

Our Ref: WKY/JE(Ik)/LD12/06

4 August 2006

The Company Secretary
(Listed issuers)

Dear Sir/Madam,

DISCLOSURE IN RELATION TO ANY AGREEMENT, ARRANGEMENT, JOINT VENTURE OR COLLABORATION FOR THE PURPOSE OF BIDDING FOR OR SECURING A PROJECT OR CONTRACT

1. This letter is issued to all listed companies pursuant to Rule 2.20 of the Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market ("MMLR").
2. We have noted several instances where the contents of announcements made by listed companies in relation to the entry into or the proposal to enter into any agreement, arrangement, joint venture or collaboration for the purpose of bidding for or securing a project or contract or any other arrangement of similar nature howsoever described (hereinafter collectively referred to as "the Venture") do not contain sufficient information as required pursuant to Chapter 9 of the MMLR.

A. Minimum information in relation to announcements of the Venture

3. In this connection and without limiting the generality of Chapter 9 of the MMLR, Bursa Securities directs that any announcement made in respect of the Venture must include the following information :-
 - (a) the identity of the counter-party (ies) of the Venture ;
 - (b) the date on which the terms of the Venture were agreed upon;
 - (c) the rationale for the Venture;
 - (d) the total capital and investment outlay in the Venture ;
 - (e) the source(s) of funds for financing the investment in the Venture, and the breakdown thereof including the terms of any arrangement for payment on a deferred basis, if applicable ;
 - (f) the terms of cost and profit sharing, if applicable;
 - (g) the financial impact of the Venture on the listed company;
 - (h) the salient terms and/or features of agreements entered into in relation to the Venture, if any, and the time and place where such documents may be inspected ;

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- (i) whether feasibility studies have been undertaken in respect of the Venture and the outcome of the same;
 - (j) a description of the prospects and risk factors involved in undertaking the Venture ;
 - (k) the current stage of development or operations of the Venture including the expected period of time for the Venture to commence operations and the duration of the Venture ;
 - (l) whether the Venture is subject to the approval of shareholders and the relevant government authorities ; and
 - (m) whether the directors and/or major shareholders and/or persons connected with a director or major shareholder have any interest, direct or indirect, in the Venture and the nature and extent of their interests.
4. Further, in respect of the project or contract which is to be secured as part of the Venture the announcement must include, where applicable, the following:-
- (a) the material terms of the arrangement or agreement in relation to the project or contract ;
 - (b) the track record of the project or contract i.e. the number of years in operation and the revenue generated;
 - (c) the current stage of development of the project or contract i.e. conceptual, developmental etc;
 - (d) the details of current level of operations or expected period of time for the project or contract to become operational, as the case may be; and
 - (e) the outcome of any feasibility studies undertaken with respect to the project or contract and the name(s) of the consultants conducting the same, if any.

B. Updates on the status of the Venture

5. Without limiting the generality of Rules 9.03 (1) and 9.19 (46) of the MMLR, Bursa Securities further directs that subsequent to the initial announcement of the Venture, a listed company undertaking the Venture must also submit to Bursa Securities for public release the following :-

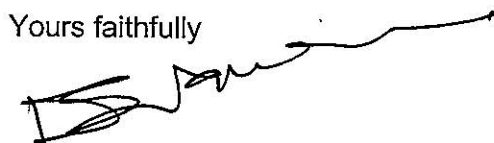
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- 5.1 A report on the status of the progress of the Venture, in the following manner:-
- (a) simultaneously with the listed company's quarterly report pursuant to Rule 9.22 of the MMLR and in any event not later than 2 months after the end of each quarter of a financial year; or
 - (b) upon the occurrence of a material event or development in relation to the said Venture,
- whichever is earlier.
- 5.2 However, please note that the obligation stipulated in paragraph 5.1 above shall no longer be applicable to a listed company undertaking the Venture upon the occurrence of any one of the following circumstances:-
- (a) when the Venture is aborted or ceased; or
 - (b) when operations in relation to all the projects or contracts envisaged to be undertaken pursuant to the Venture have generated revenue .
- 5.3 When the Venture is aborted or ceased, an immediate announcement must be made by the listed company and the announcement must include, amongst others, the following:-
- (a) the reasons or circumstances leading to the abortion or cessation of the Venture ;
 - (b) the date on which the abortion or the cessation of the Venture is effective ; and
 - (c) the effect of the abortion or cessation of the Venture on the listed issuer, financially and legally.
- 5.4 The listed company must also make an immediate announcement when operations in relation to all the projects or contracts envisaged to be undertaken pursuant to the Venture have generated revenue.

Thank you.

Yours faithfully



DEVANESAN EVANSON
Chief Regulatory Officer