

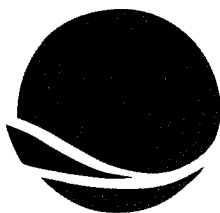
**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

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

In line with Practice Note 18 of Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements on Perusal of Draft Circulars and Other Documents, Bursa Securities did not peruse the contents of this Circular as this Circular do not require the perusal of Bursa Securities prior to its issuance.

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.

Shareholders should rely on their own evaluation to assess the merits and risks of the Proposed Renewal of Share Buy-Back Authority and Proposed Amendments to the Articles of Association of the Company as set out herein.



**PRESTARIANG®**

**PRESTARIANG BERHAD**

(Company No. 922260-K)  
(Incorporated in Malaysia)

**PART A**

**PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

**PART B**

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY**

The above Proposed Renewal of Share Buy-Back Authority and Proposed Amendments to the Articles of Association of the Company will be tabled as Special Business at Prestariang Berhad's Third Annual General Meeting ("3rd AGM") to be held at Banquet Hall, Level 1, Main Lobby Kuala Lumpur Golf & Country Club (KLGCC), No. 10, Jalan 1/70D, Off Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 12 June 2013 at 10:00 a.m. The Notice of the 3rd AGM together with the Form of Proxy are set out in the Annual Report of Prestariang Berhad for the year ended 31 December 2012.

If you are unable to attend and vote at the 3rd AGM, you may complete the Form of Proxy and deposit it at the office of the Company's Share Registrar, Symphony Share Registrars Sdn. Bhd., Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not later than forty-eight (48) hours before the time set for holding the 3rd AGM. The lodging of the Form of Proxy does not preclude you from attending and voting in person at the 3rd AGM should you subsequently decide to do so.

Last date and time for lodging the Form of Proxy..... : Monday, 10 June 2013 at 10:00 a.m.

Date and time of the AGM ..... : Wednesday, 12 June 2013 at 10:00 a.m.

**This Circular is dated 21 May 2013**

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## DEFINITIONS

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In this circular and the accompanying appendix, the following abbreviations shall have the following meanings unless otherwise stated:-

"Act"	:	Companies Act, 1965 as amended from time to time and any re-enactment thereof
"AGM"	:	Annual General Meeting
"Board" or "Board of Directors"	:	Board of Directors of Prestariang Berhad
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (635998-W)
"Code"	:	Malaysian Code on Take-Overs and Mergers, 2010 as amended from time to time
"Director(s)"	:	Director(s) of Prestariang Berhad
"EPS"	:	Earnings per share
"Listing Requirements"	:	Bursa Securities Main Market Listing Requirements including any amendments, modifications and additions that may be made from time to time and any Practice Notes issued in relation thereto
"LPD"	:	9 May 2013, being the Latest Practicable Date prior to the printing of this Circular.
"Market Day"	:	A day on which the stock market of Bursa Securities is open for trading in securities
"NA"	:	Net assets
"Participating Organisation"	:	A company which carries on the business of dealing in securities and for the time being recognised as a Participating Organisation of Bursa Securities pursuant to the Rules of Bursa Securities
"PRESBHD" or "the Company"	:	Prestariang Berhad
"PRESBHD Group" or "Group"	:	Prestariang Berhad and its subsidiaries
"PRESBHD Share(s)" or "Share(s)"	:	Ordinary share(s) of RM0.10 each in Prestariang Berhad
"Proposed Renewal of Share Buy-Back"	:	Proposed Renewal of Share Buy-Back authority to enable PRESBHD to purchase and/or holds up to 10% of its issued and paid-up share capital pursuant to Section 67A of the Act
"Proposed Amendments to the Articles of Association"	:	Proposed Amendments to the Articles of Association of the Company

## **DEFINITIONS (CONT'D)**

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In this circular and the accompanying appendix, the following abbreviations shall have the following meanings unless otherwise stated (cont'd):-

"RM" and "sen" : Ringgit Malaysia and sen respectively

"Substantial Shareholder(s) " : Shall have the meaning given in Section 69D of the Act

Words importing the singular shall include the plural and vice versa and words importing the masculine gender shall, where applicable include the feminine gender and vice versa. Reference to persons shall include corporations.

Any reference in this circular to any enactment is a reference to that enactment for the time being amended or re-enacted. All references to the time of the day in this circular are reference to Malaysian time.

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**PRESTARIANG BERHAD**  
(Company No. 922260-K)  
(Incorporated in Malaysia)

**Registered Office:**  
Level 7, Menara Milenium  
Jalan Damanlela  
Pusat Bandar Damansara  
Damansara Heights  
50490 Kuala Lumpur

21 May 2013

**Board of Directors**

Dato' Mohamed Yunus Ramli Bin Abbas (*Non-Independent Non-Executive Chairman*)  
Dr Abu Hasan Bin Ismail (*Chief Executive Officer/Non-Independent Executive Director*)  
Dato' Jaffar Indot (*Independent Non-Executive Director*)  
Dato' Loy Teik Ngan (*Independent Non-Executive Director*)  
Mr Paul Chan Wan Siew (*Independent Non-Executive Director*)  
Dato' Gan Nyap Liou @ Gan Nyap Liow (*Independent Non-Executive Director*)  
Dato' Maznah Binti Abdul Jalil (*Independent Non-Executive Director*)

**To: The Shareholders of PRESBHD**

Dear Sir/Madam,

**- PROPOSED RENEWAL OF SHARE BUY-BACK**  
**- PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

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**1. INTRODUCTION**

On 23 April 2013, the Board announced the Company's intention to seek the shareholders' approval for the Proposed Renewal of Share Buy-Back and Proposed Amendments to the Articles of Association. The existing authority for share buy-back which was approved by the shareholders at an AGM held on 20 June 2012, shall in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming AGM, unless renewal is obtained from the shareholders of PRESBHD at the said AGM.

The purpose of this circular is to provide you with the details of the above proposals and to seek your approval for the ordinary and special resolutions to be tabled at the forthcoming AGM.

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**PART A**  
**PROPOSED RENEWAL OF SHARE BUY-BACK**

## **2. PROPOSED RENEWAL OF SHARE BUY-BACK**

### **2.1 Details of the Proposed Renewal of Share Buy-Back**

The Board of Directors seeks the approval of the shareholders for the renewal of the authority from the shareholders of the Company to purchase or hold from time to time and at any time up to ten per centum (10%) of the issued and paid-up share capital of the Company. In compliance with Section 67A of the Act and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities, PRESBHD is allowed to purchase its own shares on Bursa Securities.

The authority from shareholders, if renewed, shall be effective upon the passing of the ordinary resolution for the Proposed Renewal of Share Buy-Back until:-

- (a) the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time it will lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (b) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting,

whichever occurs first ("Proposed Authorised Period").

The Proposed Renewal of Share Buy-Back will allow the Board of Directors to exercise the power of the Company to purchase and/or hold its own shares at any time within the Proposed Authorised Period using the internal funds of the Company and/or external borrowings. The amount of internally generated funds and/or external borrowings to be utilised will only be determined later depending on the availability of internally generated funds, the repayment capabilities, the actual number of PRESBHD Shares to be purchased and other relevant cost factors. Based on the audited financial statements of PRESBHD for the financial year ended 31 December 2012, the Group has a net cash and cash equivalent of RM61,297,000.00.

The maximum amount of funds to be utilised for the Proposed Renewal of Share Buy-Back shall not exceed the aggregate of the retained profits and/or the share premium account of the Company. Based on the latest audited financial statements of PRESBHD for the financial year ended 31 December 2012, the retained profits and share premium were RM56,000.00 and RM16,632,000.00 respectively. Based on the latest unaudited management accounts of PRESBHD for the three (3) months period ended 31 March 2013, the retained profits and share premium were RM73,000.00 and RM16,632,000.00 respectively. In accordance with Section 67A of the Act and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities, the number of Shares to be purchased and the timing of the purchase will depend on the market conditions, amount of funds and financial resources available to the Group.

As at 30 April 2013, the public shareholding spread of the Company was 49.37%. The public shareholding spread is expected to be reduced to 44.22% assuming the Proposed Renewal of Share Buy-Back is 22,000,000 Shares with the purchase from the market and all the PRESBHD Shares so purchased are cancelled. The Company will not undertake any share buy-back if that will result in the Company being in breach of Paragraph 8.02 (1) of the Listing Requirements which requires the Company to maintain a shareholding spread of at least 25% of its total number of listed shares (excluding treasury shares) or such lower percentage of shareholding spread as may be allowed by Bursa Securities in the hands of public shareholders.

Section 67A of the Act allows the Company to cancel the purchased Shares, to retain the purchased Shares as treasury shares or a combination of both. The purchased Shares held as treasury shares may either be distributed to the shareholders of the Company as share dividends, resold on Bursa Securities in accordance with the relevant rules of Bursa Securities or subsequently cancelled. The Board of Directors intends to retain the purchased Shares as treasury shares, or cancel the Shares purchased or a combination of both. If the treasury shares are distributed as share dividends, the cost of the original purchase of the Shares shall be deducted against the retained profits or the share premium account of the Company. If the purchased Shares are cancelled, the Company's issued and paid-up share capital shall be diminished by the cancellation of the Shares so purchased and the amount by which the Company's issued capital is diminished shall be transferred to a capital redemption reserve.



The treatment of the purchased Shares to be held as treasury shares, either distributed as share dividends or resold by the Company on Bursa Securities, or both, or subsequently cancelled will in turn depend on the availability of, amongst others, retained profits, share premium account and tax credit (in relation to Section 108 of the Income Tax Act, 1967) of the Company.

In the event the Company purchases its own shares using external borrowings, the Board of Directors shall ensure that the Company has sufficient funds to repay the external borrowings and that the repayment would have no material effect on the cash flow of the Company.

PRESBHD may only purchase its own Shares at a price which is not more than fifteen per centum (15%) above the weighted average market price for PRESBHD Shares for the five (5) Market Days immediately before the purchase(s).

In the case of a resale of treasury shares, the Company may only resell the purchased Shares held as treasury shares on Bursa Securities at:-

- (a) a price which is not less than the weighted average market price for PRESBHD Shares for the five (5) Market Days immediately before the resale(s); or
- (b) a discounted price of not more than five per centum (5%) to the weighted average market price for PRESBHD Shares for the five (5) Market Days immediately before the resale provided that:-
  - (i) the resale takes place not earlier than thirty (30) days from the date of purchase; and
  - (ii) the resale price is not less than the cost of purchase of the Shares being resold.

The Proposed Renewal of Share Buy-Back shall only be effected on the market of Bursa Securities via its Automated Trading System ("ATS") and shall exclude transaction in securities entered into outside the ATS in accordance with the Rules of Bursa Securities. Consequently, the Proposed Renewal of Share Buy-Back shall be transacted through a Participating Organisation to be appointed.

While the purchased Shares are held as treasury shares, the rights attached to them in relation to voting, dividends and participation in any other distributions or otherwise are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, take-overs, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

In the event that the Company decides to purchase its own Shares, the Company will announce on the day the purchase is made providing details of the description of the Shares purchased, the number of Shares purchased, the price of each Share or, where relevant, the highest and lowest price paid, the total consideration paid and the Shares purchased either held as treasury shares or proposed to be cancelled.

In the event that the Company decides to resell the Company's treasury shares, the Company will announce on the day the resale is made providing details of the description of the Shares resold, the number of Shares resold, the resale price of each Share resold or, where relevant, the highest and lowest resale price and the total consideration received.

In the event that the Company decides to cancel the Company's treasury shares, the Company will announce on the day the cancellation is made providing details of the number of treasury shares to be cancelled, the date of cancellation and the outstanding and paid-up capital of Company after the cancellation.

Based on the estimated purchase price of RM1.52 per PRESBHD Share, representing a fifteen per centum (15%) premium above the five-(5) day weighted average market price of PRESBHD Shares for the period up to LPD of RM1.32 per PRESBHD Share and if the Proposed Renewal of Share Buy-Back is to be carried out in full at any time during the Proposed Authorised Period, the purchase of 22,000,000 PRESBHD Shares (being the maximum number of PRESBHD Shares that can be purchased based on the issued and paid-up share capital of PRESBHD as at 30 April 2013 comprising 220,000,000 PRESBHD Shares) would result in cash outflow of RM33,396,000.00.

## **2.2 Rationale of the Proposed Renewal of Share Buy-Back**

The Proposed Renewal of Share Buy-Back is expected to potentially benefit the Company and its shareholders in the following manner:-

- It will provide the Company the option to return its surplus financial resources to its shareholders.
- The Company is expected to stabilise the supply and demand of the Shares in the open market and thereby supporting its fundamental values.
- If the purchased Shares are cancelled, it would enhance the EPS of the Company and thereby long term and genuine investors are expected to enjoy a corresponding increase in the value of their investments in the Company.
- As permitted under Section 67A of the Act, the Shares bought back may be held as treasury shares and resold on Bursa Securities with potential gain without affecting the total issued and paid-up share capital of the Company. Alternatively, the Shares so purchased can be distributed as share dividends to reward the shareholders of the Company.

## **2.3 Potential Advantages and Disadvantages of the Proposed Renewal of Share Buy-Back**

The potential advantages of the Proposed Renewal of Share Buy-Back to the Company and its shareholders are as follows:-

- allows the Company to take preventive measures against speculation particularly when its Shares are undervalued;
- it will reduce the effects of the volatile fluctuation of the prices of Shares in the share market as well as to protect investors' confidence in PRESBHD; and
- allows the Company flexibility in attaining its desired capital structure.

The potential disadvantages of the Proposed Renewal of Share Buy-Back to the Company and its shareholders are as follows:-

- it will reduce the financial resources of the Group and may result in the Group foregoing better investment opportunities that may emerge in future; and
- as the Proposed Renewal of Share Buy-Back can only be made out of retained profits and share premium of the Company, it may result in the reduction of financial resources available for distribution to shareholders in the immediate future.

The Board of Directors will be mindful of the interest of PRESBHD and its shareholders in undertaking the Proposed Renewal of Share Buy-Back and in the subsequent resale of treasury shares on Bursa Securities, if any.

## **2.4 Approval required**

The Proposed Renewal of Share Buy-Back is conditional upon the approval of the shareholders of PRESBHD at the forthcoming AGM to be convened.

## **2.5 Risk Factors of the Proposed Renewal of Share Buy-Back**

The Board of Directors is not aware of any risk factors relating to the Proposed Renewal of Share Buy-Back which could have a material adverse effect on the business or financial position of the PRESBHD Group.

## 2.6 Effects of the Proposed Renewal of Share Buy-Back

On the assumption that the Proposed Renewal of Share Buy-Back is carried out in full, the effects of the Proposed Renewal of Share Buy-Back on the share capital, NA, working capital, earnings and dividends of PRESBHD are set out below:-

### 2.6.1 Share Capital

The effect of the Proposed Renewal of Share Buy-Back on the share capital of PRESBHD will depend on whether the Shares purchased are cancelled or retained as treasury shares.

In the event that all the PRESBHD Shares purchased are to be cancelled, the effect of the Proposed Renewal of Share Buy-Back on the issued and paid-up share capital of the Company would be as follows:-

	No. of PRESBHD Shares	%
Issued and paid-up share capital as at 30 April 2013	( <sup>1</sup> ) 220,000,000	100.00
Less: No. of Shares to be cancelled pursuant to the Proposed Renewal of Share Buy-Back	( <sup>#</sup> ) (22,000,000)	(10.00)
Issued and paid-up share capital upon completion of the Proposed Renewal of Share Buy-Back	198,000,000	90.00

However, the Proposed Renewal of Share Buy-Back will have no effect on the issued and paid-up share capital if all the PRESBHD Shares purchased are to be retained as treasury shares but the rights attaching to them as to voting, dividends and participation in other distributions and otherwise are suspended.

Note:-

\* *The issued and paid-up share capital stated above is inclusive of the treasury shares held by the Company. As at 30 April 2013, the number of PRESBHD Shares held as treasury shares are 950,000. None of them are cancelled.*

# *Estimated maximum number of PRESBHD Shares can be purchased in compliance with Paragraph 12.10 (1) of the Listing Requirements and the Code. The number of PRESBHD Shares computed is based on retained profit and share premium of the Company as at 31 December 2012 net off existing costs of treasury shares held of 975,000 units and taking into account of the 5-day weighted average market price of PRESBHD Shares for the period up to LPD of RM1.32 per PRESBHD Share.*

### 2.6.2 NA and Working Capital

#### • NA

The Proposed Renewal of Share Buy-Back is likely to reduce the consolidated NA per share of the Group if the purchase price exceeds the NA per share of the Group at the time of purchase, and conversely will increase the NA per share of the Group if the purchase price is less than the NA per share of the Group at the time of purchase.

If all the PRESBHD Shares purchased were cancelled, the Proposed Renewal of Share Buy-Back would reduce the NA per share of the Group when the purchase price exceeds the NA per share at the relevant point in time, and vice-versa.

For Shares so purchased which are kept as treasury shares, upon resale, the NA per share of the Group would increase assuming that a gain has been realised or decrease if a loss is realised. If the treasury shares are distributed as share dividends, the NA of the Group would decrease by the cost of the treasury shares.

#### • Working Capital

The Proposed Renewal of Share Buy-Back is likely to reduce the funds available for working capital purposes of the Group, the quantum of which will depend on the purchase price of the Shares and the actual number of Shares purchased and any associated costs incurred in the purchase.

### 2.6.3 EPS

The effect of the Proposed Renewal of Share Buy-Back on the EPS of the Group would depend on the number of Shares purchased and purchase price of the Shares. The effective reduction in the issued and paid-up share capital of the Company pursuant to the Proposed Renewal of Share Buy-Back may generally, all else being equal, have a positive impact on the EPS of the Group.

### 2.6.4 Substantial Shareholders

The effect of the Proposed Renewal of Share Buy-Back on the shareholding of the Substantial Shareholders of PRESBHD, based on the Register of Substantial Shareholders as at 30 April 2013 and assuming 22,000,000 Shares being the maximum number of Shares that are purchased and retained as treasury shares, is as follows:-

Substantial Shareholders	← Before the Proposed Renewal of Share Buy-Back →				← After the Proposed Renewal of Share Buy-Back →			
	Based on Issued Capital as at 30 April 2013 of 219,050,000 Shares (after excluding 950,000 treasury shares)				Based on Pro-forma Issued Capital as at 30 April 2013 of 198,000,000 Shares (after excluding 22,000,000 treasury shares) upon completion of Proposed Renewal of Share Buy-Back			
	Direct No. of Shares	%	Indirect No. of Shares	%	Direct No. of Shares	%	Indirect No. of Shares	%
Dr. Abu Hasan Bin Ismail	-	-	90,650,700 <sup>(a)</sup>	41.38	-	-	90,650,700 <sup>(a)</sup>	45.78
EkoHati Sdn. Bhd.	50,000,900	22.83	40,649,800 <sup>(b)</sup>	18.56	50,000,900	25.25	40,649,800 <sup>(b)</sup>	20.53
Sigma Dedikasi Sdn. Bhd.	31,409,800	14.34	59,240,900 <sup>(c)</sup>	27.04	31,409,800	15.86	59,240,900 <sup>(c)</sup>	29.92
Anjakan Evolusi Sdn. Bhd.	9,240,000	4.22	81,410,700 <sup>(d)</sup>	37.17	9,240,000	4.67	81,410,700 <sup>(d)</sup>	41.12
Kumpulan Modal Perdana Sdn. Bhd.	13,856,000	6.33	-	-	13,856,000	7.00	-	-
Minister of Finance, Incorporated	-	-	15,753,600 <sup>(e)</sup>	7.16	-	-	15,753,600 <sup>(e)</sup>	7.96
Datuk Ir Dr Ahmad Fikri Bin Hussein	-	-	31,409,800 <sup>(f)</sup>	14.34	-	-	31,409,800 <sup>(f)</sup>	15.86
Shahirul Azian Binti Abu Bakar	-	-	90,650,700 <sup>(g)</sup>	41.38	-	-	90,650,700 <sup>(g)</sup>	45.78
Zubaidah Binti Ismail	-	-	90,650,700 <sup>(h)</sup>	41.38	-	-	90,650,700 <sup>(h)</sup>	45.78

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**Note:-**

- (a) *Deemed interested by virtue of his interest in EkoHati Sdn. Bhd., Sigma Dedikasi Sdn. Bhd. and Anjakan Evolusi Sdn. Bhd. pursuant to Section 6A of the Act.*
- (b) *Deemed interested by virtue of Dr. Abu Hasan Bin Ismail's ("Dr. Abu") interest in Sigma Dedikasi Sdn. Bhd. and Anjakan Evolusi Sdn. Bhd. pursuant to Section 6A of the Act.*
- (c) *Deemed interested by virtue of Dr. Abu's interest in EkoHati Sdn. Bhd. and Sigma Dedikasi Sdn. Bhd. pursuant to Section 6A of the Act.*
- (d) *Deemed interested by virtue of Dr. Abu's interest in EkoHati Sdn. Bhd. and Anjakan Evolusi Sdn. Bhd. pursuant to Section 6A of the Act.*
- (e) *Deemed interested by virtue of its interest in Kumpulan Modal Perdana Sdn. Bhd. pursuant to Section 6A of the Act.*
- (f) *Deemed interested by virtue of his interest in Sigma Dedikasi Sdn. Bhd. pursuant to Section 6A of the Act.*
- (g) *Deemed interested by virtue of the interest of her spouse, Dr. Abu in EkoHati Sdn. Bhd., Sigma Dedikasi Sdn. Bhd. and Anjakan Evolusi Sdn. Bhd. pursuant to Section 6A of the Act*
- (h) *Deemed interested by virtue of the interest of her sibling, Dr. Abu in EkoHati Sdn. Bhd., Sigma Dedikasi Sdn. Bhd. and Anjakan Evolusi Sdn. Bhd. pursuant to Section 6A of the Act.*

Save for the resulting increase in percentage shareholdings as a consequence of the Proposed Renewal of Share Buy-Back, none of the Substantial Shareholders or persons connected to them has any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back or the resale of treasury shares, if any.

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## 2.6.5 Directors

The effect of the Proposed Renewal of Share Buy-Back on the shareholding of the Board of Directors based on the Register of Directors' Shareholdings as at 30 April 2013 and assuming 22,000,000 Shares being the maximum number of Shares that are purchased and retained as treasury shares, is as follows:-

Directors	← Before the Proposed Renewal of Share Buy-Back →				← After the Proposed Renewal of Share Buy-Back →			
	Based on Issued Capital as at 30 April 2013 of 219,050,000 Shares (after excluding 950,000 treasury shares)				Based on Pro-forma Issued Capital as at 30 April 2013 of 198,000,000 Shares (after excluding 22,000,000 treasury shares) upon completion of Proposed Renewal of Share Buy-Back			
	Direct No. of Shares	%	Indirect No. of Shares	%	Direct No. of Shares	%	Indirect No. of Shares	%
Dato' Mohamed Yunus Ramli Bin Abbas	250,000	0.11	-	-	250,000	0.13	-	-
Dr Abu Hasan Bin Ismail	-	-	90,650,700 <sup>(a)</sup>	41.38	-	-	90,650,700 <sup>(a)</sup>	45.78
Dato' Jaffar Indot	340,000	0.16	150,000 <sup>(b)</sup>	0.07	340,000	0.17	150,000 <sup>(b)</sup>	0.08
Dato' Gan Nyap Liou @ Gan Nyap Liow	1,893,000	0.86	-	-	1,893,000	0.96	-	-
Dato' Loy Teik Ngan	275,000	0.13	1,500,000 <sup>(c)</sup>	0.68	275,000	0.14	1,500,000 <sup>(c)</sup>	0.76
Chan Wan Siew	250,000	0.11	-	-	250,000	0.13	-	-
Dato' Maznah Binti Abdul Jalil	1,081,000	0.49	60,000 <sup>(d)</sup>	0.03	1,081,000	0.55	60,000 <sup>(d)</sup>	0.03

The effect of the Proposed Renewal of Share Buy-Back on the shareholding of the Board of Directors based on the Register of Directors' Shareholdings as at 30 April 2013 and assuming 22,000,000 Shares being the maximum number of Shares that are purchased and subsequently cancelled, is as follows:-

← After the Proposed Renewal of Share Buy-Back →				
Directors	Direct No. of Shares	%	Indirect No. of Shares	%
Dato' Mohamed Yunus Ramli Bin Abbas	250,000	0.13	-	-
Dr Abu Hasan Bin Ismail	-	-	90,650,700 <sup>(a)</sup>	45.78
Dato' Jaffar Indot	340,000	0.17	150,000 <sup>(b)</sup>	0.08
Dato' Gan Nyap Liou @ Gan Nyap Liow	1,893,000	0.96	-	-
Dato' Loy Teik Ngan	275,000	0.14	1,500,000 <sup>(c)</sup>	0.76
Chan Wan Siew	250,000	0.13	-	-
Dato' Maznah Binti Abdul Jalil	1,081,000	0.55	60,000 <sup>(d)</sup>	0.03

**Notes:-**

- (a) *Deemed interested by virtue of his interest in EkoHati Sdn. Bhd., Sigma Dedikasi Sdn. Bhd. and Anjakan Evolusi Sdn. Bhd. pursuant to Section 6A of the Act.*
- (b) *Deemed interested by virtue of his spouse's shareholdings in the Company pursuant to Section 134(12)(c) of the Act.*
- (c) *Deemed interested by virtue of his interest in Taylor's Education Sdn. Bhd. pursuant to Section 6A of the Act.*
- (d) *Deemed interested by virtue of her spouse's shareholdings in the Company pursuant to Section 134(12)(c) of the Act.*

Save for the resulting increase in percentage shareholdings as a consequence of the Proposed Renewal of Share Buy-Back, none of the Directors or persons connected to them has any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back or the resale of treasury shares, if any.

**2.6.6 Dividends**

Assuming the Proposed Renewal of Share Buy-Back is implemented, dividends would be paid on the remaining issued and paid-up share capital of PRESBHD (excluding the Shares already purchased). The Proposed Renewal of Share Buy-Back may have an impact on the Company's dividend policy as it would reduce the cash available which may otherwise be used for dividend payments.

Nonetheless, the treasury shares purchased may be distributed as share dividends to shareholders of the Company, if the Company so decides.

**2.7 Implication Relating to the Code**

If as a result of the Proposed Renewal of Share Buy-Back, (i) a shareholder who holds less than 33% of the voting shares of PRESBHD has inadvertently increased his shareholding to more than 33%; or (ii) a shareholder who holds more than 33% but less than 50% of the voting shares of PRESBHD has inadvertently increased his shareholdings by 2% within a six-month period, the said shareholder will be obliged under Part II of the Code to make a Mandatory General Offer ("MGO") for the remaining PRESBHD Shares not held by him. Notwithstanding the above, the said shareholder is allowed to make an application to the Securities Commission for a waiver from implementing a MGO under Practice Note 9.24.1 of the Code.

Based on the shareholdings of the Substantial Shareholders of the Company as at 30 April 2013 and assuming the purchase of the Company's own shares is being carried out in full, Dr. Abu Hasan Bin Ismail, Anjakan Evolusi Sdn. Bhd., Shahirul Azian Binti Abu Bakar and Zubaidah Binti Ismail ("the Said Shareholders"), based on their direct and indirect shareholdings as at 30 April 2013 will be increased by more than 2% pursuant to Part II of the Code. The Said Shareholders will be obliged under Part II of the Code to make a MGO for the remaining PRESBHD Shares not held by them. Notwithstanding the above, the Said Shareholders are allowed to make an application to the Securities Commission for a waiver from implementing a MGO under Practice Note 9.24.1 of the Code. The Said Shareholders intend to apply for the waiver in the event that Part II of the Code is triggered.

It is not the intention of the Company to cause any shareholder to trigger an obligation to undertake a MGO under the Code and the Company will be mindful of the above implications of the Code in making any purchase of its own shares under the Proposed Renewal of Share Buy-Back.

## 2.8 Purchases or Resale of Treasury Shares Made in the Previous Twelve (12) Months

PRESBHD has purchased 950,000 Shares (all of which are retained as treasury shares). There were no further purchases after 20 February 2013 until the LPD, details of which are set out below. As at 30 April 2013, the Company held 950,000 treasury shares, none of the treasury shares held were resold or cancelled in the preceding twelve (12) months:-

Date of Purchase	No. of Shares Purchase	Lowest Purchase Price (RM)	Highest Purchase Price (RM)	Average Purchase Price (RM)	Total Purchase Consideration (RM)
7 February 2013	481,400	1.020	1.030	1.695	494,157.10
8 February 2013	1,000	1.030	1.030	1.030	1,030.00
19 February 2013	97,600	1.030	1.040	1.665	100,635.36
20 February 2013	370,000	1.020	1.030	1.650	379,210.00

## 2.9 Share Prices

The monthly highest and lowest prices of PRESBHD Shares traded on Bursa Securities for the past twelve (12) months from May 2012 to April 2013 are as follows:-

Year 2012	High RM	Low RM
May	1.08	0.92
June	1.31	0.94
July	1.38	1.20
August	1.38	1.22
September	1.28	1.08
October	1.23	1.11
November	1.27	1.09
December	1.18	1.09
Year 2013		
January	1.25	1.09
February	1.13	1.00
March	1.27	1.08
April	1.28	1.16
The last transacted price of PRESBHD Shares on 22 April 2013, being the last practicable date prior to the announcement of the Proposed Renewal of Share Buy-Back		RM1.19
The last transacted price of PRESBHD Shares on LPD		RM1.44

(Source: The Star)



## **2.10 Directors' and Substantial Shareholders' Interests**

Save for the proportionate increase in percentage of shareholdings and/or voting rights of shareholders of the Company as a result of the Proposed Renewal of Share Buy-Back, none of the Directors and Substantial Shareholders or persons connected with the Directors and Substantial Shareholders have any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back.

## **3. DIRECTORS' RECOMMENDATION**

The Board having considered all aspects of the Proposed Renewal of Share Buy-Back is of the opinion that the Proposed Renewal of Share Buy-Back is in the best interest of the shareholders and PRESBHD. Accordingly, your Directors recommend that you vote in favour of the resolution pertaining to the Proposed Renewal of Share Buy-Back to be tabled at the forthcoming AGM.

## **4. AGM**

The ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back is set out as special business in the notice of AGM contained in the Annual Report 2012 of the Company, which was sent to you together with this circular. The 3rd AGM of the Company is to be held at Banquet Hall, Level 1, Main Lobby Kuala Lumpur Golf & Country Club (KLGCC), No. 10, Jalan 1/70D, Off Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 12 June 2013 at 10.00 a.m.

If you are unable to attend and vote in person at the 3rd AGM, you are requested to complete, sign and return the enclosed Form of Proxy attached to the Annual Report of the Company for the financial year ended 31 December 2012 in accordance with the instructions printed thereon as soon as possible, so as to arrive at the office of the Company's Share Registrar, Symphony Share Registrars Sdn Bhd, Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the 3rd AGM. The lodging of the Form of Proxy will not, however, preclude you from attending and voting in person at the forthcoming 3rd AGM should you subsequently wish to do so.

## **5. FURTHER INFORMATION**

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

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**PART B**

**PROPOSED AMENDMENTS TO THE  
ARTICLES OF ASSOCIATION**

6. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

6.1 Details of the Proposed Amendments to the Articles of Association

The existing articles in the Company's Articles of Association be amended as follows (for which differences are underlined and highlighted in bold below under the columns "Existing Article" and "Proposed Article" respectively):-

Article No.	Existing Article	Proposed Article
2	[Introduction of new interpretations]	<p><b>"Exempt Authorised Nominee" means an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act.</b></p> <p><b>"Cash Distributions" means cash payments made by the Company in respect of its securities as prescribed by Bursa Securities from time to time which include:-</b></p> <ul style="list-style-type: none"> <li><b>a. cash dividends;</b></li> <li><b>b. payments of interest or profit rates on debt securities or sukuk respectively;</b></li> <li><b>c. income distributions made by collective investment schemes;</b></li> <li><b>d. capital repayment; and</b></li> <li><b>e. cash payments in lieu of odd lots arising from distributions in specie.</b></li> </ul>
85	<p><i>Instrument appointing proxy to be in writing</i></p> <p>The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Sections 149(1)(a) and (b) of the Act shall not apply to the Company. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.</p>	<p><i>Instrument appointing proxy to be in writing</i></p> <p>The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Sections 149(1)(a) and (b) of the Act shall not apply to the Company. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll. <b>A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.</b></p>

Article No.	Existing Article	Proposed Article
87A	[Introduction of new Article]	<p>Appointment of multiple proxies</p> <p><b>Where a member of the Company is an Exempt Authorised Nominee which holds shares 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.</b></p>
161(1)	<p><i>Payment by cheque or electronic transfer</i></p> <p>(1) Any <u>dividend, interest or other money payable in cash</u> in respect of a share may be paid by direct debit, bank transfer, cheque, dividend warrant or such other electronics transfer methods as may be introduced or required by the Exchange from time to time and in the case of a cheque or dividend warrant for such payment, to send:</p> <p>(a) by post, by courier or by hand to the registered address of the person entitled as appearing in the Record of Depositors; or</p> <p>(b) by post, by courier or by hand to the registered address of the person becoming entitled to the share by reason of the death, bankruptcy or mental disorder of the holder or by operation of law or if such address has not been supplied, to such address to which such cheque or warrant might have been posted if the death, bankruptcy, mental disorder or operation of law had not occurred; or</p> <p>(c) by post, by courier or by hand to such address as the person entitled may direct in writing but the Company shall be entitled to send such cheque or dividend warrant to such other address or by such other means stated in Article 161 notwithstanding such direction.</p>	<p><i>Payment by cheque or electronic transfer</i></p> <p>(1) Any <b>Cash Distributions</b> in respect of a share may be paid by direct debit, bank transfer, cheque, dividend warrant or such other electronics transfer methods as may be introduced or required by the Exchange from time to time and in the case of a cheque or dividend warrant for such payment, to send:</p> <p>(a) by post, by courier or by hand to the registered address of the person entitled as appearing in the Record of Depositors; or</p> <p>(b) by post, by courier or by hand to the registered address of the person becoming entitled to the share by reason of the death, bankruptcy or mental disorder of the holder or by operation of law or if such address has not been supplied, to such address to which such cheque or warrant might have been posted if the death, bankruptcy, mental disorder or operation of law had not occurred; or</p> <p>(c) by post, by courier or by hand to such address as the person entitled may direct in writing but the Company shall be entitled to send such cheque or dividend warrant to such other address or by such other means stated in Article 161 notwithstanding such direction.</p>

## **6.2 Rationale of the Proposed Amendments to the Articles of Association**

The Proposed Amendments to the Articles of Association are required to streamline the Articles of Association of the Company to be aligned with the recent amendments in Chapter 7 of the Listing Requirements in relation to the following:-

- (a) Appointment of multiple proxies by an exempt authorised nominee;
- (b) Qualification of proxy;
- (c) Rights of proxy to speak; and
- (d) Electronic payment of cash distributions.

## **6.3 Effects of the Proposed Amendments to the Articles of Association**

The Proposed Amendments to the Articles of Association will have no effect on the issued and paid-up share capital, the Substantial Shareholders' shareholdings of PRESBHD, the NA per share and earnings per share of the PRESBHD Group.

## **6.4 Directors' and Substantial Shareholders' Interests**

None of the Directors and Substantial Shareholders or persons connected with the Directors and Substantial Shareholders of the Company have any interest, direct or indirect, in the Proposed Amendments to the Articles of Association.

## **7. DIRECTORS' RECOMMENDATION**

Your Board, having considered all aspects of the Proposed Amendments to the Articles of Association is of the opinion that the Proposed Amendments to the Articles of Association is in the best interest of the Company. Accordingly, your Directors recommend that you vote in favour of the resolution pertaining to the Proposed Amendments to the Articles of Association to be tabled at the forthcoming AGM.

## **8. AGM**

The special resolution pertaining to the Proposed Amendments to the Articles of Association is set out as special business in the notice of AGM contained in the Annual Report 2012 of the Company, which was sent to you together with this circular. The 3rd AGM of the Company is to be held at Banquet Hall, Level 1, Main Lobby Kuala Lumpur Golf & Country Club (KLGCC), No. 10, Jalan 1/70D, Off Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 12 June 2013 at 10.00 a.m.

If you are unable to attend and vote in person at the 3rd AGM, you are requested to complete, sign and return the enclosed Form of Proxy attached to the Annual Report of the Company for the financial year ended 31 December 2012 in accordance with the instructions printed thereon as soon as possible, so as to arrive at the office of the Company's Share Registrar, Symphony Share Registrars Sdn Bhd, Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the 3rd AGM. The lodging of the Form of Proxy will not, however, preclude you from attending and voting in person at the forthcoming 3rd AGM should you subsequently wish to do so.

**9. 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  
**PRESTARIANG BERHAD**

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**Dato' Mohamed Yunus Ramli Bin Abbas**  
**Non-Independent Non-Executive Chairman**

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**FURTHER INFORMATION****1. DIRECTORS' RESPONSIBILITY STATEMENT**

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

**2. MATERIAL CONTRACTS**

Save as disclosed below, neither PRESBHD nor any of its subsidiaries has entered into any material contracts within the two (2) years preceding the LPD, other than contracts entered into in the ordinary course of business :-

- (i) On 8 June 2011, the Company and Dr. Abu Hasan Bin Ismail ("Dr. Abu") entered into a service agreement with respect to the appointment of Dr. Abu as the Group's Chief Executive Officer for a period of three (3) years and thereafter automatically renewed on an annual basis based on the same terms and conditions of the service agreement or mutually to be agreed upon by the parties.
- (ii) On 13 June 2011, the Company and AmInvestment Bank Berhad has entered into an underwriting agreement whereby AmInvestment Bank Berhad has agreed to underwrite up to 37,000,000 of the Initial Public Offering ("IPO") PRESBHD Shares (comprising 22,000,000 public issued shares and 15,000,000 offer shares), for an underwriting commission at the rate of 2.00% of the amount equal to the IPO price of RM0.90 multiplied by the underwritten IPO PRESBHD Shares.

**3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION**

As at the LPD, neither PRESBHD nor any of its subsidiaries is engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of PRESBHD and/or its subsidiaries and the Directors are not aware of any proceedings, pending or threatened against PRESBHD and/or its subsidiaries, or of any facts likely to give rise to any proceedings which may materially affect the financial position of PRESBHD and/or its subsidiaries.

**4. DOCUMENTS FOR INSPECTION**

The following documents are available for inspection at the registered office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights 50490 Kuala Lumpur during normal business hours (except public holidays) from the date of this circular up to and including the date of the 3rd AGM:

- (a) Memorandum and Articles of Association of PRESBHD;
- (b) The audited consolidated financial statements of PRESBHD for the past two (2) financial years ended 31 December 2011 and 31 December 2012;
- (c) The latest unaudited consolidated results of PRESBHD for the three (3) months period ended 31 March 2013; and
- (d) Material contracts referred to in Section 2 of this Appendix.

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