

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

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.

The sections pertaining to the Proposed Increase In Authorised Share Capital, Proposed M&A Amendments and Proposed Change of Name (as defined herein) is prescribed as an exempt document pursuant to Practice Note 18 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and does not require the perusal of Bursa Securities prior to issuance. Accordingly, Bursa Securities has not perused the sections pertaining to the Proposed Increase In Authorised Share Capital, Proposed M&A Amendments and Proposed Change of Name prior to the issuance of this Circular.

Shareholders should rely on their own evaluation to assess the merits and risks of the Proposals (as defined herein). Bursa Securities takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness, and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



**MALAYSIA AICA BERHAD**

(Company No: 8235-K)

(Incorporated in Malaysia under the Companies Act, 1965)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE:-**

**PART A**

- (I) **PROPOSED RIGHTS ISSUE WITH WARRANTS;**
- (II) **PROPOSED PRIVATE PLACEMENT;**
- (III) **PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL; AND**
- (IV) **PROPOSED M&A AMENDMENTS**

**(HEREINAFTER COLLECTIVELY REFERRED TO AS THE "PROPOSALS")**

**PART B**

**PROPOSED CHANGE OF NAME**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

*Joint Advisers for PART A*

  
**RHB Investment Bank Berhad**  
(Company No. 19663-P)  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

  
**ASTRAMINA**  
ADVISORY  
Astramina Advisory Sdn Bhd  
(Company No. 810705-K)  
(A licenced corporate finance advisory firm)

  
**AmInvestment Bank**  
AmInvestment Bank Berhad  
(Company No. 23742-V)  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of the Extraordinary General Meeting ("**EGM**") to be convened at Function Room, KampungKu Restaurant, Sunsuria Avenue, Persiaran Mahogani, Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor on Monday, 12 May 2014 at 10.30 a.m. or at any adjournment thereof, together with the Form of Proxy as enclosed herein.

A member entitled to attend and vote at the EGM is entitled to appoint a proxy or proxies to attend and to vote on his/her behalf. In such event, the Form of Proxy should be lodged at the Company's Share Registrar, Tricor Investor Services Sdn Bhd, Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time set for holding the EGM, or at any adjournment thereof. The lodging of the Form of Proxy does not preclude you from attending and voting in person at the EGM, should you subsequently wish to do so.

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## DEFINITIONS

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

<b>Abridged Prospectus</b>	:	Abridged prospectus to be issued in relation to the Proposed Rights Issue With Warrants
<b>AmInvestment Bank</b>	:	AmInvestment Bank Berhad (Company No. 23742-V)
<b>Astramina</b>	:	Astramina Advisory Sdn Bhd (Company No. 810705-K)
<b>Board</b>	:	The board of directors of MAICA
<b>Bursa Depository</b>	:	Bursa Malaysia Depository Sdn Bhd (Company No. 165570-W)
<b>Bursa Securities</b>	:	Bursa Malaysia Securities Berhad (Company No. 635998-W)
<b>CMSA</b>	:	Capital Markets and Services Act 2007
<b>Code</b>	:	The Malaysian Code on Take-Overs and Mergers, 2010 as amended from time to time
<b>Datuk Ter</b>	:	Datuk Ter Leong Yap
<b>Deed Poll</b>	:	Deed Poll governing the Warrants to be executed by the Company
<b>EGM</b>	:	Extraordinary general meeting of the Company
<b>Entitled Shareholders</b>	:	Shareholders whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date
<b>Entitlement Date</b>	:	A date to be determined by the Board and announced later on which the names of the Entitled Shareholders must appear in the Record of Depositors in order to be entitled to the Proposed Rights Issue With Warrants
<b>EPS</b>	:	Earnings per Share
<b>Foreign-Addressed Shareholders</b>	:	Shareholders who have not provided an address in Malaysia for the service of documents which will be issued in connection with the Proposed Rights Issue With Warrants
<b>FYE</b>	:	Financial year ended/ending
<b>Interested Person</b>	:	A director, major shareholder or chief executive of MAICA in relation to the Proposed Private Placement
<b>Joint Advisers</b>	:	Collectively, AmInvestment Bank, Astramina and RHB Investment Bank
<b>LPD</b>	:	3 April 2014, being the latest practicable date prior to the printing of this Circular
<b>MAICA or the Company</b>	:	Malaysia Aica Berhad (Company No. 8235-K)
<b>M&amp;A</b>	:	Memorandum and Articles of Association
<b>MAICA Group or the Group</b>	:	Collectively, MAICA and its subsidiaries

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**DEFINITIONS (Cont'd)**

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<b>MAICA Share(s) or Share(s)</b>	:	Ordinary share(s) of RM0.50 each in MAICA
<b>Market Day</b>	:	A day between Monday and Friday (inclusive) which is not a public holiday and when Bursa Securities is opened for trading in securities
<b>Maximum Scenario</b>	:	Represents the scenario whereby all Entitled Shareholders subscribe for their respective entitlements under the Proposed Rights Issue With Warrants.
<b>MGO</b>	:	Mandatory General Offer
<b>Minimum Scenario</b>	:	Represents the scenario whereby the Undertaking Shareholders nominate their Nominated Investors to subscribe for a portion of their respective Rights Shares entitlements and the individual shareholdings in MAICA of the Undertaking Shareholders increase up to (but does not exceed) 32% and no other Shareholders of MAICA subscribe for their entitlements under the Proposed Rights Issue With Warrants
<b>Minimum Subscription Level</b>	:	Minimum level of subscription for the Proposed Rights Issue With Warrants of 238,102,032 Rights Shares together with 79,367,344 Warrants based on the Undertakings
<b>MMLR</b>	:	Main Market Listing Requirements of Bursa Securities
<b>NA</b>	:	Net assets
<b>Nominated Investors</b>	:	Investors nominated by Datuk Ter and Ter Equity
<b>Non-Compliance With Public Shareholding Spread</b>	:	Where there is less than 25% shareholding of MAICA being held by public resulting to which MAICA is not in compliance with Paragraph 8.02(1) of the MMLR
<b>PAC(s)</b>	:	Person(s) acting in concert with the Undertaking Shareholders and any other persons falling within the definition of Sections 216(2) and 216(3) of the CMSA for the purposes of the Code
<b>Placee</b>	:	Person(s) or party(ies) who/which qualify under Schedules 6 and 7 of the CMSA
<b>Placement Share(s)</b>	:	Up to 63,344,588 new MAICA Shares to be issued pursuant to the Proposed Private Placement
<b>Price-Fixing Date</b>	:	The date on which the issue price of the Rights Shares and Placement Shares, where applicable, will be fixed by the Board and announced later
<b>Proposals</b>	:	Collectively, the Proposed Rights Issue With Warrants, Proposed Private Placement, Proposed Increase In Authorised Share Capital and Proposed M&A Amendments
<b>Proposed M&amp;A Amendments</b>	:	Proposed amendments to the M&A of the Company to facilitate the implementation of the Proposed Rights Issue With Warrants and Proposed Private Placement
<b>Proposed Change of Name</b>	:	Proposed change of name of the Company from "Malaysia Aica Berhad" to "Sunsuria Berhad"
<b>Proposed Increase In Authorised Share Capital</b>	:	Proposed increase in authorised share capital of MAICA from RM100,000,000 comprising 200,000,000 MAICA Shares to RM750,000,000 comprising 1,500,000,000 MAICA Shares

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**DEFINITIONS (Cont'd)**

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<b>Proposed Private Placement</b>	:	Proposed private placement of up to 63,344,588 Placement Shares representing approximately 10% of the enlarged issued and paid up share capital of MAICA after the Proposed Rights Issue With Warrants
<b>Proposed Rights Issue With Warrants</b>	:	Proposed renounceable rights issue of up to 475,084,416 Rights Shares on the basis of three (3) Rights Shares for every one (1) existing MAICA Share held on the Entitlement Date together with up to 158,361,472 free Warrants on the basis of one (1) free Warrant for every three (3) Rights Shares subscribed for
<b>Record of Depositors</b>	:	A record of securities holders established by Bursa Depository under the Rules of Bursa Depository
<b>RHB Investment Bank</b>	:	RHB Investment Bank Berhad (Company No. 19663-P)
<b>Rights Share(s)</b>	:	Up to 475,084,416 new MAICA Share(s) to be issued pursuant to the Proposed Rights Issue With Warrants
<b>RM and sen</b>	:	Ringgit Malaysia and sen respectively
<b>Rules of Bursa Depository</b>	:	The rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act, 1991 including any amendments thereof issued by Bursa Depository from time to time
<b>SC</b>	:	Securities Commission Malaysia
<b>Shareholders</b>	:	Shareholders of MAICA
<b>Share Registrar</b>	:	Tricor Investor Services Sdn Bhd
<b>TERP</b>	:	Theoretical ex-rights price of MAICA Shares
<b>Ter Equity</b>	:	Ter Equity Sdn Bhd (Company No. 1077495-T)
<b>Undertakings</b>	:	The written irrevocable and unconditional undertakings dated 28 March 2014 provided by the Undertaking Shareholders to subscribe in full for their respective entitlement(s) under the Proposed Rights Issue With Warrants based on their shareholdings as at the Entitlement Date
<b>Undertaking Shareholders</b>	:	Collectively, Datuk Ter and Ter Equity who have provided the Undertakings
<b>Underwritten Portion</b>	:	The remaining portion of Rights Shares for which no undertaking to subscribe has been obtained
<b>VWAP</b>	:	Volume-weighted average market price
<b>Warrant(s)</b>	:	Up to 158,361,472 free detachable warrant(s) to be issued pursuant to the Proposed Rights Issue With Warrants

Unless specifically referred to, words denoting the singular shall include the plural and vice versa and words denoting the masculine gender shall include the feminine and neuter genders and vice versa. References to persons shall include corporations.

All references to "you" in this Circular are to the Shareholders.

Any discrepancies in the tables included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

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**DEFINITIONS (Cont'd)**

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Any reference to time of day in this Circular is a reference to Malaysian time, unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that MAICA's plans and objectives will be achieved.

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**PART A**

**LETTER TO THE SHAREHOLDERS OF MAICA IN RELATION TO THE  
PROPOSALS**





## **MALAYSIA AICA BERHAD**

(Company No: 8235-K)

(Incorporated in Malaysia under the Companies Act, 1965)

### **Registered Office:**

Level 8, Symphony House  
Pusat Dagangan Dana 1  
Jalan PJU 1A/46  
47301 Petaling Jaya  
Selangor Darul Ehsan

18 April 2014

### **Board of Directors**

Datuk Ter Leong Yap	<i>(Executive Chairman)</i>
Wong Yuen Teck	<i>(Executive Director)</i>
Koong Wai Seng	<i>(Non-Independent Non-Executive Director)</i>
Dato' Tan Tian Meng	<i>(Independent Non-Executive Director)</i>
Liew Jee Min @ Chong Jee Min	<i>(Independent Non-Executive Director)</i>

### **To: The Shareholders of MAICA**

Dear Sir / Madam,

- **PROPOSED RIGHTS ISSUE WITH WARRANTS**
- **PROPOSED PRIVATE PLACEMENT**
- **PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**
- **PROPOSED M&A AMENDMENTS**

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## **1. INTRODUCTION**

On 28 March 2014, the Joint Advisers had, on behalf of the Board, announced that the Company proposes to undertake the following:-

- (I) Proposed Rights Issue With Warrants;
- (II) Proposed Private Placement;
- (III) Proposed Increase In Authorised Share Capital; and
- (IV) Proposed M&A Amendments.

On 14 April 2014, the Joint Advisers had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 11 April 2014 (which was received on 14 April 2014), resolved to approve the following:-

- (i) Admission of the Warrants to the Official List of Bursa Securities;
- (ii) Listing of and quotation for the Rights Shares and Warrants to be issued pursuant to the Proposed Rights Issue With Warrants and the new MAICA Shares to be issued pursuant to the exercise of the Warrants on the Main Market of Bursa Securities; and

- (iii) Listing of and quotation for the Placement Shares on the Main Market of Bursa Securities

subject to the following conditions:

- (i) MAICA and its advisers must fully comply with the relevant provisions under the MMLR pertaining to the implementation of the Proposed Rights Issue With Warrants and Proposed Private Placement;
- (ii) MAICA and its advisers to inform Bursa Securities upon the completion of the Proposed Rights Issue With Warrants and Proposed Private Placement;
- (iii) MAICA to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Rights Issue With Warrants and Proposed Private Placement are completed;
- (iv) RHB Investment Bank or AmlInvestment Bank must submit to Bursa Securities the placees' details in accordance with Paragraph 6.15 of the MMLR as soon as practicable after each tranche of placement and before the listing of the new shares to be issued pursuant to the Proposed Private Placement; and
- (v) Payment of additional listing fees pertaining to the exercise of Warrants. In this respect, MAICA is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Warrants as at the end of a quarter together with details of computation of listing fees payable.

**THE PURPOSE OF PART A OF THIS CIRCULAR IS TO PROVIDE YOU WITH DETAILS OF THE PROPOSALS, TO SET OUT THE BOARD'S RECOMMENDATION THEREON AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS WHICH WILL BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE EGM AND THE PROXY FORM ARE ENCLOSED IN THIS CIRCULAR.**

**YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH ITS APPENDICES BEFORE VOTING ON THE RESOLUTIONS TO GIVE EFFECT TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.**

## **2. PROPOSED RIGHTS ISSUE WITH WARRANTS**

### **2.1 Details of the Proposed Rights Issue With Warrants**

The Proposed Rights Issue With Warrants entails the issuance of up to 475,084,416 Rights Shares at such issue price to be determined and announced by the Board prior to the Entitlement Date on a renounceable basis of three (3) Rights Shares for every one (1) existing MAICA Share held on the Entitlement Date, together with up to 158,361,472 free Warrants on the basis of one (1) free Warrant for every three (3) Rights Shares subscribed for by the Entitled Shareholders. The Proposed Rights Issue With Warrants is proposed to be undertaken to raise a minimum of approximately RM154.8 million based on an indicative issue price of RM0.65 per Rights Share (which will be fulfilled via the Undertakings) for the purposes set out in Section 6 of this Circular.

The minimum number of Rights Shares was determined after taking into consideration inter-alia, the estimated minimum funds required to be raised by the Company, the potential issue price of Rights Shares and discount thereof from the TERP of MAICA Shares post-Proposed Rights Issue With Warrants and the potential dilution to MAICA Group's EPS as a result of the issuance of the new securities. In addition, the Board had determined the ratio of the Warrants attached to the Rights Shares taking into consideration its intention to provide a sweetener to Shareholders to subscribe for their respective entitlements under the Proposed Rights Issue With Warrants and to reward Shareholders in the form of the free Warrants which give them the opportunity to increase their equity participation in the Company at a predetermined price over the tenure of the Warrants.

The Rights Shares will be offered to the Entitled Shareholders. The Warrants will be immediately detached from the Rights Shares upon issuance and will be traded separately. The Warrants will be in registered form and constituted by the Deed Poll.

The Entitled Shareholders can fully or partially renounce their entitlements to the Rights Shares together with the Warrants. Accordingly, the Entitled Shareholders can subscribe for and/or renounce their entitlements under the Proposed Rights Issue With Warrants in full or in part. However, the Rights Shares and Warrants cannot be renounced separately, and only Entitled Shareholders and/or their renounees who subscribe for the Rights Shares will be entitled to the Warrants. As such, Entitled Shareholders who renounce all of their Rights Shares entitlements under the Proposed Rights Issue With Warrants, will be deemed to have renounced all their accompanying entitlements to the Warrants to be issued together with the Rights Shares. If the Entitled Shareholders accept only part of their Rights Shares entitlement under the Proposed Rights Issue With Warrants, they shall be entitled to the Warrants in the proportion of their acceptance of the Rights Shares entitlement.

Any Rights Shares which are not taken up or validly taken up shall be made available for excess Rights Shares applications by the remaining Entitled Shareholders and/or their renounees. It is the intention of the Board to allocate the excess Rights Shares in a fair and equitable manner and on such basis as the Board may deem fit or expedient and in the best interest of the Company, to be determined by the Board and announced later by the Company.

Any fractional entitlements under the Proposed Rights Issue With Warrants, if any, will be disregarded and dealt with in such manner as the Board in its absolute discretion deems fit or expedient or in the best interests of the Company.

The maximum number of Rights Shares and free Warrants were arrived at based on the issued and paid up share capital of the Company as at LPD of RM79,180,736 comprising 158,361,472 MAICA Shares.

The indicative salient terms of the Warrants are set out in Appendix II of this Circular.

## **2.2 Basis of determining the issue price of the Rights Shares and the exercise price of the Warrants**

The Board has yet to decide on the issue price of the Rights Shares and the exercise price of the Warrants as at the date of this Circular and as such any premium/discount arising thereto can only be determined on the Price-Fixing Date.

The issue price of the Rights Shares and the exercise price of the Warrants will be determined and announced by the Board before the Entitlement Date, after taking into consideration the intended gross proceeds to be raised, prevailing market conditions and market price of MAICA Shares, as well as the TERP immediately preceding the Price-Fixing Date. The issue price of the Rights Shares shall also be determined after taking into consideration, amongst others, the current and future prospects of the Group as well as the historical share price movement of the MAICA Shares vis-a-vis the funding requirements of MAICA.

The exercise price of the Warrants shall also be determined after taking into consideration amongst others, the future prospects of MAICA Group, the funding requirements and the expected timing of such requirements over the next five (5) years.

In any event, the issue price of the Rights Shares and the exercise price of the Warrants will not be lower than RM0.50, being the par value of MAICA Shares.

For illustrative purposes only, assuming an indicative issue price of RM0.65 per Rights Share and an indicative exercise price of RM1.80 per Warrant, the indicative issue price of the Rights Shares and the indicative exercise price of the Warrants would represent a discount of approximately 24.01% and a premium of approximately 110.43% from/to the TERP of RM0.8554, computed based on the five (5)-day VWAP of the MAICA Shares up to and including the LPD of RM1.4715.

The Board wishes to emphasise that the indicative issue price of the Rights Shares and the indicative exercise price of the Warrants are purely for illustration purposes only and should not be taken as an indication or reference to the final issue price of the Rights Shares or the final exercise price of the Warrants, which will be determined by the Board and announced on the Price-Fixing Date.

### 2.3 Substantial shareholder's undertaking and underwriting arrangement

It is the intention of the Board to undertake the Proposed Rights Issue With Warrants on a Minimum Subscription Level, after taking into consideration the minimum level of funds of approximately RM154.8 million, to meet the funding requirements of the MAICA Group that will be channelled towards the proposed utilisation of proceeds items as set out in Section 6. Notwithstanding that the Proposed Rights Issue With Warrants is being undertaken on a minimum subscription basis, the Company may procure underwriting arrangements for the Underwritten Portion. The decision on whether an underwriting arrangement will be procured is dependent on inter-alia, the final funding requirements of the Company, the then prevailing market conditions including the performance of MAICA Shares as well as the terms of the underwriting agreement(s) to be agreed on with the potential underwriter(s). The underwriting arrangements for the Underwritten Portion will be finalised at a later date and be subject to such underwriting agreements to be entered into by the Company.

The Company has procured the Undertakings to meet the Minimum Subscription Level. The total number of Rights Shares to be subscribed for and the total number of Warrants to be issued pursuant to the Undertakings based on the Undertaking Shareholders' shareholdings as at the LPD are as follows:-

Substantial Shareholders	Shareholdings as at LPD		Subscription for Rights Shares entitlement		Warrants to be issued pursuant to Rights Shares subscribed for
	No. of MAICA Shares	%	No. of Rights Shares	%	No. of Warrants
Datuk Ter	33,728,000	21.30	101,184,000	21.30	33,728,000
Ter Equity	45,639,344	28.82	136,918,032	28.82	45,639,344

Datuk Ter and Ter Equity have respectively confirmed via the Undertakings that they have sufficient financial resources to subscribe for their respective entitlements pursuant to the Proposed Rights Issue With Warrants. The Joint Advisers have verified the sufficiency of financial resources of the Undertaking Shareholders for the purpose of subscribing for the Rights Shares pursuant to the Undertakings based on the illustrative issue price of RM0.65 per Rights Share. Should the final issue price be fixed by the Board at a price higher than the illustrative issue price, further verification will be undertaken by the Joint Advisers on the sufficiency of financial resources of the Undertaking Shareholders.

The Undertaking Shareholders may nominate the Nominated Investors to subscribe for a portion of their respective Rights Shares entitlements, if required, pursuant to the Proposed Rights Issue With Warrants. In connection with the Proposed Rights Issue With Warrants and the aforesaid nomination arrangement, the Undertaking Shareholders have confirmed that they will not trigger an obligation to extend a MGO under the Code, in particular by allowing the individual shareholdings of the Undertaking Shareholders in MAICA to exceed 32%. As the collective shareholdings of Datuk Ter and Ter Equity in the Company are already above 50%, there are no other implications under the Code arising from the subscription for the Rights Shares pursuant to the Proposed Rights Issue With Warrants.

Pursuant to the Undertakings and assuming there are no underwriting arrangements which are entered into and assuming that no other Shareholders subscribe for their entitlements under the Proposed Rights Issue With Warrants, the public shareholding spread of MAICA would reduce to below 25%, thereby resulting in MAICA being in Non-Compliance With Public Shareholding Spread. In the event of Non-Compliance With Public Shareholding Spread, the Undertaking Shareholders shall undertake measures including procuring MAICA to carry out a subsequent corporate exercise (including amongst others, the Proposed Private Placement) in order to rectify the Non-Compliance With Public Shareholding Spread after completion of the Proposed Rights Issue With Warrants.

There will not be any immediate implication under the Code arising from the issuance and allotment of the Warrants to the Undertaking Shareholders as the Warrants are not voting shares until and unless they are exercised.

Depending on the number of Warrants exercised and the timing of the exercise of Warrants, in the event that any Undertaking Shareholder triggers a MGO arising from the exercise of his/its Warrants in the future, a separate announcement will be made and an application to the SC may be made by such Undertaking Shareholder and his/its PAC(s) for an exemption from the obligation to undertake the MGO under paragraph 16.1 of Practice Note 9 of the Code.

#### **2.4 Ranking of the Rights Shares and new MAICA Shares to be issued pursuant to the exercise of the Warrants**

The Rights Shares and new MAICA Shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issue, rank *pari passu* in all respects with the then existing ordinary shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid to Shareholders, the entitlement date of which is prior to the date of allotment of the said Shares.

#### **2.5 Foreign-Addressed Shareholders**

The Abridged Prospectus together with its accompanying documents or any other documents to be issued in connection with the Proposed Rights Issue With Warrants will not be issued to comply with the laws of any overseas jurisdiction, and have not and will not be registered under applicable securities legislation of any overseas jurisdiction or with or by any regulatory authorities or other relevant bodies of any overseas jurisdiction and the Proposed Rights Issue With Warrants will not be offered for subscription in any country other than Malaysia.

The Abridged Prospectus together with its accompanying documents or any other documents to be issued in connection with the Proposed Rights Issue With Warrants will only be sent to the Entitled Shareholders who have a registered address or an address for service in Malaysia. Shareholders who do not have a registered address or an address for service in Malaysia and who wish to provide Malaysian addresses should inform their respective stockbrokers as well as the Share Registrar to effect the change of address prior to the Entitlement Date.

Alternatively, Foreign-Addressed Shareholders may collect the Abridged Prospectus from the Share Registrar who shall be entitled to request for such evidence as they deem necessary to satisfy themselves as to the identity and authority of the person collecting the Abridged Prospectus.

Applicants may only exercise their rights in respect of the Proposed Rights Issue With Warrants to the extent that it would be lawful to do so and the Company and/or any of its advisers would not, in connection with the Proposed Rights Issue With Warrants, be in breach of the laws of any jurisdiction to which the applicants may be subject to. Foreign-Addressed Shareholders will be responsible for payment of any issue or transfer fees or costs, or any other taxes or requisite payments due in such jurisdiction and MAICA shall be entitled to be fully indemnified and held harmless by such foreign applicants for any issue, transfer or any other taxes or duties as such person may be required to pay. They will have no claims whatsoever against MAICA, the Share Registrar and/or any of its advisers in respect of their rights or entitlement under the Proposed Rights Issue With Warrants. Such applicants should also consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to exercise their rights in respect of the Proposed Rights Issue With Warrants. The applicants shall be solely responsible to seek advice as to the laws of any jurisdiction which they may be subject to, and participation by the applicants in the Proposed Rights Issue With Warrants shall be on the basis of a warranty by the applicants that they are allowed to do so lawfully without the Company and/or the advisers being in breach of the laws of any jurisdiction.

Neither the Company nor any of its advisers to the Proposed Rights Issue With Warrants shall accept any responsibility or liability in the event that any acceptance of a Foreign-Addressed Shareholder of his/her rights in respect of the Proposed Rights Issue With Warrant is or shall become illegal, unenforceable, voidable or void in any country or jurisdiction.

Foreign-Addressed Shareholders who do not provide an address in Malaysia or who are not entitled to subscribe for the Rights Shares under the laws and jurisdiction to which they are subject to, will have no claims whatsoever against the Company and/or its advisers to the Proposed Rights Issue With Warrants in respect of their rights entitlements or any net proceeds arising from the Proposed Rights Issue With Warrants.

The Company reserves the right in its absolute discretion to treat any subscription for the Rights Shares as being invalid if it believes or has reason to believe that such subscription for the Rights Shares may violate applicable legal or regulatory requirements.

In any event, the Abridged Prospectus, together with its accompanying documents, will upon issuance be available for viewing or download from the website of Bursa Securities at <http://www.bursamalaysia.com>.

### **3. PROPOSED PRIVATE PLACEMENT**

#### **3.1 Placement Size**

The Proposed Private Placement will be undertaken after the implementation of the Proposed Rights Issue With Warrants. As the Proposed Private Placement involves the issuance of up to 10% of the enlarged issued and paid up share capital of MAICA after the implementation of the Proposed Rights Issue With Warrants, the actual quantum of the Placement Shares to be issued can therefore only be determined at a later date depending on the final subscription level of the Proposed Rights Issue With Warrants.

Assuming no Warrants are exercised, the enlarged issued and paid-up share capital of the Company after the implementation of the Proposed Rights Issue With Warrants will be RM198,231,752 comprising 396,463,504 MAICA Shares under the Minimum Scenario, and up to RM316,722,944 comprising up to 633,445,888 MAICA Shares under the Maximum Scenario respectively.

For illustrative purposes, we have set out the effects of the Proposed Private Placement based on the issuance of 39,646,350 MAICA Shares and up to 63,344,588 MAICA Shares under the Minimum Scenario and Maximum Scenario respectively, representing up to approximately 10% of the enlarged issued and paid-up share capital of the Company after the Proposed Rights Issue With Warrants under the respective scenarios.

The actual number of Placement Shares to be issued pursuant to the Proposed Private Placement would depend on, amongst others, the issued share capital of the Company on such date to be determined later after the implementation of the Proposed Rights Issue With Warrants and the amount to be taken up by the placees to be determined later.

### **3.2 Placement arrangement**

The Placement Shares shall be placed to third party placee(s) to be identified later in accordance with Paragraph 6.04(c) of the MMLR. The placee(s) shall be person(s) who/which qualify under Schedules 6 and 7 of the CMSA.

The Placement Shares are not intended to be placed to the following persons:-

- (i) Interested Person;
- (ii) a person connected with the Interested Person; or
- (iii) nominee corporations, unless the names of the ultimate beneficiaries are disclosed.

Subject to prevailing market conditions and timing of identification of Placee(s), the Proposed Private Placement may be implemented in one (1) or more tranches. As such, there could potentially be several price fixing dates depending on the number of tranches and timing of implementation.

### **3.3 Basis and justification of the issue price of the Placement Shares**

The issue price of each tranche of the Placement Shares, where applicable, shall be determined separately and fixed by the Company after receiving the relevant approvals for the Proposed Private Placement. The issue price will be determined after taking into consideration the prevailing market conditions and the five (5)-day VWAP of MAICA Shares immediately preceding the Price-Fixing Date and applying a discount of no more than 10% to the said VWAP, but in any event be no less than the par value of the Placement Shares. An announcement will be made once the issue price of each tranche of the Placement Shares is determined.

For illustrative purposes, the indicative issue price of the Placement Shares based on a 10% discount to the TERP of MAICA Shares of RM0.8437, computed based on the five (5)-day VWAP of MAICA Shares up to and including 27 March 2014 (being the last Market Day prior to the date of the announcement of the Proposals) of RM1.4246, would be RM0.75.

### 3.4 Ranking of the Placement Shares

The Placement Shares shall, upon allotment and issue, rank *pari passu* in all respects with the then existing issued and fully paid-up MAICA Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid to Shareholders, the entitlement date of which is prior to the date of allotment and issuance of the Placement Shares.

## 4. PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

As at the LPD, the authorised share capital of MAICA is RM100,000,000 comprising 200,000,000 MAICA Shares, of which RM79,180,736 comprising 158,361,472 MAICA Shares has been issued and fully paid up.

In order to accommodate the issuance of new MAICA Shares pursuant to the Proposed Rights Issue With Warrants and the Proposed Private Placement as well as to cater for any future increase in share capital of the Company arising from the exercise of Warrants to be issued pursuant to the Proposed Rights Issue With Warrants, MAICA proposes to increase the authorised share capital of MAICA from RM100,000,000 comprising 200,000,000 Shares to RM750,000,000 comprising 1,500,000,000 MAICA Shares.

The Proposed Increase In Authorised Share Capital is also undertaken to facilitate any other corporate exercise which may be undertaken by MAICA in the future.

## 5. PROPOSED M&A AMENDMENTS

To facilitate and to reflect the consequence of the Proposed Rights Issue With Warrants, Proposed Private Placement and Proposed Increase In Authorised Share Capital, the M&A of the Company is proposed to be amended in the manner as set out below:

Existing clause of the M&A	Proposed new clause of the M&A
<p><b>Clause 5</b></p> <p>The authorised share capital of the company is <u>RM100,000,000.00 divided into 200,000,000</u> ordinary shares of RM0.50 each, with power for the company to increase or reduce such capital, and to issue any part of it's capital, original, or increased, with or without any preference, priority or special privilege, or subject to any postponement of rights, or to any conditions or restrictions; and so that, unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.</p>	<p><b>Clause 5</b></p> <p>The authorised share capital of the company is <u>RM750,000,000.00 divided into 1,500,000,000</u> ordinary shares of RM0.50 each, with power for the company to increase or reduce such capital, and to issue any part of its capital, original, or increased, with or without any preference, priority or special privilege, or subject to any postponement of rights, or to any conditions or restrictions; and so that, unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.</p>

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## 6. UTILISATION OF PROCEEDS

### Proposed Rights Issue With Warrants and Proposed Private Placement

Based on the indicative issue price of RM0.65 per Rights Share and RM0.75 per Placement Share, the Proposed Rights Issue With Warrants and Proposed Private Placement will raise total gross proceeds of RM184.50 million and up to RM356.31 million under the Minimum Scenario and Maximum Scenario as follows:-

	Minimum Scenario (RM'000)	Maximum Scenario (RM'000)
Issuance of Rights Shares	154,766	308,805
Issuance of Placement Shares	29,735	47,508
<b>Total</b>	<b>184,501</b>	<b>356,313</b>

The intended manner of utilisation of proceeds are as follows:

Proposed utilisation of proceeds	Notes	Minimum Scenario (RM'000)	Maximum Scenario (RM'000)	Expected timeframe for utilisation (from the date of listing of Rights Shares and Placement Shares, whichever applicable)
Property development expenses and future land/project acquisition	(a)	176,501	346,313	Within 24 months
Working capital	(b)	5,000	5,000	Within 12 months
Estimated expenses	(c)	3,000	5,000	Within 6 months
<b>Total</b>		<b>184,501</b>	<b>356,313</b>	

#### Notes:-

- (a) The proceeds are intended to be utilised to support the Group's expansion in its property development business which includes, amongst others, to acquire additional viable land banks and/or property development projects from third parties and/or from related parties. MAICA may also acquire other investments relating to its existing property development business (i.e. companies undertaking property development or holding land banks). Upon finalization of these future acquisitions, MAICA would make the necessary announcements and/or seek Shareholders' approval, where required in accordance with the MMLR. As at the LPD, the Board has not decided on any specific land/project to be acquired.

Any difference between the indicative proceeds mentioned above and the actual proceeds raised from the Proposed Rights Issue With Warrants and Proposed Private Placement (depending on the issue price of the Rights Shares, the actual number of Rights Shares and the Placement Shares to be issued and the issue price of the Placement Shares) shall be adjusted to/from the property development expenses and future land/ project acquisition. Any unutilized amount allocated for property development expenses and future land/ project acquisition would be used for working capital of MAICA Group.

- (b) The proceeds to be utilised for the Group's working capital purposes, such as payment to suppliers, contractors and other creditors for on-going development projects and its manufacturing operations, as well as for day-to-day operations. The proceeds will be utilised progressively over the next twelve (12) months.
- (c) To defray expenses which include, amongst others, professional fees and fees payable to the relevant authorities, underwriting fees (if applicable), printing cost of this Circular and abridged prospectus, advertising and miscellaneous expenses. Any shortfall or excess in funds allocated for estimated expenses will be funded from or used for the Group's working capital requirements.

Pending utilisation of the proceeds from the Proposed Rights Issue With Warrants and Proposed Private Placement, the said proceeds will be placed in an interest bearing deposit account(s) with financial institutions or investments in money market instruments as the Board may deem fit. The interest derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used as additional working capital of the Group.

The exact quantum of proceeds to be raised from the exercise of the Warrants will depend on the actual number of Warrants exercised during the tenure of the Warrants as well as the exercise price of the Warrants, which will be determined and announced at a later date. The proceeds raised from the exercise of the Warrants will be utilised for the working capital requirements of the MAICA Group and/or future development of projects to be identified.

## **7. RATIONALE FOR THE PROPOSALS**

The Company had in October 2013 embarked on a diversification of its core businesses to include property development (“**Diversification**”) pursuant to the injection into MAICA of the development rights and interests to a development project known as “Trivo, Suria Jelutong” and a parcel of freehold commercial land, both located in Bukit Jelutong, whereby the purchase consideration was satisfied via cash and the issuance of MAICA Shares to Datuk Ter. The purpose of the Diversification was to enhance the Group’s future prospects and diversify into other revenue-generating businesses as part of a longer term plan to move the Group forward instead of depending solely on its existing core business which has seen limited revenue growth for the past five (5) financial years, and reduce the Group’s reliance on its former core business and potentially provide the Group with another stream of income.

Hence, the Proposed Rights Issue With Warrants and Proposed Private Placement is intended to raise funds to further grow and expand the property development business of MAICA post-Diversification, which is expected to contribute positively to the future profitability of the MAICA Group. Such expansion activities for the new core business of the Group may include potential acquisition of additional viable land banks and/or property investment and property development projects, which are in line with MAICA’s immediate strategic plan to augment its new property development business. The utilisation of proceeds are detailed in Section 6 of this Circular.

Given that MAICA has recently entered into the property development business, it is important that MAICA is able to build up its land bank for continuous long-term growth. The issuance of Rights Shares and Placement Shares will increase the shareholders’ funds of the MAICA Group and strengthen its balance sheet.

### **7.1 Proposed Rights Issue With Warrants**

The Board is of the view that in tandem with the Proposed Private Placement, the Proposed Rights Issue With Warrants is currently the most appropriate avenue of fund raising after taking into consideration, amongst others, the following factors:

- (i) the Proposed Rights Issue With Warrants provides an opportunity for the Entitled Shareholders to increase their equity participation in MAICA through the subscription for Rights Shares which is expected to be priced at a discount to the market price, and correspondingly for Entitled Shareholders to increase their participation in the prospects and future growth of the MAICA Group;
- (ii) the issuance of Rights Shares will increase the MAICA Group’s shareholders’ funds and strengthen its balance sheet;
- (iii) the enlarged share base is also expected to enhance the liquidity of MAICA Shares on the Main Market of Bursa Securities;

- (iv) enables MAICA to raise immediate funds without incurring interest costs as compared to other means of financing such as through bank borrowings or the issuance of debt instruments; and
- (v) the Warrants, which are attached to the Rights Shares, are intended to provide an added incentive to the Entitled Shareholders to subscribe for their Rights Shares. They would also enable the Entitled Shareholders to increase their equity participation in the Company at a predetermined price and benefit from the future growth of the Company and any potential capital appreciation arising from the exercise of the Warrants, depending on the future performance of MAICA Shares. In addition, the Company will also be able to raise further proceeds as and when the Warrants are exercised.

## **7.2 Proposed Private Placement**

The Board is of the view that in tandem with the Proposed Rights Issue With Warrants, the Proposed Private Placement is currently the most appropriate avenue of fund raising after taking into consideration, amongst others, the following factors:

- (i) it will enable the MAICA Group to raise funds without incurring interest costs as compared to bank borrowings or issuance of debt instruments; and
- (ii) it will enable the Company to expediently raise additional funds to fuel its future growth and expansion in the property development business without relying entirely on equity funding from the existing shareholders of MAICA.

The Proposed Private Placement may be implemented in one (1) or more tranches depending on the identification of the placee(s) and prevailing market conditions.

## **7.3 Proposed Increase In Authorised Share Capital and Proposed M&A Amendments**

The Proposed Increase In Authorised Share Capital is required to facilitate the issuance of new MAICA Shares pursuant to the Proposed Rights Issue With Warrants and the Proposed Private Placement as well as to cater for any future increase in share capital of the Company arising from the exercise of Warrants.

The Proposed M&A Amendments are required to facilitate the consequential increase in the number of MAICA Shares to be issued pursuant to the Proposed Rights Issue With Warrants and the Proposed Private Placement and the exercise of the Warrants as well as the alteration of the authorized share capital of MAICA pursuant to the Proposed Increase In Authorised Share Capital.

## **8. INDUSTRY OUTLOOK AND FUTURE PROSPECTS**

Information in the ensuing Sections 8.1 and 8.2 has been extracted from the most recent available government publications or other publicly available sources.

### **8.1 Overview and prospects of the Malaysian economy**

The Malaysian economy remains resilient despite facing more challenging external environment. While advanced economies, particularly the United States (“US”) and Japan showed firmer signs of recovery, new challenges have emerged during the first half of 2013. The uncertainty over the strength of China’s economic growth and the possible tapering of the quantitative easing (“QE”) programme in the US have given rise to greater global economic and financial uncertainties. Emerging markets were also hard hit by the US Federal Reserve’s (“Fed”) announcement of QE tapering which created increased financial and currency volatility as a result of reversal in global capital flows.

Against this backdrop, Malaysia being a highly open economy was also affected, with gross exports recording a negative growth of 3.8% during the first half of 2013. Nevertheless, strong domestic demand was able to cushion the negative impact from the external sector. The economy registered real gross domestic product (“GDP”) growth of 4.2% during the period. However, during the third quarter of 2013, key economic indicators signalled to better near-term prospects and firmer growth in the US, euro zone and Japan. Meanwhile, fears of China experiencing a sharp downturn has somewhat faded as the Purchasing Managers’ Index in August 2013 rose to a five-month high. The prospects of stronger recovery in advanced economies coupled with a moderate, but steady GDP growth in China, are expected to create a positive outlook for Malaysia’s exports. While the impact of the Fed tapering its QE remains a lingering concern, the Malaysian real GDP is expected to register a growth between 4.5% and 5% in 2013 (2012: 5.6%) supported by its resilient domestic economy and improving exports during the second half of 2013.

*(Source: Economic Report 2013/2014, Ministry of Finance)*

The Malaysian economy expanded further by 5.1% during the fourth quarter of 2013 (Q3 2013: 5%), supported largely by domestic activities as well as the better performance in trade and export-oriented subsectors. The services sector remained as the key driver of growth, increasing at a robust pace of 6.4% (Q3 2013: 5.9%) spurred by the wholesale and retail trade, communication and business services subsectors. The improving Industrial Production Index (“IPI”) reflected the pickup in the manufacturing sector, which expanded strongly by 5.1% (Q3 2013: 4.2%) driven by higher output of E&E and transport equipment products. The agriculture sector posted a smaller growth of 0.2% (Q3 2013: 2.1%), while the mining sector declined 1.5% (Q3 2013: 1.7%) due to lower production of palm oil and crude petroleum. Meanwhile, the construction sector grew steadily by 9.7% (Q3 2013: 10.1%) supported by the residential and non-residential subsectors.) For the whole year, the economy expanded 4.7%, meeting the targeted forecast of 4.5% - 5%.

Malaysian economy is expected to register a steady growth of 5% - 5.5% in 2014. Growth will be supported by strong domestic demand and recovery in exports. Private sector activity is expected to remain robust supported by sustained investment, particularly in the manufacturing and services sectors. Private consumption is expected to remain resilient amid increased household income and a stable employment outlook.

*(Source: Malaysian Economy Fourth Quarter 2013, Ministry of Finance)*

## **8.2 Industry Outlook**

Under the 2014 Budget, amongst the steps that will be implemented by the Malaysian Government is to review the Real Property Gain Tax (“RPGT”). For gains on properties disposed within holding period of up to three (3) years, RPGT rate is increased to 30% whereas disposals within the holding period up to four (4) and five (5) years, the rates are increased to 20% and 15% respectively. For disposals made in the sixth and subsequent years, no RPGT is imposed on citizens, whereas companies are taxed at 5%. For non-citizen, RPGT is imposed at 30% on gains from properties disposed within the holding period of up to five (5) years and for disposals in the sixth and subsequent years, RPGT is imposed at 5%

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Developers will also be prohibited from implementing projects that have features of developer interest bearing scheme (“DIBS”), to prevent developers from incorporating interest rates on loans in house prices during the construction period. Therefore, financial institutions are prohibited from providing final funding for projects involved in the DIBS scheme.

*(Source: 2014 Budget speech by YAB Dato’ Sri Mohd Najib Tun Haji Abdul Razak, Prime Minister and Minister of Finance on 25 October 2013)*

Meanwhile, residential subsector is expected to remain strong in view of the increased demand for housing, particularly from the middle-income group. The implementation of PRIMA housing project, is expected to accelerate to meet the target of providing 80,000 units of houses for the middle-income group by 2015. Activity in the non-residential subsector is expected to remain stable, albeit at a moderate pace, supported by buoyant business and industrial activities as well as improved consumer sentiment.

Demand for commercial buildings remained stable with the average occupancy rate of office and retail space at 84.2% and 79.7%, respectively, reflecting sustained demand, particularly for commercial space located in prime areas.

*(Source: Economic Report 2013/2014, Ministry of Finance)*

### **8.3 Prospects of the Group**

Moving forward, the Board expects the performance of the property development division to be the main driver for the growth of the MAICA Group and as such, the Company intends to place greater emphasis on this division. The Company had earlier this year commenced operations in the property development sector arising from the acquisition of the following assets into the Company:

- (I) Trivo, Suria Jelutong, in which the construction of 30 shop offices are currently on-going and is estimated to be completed by end of year 2014. The development has a gross development value (“GDV”) of approximately RM52.7 million and as at the LPD, 29 out of the 30 shop offices have been sold while booking have been received for the remaining one (1) unit.
- (II) Suria Residensi, a 3.551 acres of freehold commercial land located in Bukit Jelutong is ear-marked for a project consisting of serviced apartments with an estimated GDV of RM260.0 million is expected to be launched in second (2<sup>nd</sup>) quarter of 2014 and to be developed over the next four (4) years.

The above projects are expected to augur positively for the future earnings of the MAICA Group on the basis of its strategic location in Bukit Jelutong and recent successful launches and developments in the vicinity.

With the proceeds raised from the Proposed Rights Issue With Warrants and Proposed Private Placement, the Company will actively seek for additional viable land banks and/or property development projects from third parties and/or from related parties to further expand its new property development business, which is expected to contribute positively to the future financial performance of the Company.

*(Source: Management of MAICA)*

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## 9. FINANCIAL EFFECTS OF THE PROPOSALS

The Proposed Increase In Authorised Share Capital and Proposed M&A Amendments will not have any effects on the issued and paid-up share capital, earnings and EPS, NA and gearing, substantial shareholders' shareholdings and convertible securities of MAICA.

For illustrative purposes, the proforma effects of the Proposed Rights Issue With Warrants and Proposed Private Placement on the issued and paid-up share capital, earnings and EPS, NA and gearing, substantial shareholders' shareholdings and convertible securities of MAICA are based on the Minimum Scenario and Maximum Scenario respectively.

### 9.1 Share capital

The proforma effects of the Proposed Rights Issue With Warrants and Proposed Private Placement on the issued and paid-up share capital of the Company as at the LPD are as follows:-

	Minimum Scenario		Maximum Scenario	
	No. of MAICA Shares	RM	No. of MAICA Shares	RM
<b>Issued and paid-up share capital</b>				
Issued and paid-up share capital as at the LPD	158,361,472	79,180,736	158,361,472	79,180,736
To be issued pursuant to the Proposed Rights Issue With Warrants	238,102,032	119,051,016	475,084,416	237,542,208
To be issued pursuant to the Proposed Private Placement	396,463,504	198,231,752	633,445,888	316,722,944
To be issued assuming full exercise of the Warrants	436,109,854	218,054,927	696,790,476	348,395,238
<b>Enlarged issued and paid-up share capital</b>	<b>515,477,198</b>	<b>257,738,599</b>	<b>855,151,948</b>	<b>427,575,974</b>

## 9.2 Substantial Shareholders' shareholdings

The substantial Shareholders of MAICA based on the Register of Substantial Shareholders as at the LPD and the effects of the Proposed Rights Issue With Warrants and Proposed Private Placement on their shareholdings in MAICA, for illustrative purposes, are as follows:-

### Minimum Scenario

Name	As at the LPD		(I) After the Proposed Rights Issue With Warrants		(II) After (I) and the Proposed Private Placement	
	Direct	Indirect	Direct	Indirect	Direct	Indirect
	No. of MAICA Shares	No. of MAICA Shares	No. of MAICA Shares	No. of MAICA Shares	No. of MAICA Shares	No. of MAICA Shares
Datuk Ter	33,728,000	45,639,344 <sup>(1)</sup>	126,868,321	190,601,055 <sup>(1)</sup>	126,868,321	190,601,055 <sup>(1)</sup>
Ter Equity	45,639,344	-	126,868,321	63,732,734 <sup>(2)</sup>	126,868,321	63,732,734 <sup>(2)</sup>
Nominated Investor <sup>(3)</sup>	-	-	63,732,734	-	63,732,734	-
Placee(s)	-	-	-	-	39,646,350	-
	21.30	28.82	32.00	48.08	29.09	43.70
	28.82	-	32.00	16.08	29.09	14.61
	-	-	16.08	-	14.61	-
	-	-	-	-	9.09	-

Name	(III) After (II) and assuming full conversion of the Warrants	
	Direct	Indirect
	No. of MAICA Shares	No. of MAICA Shares
Datuk Ter	157,915,095	238,921,625 <sup>(1)</sup>
Ter Equity	153,944,647	84,976,978 <sup>(2)</sup>
Nominated Investor <sup>(3)</sup>	84,976,978	-
Placee(s)	39,646,350	-
	30.63	46.35
	29.86	16.49
	16.49	-
	7.69	-

### Notes:-

- (1) Deemed interest through Ter Equity, his Nominated Investors and Ter Equity's Nominated Investors pursuant to Section 6A of the Companies Act, 1965
- (2) Deemed interest through its Nominated Investor pursuant to Section 6A of the Companies Act, 1965
- (3) As set out in Section 2.3, Datuk Ter and Ter Equity may procure / nominate other party(ies) to subscribe for a portion of their respective Rights Shares entitlements, if required to ensure that at least the Minimum Subscription Level is achieved.

**Maximum Scenario**

Name	As at the LPD		(I) After the Proposed Rights Issue With Warrants		(II) and the Proposed Private Placement							
	Direct	Indirect	Direct	Indirect	Direct	Indirect						
	No. of MAICA Shares %	No. of MAICA Shares %	No. of MAICA Shares %	No. of MAICA Shares %	No. of MAICA Shares %	No. of MAICA Shares %						
Datuk Ter	33,728,000	21.30	45,639,344 <sup>(1)</sup>	28.82	134,912,000	21.30	182,557,376 <sup>(1)</sup>	28.82	134,912,000	19.36	182,557,376 <sup>(1)</sup>	26.20
Ter Equity	45,639,344	28.82	-	-	182,557,376	28.82	-	-	182,557,376	26.20	-	-
Placee	-	-	-	-	-	-	-	-	63,344,588	9.09	-	-

Name	(III) After (II) and assuming full conversion of the Warrants			
	Direct	Indirect		
	No. of MAICA Shares %	No. of MAICA Shares %		
Datuk Ter	168,640,000	19.72	228,196,720 <sup>(1)</sup>	26.68
Ter Equity	228,196,720	26.68	-	-
Placee	63,344,588	7.41	-	-

Note:-

(1) Deemed interest through Ter Equity pursuant to Section 6A of the Companies Act, 1965



### **9.3 Earnings and EPS**

The Proposals are not expected to have an immediate material effect on the earnings of MAICA for the financial year ended 31 March 2014 as the Proposals are expected to be completed by the third (3<sup>rd</sup>) quarter of calendar year 2014.

There will be a corresponding dilution in MAICA's consolidated EPS as a result of the enlarged issued and paid-up share capital of MAICA arising from the issuance of new MAICA Shares pursuant to the Proposed Rights Issue With Warrants and Proposed Private Placement as well as the issuance of new MAICA Shares due to the exercise of the Warrants.

Nevertheless, the Proposed Rights Issue With Warrants and Proposed Private Placement are expected to contribute positively to the future earnings of MAICA Group arising from the proposed utilisation of proceeds from the Proposed Rights Issue With Warrants and Proposed Private Placement to further develop the MAICA Group's property development operations.

The potential effects of the exercise of the Warrants on the future earnings and EPS of the Group will depend upon, amongst others, the number of Warrants exercised at any point in time and the returns generated by the Group from the utilisation of proceeds arising from the exercise of the Warrants.

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#### 9.4 NA and gearing

Based on the latest audited consolidated financial statements of MAICA Group for the FYE 31 March 2013, the proforma effects of the Proposed Rights Issue With Warrants and Proposed Private Placements on the consolidated NA per share and gearing of the Group are as follows:-

##### Minimum Scenario

	Audited as at 31 March 2013 (RM'000)	After asset injections <sup>(1)</sup> (RM'000)	After the Proposed Rights Issue With Warrants <sup>(2)</sup> (RM'000)	After (I) and the Proposed Private Placement <sup>(3)</sup> (RM'000)	(II) After (II) and assuming full exercise of the Warrants <sup>(4)</sup> (RM'000)
Share capital	65,180	79,180	198,231	218,054	257,738
Share premium	13,296	13,296	18,771 <sup>(3)</sup>	28,683	159,100
Warrant reserve	-	-	27,240 <sup>(4)</sup>	27,240 <sup>(4)</sup>	-
Capital reserve	815	815	815	815	815
Accumulated losses	(8,565)	(9,065)	(9,065)	(9,065)	(9,065)
<b>Shareholders equity / NA</b>	<b>70,726</b>	<b>84,226</b>	<b>235,992</b>	<b>265,727</b>	<b>408,588</b>
Number of ordinary shares ('000)	130,361	158,361	396,464	436,110	515,477
NA per share (RM)	0.54	0.53	0.60	0.61	0.79
Total borrowings	-	-	-	-	-
Gearing (times)	-	-	-	-	-

##### Notes:-

- (1) For illustrative purposes, the proforma effects is adjusted for the acquisition by MAICA of the rights and interest of Cangkat Nusantara Sdn Bhd ("CNSB"), including the development rights to a commercial development project and a parcel of development land from CNSB, for a total purchase consideration of RM56 million settled via cash and issuance of 28,000,000 MAICA Shares, which has been completed on 22 January 2014.
- (2) Computed based on the indicative issue price of RM0.65 per Rights Share.
- (3) After deducting estimated expenses to be incurred for the Proposed Rights Issue With Warrants of approximately RM2.5 million (of which the balance RM0.5 million is deducted from the warrant reserve account) and after accounting for the warrants reserve based on the issuance of 79,367,344 Warrants with an indicative fair value of RM0.35 per Warrant.
- (4) Based on the issuance of 79,367,344 Warrants with an indicative fair value of RM0.35 per Warrant and after deducting RM0.5 million of estimated expenses to be incurred for the Proposed Rights Issue With Warrants.
- (5) Computed based on the indicative issue price of the Placement Share of RM0.75 per Placement Share
- (6) Computed based on the indicative exercise price of the Warrants of RM1.80 per MAICA Share.

## Maximum Scenario

	Audited as at 31 March 2013 (RM'000)	After asset injections <sup>(1)</sup> (RM'000)	(I) After the Proposed Rights Issue With Warrants <sup>(2)</sup> (RM'000)	(II) After (I) and the Proposed Private Placement <sup>(5)</sup> (RM'000)	(III) After (II) and assuming full exercise of the Warrants <sup>(6)</sup> (RM'000)
Share capital	65,180	79,180	316,722	348,394	427,575
Share premium	13,296	13,296	25,030 <sup>(3)</sup>	40,866	301,265
Warrant reserve	-	-	54,529 <sup>(4)</sup>	54,529	-
Capital reserve	815	815	815	815	815
Accumulated losses	(8,565)	(9,065)	(9,065)	(9,065)	(9,065)
<b>Shareholders equity / NA</b>	<b>70,726</b>	<b>84,226</b>	<b>388,031</b>	<b>435,539</b>	<b>720,590</b>
Number of ordinary shares ('000)	130,361	158,361	633,445	696,790	855,152
NA per share (RM)	0.54	0.53	0.61	0.63	0.84
Total borrowings	-	-	-	-	-
Gearing (times)	-	-	-	-	-

### Notes:-

- (1) For illustrative purposes, the proforma effects is adjusted for the acquisition by MAICA of the rights and interest of Cangkat Nusantara Sdn Bhd ("CNSB"), including the development rights to a commercial development project and a parcel of development land from CNSB, for a total purchase consideration of RM56 million settled via cash and issuance of 28,000,000 MAICA Shares, which has been completed on 22 January 2014.
- (2) Computed based on the indicative issue price of RM0.65 per Rights Share.
- (3) After deducting estimated expenses to be incurred for the Proposed Rights Issue With Warrants of approximately RM4.1 million (of which the balance RM0.9 million is deducted from the warrant reserve account) and after accounting for the warrants reserve based on the issuance of 158,361,472 Warrants with an indicative fair value of RM0.35 per Warrant.
- (4) Based on the issuance of 158,361,472 Warrants with an indicative fair value of RM0.35 per Warrant and after deducting RM0.9 million of estimated expenses to be incurred for the Proposed Rights Issue With Warrants.
- (5) Computed based on the indicative issue price of the Placement Share of RM0.75 per Placement Share
- (6) Computed based on the indicative exercise price of the Warrants of RM1.80 per MAICA Share.

## 9.5 Convertible securities

As at LPD, the Company does not have any existing convertible securities.

## 10. TENTATIVE TIMETABLE FOR THE IMPLEMENTATION OF THE PROPOSALS

Barring any unforeseen circumstances, the Proposals are expected to be completed by the third (3<sup>rd</sup>) quarter of calendar year 2014.

The tentative timeline in relation to the implementation of the Proposals is as follows:-

Date	Events
Mid May 2014	EGM for the Proposals
Mid to End May 2014	Announcement of Entitlement Date
Early June 2014	Despatch of abridged prospectus, rights subscription form and notices of provisional allotment
End June 2014	Last day for payment and acceptance of the Rights Shares
Early July 2014	Listing of and quotation for the Rights Shares and Warrants

The Proposed Private Placement will be implemented after the Proposed Rights Issue With Warrants and is expected to be completed (including all the Placement Shares being listed and quoted on Bursa Securities) not later than six (6) months from the date of Bursa Securities' letter of approval for the Proposed Rights Issue With Warrants and Proposed Private Placement dated 11 April 2014 (i.e. by 11 October 2014).

## 11. APPROVALS REQUIRED

The Proposals are subject to the following approvals being obtained:-

- (i) the approval of Bursa Securities for:-
  - (a) the admission, the listing of and quotation for the Warrants to be issued pursuant to the Proposed Rights Issue With Warrants on the Official List of Main Market of Bursa Securities;
  - (b) the listing of and quotation for the Rights Shares to be issued pursuant to the Proposed Rights Issue With Warrants as well as the new MAICA Shares to be issued pursuant to the exercise of the Warrants on the Main Market of Bursa Securities; and
  - (c) the listing and quotation for the Placement Shares on the Main Market of Bursa Securities;which was obtained on 11 April 2014;
- (ii) the approval of the Shareholders at an EGM to be convened for the Proposals; and
- (iii) any other relevant authorities and/or parties, if required.

## 12. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Change of Name (as set out in Part B of this Circular), there are no other corporate exercises which have been announced and are pending completion as at the LPD.

### **13. INTER-CONDITIONALITY OF THE PROPOSALS**

The Proposed Rights Issue With Warrants and Proposed Private Placement are conditional upon the Proposed Increase In Authorised Share Capital and Proposed M&A Amendments. The Proposed Increase In Authorised Share Capital is inter-conditional upon the Proposed M&A Amendments. The Proposed Private Placement is not conditional upon the Proposed Rights Issue With Warrants and vice versa. The Proposed Private Placement will be implemented after the implementation (if applicable) of the Proposed Rights Issue With Warrants.

The Proposals are not conditional upon any other corporate exercises being undertaken or proposed to be undertaken by the Company. For avoidance of doubt, the Proposals are not conditional upon the Proposed Change of Name (set out in Part B) and vice versa.

### **14. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS**

None of the directors and/or major shareholders of MAICA and/or persons connected with them have any interest, either direct or indirect, in the Proposals apart from their respective entitlements under the Proposed Rights Issue With Warrants (including the right to apply for additional Rights Shares under excess application), to which all the Shareholders are similarly entitled.

### **15. DIRECTORS' RECOMMENDATION**

The Board having considered the current and prospective financial position and capacity of the Group and after careful deliberation taking into consideration the rationale and all effects of the Proposals, is of the opinion that the Proposals are in the best interest of the Company.

Accordingly, the Board recommends that you vote in favour of the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.

### **16. EGM**

The EGM, the Notice of which is enclosed with this Circular, will be held at Function Room, KampungKu Restaurant, Sunsuria Avenue, Persiaran Mahogani, Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor on 12 May 2014 at 10.30 a.m., or any adjournment thereof, for the purpose of considering and if thought fit, passing the resolutions, with or without any modifications, to give effect to the Proposals.

If you are unable to attend and vote in person at the EGM, you may complete, sign and return the enclosed Proxy Form in accordance with the instructions contained therein as soon as possible, so as to arrive at the Company's Share Registrar, Tricor Investor Services Sdn Bhd, Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia not later than forty-eight (48) hours before the time for holding the EGM. The lodging of the Proxy Form will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

### **17. FURTHER INFORMATION**

You are requested to refer to the enclosed appendices for further information.

Yours faithfully  
For and on behalf of the Board  
**MALAYSIA AICA BERHAD**

**Datuk Ter Leong Yap**  
Executive Chairman

**PART B**

**LETTER TO THE SHAREHOLDERS OF MAICA IN RELATION TO THE  
PROPOSED CHANGE OF NAME**



## MALAYSIA AICA BERHAD

(Company No. 8235-K)

(Incorporated in Malaysia under the Companies Act, 1965)

### Registered Office:

Level 8, Symphony House  
Pusat Dagangan Dana 1  
Jalan PJU 1A/46  
47301 Petaling Jaya  
Selangor Darul Ehsan

18 April 2014

### Board of Directors:-

Datuk Ter Leong Yap	<i>(Executive Chairman)</i>
Wong Yuen Teck	<i>(Executive Director)</i>
Koong Wai Seng	<i>(Non-Independent Non-Executive Director)</i>
Dato' Tan Tian Meng	<i>(Independent Non-Executive Director)</i>
Liew Jee Min @ Chong Jee Min	<i>(Independent Non-Executive Director)</i>

### To: The shareholders of MAICA

Dear Sir/Madam,

### PROPOSED CHANGE OF NAME

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#### 1. INTRODUCTION

On 7 March 2014, MAICA announced that the Board proposed to change the Company's name from Malaysia Aica Berhad to Sunsuria Berhad, and also proposed to seek the approval from its shareholders for the Proposed Change of Name.

This Circular provides you with the details of the Proposed Change of Name. MAICA will be seeking your approval for the special resolution to be tabled at the forthcoming EGM.

The Notice of EGM together with the Form of Proxy are set out in this Circular.

#### 2. DETAILS AND RATIONALE FOR THE PROPOSED CHANGE OF NAME

As at 20 January 2014, the Shareholders have approved the resolution to diversify the core businesses of the MAICA Group to include property development business and on 22 January 2014, the Company has completed the acquisition of a commercial development project and a parcel of development land in Bukit Jelutong for the same purpose.

As MAICA intends to expand its property development business, the Board has on 22 January 2014, appointed Datuk Ter as the Executive Director of MAICA to spearhead the property development business of MAICA. MAICA will be able to utilise the property development expertise and experience of Datuk Ter to enhance and maximise the value of MAICA's land development plans. Datuk Ter has over the years garnered knowledge in property development and has incorporated and nurtured Sunsuria group of companies to become a leading property developer in the Klang Valley under the "Sunsuria" brand name with notable projects which include, amongst others Trivo, Suria Jelutong, Suria Hills, Sunsuria Avenue and Sunsuria Ampang Sports Complex.

Hence, the Proposed Change of Name is to enable the Company leverage on the Sunsuria brand name and to create synergy amongst its brand and property development projects moving forward.

**3. EFFECTS OF THE PROPOSED CHANGE OF NAME**

The Proposed Change of Name will not have any effect on the share capital and shareholdings of substantial shareholders of MAICA, earnings, net assets and gearing of the MAICA Group.

**4. CONDITIONS OF THE PROPOSED CHANGE OF NAME**

The proposed name, "Sunsuria Berhad", has been approved by the Companies Commission of Malaysia on 6 March 2014. The Proposed Change of Name is subject to the approval of the Shareholders at the forthcoming EGM.

The Proposed Change of Name, if approved by the Shareholders, will be effective from the date of issuance of the Certificate of Incorporation on Change of Name (Form 13) by the Companies Commission of Malaysia.

**5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS**

None of the directors and/or major shareholders of MAICA and/or persons connected to them has any interest, direct or indirect, in the Proposed Change of Name.

**6. DIRECTORS' RECOMMENDATION**

The Board, having considered all aspects of the Proposed Change of Name, is of the opinion that the Proposed Change of Name is in the best interest of MAICA. Accordingly, the Board recommends that you vote in favour of the special resolution for the Proposed Change of Name to be tabled at the forthcoming EGM to be convened.

**7. EGM**

The special resolution on the Proposed Change of Name will be tabled at the forthcoming EGM, which will be held on Monday, 12 May 2014 at 10.30 a.m. or at any adjournment thereof at Function Room, KampungKu Restaurant, Sunsuria Avenue, Persiaran Mahogani, Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor to consider and, if deemed fit, to pass the special resolution to give effect to the Proposed Change of Name.

If you are not able to attend the EGM in person, please complete the enclosed Form of Proxy and forward it to the Company's Share Registrar, Tricor Investor Services Sdn Bhd, Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia, so as to arrive not later than forty-eight (48) hours before the time for the convening of the EGM or any adjournment thereof.

The completion and lodging of the Form of Proxy will not preclude you from attending and voting at the EGM in person should you subsequently wish to do so. The Form of Proxy should be completed strictly in accordance with the instructions contained therein.

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## **8. FURTHER INFORMATION**

Shareholders are requested to refer to the attached Appendix I for further information.

Yours faithfully,  
For and on behalf of the Board of Directors of  
**MALAYSIA AICA BERHAD**

**Datuk Ter Leong Yap**  
Executive Chairman

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**FURTHER INFORMATION**

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**1. RESPONSIBILITY STATEMENT**

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

**2. CONSENT AND CONFLICT OF INTEREST**

The Joint Advisers and Messrs Crowe Horwath have, prior to the issue of this Circular, given and not subsequently withdrawn their respective written consents for the inclusion in this Circular of their respective names, reports and/or letters and all references thereto in the form and context in which they appear in this Circular.

**(i) Astramina**

Astramina is not aware of any existing conflict of interest nor of any circumstances which would or is likely to give rise to a possible conflict of interest by virtue of its appointment as a Joint Adviser for the Proposals.

**(ii) Messrs Crowe Horwath**

Messrs Crowe Horwath is not aware of any existing conflict of interest nor of any circumstances which would or is likely to give rise to a possible conflict of interest by virtue of its appointment as the Reporting Accountants for the Proposals.

**(iii) AmInvestment Bank**

As at LPD, AmInvestment Bank and/or its related and associated companies ("**AmBank Group**") has extended a RM30.0 million revolving credit facility to MAICA (which has yet to be drawdown as at the LPD). Notwithstanding the above, AmInvestment Bank is of the opinion that its role as a Joint Adviser for the Proposals does not give rise to a conflict of interest situation in view that the AmBank Group forms a diversified financial group and is engaged in a wide range of transactions relating to amongst others, investment banking, commercial banking, private banking, brokerage, securities trading, asset and funds management and credit transaction services businesses. AmBank Group's securities business is primarily in the areas of securities underwriting, trading and brokerage activities, foreign exchange, commodities and derivatives trade.

In the ordinary course of their businesses, any member of AmBank Group may at any time extend services to any company as well as hold long or short positions, and trade or otherwise effect transactions, for its own account or the account of its other clients, in debt or equity securities or senior loans of any company. Accordingly, there may be situations where parts of the AmBank Group and/or its clients now have or in the future, may have interests or take actions that may conflict with the interests of MAICA Group.

**(iv) RHB Investment Bank**

Save for a loan facility to be extended by RHB Investment Bank to the Undertaking Shareholders to fund the Undertakings, as at the LPD, RHB Investment Bank is not aware of any equity, financial or any other relationship or circumstances with the Undertaking Shareholders that has resulted in or may result in a situation of conflict of interest in its role as the Joint Adviser in respect of the Proposed Rights Issue With Warrants.

The concern on potential conflict of interest that may arise from loan facility as stated above, is mitigated by the following:

**FURTHER INFORMATION (Cont'd)**

- (i) the Proposed Rights Issue With Warrants is a fund raising exercise in which all the shareholders of MAICA are entitled to subscribe for on equal terms as the Undertaking Shareholders;
- (ii) there are no common directors on the board of directors of RHB Investment Bank and the Board;
- (iii) structured lending division of RHB Investment Bank have their own distinct management teams and employees from that of corporate finance division. In addition, structured lending division has its own check and balances, including segregation of reporting structures, in that its lending activities are approved by its own Investment and Underwriting Committee and where applicable, affirmed by a board credit committee comprising the non-executive directors of the RHB Banking Group;
- (iv) the loan facility is granted to the Undertaking Shareholders in the ordinary course of RHB Investment Bank's banking business, having terms not more favourable than those of similar circumstance and credit worthiness; and
- (v) the corporate finance division of RHB Investment Bank is required under its investment banking license to comply with strict policies and guidelines issued by the SC, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines call for, amongst others, firewall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations.

**3. HISTORICAL SHARE PRICE**

The monthly highest and lowest prices of MAICA Shares traded on Bursa Securities for the past twelve (12) months are as follows:-

	<b>High</b>	<b>Low</b>
	<b>(RM)</b>	<b>(RM)</b>
<b>2013</b>		
April	0.50	0.50
May	0.56	0.50
June	0.57	0.50
July	0.54	0.50
August	0.51	0.50
September	0.56	0.50
October	1.15	0.52
November	1.08	0.81
December	0.90	0.77
<b>2014</b>		
January	1.39	0.85
February	1.75	1.24
March	1.64	1.30

Last transacted market price on 27 March 2014, being the last Market Day immediately prior to the announcement of the Proposals RM1.41

Last transacted market price on LPD RM1.56

(Source: Bloomberg)

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**FURTHER INFORMATION (Cont'd)**

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**4. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES**

As at LPD, the Board is not aware of any material commitments or contingent liabilities incurred or known to be incurred by the Group, which may have a material impact on the profits and net asset value of the Group.

**5. MATERIAL LITIGATIONS**

MAICA and/or its subsidiaries are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which would have a material effect on the financial position or the business of MAICA or its subsidiaries and the Board has no knowledge of any proceedings pending or threatened against MAICA and/or its subsidiaries or of any other facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of MAICA and/or its subsidiaries preceding the date of this Circular.

**6. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of MAICA at Level 8, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia during normal business hours from Monday to Friday (except public holidays) following the date of this Circular up to and including the date of the EGM:-

- (i) the M&A of MAICA;
- (ii) the audited consolidated financial statements of MAICA for the past two (2) FYEs 31 March 2012 and 31 March 2013;
- (iii) the unaudited consolidated financial statements of MAICA Group for the nine (9) months financial period ended 31 December 2013;
- (iv) the letters of consent referred to in Section 2 above;
- (v) the Undertakings;
- (vi) the proforma consolidated statement of financial position of MAICA Group as at 31 March 2013 together with the Reporting Accountants' letter thereon as set out in Appendix III of this Circular; and
- (vii) the draft Deed Poll.

**SALIENT TERMS OF WARRANTS**

Number of Warrants	:	Up to 158,361,472 new Warrants to be issued in conjunction with the Proposed Rights Issue With Warrants to the Entitled Shareholders on the basis of one (1) free Warrant for every three (3) Rights Shares successfully subscribed.
Form and detachability	:	The Warrants will be issued in registered form and will immediately be detached from the Rights Shares upon allotment and issuance and separately traded on Bursa Securities. The Warrants will be issued in registered form and constituted by the Deed Poll.
Issue price of Warrants	:	The Warrants are to be issued free to the Entitled Shareholders and/or renounees who subscribe to the Rights Shares on the basis of one (1) free Warrant for every three (3) Rights Shares.
Board Lot	:	For the purposes of trading on Bursa Securities, a board lot of Warrants will be in 100 units, or such denomination as determined by Bursa Securities.
Listing	:	An application will be made to Bursa Securities for the admission of, the listing of and quotation for the Warrants and the listing of and quotation for the new MAICA Shares to be issued pursuant to the exercise of the Warrants on the Official List of the Bursa Securities.
Tenure of Warrants	:	Five (5) years from the date of issuance of the Warrants.
Exercise Price	:	A price to be determined later by the Company, payable in full in respect of each MAICA Share upon exercise of the Warrants. The exercise price and/or the number of Warrants in issue during the Exercise Period may also be adjusted in accordance with the terms and conditions set out in the Deed Poll governing the Warrants.
Exercise Period	:	The Warrants may be exercised at any time on and including the date of issue of the Warrants and ending at 5.00 p.m. on the business day immediately preceding the date which is the fifth (5th) anniversary from the date of issue. If such date is not a Market Day, then on the preceding Market Day.  Any Warrants not exercised during the Exercise Period will thereafter lapse and cease to be valid.
Mode of Exercise	:	The registered holder of the Warrants shall pay by way of banker's draft or cashier's order or money order or postal order drawn on a bank or post office in Malaysia for the aggregate Exercise Price payable when exercising the Warrants and subscribing for new MAICA Shares.
Exercise Rights	:	Each Warrant carries the entitlement, at any time during the Exercise Period, to subscribe for one (1) new MAICA Share at the Exercise Price, subject to adjustments in accordance with the provisions of the Deed Poll.
Voting Rights	:	The Warrants do not entitle the registered holders thereof to any voting rights in any general meeting of the Company until and unless such holders of the Warrants exercise their Warrants for new MAICA Shares.

**SALIENT TERMS OF WARRANTS (Cont'd)**

Status of new MAICA Shares to be issued pursuant to the exercise of the Warrants	:	The new MAICA Shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issue, rank pari passu in all respects with the then existing ordinary shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the allotment date of the new MAICA Shares to be issued arising from the exercise of the Warrants.
Adjustments to the final Exercise Price and/or the number of the Warrants	:	The Exercise Price and/or the number of unexercised Warrants in issue may be subject to adjustments in the event of any alteration in the share capital of the Company, capital distribution or issue of shares or any other events in accordance with the provisions of the Deed Poll.
Rights in the event of winding up, liquidation, compromise and/or arrangement	:	Where a resolution has been passed for a members' voluntary winding up of the Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the company with one or more companies, then every Warrant holder shall be entitled upon and subject to the provisions of the Deed Poll at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding up of the Company or six (6) weeks after the granting of the court order approving the compromise or arrangement, by the irrevocable surrender of this Warrants to the Company, elect to be treated as if he had immediately prior to the commencement of such winding up, compromise or arrangement exercised the Exercise Rights represented by his Warrants to the extent specified in the relevant subscription forms and be entitled to receive out of the assets of the Company which would be available in liquidation as if he had on such date been the holder of the new MAICA Shares to which he would have been entitled to pursuant to such exercise
Transferability	:	The Warrants shall be transferable in the manner provided under the Securities Industry (Central Depositories) Act, 1991 of Malaysia and the Rules of Bursa Malaysia Depository Sdn Bhd.
Deed Poll	:	The Warrants will be constituted under a deed poll to be executed by the Company.
Governing Law	:	Laws and regulations of Malaysia.

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**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S  
LETTER THEREIN**

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**Crowe Horwath** AF 1018  
Chartered Accountants  
Member Crowe Horwath International

Kuala Lumpur Office  
Level 16 Tower C, Megan Avenue II  
12 Jalan Yap Kwan Seng  
50450 Kuala Lumpur, Malaysia  
Main +6 03 2788 9999  
Fax +6 03 2788 9998  
www.crowehorwath.com.my  
info@crowehorwath.com.my

2 April 2014

The Board of Directors  
**Malaysia AICA Berhad**  
Suite 8, Main Tower, Sunsuria Avenue  
Persiaran Mahogani  
Kota Damansara, PJU 5  
47810 Petaling Jaya, Selangor

Dear Sirs,

**MALAYSIA AICA BERHAD ("MAICA" OR "THE COMPANY")  
REPORTING ACCOUNTANTS' LETTER ON THE COMPILATION OF PRO FORMA  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION INCLUDED IN THE CIRCULAR  
TO SHAREHOLDERS**

We have completed our assurance engagement to report on the compilation of pro forma consolidated statements of financial position of MAICA as at 31 March 2013, together with the accompanying notes thereto. The pro forma consolidated statements of financial position, as set out in Appendix A of this letter (which we have stamped for the purpose of identification), has been compiled by the Board of Directors for the inclusion in the Circular to Shareholders of MAICA in relation to the following:

- (a) Proposed renounceable rights issue of up to 475,084,416 new ordinary shares of RM0.50 each in MAICA ("**MAICA Shares**") ("**Rights Share**") on the basis of three (3) Rights Share for every one (1) existing MAICA Share held on an entitlement date to be determined and announced later ("**Entitlement Date**"), together with up to 158,361,472 free detachable Warrants ("**Warrants**") on the basis of one (1) free Warrant for every three (3) Rights Shares subscribed ("**Proposed Rights Issue With Warrants**");
- (b) Proposed private placement of up to 63,344,588 MAICA Shares ("**Placement Shares**") representing approximately 10% of enlarged issued and paid up share capital of MAICA after the Proposed Rights Issue With Warrants at an issue price to be determined later ("**Proposed Private Placement**"); and
- (c) Proposed increase in authorised share capital of MAICA from RM100,000,000 comprising 200,000,000 MAICA Shares to RM750,000,000 comprising 1,500,000,000 MAICA Shares ("**Proposed Increase In Authorised Share Capital**"), and in consequence thereof, the Company's Memorandum of Association be amended accordingly ("**Proposed Amendments**").

(Collectively referred to as the "**Proposals**").

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**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S  
LETTER THEREIN (Cont'd)**

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The pro forma consolidated statements of financial position has been compiled by the Board of Directors to illustrate the impact of the Proposals, as set out in Note 1 of the pro forma consolidated statements of financial position, on MAICA's financial position as at 31 March 2013.

As part of this process, information about MAICA's financial position has been extracted by the Board of Directors from MAICA's audited consolidated financial statements for the financial year ended 31 March 2013, on which the audit report was dated 17 July 2013.

*Directors' responsibilities for the pro forma consolidated statements of financial position*

The Board of Directors of MAICA is solely responsible for compiling the pro forma consolidated statements of financial position on the basis set out in Note 1 of the pro forma consolidated statements of financial position.

*Our responsibilities*

Our responsibility is to express an opinion, as required by the Bursa Securities Malaysia Berhad, about whether the pro forma consolidated statements of financial position has been compiled, in all material respects, by the Board of Directors on the basis set out in Note 1 of the pro forma consolidated statements of financial position.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of Pro forma Financial Information included in the Circular to Shareholders, issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Board of Directors has compiled, in all material respects, the pro forma consolidated statements of financial position on the basis set out in Note 1 of the pro forma consolidated statements of financial position.

For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma consolidated statements of financial position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma consolidated statements of financial position.

The purpose of the pro forma consolidated statements of financial position included in the Circular to Shareholders is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.



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**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S  
LETTER THEREIN (Cont'd)**

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*Our responsibilities (Cont'd)*

A reasonable assurance engagement to report on whether the pro forma consolidated statements of financial position has been compiled, in all material respects, on the basis set out in Note 1 of the pro forma consolidated statements of financial position involves performing procedures to assess whether the applicable criteria used by the Board of Directors in the compilation of the pro forma consolidated statements of financial position provides a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma consolidated statements of financial position reflect the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of MAICA, the event or transaction in respect of which the pro forma consolidated statements of financial position has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma consolidated statements of financial position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Opinion*

In our opinion,

- (a) the pro forma consolidated statements of financial position of MAICA, which have been prepared by the Directors of the Company, have been prepared on the basis of assumptions as set out in the accompanying notes using financial statements prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards in Malaysia and in a manner consistent with both the format of the financial statements and the accounting policies adopted by MAICA; and
- (b) each material adjustment made to the information used in the preparation of the pro forma consolidated statements of financial position is appropriate for the purposes of preparing the pro forma consolidated statements of financial position.

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**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S  
LETTER THEREIN (Cont'd)**

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*Other Matters*

We understand that this letter is issued solely for the purpose of inclusion in the Circular to Shareholders in connection with the Proposals. As such, this letter should not be used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully

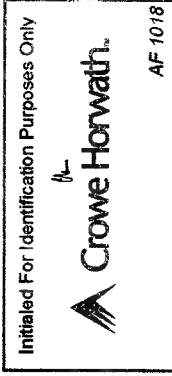
A handwritten signature in cursive script that reads "Crowe Horwath".

**Crowe Horwath**  
Firm No : AF 1018  
Chartered Accountants

A handwritten signature in cursive script that reads "Chin Kit Seong".

**Chin Kit Seong**  
Approval No: 3030/01/15(J)  
Chartered Accountant

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013 OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S LETTER THEREIN (Cont'd)**

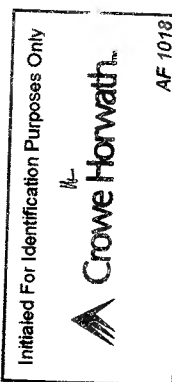


**APPENDIX A**

**MALAYSIA AICA BERHAD ("MAICA")  
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
MINIMUM SCENARIO**

	MAICA Audited as at 31.3.2013 RM'000	Pro forma I After asset injections and the Proposed Rights Issue With Warrants RM'000	Pro forma II After Pro forma I, the Proposed Private Placement and Utilisation of Proceeds RM'000	Pro forma III After Pro forma II and assuming full exercise of the Warrants RM'000
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment	3,377	3,377	3,377	3,377
Investment property	6,907	6,907	6,907	6,907
Investment in an associate	638	638	638	638
Investment in club membership, at cost	25	25	25	25
Land held for property development	-	-	176,501	176,501
Receivables	9,477	-	-	-
	20,424	10,947	187,448	187,448
<b>CURRENT ASSETS</b>				
Inventories	4,151	4,151	4,151	4,151
Receivables	21,803	458	458	458
Prepayments	265	265	265	265
Property development costs	-	56,000	56,000	56,000
Current tax assets	28	28	28	28
Cash and cash equivalents	27,314	167,402	20,636	163,497
	53,561	228,304	81,538	224,399
<b>TOTAL ASSETS</b>	73,985	239,251	268,986	411,847

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013 OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S LETTER THEREIN (Cont'd)**



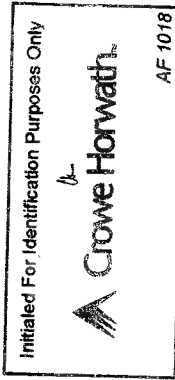
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## APPENDIX A

**MALAYSIA AICA BERHAD ("MAICA")  
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
MINIMUM SCENARIO (CONT'D)**

	Note	MAICA Audited as at 31.3.2013 RM'000	After asset injections RM'000	Pro forma I After asset injections and the Proposed Rights Issue With Warrants RM'000	Pro forma II After Pro forma I, the Proposed Private Placement and Utilisation of Proceeds RM'000	Pro forma III After Pro forma II and assuming full exercise of the Warrants RM'000
<b>EQUITY AND LIABILITIES</b>						
<b>EQUITY</b>						
Share capital	6	65,180	79,180	198,231	218,054	257,738
Share premium	7	13,296	13,296	18,771	28,683	159,100
Capital reserve	8	815	815	815	815	815
Warrant reserve	9	-	-	27,240	27,240	-
Accumulated losses		(8,565)	(9,065)	(9,065)	(9,065)	(9,065)
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>70,726</b>	<b>84,226</b>	<b>235,992</b>	<b>265,727</b>	<b>408,588</b>
<b>NON-CONTROLLING INTERESTS</b>		<b>27</b>	<b>27</b>	<b>27</b>	<b>27</b>	<b>27</b>
<b>TOTAL EQUITY</b>		<b>70,753</b>	<b>84,253</b>	<b>236,019</b>	<b>265,754</b>	<b>408,615</b>

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013 OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S LETTER THEREIN (Cont'd)**

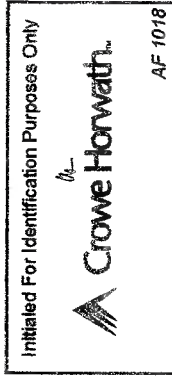


**APPENDIX A**

**MALAYSIA AICA BERHAD ("MAICA")  
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
MINIMUM SCENARIO (CONT'D)**

	Note	MAICA Audited as at 31.3.2013 RM'000	After asset injections RM'000	After asset injections and the Proposed Rights Issue With Warrants RM'000	Pro forma I After the Proposed Private Placement and Utilisation of Proceeds RM'000	Pro forma II After the Proposed Private Placement and Utilisation of Proceeds RM'000	Pro forma III After Pro forma II and assuming full exercise of the Warrants RM'000
NON-CURRENT LIABILITIES							
Retirement benefits		1,074	1,074	1,074	1,074	1,074	1,074
Deferred tax liabilities		6	6	6	6	6	6
		1,080	1,080	1,080	1,080	1,080	1,080
CURRENT LIABILITIES							
Payables		1,656	1,656	1,656	1,656	1,656	1,656
Advance payments from customers		278	278	278	278	278	278
Retirement benefits		63	63	63	63	63	63
Current tax liabilities		155	155	155	155	155	155
		2,152	2,152	2,152	2,152	2,152	2,152
<b>TOTAL LIABILITIES</b>		<b>3,232</b>	<b>3,232</b>	<b>3,232</b>	<b>3,232</b>	<b>3,232</b>	<b>3,232</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>73,985</b>	<b>87,485</b>	<b>239,251</b>	<b>268,986</b>	<b>411,847</b>	

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013 OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S LETTER THEREIN (Cont'd)**

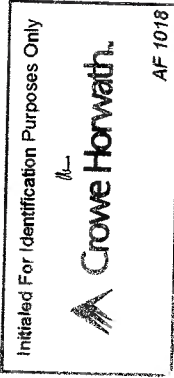


## APPENDIX A

**MALAYSIA AICA BERHAD ("MAICA")  
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
MINIMUM SCENARIO (CONT'D)**

	MAICA Audited as at 31.3.2013	Pro forma I After asset injections and the Proposed Rights Issue With Warrants	Pro forma II After Pro forma I, the Proposed Private Placement and Utilisation of Proceeds	Pro forma III After Pro forma II and assuming full exercise of the Warrants
Number of ordinary shares of RM0.50 each ('000)	6	158,361	436,110	515,477
Net assets (RM'000) ("NA")	70,726	84,226	265,727	408,588
Net tangible assets (RM'000) ("NTA")	70,726	84,226	265,727	408,588
NA per ordinary share (RM)	0.54	0.53	0.61	0.79
NTA per ordinary share (RM)	0.54	0.53	0.61	0.79
Bank borrowings (RM'000)	-	-	-	-
Gearing (RM'000)	-	-	-	-

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013 OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S LETTER THEREIN (Cont'd)**



**MALAYSIA AICA BERHAD**

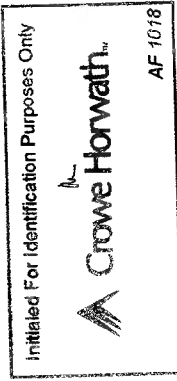
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**APPENDIX A**

**MALAYSIA AICA BERHAD ("MAICA")  
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
MAXIMUM SCENARIO**

	MAICA Audited as at 31.3.2013 RM'000	After asset injections RM'000	After asset injections and the Proposed Rights Issue RM'000	Pro forma I	Pro forma II After the Proposed Private Placement and Utilisation of Proceeds RM'000	Pro forma III After Pro forma II and assuming full exercise of the Warrants RM'000
<b>ASSETS</b>						
<b>NON-CURRENT ASSETS</b>						
Property, plant and equipment	3,377	3,377	3,377	3,377	3,377	3,377
Investment property	6,907	6,907	6,907	6,907	6,907	6,907
Investment in an associate	638	638	638	638	638	638
Investment in club membership, at cost	25	25	25	25	25	25
Land held for property development	-	-	-	-	346,313	346,313
Receivables	9,477	-	-	-	-	-
	20,424	10,947	10,947	10,947	357,260	357,260
<b>CURRENT ASSETS</b>						
Inventories	4,151	4,151	4,151	4,151	4,151	4,151
Receivables	21,803	458	458	458	458	458
Prepayments	265	265	265	265	265	265
Property development costs	-	56,000	56,000	56,000	56,000	56,000
Current tax assets	28	28	28	28	28	28
Cash and cash equivalents	27,314	15,636	319,441	319,441	20,636	305,687
	53,561	76,538	380,343	380,343	81,538	366,589
<b>TOTAL ASSETS</b>	73,985	87,485	391,290	391,290	438,798	723,849

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013 OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S LETTER THEREIN (Cont'd)**



**MALAYSIA AICA BERHAD**

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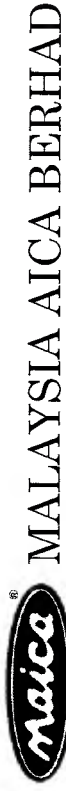
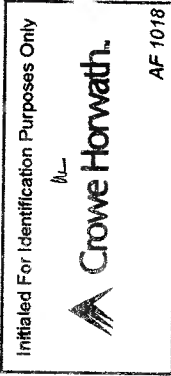
**APPENDIX A**

**MALAYSIA AICA BERHAD ("MAICA")  
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
MAXIMUM SCENARIO (CONT'D)**

	Note	MAICA Audited as at 31.3.2013 RM'000	After asset injections RM'000	After asset injections and the Proposed Rights Issue With Warrants RM'000	Pro forma I After the Proposed Private Placement and Utilisation of Proceeds RM'000	Pro forma II After Pro forma I, the Proposed Private Placement and Utilisation of Proceeds RM'000	Pro forma III After Pro forma II and assuming full exercise of the Warrants RM'000
<b>EQUITY AND LIABILITIES</b>							
<b>EQUITY</b>							
Share capital	6	65,180	79,180	316,722	348,394	427,575	
Share premium	7	13,296	13,296	25,030	40,866	301,265	
Capital reserve		815	815	815	815	815	
Warrant reserve	8	-	-	54,529	54,529	-	
Accumulated losses	9	(8,565)	(9,065)	(9,065)	(9,065)	(9,065)	
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>70,726</b>	<b>84,226</b>	<b>388,031</b>	<b>435,539</b>	<b>720,590</b>	
<b>NON-CONTROLLING INTERESTS</b>		<b>27</b>	<b>27</b>	<b>27</b>	<b>27</b>	<b>27</b>	
<b>TOTAL EQUITY</b>		<b>70,753</b>	<b>84,253</b>	<b>388,058</b>	<b>435,566</b>	<b>720,617</b>	



**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013 OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S LETTER THEREIN (Cont'd)**



**MALAYSIA AICA BERHAD**

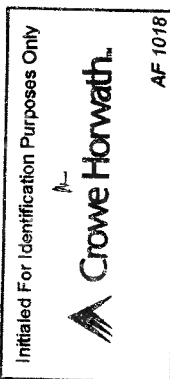
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**APPENDIX A**

**MALAYSIA AICA BERHAD ("MAICA")  
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
MAXIMUM SCENARIO (CONT'D)**

	MAICA Audited as at 31.3.2013 RM'000	After asset injections RM'000	Pro forma I After asset injections and the Proposed Rights Issue With Warrants RM'000	Pro forma II After Pro forma I, the Proposed Private Placement and Utilisation of Proceeds RM'000	Pro forma III After Pro forma II and assuming full exercise of the Warrants RM'000
<b>NON-CURRENT LIABILITIES</b>					
Retirement benefits	1,074	1,074	1,074	1,074	1,074
Deferred tax liabilities	6	6	6	6	6
	1,080	1,080	1,080	1,080	1,080
<b>CURRENT LIABILITIES</b>					
Payables	1,656	1,656	1,656	1,656	1,656
Advance payments from customers	278	278	278	278	278
Retirement benefits	63	63	63	63	63
Current tax liabilities	155	155	155	155	155
	2,152	2,152	2,152	2,152	2,152
<b>TOTAL LIABILITIES</b>	3,232	3,232	3,232	3,232	3,232
<b>TOTAL EQUITY AND LIABILITIES</b>	73,985	87,485	391,290	438,798	723,849

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013 OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S LETTER THEREIN (Cont'd)**



**MALAYSIA AICA BERHAD**

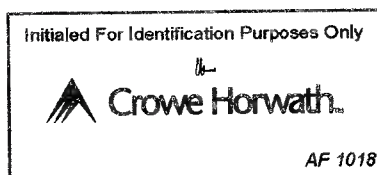
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**APPENDIX A**

**MALAYSIA AICA BERHAD ("MAICA")  
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
MAXIMUM SCENARIO (CONT'D)**

	MAICA Audited as at 31.3.2013	Pro forma I After asset injections and the Proposed Rights Issue With Warrants	Pro forma II After the Proposed Private Placement and Utilisation of Proceeds	Pro forma III After Pro forma II and assuming full exercise of the Warrants
Number of ordinary shares of RM0.50 each ('000)	6	633,445	696,790	855,152
Net assets (RM'000) ("NA")	70,726	388,031	435,539	720,590
Net tangible assets (RM'000) ("NTA")	70,726	388,031	435,539	720,590
NA per ordinary share (RM)	0.54	0.61	0.63	0.84
NTA per ordinary share (RM)	0.54	0.61	0.63	0.84
Bank borrowings (RM'000)	-	-	-	-
Gearing (RM'000)	-	-	-	-

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S  
LETTER THEREIN (Cont'd)**



**MALAYSIA AICA BERHAD**

(8235 K)

**APPENDIX A**

**MALAYSIA AICA BERHAD ("MAICA")  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2013**

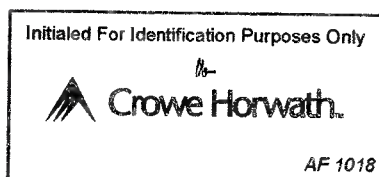
**1. Basis Of Preparation**

The pro forma consolidated statements of financial position of MAICA have been prepared based on the audited consolidated statements of financial position of MAICA as at 31 March 2013, adjusted for the acquisition by MAICA of the rights and interest of Cangkat Nusantara Sdn Bhd ("CNSB"), including the development rights to a commercial development project and a parcel of development land ("project and land") from CNSB, for a total purchase consideration of RM56 million to be settled via cash, Shares and receivables, which are completed on 22 January 2014.

The pro forma consolidated statements of financial position of MAICA have been prepared on the assumption that had the Proposed Rights Issue With Warrants, the Proposed Private Placement and the full exercise of the Warrants issued pursuant to the Proposed Rights Issue With Warrants as described in Note 1(a) and 1(b) below, been effect as at 31 March 2013. The pro forma consolidated statements of financial position of MAICA have been prepared based on the audited consolidated statements of financial position of MAICA as at 31 March 2013 after asset injections had the Proposed Rights Issue With Warrants, the Proposed Private Placement and the full exercise of the Warrants issued pursuant to the Proposed Rights Issue With Warrants as described in Note 1(a) and 1(b) below, been effected on that date. The pro forma consolidated statements of financial position have been properly compiled on the basis stated using financial statements prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards in Malaysia, and in a manner consistent with both the format of the financial statements and the accounting policies of MAICA.

The pro forma consolidated statements of financial position have been prepared solely for illustrative purposes, to show the effects of the Proposed Private Placement after completion of the Proposed Rights Issue With Warrants to raise gross proceeds of RM184.50 million for Minimum Scenario (Minimum level of subscription for the Proposed Rights Issue with Warrants of 238,102,032 Rights Shares together with 79,367,344 Warrants) and RM356.31 million for Maximum Scenario (Assuming all entitled shareholders subscribe in full for their respective entitlements under the Proposed Rights Issue with Warrants).

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S  
LETTER THEREIN (Cont'd)**



**MALAYSIA AICA BERHAD**

(8235 K)

**APPENDIX A**

**MALAYSIA AICA BERHAD ("MAICA")  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2013 (CONT'D)**

**1. Basis Of Preparation (Cont'd)**

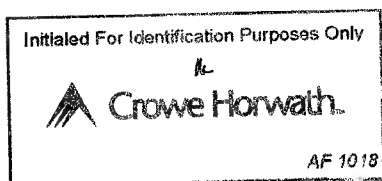
The details of minimum and maximum scenarios are set out below:-

**(a) Minimum Scenario**

The minimum scenario assumes the following:

- (i) Full subscription and issuance of 238,102,032 Rights Shares together with 79,367,344 Warrants at an indicative issue price of RM0.65 per Rights Share to raise indicative gross proceeds of RM155 million on the basis of three (3) Rights Share for every one (1) existing MAICA Shares held, together with one (1) Warrant for every three (3) Rights Share subscribed. The warrants reserve assumes the relative fair value method of the Warrants of RM0.35 each, being the values determined and used to allocate the proceeds of the Proposed Rights Issue With Warrants and after deducting issue expenses. It also incorporates the effects of estimated expenses of RM3,000,000 in relation to the Proposed Rights Issue With Warrants;
- (ii) Proposed private placement of 39,646,350 Shares, representing up to approximately 10% of the enlarged issued and paid-up share capital of the Company after the Proposed Rights Issue With Warrants.  
  
The Placement Shares are issued at an indicative issue price of RM0.75 per Placement Share. The indicative gross proceeds to be raised by the Proposed Private Placement amounting to RM29,735,000 when undertaken the Minimum Scenario of the Proposed Rights Issue With Warrants; and
- (iii) The utilisation of proceeds from the Proposed Rights Issue With Warrants based on the indicative exercise price of RM1.80 per Warrant and the Proposed Private Placement as though they were affected as of that date.

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S  
LETTER THEREIN (Cont'd)**



**MALAYSIA AICA BERHAD**

(8235 K)

**APPENDIX A**

**MALAYSIA AICA BERHAD ("MAICA")  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2013 (CONT'D)**

**1. Basis Of Preparation (Cont'd)**

**(b) Maximum Scenario**

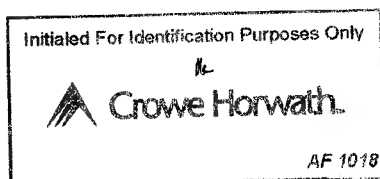
The maximum scenario assumes the following:-

- (i) Full subscription and issuance of 475,084,416 Rights Shares together with 158,361,472 Warrants at an indicative issue price of RM0.65 per Rights Share to raise indicative gross proceeds of RM309 million on the basis of three (3) Rights Share for every one (1) existing MAICA Shares held, together with one (1) Warrant for every three (3) Rights Share subscribed. The warrants reserve assumes the relative fair value method of the Warrants of RM0.35 each, being the values determined and used to allocate the proceeds of the Proposed Rights Issue With Warrants and after deducting issue expenses. It also incorporates the effects of estimated expenses of RM5,000,000 in relation to the Proposed Rights Issue With Warrants;
- (ii) Proposed private placement of 63,344,588 Shares, representing up to approximately 10% of the enlarged issued and paid-up share capital of the Company after the Proposed Rights Issue With Warrants.

The Placement Shares are issued at an indicative issue price of RM0.75 per Placement Share. The indicative gross proceeds to be raised by the Proposed Private Placement amounting to RM47,508,000 when undertaken the Maximum Scenario of the Proposed Rights Issue With Warrants; and

- (iii) The utilisation of proceeds from the Proposed Rights Issue With Warrants based on the indicative exercise price of RM1.80 per Warrant and the Proposed Private Placement as though they were affected as of that date.

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S  
LETTER THEREIN (Cont'd)**



**MALAYSIA AICA BERHAD**

(8235 K)

**APPENDIX A**

**MALAYSIA AICA BERHAD ("MAICA")  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2013 (CONT'D)**

**1. Basis Of Preparation (Cont'd)**

**1.1 Pro forma I**

The full subscription of 238,102,032 Rights Shares under Minimum Scenario would give rise to an increase in the issued and paid-up share capital of MAICA of RM19,051,000. Share premium will increase by RM5,475,000 to RM18,771,000 after netting off estimated expenses of RM2,462,000. The full subscription of 238,102,032 Rights Shares will generate total gross cash proceeds of RM151,766,000 after netting off estimated expenses of RM3,000,000.

The full subscription of 475,084,416 Rights Shares under Maximum Scenario would give rise to an increase in the issued and paid-up share capital of MAICA of approximately RM237,542,000. Share premium will increase by RM11,734,000 to RM25,030,000 after netting off estimated expenses of approximately RM4,103,000. The full subscription of 475,084,416 Rights Shares will generate total gross cash proceeds of RM303,805,000 after netting off estimated expenses of RM5,000,000.

The Rights Shares and Warrants are recognised at their relative fair values. In arriving at the relative fair values, the fair values of the Rights Shares and Warrants were proportionately adjusted to their issued price of RM0.65 per Rights Share.

The fair value of the warrants of RM0.35 per Warrant is determined using "Black-Scholes Option" pricing model based on the following key assumptions:

Expiry date*	[27 March] 2019
Expected volatility of MAICA's Share price^	65.669%

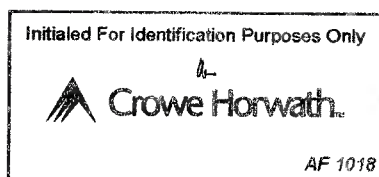
\* Five years from the date of issuance of the Warrants

^ Source : Bloomberg Finance L.P

The full issuance of 79,367,344 Warrants under minimum scenario will generate a total of RM27,240,000 warrants reserve with the relative fair value method of the Warrants of RM0.35 per Warrant.

The full issuance of 158,361,472 Warrants under maximum scenario will generate a total of RM54,529,000 warrants reserve with the relative fair value method of the Warrants of RM0.35 per Warrant.

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S  
LETTER THEREIN (Cont'd)**



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## APPENDIX A

**MALAYSIA AICA BERHAD ("MAICA")  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2013 (CONT'D)**

## 1. Basis Of Preparation (Cont'd)

## 1.2 Pro forma II

The Proposed Private Placement gave rise to an increase of RM19,823,000 in the issued and paid-up share capital of MAICA under minimum scenario. The share premium will increase by RM9,912,000 and the Proposed Private Placement generated total gross proceeds of RM29,735,000.

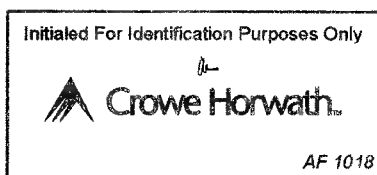
The Proposed Private Placement gave rise to an increase of RM31,672,000 in the issued and paid-up share capital of MAICA under maximum scenario. The share premium will increase by RM15,836,000 and the Proposed Private Placement generated total gross proceeds of RM47,508,000.

The Proposed Private Placement is to be undertaken after the implementation of the Proposed Rights Issue With Warrants.

The total gross proceeds raised from the Proposed Rights Issue With Warrants and the Proposed Private Placement (excluding the exercise of Warrants) under the Minimum Scenario and Maximum Scenario amounts to RM181,501,000 and RM351,313,000 after netting off estimated expenses of RM3,000,000 and RM5,000,000 respectively. The expected utilisation of those proceeds are as follows:-

Proposed utilisation of proceeds	Minimum Scenario	Maximum Scenario	Expected timeframe for utilisation (from the date of listing of Rights Shares and Placement Shares, whichever applicable)
	RM'000	RM'000	
Property development expenses and future land acquisition	176,501	346,313	Within 24 months
Working capital	5,000	5,000	Within 12 months
Estimated expenses	3,000	5,000	Within 6 months
<b>Total gross proceeds</b>	<b>184,501</b>	<b>356,313</b>	

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
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**MALAYSIA AICA BERHAD**

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**APPENDIX A**

**MALAYSIA AICA BERHAD ("MAICA")  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2013 (CONT'D)**

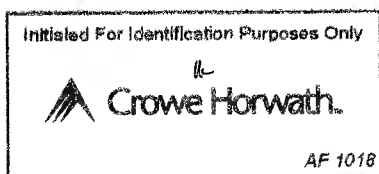
**1.3 Pro forma III**

The full exercise of 79,367,344 Warrants under minimum scenario will generate total cash proceeds of RM142,861,000 based on the indicative exercise price of RM1.80 per Warrant. The exercise price of RM1.80 per Warrant represents a premium of approximately 113.35% to the theoretical ex-rights price of MAICA Shares of RM0.8437, based on five (5)-day volume weighted average market price up and including 27 March 2014, being the last market day prior to the date of announcement of RM1.4246. Pursuant to the full exercise of the 79,367,344 Warrants, 79,367,344 new MAICA Shares will be issued and this will increase the issued and paid-up share capital and share premium account of MAICA by RM39,684,000 and RM103,177,000, respectively. The amount of RM27,240,000 of the warrants reserve will be transferred to share premium upon full exercise of the Warrants.

The full exercise of 158,361,472 Warrants under maximum scenario will generate total cash proceeds of RM285,051,000 based on the indicative exercise price of RM1.80 per Warrant. The exercise price of RM1.80 per Warrant represents a premium of approximately 113.35% to the theoretical ex-rights price of MAICA Shares of RM0.8437, based on five (5)-day volume weighted average market price up and including 27 March 2014, being the last market day prior to the date of announcement of RM1.4246. Pursuant to the full exercise of the 158,361,472 Warrants, 158,361,472 new MAICA Shares will be issued and this will increase the issued and paid-up share capital and share premium account of MAICA by RM79,181,000 and RM205,870,000, respectively. The amount of RM54,529,000 of the warrants reserve will be transferred to share premium upon full exercise of the Warrants.



**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S  
LETTER THEREIN (Cont'd)**



**maica** MALAYSIA AICA BERHAD

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## APPENDIX A

**MALAYSIA AICA BERHAD ("MAICA")  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2013 (CONT'D)**

**2. Land Held For Future Development**

The movements in land held for future development of MAICA are as follows:-

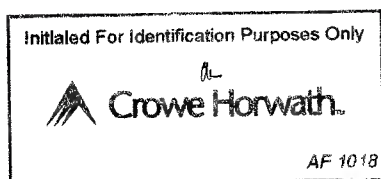
	Minimum scenario RM'000	Maximum scenario RM'000
Audited as at 31.3.2013/ As per after asset injections and Pro Forma I Utilisation of proceeds:	-	-
- property development expenses and future land acquisition (Note 1.2)	176,501	346,313
As per Pro Forma II and III	<u>176,501</u>	<u>346,313</u>

**3. Receivables**

The movements in receivables of MAICA are as follows:-

	Minimum scenario RM'000	Maximum scenario RM'000
<u>Non-current</u>		
Audited as at 31.3.2013	9,477	9,477
Partial payment for the asset injections	(9,477)	(9,477)
As per after asset injections, Pro Forma I, II and III	<u>-</u>	<u>-</u>
<u>Current</u>		
Audited as at 31.3.2013	21,803	21,803
Partial payment for the asset injections	(21,345)	(21,345)
As per after asset injections, Pro Forma I, II and III	<u>458</u>	<u>458</u>

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S  
LETTER THEREIN (Cont'd)**



**MALAYSIA AICA BERHAD**

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**APPENDIX A**

**MALAYSIA AICA BERHAD ("MAICA")  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2013 (CONT'D)**

**4. Property Development Costs**

The movements in property development costs of MAICA are as follows:-

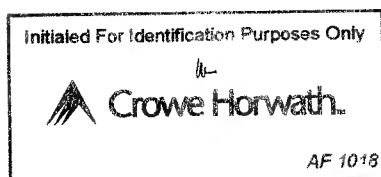
	<b>Minimum scenario RM'000</b>	<b>Maximum scenario RM'000</b>
Audited as at 31.3.2013	-	-
Arising from the asset injections:		
- acquisition of project and land	56,000	56,000
	<hr/>	<hr/>
As per after asset injections, Pro Forma I, II and III	56,000	56,000
	<hr/>	<hr/>

**5. Cash and Bank Balances**

The movements in cash and bank balances of MAICA are as follows:-

	<b>Minimum scenario RM'000</b>	<b>Maximum scenario RM'000</b>
Audited as at 31.3.2013	27,314	27,314
Arising from the asset injections:		
- partial payment for the acquisition of project and land	(11,178)	(11,178)
- estimated expenses related to the acquisition of project and land	(500)	(500)
	<hr/>	<hr/>
As per after asset injections	15,636	15,636
Proceeds from the Proposed Rights Issue With Warrants	154,766	308,805
Estimated expenses related to the Proposed Rights Issue With Warrants (Note 1.2)	(3,000)	(5,000)
	<hr/>	<hr/>
As per Pro Forma I	167,402	319,441
Proceeds from the Proposed Private Placement	29,735	47,508
Utilisation of proceeds (Note 1.2)	(176,501)	(346,313)
	<hr/>	<hr/>
As per Pro Forma II	20,636	20,636
Proceeds from the full exercise of Warrants	142,861	285,051
	<hr/>	<hr/>
As per Pro Forma III	163,497	305,687
	<hr/>	<hr/>

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S  
LETTER THEREIN (Cont'd)**



**MALAYSIA AICA BERHAD**

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**APPENDIX A**

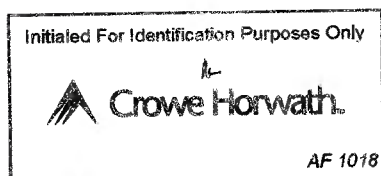
**MALAYSIA AICA BERHAD ("MAICA")  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2013 (CONT'D)**

**6. Share Capital**

The movements in share capital of MAICA are as follows:-

	Minimum scenario		Maximum scenario	
	No. of ordinary shares ( '000)	RM'000	No. of ordinary shares ( '000)	RM'000
Audited as at 31.3.2013	130,361	65,180	130,361	65,180
Arising from the asset injections: - partial payment for the acquisition of project and land	28,000	14,000	28,000	14,000
As per after asset injections	158,361	79,180	158,361	79,180
Arising from the Proposed Rights Issue With Warrants	238,103	119,051	475,084	237,542
As per Pro Forma I	396,464	198,231	633,445	316,722
Arising from the Proposed Private Placement	39,646	19,823	63,345	31,672
As per Pro Forma II	436,110	218,054	696,790	348,394
Arising from the full exercise of Warrants	79,367	39,684	158,362	79,181
As per Pro Forma III	515,477	257,738	855,152	427,575

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
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LETTER THEREIN (Cont'd)**



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## APPENDIX A

**MALAYSIA AICA BERHAD ("MAICA")  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2013 (CONT'D)**

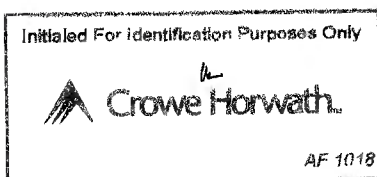
## 7. Share Premium

The movements in share premium of MAICA are as follows:-

	Minimum scenario RM'000	Maximum scenario RM'000
Audited as at 31.3.2013/As per after asset injections	13,296	13,296
Arising from the Proposed Rights Issue With Warrants	35,715	71,263
Less: Adjustment to fair value of Warrants (Note 8)	(27,778)	(55,426)
	7,937	15,837
Estimated expenses related to the Proposed Rights Issue With Warrants *	(2,462)	(4,103)
As per Pro Forma I	18,771	25,030
Arising from the Proposed Private Placement	9,912	15,836
As per Pro Forma II	28,683	40,866
Arising from the full exercise of Warrants	103,177	205,870
Transfer from warrant reserve upon full exercise of Warrants (Note 8)	27,240	54,529
As per Pro Forma III	159,100	301,265

\* - Represents 82.05% of the total estimated expenses of RM3 million and RM5 million under minimum and maximum scenarios, respectively in relation to the Proposed Rights Issue With Warrants. The basis of 82.05% is derived based on the fair value of RM0.5333 for each Rights Share subscribed over the indicative issue price of RM0.65 per Rights Share, which is based on the recommended practice stated in Financial Reporting Standards Implementation Committee ("FRSIC") Consensus 9.

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
OF MAICA GROUP TOGETHER WITH THE NOTES AND THE REPORTING ACCOUNTANT'S  
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**MALAYSIA AICA BERHAD**

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**APPENDIX A**

**MALAYSIA AICA BERHAD ("MAICA")  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2013 (CONT'D)**

**8. Warrant Reserve**

The movements in warrants reserve of MAICA are as follows:-

	<b>Minimum scenario RM'000</b>	<b>Maximum scenario RM'000</b>
Audited as at 31.3.2013/As per after asset injections Arising from the Proposed Rights Issue With Warrants (Note 7)	-	-
Estimated expenses related to the Proposed Rights Issue With Warrants *	27,778	55,426
	(538)	(897)
As per Pro Forma I and II	<u>27,240</u>	<u>54,529</u>
Transfer to share premium upon full exercise of Warrants (Note 7)	(27,240)	(54,529)
As per Pro Forma III	<u>-</u>	<u>-</u>

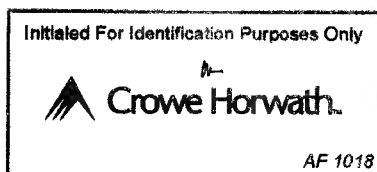
\* - Represents 17.95% of the total estimated expenses of RM3 million and RM5 million under minimum and maximum scenarios, respectively in relation to the Proposed Rights Issue With Warrants. The basis of 17.95% is derived based on the proportionate fair value of Warrants of RM0.1167 for each Rights Share subscribed over the indicative issue price of RM0.65 per Rights Share, which is based on the recommended practice stated in Financial Reporting Standards Implementation Committee ("FRSIC") Consensus 9.

**9. Accumulated Losses**

The movements in accumulated losses of MAICA are as follows:-

	<b>Minimum scenario RM'000</b>	<b>Maximum scenario RM'000</b>
Audited as at 31.3.2013	(8,565)	(8,565)
Estimated expenses related to the acquisition of project and land	(500)	(500)
As per after asset injections, Pro Forma I, II and III	<u>(9,065)</u>	<u>(9,065)</u>

PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013  
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**MALAYSIA AICA BERHAD**

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**MALAYSIA AICA BERHAD ("MAICA")**

**NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2013 (CONT'D)**

**APPROVAL BY THE BOARD OF DIRECTORS**

Approved by the Board of Directors in accordance with a resolution dated **28 MAR 2014**

.....  
**DATUK TER LEONG YAP**

DIRECTOR

MALAYSIA AICA BERHAD

.....  
**KOONG WAI SENG**

DIRECTOR

MALAYSIA AICA BERHAD



**MALAYSIA AICA BERHAD**  
(Company No: 8235-K)  
(Incorporated in Malaysia under the Companies Act, 1965)

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting of Malaysia Aica Berhad (“**MAICA**” or the “**Company**”) will be held at Function Room, KampungKu Restaurant, Sunsuria Avenue, Persiaran Mahogani, Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor on Monday, 12 May 2014 at 10.30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions with or without any modifications as shall be determined upon at such meeting:-

### **ORDINARY RESOLUTION 1**

**PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 475,084,416 NEW ORDINARY SHARES OF RM0.50 EACH IN MAICA (“SHARES” OR “MAICA SHARES”) (“RIGHTS SHARE”) ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) EXISTING MAICA SHARE HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“ENTITLEMENT DATE”), TOGETHER WITH UP TO 158,361,472 FREE DETACHABLE WARRANTS (“WARRANTS”) ON THE BASIS OF ONE (1) FREE WARRANT FOR EVERY THREE (3) RIGHTS SHARES SUBSCRIBED (“PROPOSED RIGHTS ISSUE WITH WARRANTS”)**

**“THAT**, subject to the passing of Ordinary Resolution 3 and Special Resolution 1 and the approvals of the relevant authorities (where required) being obtained, the Board of Directors of the Company (“**Board**”) be and is hereby authorised to provisionally allot by way of a renounceable rights issue of up to 475,084,416 Rights Shares to the shareholders of the Company whose names appear in the Record of Depositors at the close of business on the Entitlement Date (“**Entitled Shareholders**”), on the basis of three (3) Rights Shares for every one (1) existing MAICA Share held on the Entitlement Date, together with up to 158,361,472 Warrants on the basis of one (1) Warrant for every three (3) Rights Shares subscribed by the Entitled Shareholders;

**THAT** the Board be and is hereby authorised to determine and vary if deemed fit, necessary and/or expedient, the issue price of the Rights Shares and the exercise price of the Warrants to be issued in connection with the Proposed Rights Issue With Warrants;

**THAT** the Rights Shares shall, upon allotment and issue, be of the same class and rank *pari passu* in all respects with the then existing MAICA Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other distributions which may be declared, made or paid to the shareholders of the Company, the entitlement date of which is prior to the date of allotment of the Rights Shares;

**THAT** any Rights Shares which are not validly taken up or which are not allotted for any reason whatsoever shall first be made available for excess applications in such manner as the Board shall determine at its absolute discretion;

**THAT** the Warrants shall be allotted and issued in registered form on the basis that, subject to any adjustments to the subscription rights attached to the Warrants under the provisions of the deed poll to be executed by the Company constituting the Warrants (“**Deed Poll**”), each Warrant entitles its holder to subscribe for one (1) new MAICA Share at an exercise price to be determined, during its prescribed exercise period;

**THAT** the proceeds of the Proposed Rights Issue With Warrants be utilised for the purposes as set out in the Circular to Shareholders of the Company dated 18 April 2014 (“**Circular**”), and the Board be authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient, subject (where required) to the approval of the relevant authorities;

**THAT** the Board be and is hereby empowered and authorised to:-

- (a) deal with any fractional entitlements that may arise from the Proposed Rights Issue With Warrants in such manner and on such terms and conditions as the Board in its absolute discretion deems fit or expedient or in the best interests of the Company;
- (b) allot and issue such number of additional Warrants pursuant to the adjustments under the Deed Poll ("**Additional Warrants**") and to adjust from time to time the exercise price of the Warrants as a consequence of the adjustments under the provisions in the Deed Poll and/or to effect such modifications, variations and/or amendments as may be imposed / required / permitted by Bursa Malaysia Securities Berhad ("**Bursa Securities**") and any other relevant authorities or parties or otherwise;
- (c) allot and issue such appropriate number of new MAICA Shares, credited as fully paid-up, to the holders of the Warrants arising from the exercise of the Warrants and the exercise of Additional Warrants and all new MAICA Shares to be issued upon exercise of the Warrants and the exercise of Additional Warrants shall, upon allotment and issue, be of the same class and rank *pari passu* in all respects with the then existing Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to the shareholders of the Company, the entitlement date of which is prior to the date of allotment of the new MAICA Shares arising from the exercise of the Warrants;
- (d) enter into the Deed Poll with full powers to assent to any condition, modification, revaluation, variation and/or amendments (if any) as the Board may deem fit, necessary and/or expedient or as may be imposed by the relevant authorities and to take all steps as it may consider necessary in order to implement, finalise and give full effect to the Deed Poll subject to all provisions and adjustments contained therein;
- (e) enter into any underwriting agreement(s) for the underwriting of any part of the Proposed Rights Issue With Warrants and/or the Rights Shares and all other documents, agreements and/or arrangements in connection with the underwriting of the Proposed Rights Issue With Warrants and/or the Rights Shares with such parties and upon such terms and conditions as the Board may deem fit; and
- (f) do all acts, deeds and things and execute, sign, deliver and cause to be delivered on behalf of the Company all such transactions, arrangements, agreements and/or documents as may be necessary or expedient in order to implement, give effect to and complete the Proposed Rights Issue With Warrants with full powers to assent to any condition, modification, variation and/or amendment to the terms of the Proposed Rights Issue with Warrants as the Board may deem fit, necessary and/or expedient in the interests of the Company or as may be imposed by any relevant authority or consequent upon the implementation of the said conditions, modifications, variations and/or amendments and to take all steps as it considers necessary in connection with the Proposed Rights Issue With Warrants;

**THAT** the Rights Shares, Warrants, Additional Warrants and new MAICA Shares to be issued pursuant to the exercise of the Warrants and Additional Warrants shall be listed on the Main Market of Bursa Securities;

**AND THAT** this resolution constitutes a specific approval for the issuance of securities in the Company contemplated herein which is made pursuant to an offer, agreement or option and shall continue in full force and effect until all Rights Shares, Warrants, Additional Warrants and new MAICA Shares to be issued pursuant to or in connection with the Proposed Rights Issue With Warrants have been duly allotted and issued in accordance with the terms of the Proposed Rights Issue With Warrants."



## **ORDINARY RESOLUTION 2**

### **PROPOSED PRIVATE PLACEMENT OF UP TO 63,344,588 MAICA SHARES (“PLACEMENT SHARES”) REPRESENTING APPROXIMATELY 10% OF THE ENLARGED ISSUED AND PAID UP SHARE CAPITAL OF MAICA AFTER THE PROPOSED RIGHTS ISSUE WITH WARRANTS AT AN ISSUE PRICE TO BE DETERMINED LATER (“PROPOSED PRIVATE PLACEMENT”)**

“**THAT** subject to the passing of the Ordinary Resolution 3 and the Special Resolution 1 and the approvals of the relevant authorities/parties (if required) being obtained, approval be and is hereby given for the Company to allot and issue up to 63,344,588 Placement Shares, representing approximately 10% of the enlarged issued and paid up share capital of MAICA after the Proposed Rights Issue With Warrants, to investor(s) to be identified later in accordance with Paragraph 6.04(c) of the Main Market Listing Requirements of Bursa Securities (“**MMLR**”);

**THAT** the Board be and is hereby authorised to determine and vary if deemed fit, necessary and/or expedient, the issue price of the Placement Shares provided that the issue price is at a discount of no more than 10% to the five (5)-day volume weighted average market price of MAICA Shares immediately preceding the price fixing date but in any event, no less than the par value of the Placement Shares;

**THAT** the Placement Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the existing shares in the Company, save and except that the holders of such Placement Shares shall not be entitled to dividends, rights, allotments and/or other distributions which may be declared, made or paid to the shareholders of the Company, the entitlement date of which is prior to the date of allotment of such Placement Shares;

**THAT** the proceeds of the Proposed Private Placement be utilised for the purposes as set out in the Circular, and the Board be authorized with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient or in the best interests of the Company, subject (where required) to the approval of the relevant authorities;

**THAT** the Placement Shares shall be listed on the Main Market of Bursa Securities;

**AND THAT** the Board be and is hereby authorised and empowered to give full effect to the Proposed Private Placement with full powers to complete and implement the Proposed Private Placement in such manner as the Board may deem fit or necessary, including, to negotiate, approve, agree and/or assent to any conditions, variations, revaluations, modifications and/or amendments in any manner as may be required/permitted by the law, the relevant authorities or deemed necessary by the Board, to take all such steps and to execute and deliver and/or cause to be executed and delivered all such other agreements, arrangements, undertakings, indemnities, transfers, extensions, assignments, deeds, confirmations, declarations and/or guarantees to any party or parties and to do all such acts and matters as it may deem fit, necessary and/or expedient or in the best interests of the Company.”

## **ORDINARY RESOLUTION 3**

### **PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY FROM RM100,000,000 COMPRISING 200,000,000 MAICA SHARES TO RM750,000,000 COMPRISING 1,500,000,000 MAICA SHARES (“PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL”)**

“**THAT** subject to the passing of the Special Resolution 1 and the approvals of the relevant authorities/parties (if required) being obtained, the authorised share capital of the Company be and is hereby increased from RM100,000,000 comprising 200,000,000 MAICA Shares to RM750,000,000 comprising 1,500,000,000 MAICA Shares by the creation of an additional 1,300,000,000 MAICA Shares;

**AND THAT** the Board be and is hereby authorized and empowered to give full effect to the Proposed Increase In Authorised Share Capital with full powers to assent to any modifications and/or amendments as may be required by the law, the relevant authorities or deemed necessary by the Board and to take all steps as they may deem fit, necessary and/or expedient or in the best interests of the Company in order to implement, finalize and give full effect to the Proposed Increase In Authorised Share Capital.”

## SPECIAL RESOLUTION 1

### PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF MAICA (“PROPOSED M&A AMENDMENTS”)

“**THAT**, subject to the passing of Ordinary Resolution 3 above and the approvals of the relevant authorities (where required) being obtained, approval be and is hereby given for the Memorandum & Articles of Association to be altered, modified, varied and deleted in the following manner and that any director be and is hereby authorised to give effect to the Proposed M&A Amendments and to take all steps and do all acts and things in any manner as they may deem necessary to complete, finalise, implement and give full effect to the Proposed M&A Amendments”:-

Memorandum of Association	Existing	Proposed change
Clause 5	The authorised share capital of the company is <b><u>RM100,000,000.00</u></b> divided into <b><u>200,000,000</u></b> ordinary shares of RM0.50 each, with power for the company to increase or reduce such capital, and to issue any part of it’s capital, original, or increased, with or without any preference, priority or special privilege, or subject to any postponement of rights, or to any conditions or restrictions; and so that, unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.	The authorised share capital of the company is <b><u>RM750,000,000.00</u></b> divided into <b><u>1,500,000,000</u></b> ordinary shares of RM0.50 each, with power for the company to increase or reduce such capital, and to issue any part of its capital, original, or increased, with or without any preference, priority or special privilege, or subject to any postponement of rights, or to any conditions or restrictions; and so that, unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.

## SPECIAL RESOLUTION 2

### PROPOSED CHANGE OF NAME OF THE COMPANY

“**THAT** subject to the approvals of the relevant authorities/parties (if required) being obtained, the name of the Company be hereby changed from “Malaysia Aica Berhad” to “Sunsuria Berhad” (“**Proposed Change of Name**”) with effect from the date of the Certificate of Incorporation on Change of Name under the name of Sunsuria Berhad to be issued by the Companies Commission of Malaysia and that the name of the Company wherever appearing in the Memorandum and Articles of Association be amended accordingly;

**AND THAT** the Board and/or the Secretary be and are hereby authorised to do or procure to be done all acts, deeds and things and to execute, sign and deliver on behalf of the Company, all such documents as the Board may deem necessary, expedient and/or appropriate and to carry out all necessary formalities to effect the Proposed Change of Name.”

By order of the Board

**MALAYSIA AICA BERHAD**

**SEE SIEW CHENG (MAICSA 7011225)**

**LEONG SHIAK WAN (MAICSA 7012855)**

*Company Secretaries*

Petaling Jaya

18 April 2014

**Notes:-**

- (i) *A member entitled to attend and vote at the extraordinary general meeting is entitled to appoint one or more proxies (but not more than two) to attend and vote instead of him. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. Where a member appoints two proxies to attend the same meeting, the member shall specify the proportion of his shareholding to be represented by each proxy, failing which the appointment shall be invalid.*
  
- (ii) *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it shall be entitled to 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.*  
  
*Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one 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.*  
  
*Where an authorised nominee or an exempt authorised nominee appoints more than one proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.*
  
- (iii) *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation’s common 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.*
  
- (iv) *The instrument appointing a proxy shall be deposited with the Company’s Share Registrar, Tricor Investor Services Sdn Bhd, Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time appointed for holding the extraordinary general meeting or any adjournment thereof.*
  
- (v) *Depositors whose names appear in the Record of Depositors before 6 May 2014 (not less than three (3) Market Days before the general meeting) shall be entitled to attend and vote at the general meeting or appoint a proxy to attend and vote on his behalf.*

# Proxy Form



## MALAYSIA AICA BERHAD

(Company No: 8235-K)  
(Incorporated in Malaysia under the  
Companies Act, 1965)

I/We, \_\_\_\_\_ NRIC No. / Company No. \_\_\_\_\_ of  
\_\_\_\_\_ being a member /  
members of MALAYSIA AICA BERHAD (8235-K) hereby appoint \_\_\_\_\_  
NRIC No.: \_\_\_\_\_ of \_\_\_\_\_  
representing \_\_\_\_\_ percentage (%) of my/our shareholdings in the Company and/or  
failing him/her \_\_\_\_\_ NRIC No.: \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ representing  
\_\_\_\_\_ percentage (%) of my / our shareholdings in the Company OR Failing  
him/her/them, the Chairman of the Meeting as my/our proxy/proxies to attend and vote for me/us on  
my/our behalf at the Extraordinary General Meeting of the Company to be held on \_\_\_\_\_ day of  
\_\_\_\_\_ and, at any adjournment thereof on the following resolutions in the manner  
indicated below:-

NO.	RESOLUTION	FOR	AGAINST
1.	ORDINARY RESOLUTION 1		
2.	ORDINARY RESOLUTION 2		
3.	ORDINARY RESOLUTION 3		
4.	SPECIAL RESOLUTION 1		
5.	SPECIAL RESOLUTION 2		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature/Common Seal of Shareholder(s)

No. of Ordinary Shares Held	
CDS Account No.	

### Notes:-

- (i) A member entitled to attend and vote at the extraordinary general meeting is entitled to appoint one or more proxies (but not more than two) to attend and vote instead of him. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. Where a member appoints two proxies to attend the same meeting, the member shall specify the proportion of his shareholding to be represented by each proxy, failing which the appointment shall be invalid.
- (ii) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it shall be entitled to 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.  
  
Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one 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.  
  
Where an authorised nominee or an exempt authorised nominee appoints more than one proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- (iii) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's common 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.
- (iv) The instrument appointing a proxy shall be deposited with the Company's Share Registrar, Tricor Investor Services Sdn Bhd, Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time appointed for holding the extraordinary general meeting or any adjournment thereof.
- (v) Depositors whose names appear in the Record of Depositors before 6 May 2014 (not less than three (3) Market Days before the general meeting) shall be entitled to attend and vote at the general meeting or appoint a proxy to attend and vote on his behalf.



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AFFIX  
STAMP

The Share Registrar  
**MALAYSIA AICA BERHAD** (Company No. 8235-K)  
c/o Tricor Investor Services Sdn Bhd  
Level 17, The Gardens North Tower  
Midvalley City, Lingkaran Syed Putra  
59200 Kuala Lumpur  
Malaysia

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