Malaysia being not less than are sufficient to form a quorum</u>, shall be as valid and effective as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors.</p>	<p>To delete the underlined words and insert the following word in bold such that the new provision shall read as follows :-</p> <p>A resolution in writing signed by or approved by letter by all the Directors shall be as valid and effective as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors.</p>	<p>The Proposed Amendment would promote good corporate governance practice in the Company.</p>
22.	<p>Article 101 – Chairman to have casting votes</p> <p>The Directors may meet together for the <u>dispatch</u> of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. Subject to Article 103 in case of an equality of votes, the Chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. <u>It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Malaysia and Singapore.</u></p>	<p>To substitute / delete the underlined words and insert the following word in bold such that the new provision shall read as follows :-</p> <p>The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. Subject to Article 103 in case of an equality of votes, the Chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors.</p>	<p>It is the Company's practice that notice of meeting be given to all the Directors unless they specifically inform the Company that they will be away from Malaysia for a specified period of time and will not be attending meetings of Directors during such period.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
23.	<p>Article 112 - Powers of the Company to borrow money</p> <p>The Directors shall <u>not without the sanction of the General meeting of the Company, cause the Company</u> to borrow money, and to mortgage or charge its undertaking, property <u>an</u> uncalled capital, or any part thereof, and to issue debentures, debenture stock and other securities whether outright or as security for any debt liability or obligation of the Company or of any related third party. For the purposes of this Article a related third party shall mean such corporation related to the Company as provided by Section 6 of the Act.</p>	<p>To delete the underlined words and insert the following words in bold such that the new provision shall read as follows :-</p> <p>The Directors may exercise all the powers of the Company to borrow money, to provide guarantees and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock and other securities whether outright or as security for any debt liability or obligation of the Company or of any related third party. For the purposes of this Article a related third party shall mean such corporation related to the Company as provided by Section 6 of the Act.</p>	<p>It is unusual and impractical for public listed companies to require powers of borrowing be approved by the shareholders. The proposed amendment is in accordance with the regulations set out in Table A of Fourth Schedule of the Act and is consistent with Article 3 where the business of the Company is to be carried out under the management of the Directors.</p>
24.	<p>Article 115 - General powers of the Company vested in Directors</p> <p><u>The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not by the Act or by these Articles required to be exercised by the Company in general meeting. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article provided that any sale of a substantial portion of the Company's main undertaking or property shall be subject to ratification by the members in general meeting. For the purposes of this Article "a substantial portion of the Company's main undertaking or property" shall mean such assets or property of the Company as constitute fifty percent (50%) or more of the net tangible assets of the Company (in value terms as recorded in the accounts of the Company).</u></p>	<p>That the existing Article 115 be deleted in entirety and substituted with the following new provision:-</p> <p>Subject to the Act and the requirements of the Exchange, the business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not required by the Act, the requirements of the Exchange or by these Articles to be exercised by the Company in general meeting. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article provided that any sale of a substantial portion of the Company's main undertaking or property shall be subject to the approval of members.</p>	<p>To make the existing Article 115 comply with the Listing Requirements.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
25.	<p>Article 137 - Dividend warrants to be sent to members by post</p> <p><u>Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or, are entitled thereto in consequence of the death or bankruptcy of the holder, or to any one of such persons or to such persons and such address as such persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom is sent or such person as the holder may direct and payment of the cheque shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.</u></p>	<p>The marginal notes and existing provision on Article 137 be deleted in entirety and replaced as follows :-</p> <p>Article 137 - Dividend warrants to be sent to members by post or through electronic transfer</p> <p>Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque, warrant or paid via electronic transfer of remittance as follows :-</p> <p>(i) sent through the post directed to the registered address of the member or sent to the account provided by the holder who is named on the Register of Members and/or Record of Depositors; or</p> <p>(ii) sent or transmitted to such person entitled thereto, or, are entitled thereto in consequence of the death or bankruptcy of the holder or to any one of such persons or to such persons and such address or to such account as such persons may by writing direct.</p> <p>Every such cheque, warrant or electronic transfer of remittance shall be made payable to the order of the person to whom it is sent or transmitted or to such person as the holder may direct. Payment of the cheque, warrant or electronic transfer of remittance shall be a good discharge to the Company and every such cheque, warrant or electronic transfer of remittance shall be sent or remitted at the risk of person entitled to the money represented thereby.</p>	<p>To implement electronic transfer of remittance as an alternative mode of payment to shareholders.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
26.	<p>Article 152 - Service of notices by Company</p>	<p>To delete the underlined words and insert the following words in bold such that the new provision shall read as follows :-</p> <p>Any notice or document (including any circular or prospectus) may be served by the Company on any member either personally, by post in a prepaid letter addressed to such member at his address in Malaysia as appearing in the Register or by electronic transmission. Where a notice is to be served generally on all members, the Company may, in lieu of serving such notice personally or by sending it through the post, advertise such notice in a newspaper generally circulating in Malaysia.</p>	<p>To allow notices and any other documents to be sent or served by electronic means.</p>
27.	<p>Article 155 - When service is effected</p>	<p>To insert a new provision on the second paragraph of the existing Article 155, and that paragraph 1 and 2 of the existing Article 155 be numbered as (a) and (c) respectively. The revised Article 155 shall read as follows :-</p> <p>(a) Any notice or document, if served or sent by post shall be deemed to have been served or delivered and at the time when they would in the ordinary course be delivered, and in proving such service or sending it shall be sufficient to prove that the envelope containing the notice or document was properly addressed and put into the post office as a pre-paid letter.</p> <p>(b) In the case of any notice or document sent or served by electronic transmission, the service of such document shall be subject to and determined in accordance with the terms and conditions that the Company shall impose with regard to service of documents or notices by electronic transmission. In proving such service or sending, a document produced by a computer containing a statement that such transmission has been effected shall be sufficient.</p>	<p>To permit notices or other documents to be sent or served through electronic means.</p>

APPENDIX I – DETAILS OF THE PROPOSED AMENDMENTS (CONT'D)

No.	Existing Articles	Proposed Amendments	Rationale
		<p>(c) 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, previously to his name and address being entered in the Register as the registered holder of such share had been duly served in accordance with these Articles.</p>	

APPENDIX II – FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable inquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. MATERIAL LITIGATION

The TdC Group is not engaged in any material litigation, either as plaintiff or defendant, claims or arbitration, and the Board is not aware of any proceedings pending or threatened against the TdC Group or of any facts likely to give rise to any proceedings which might materially affect the position or business of the TdC Group.

3. MATERIAL CONTRACTS

There are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the TdC Group within the two (2) years immediately preceding the date of this Circular.

4. CONSENT

The written consent of AmMerchant Bank to the inclusion in this Circular of its name in the form and context in which it appears has been given and has not been subsequently withdrawn before the issue of this Circular.

5. DOCUMENTS AVAILABLE FOR INSPECTION

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

- (i) Memorandum and Articles of Association of TdC;
- (ii) Audited accounts of the TdC Group for the past two (2) financial years ended 31 December 2003 and the unaudited results of the TdC Group for the three (3) months period ended 31 March 2004; and
- (iii) The letter of consent referred to in (4) above.

TIME dotCom Berhad

(Company No: 413292-P)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of TIME dotCom Berhad ("**TdC**" or "**Company**") will be held at Banquet Hall, Main Lobby, Kuala Lumpur Golf & Country Club (KLGCC), No. 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 1 September 2004 at 10.00 a.m. to consider and, if thought fit, passing the following resolutions :-

SPECIAL RESOLUTION 1

PROPOSED CAPITAL REPAYMENT TO THE SHAREHOLDERS OF TdC BY REDUCTION OF THE SHARE PREMIUM RESERVES VIA A CASH DISTRIBUTION OF RM379,616,250 ON THE BASIS OF 15 SEN CASH FOR EVERY ONE (1) EXISTING ORDINARY SHARE OF RM1.00 EACH HELD IN TdC AT A DATE TO BE DETERMINED LATER ("PROPOSED CAPITAL REPAYMENT")

"**THAT** subject to the confirmation by the High Court of Malaya pursuant to Sections 60(2) and 64 of the Companies Act, 1965, approval be and is hereby given for the Company to effect a capital reduction by cancellation of a sum of RM379,616,250 from the audited share premium reserves of the Company as at 31 December 2003, resulting in the share premium reserves being reduced from RM1,950,374,000 to RM1,570,757,750 and to utilise the resultant credit of RM379,616,250 arising therefrom for distribution to its shareholders on the basis of 15 sen cash for every one (1) existing ordinary share of RM1.00 each held in TdC at a date to be determined later by the Board of Directors **AND THAT** the Directors of the Company be and are hereby authorised to do all such deeds, acts and things and execute, sign and deliver all documents for and on behalf of the Company as they may consider necessary or expedient to give effect to and implement the Proposed Capital Repayment with full power to assent to any condition, modification, variation as may be imposed or permitted by the relevant authorities and/or High Court of Malaya."

SPECIAL RESOLUTION 2

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF TdC ("PROPOSED AMENDMENTS")

"**THAT** the Articles of Association of TdC as amended in the manner set out in Appendix I of the Circular to Shareholders dated 10 August 2004, be hereby approved and adopted **AND THAT** the Directors and Secretaries of the Company be and are hereby authorised to carry out all the necessary formalities to give effect to the aforesaid amendments."

By Order of the Board

Misni Aryani Muhamad (LS 02123)
Goh Wei Khwan (MAICSA 7027743)
Company Secretaries

Kuala Lumpur
10 August 2004

Notes :-

1. *A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy / proxies to attend and vote in his stead. A proxy may but need not be a member of the Company.*
2. *The instrument of proxy must be deposited at the Company's registered office at Level 1, Wisma TIME, 249, Jalan Tun Razak, 50400 Kuala Lumpur not less than forty-eight (48) hours before the time fixed for holding the Meeting or at any adjournment thereof, 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 shall not be treated as valid.*
3. *A member shall not be entitled to appoint more than two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless the proportion of the holding to be represented by each proxy is specified.*
4. *The instrument of proxy must be signed by the appointer or his attorney duly authorised in writing or in the case of a corporation, either under its common seal or signed by its duly authorised attorney.*

TIME dotCom Berhad

(Company No: 413292-P)
(Incorporated in Malaysia)

FORM OF PROXY

No. of ordinary shares held	CDS Account No.

I/We
(Name in block letters)

of
(Full address)

being a member/members of **TIME dotCom Berhad** ("Company"), hereby appoint

of

or failing him

of

or failing him/her, the Chairman of the Meeting as *my/our proxy to vote for *me/us and on *my/our behalf at the Extraordinary General Meeting of the Company to be held at Banquet Hall, Main Lobby, Kuala Lumpur Golf & Country Club (KLGCC), No. 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 1 September 2004 at 10.00 a.m. or at any adjournment thereof.

You may indicate with an "X" or "✓" in the boxes provided below how you wish your votes to be cast. Please note that the filling of this form is for indicative purposes only and shall not bind the Company or in any way oblige or require the Company to ensure that your proxy shall vote in the manner as indicated by you.

Please take further note that the Company shall accept the vote cast by your proxy as a valid vote whether or not your proxy has acted in accordance with your instructions.

	FOR	AGAINST
SPECIAL RESOLUTION 1 - PROPOSED CAPITAL REPAYMENT		
SPECIAL RESOLUTION 2 - PROPOSED AMENDMENTS		

Signed this day of 2004

Signature/Common Seal of Appointer

* Delete whichever is not applicable



Notes :-

- 1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy / proxies to attend and vote in his stead. A proxy may but need not be a member of the Company.*
- 2. The instrument of proxy must be deposited at the Company's registered office at Level 1, Wisma TIME, 249, Jalan Tun Razak, 50400 Kuala Lumpur not less than forty-eight (48) hours before the time fixed for holding the Meeting or at any adjournment thereof, 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 shall not be treated as valid.*
- 3. A member shall not be entitled to appoint more than two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless the proportion of the holding to be represented by each proxy is specified.*
- 4. The instrument of proxy must be signed by the appointer or his attorney duly authorised in writing or in the case of a corporation, either under its common seal or signed by its duly authorised attorney.*