

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

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KNUSFORD BERHAD

(380100-D)

(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

In Relation To

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

The Notice of the Annual General Meeting and the Form of Proxy is enclosed in the 2009 Annual Report. The Annual General Meeting is to be held on *28 June 2010* at 11.00 a.m. at the Grand Seasons Hotel, 72 Jalan Pahang, 53000, Kuala Lumpur.

You are urged to complete and return the Form of Proxy in accordance with the instructions therein as soon as possible so as to arrive at the Registered Office of the Company not later than 48 hours before the time set for holding the meeting. 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.

Last date and time for lodging the Form of Proxy: 26 June 2010 before 11.00 a.m.

This Circular is dated 4 June 2010

B H LAWRENCE & CO
Advocates & Solicitors

DEFINITIONS

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

AGM	:	Annual General Meeting
Bursa Securities	:	Bursa Malaysia Securities Berhad
Company or KB	:	Knusford Berhad (380100-D)
Director(s)	:	Shall have the meaning given in Section 4 of the Companies Act 1965 and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director of the listed issuer, its subsidiary or holding company of the listed issuer, its subsidiary or holding company.
Group	:	Knusford Berhad and its subsidiaries
Listing Requirements	:	Listing Requirements of Bursa Malaysia Securities Berhad
Mandated Related Parties	:	As in paragraph 3.3
Major Shareholder	:	Means a person who has an interest or interests in one or more voting shares in a company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is: (a) equal to or more than 10% of the aggregate of the nominal amounts of all the voting shares in the company; or (b) equal to or more than 5% of the aggregate of the nominal amounts of all the voting shares in the company where such person is the largest shareholder of the company; and including any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed issuer or any other company which is its subsidiary or holding company; For the purpose of this definition, "interest in shares" shall have the meaning given in section 6A of the Companies Act 1965.
Proposed Mandate	:	Proposed Renewal of Shareholders' Mandate and Additional Mandate for Recurrent Related Party Transactions for the Company and its subsidiaries in its normal course of business and on terms not more favourable than those generally available to the public, to enter into the transactions set out in paragraph 3.4 of this Circular (Recurrent Related Party Transactions) with persons who are considered to be "related parties" as defined in Chapter 10 of the Listing Requirements of the Bursa Malaysia Securities Berhad.
Related Party	:	Director, major shareholder or person connected with such director or major shareholder.
Related Party Transaction	:	A transaction entered into by the Company and/or its subsidiaries which involves the interest, direct or indirect, of a related party.
RRPTs	:	Recurrent Related Party Transactions of a revenue or trading nature which are necessary for day-to-day operations of the Company and its subsidiaries.
RM	:	Ringgit Malaysia

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KNUSFORD BERHAD

[380100-D]

(Incorporated in Malaysia)

Registered Office:

33-35, Ground Floor, Wisma Ekovest

Jalan Desa Gombak 6

Taman Sri Setapak

Off Jalan Gombak

53000 Kuala Lumpur.

4 June 2010

Board of Directors:

Y. BHG. DATO' LIM KANG HOO	(Executive Director)
KHOON NANG SENG @ KHOON NAM SENG	(Executive Director)
Y. BHG. DATO' LIM KANG SWEE	(Executive Director)
LIM KENG CHENG	(Executive Director/Chief Executive Officer)
AZNAM BIN MANSOR	(Non-Independent Non-executive Director)
LIM TS-FEI	(Independent Non-executive Director)
DR. WONG KAI FATT	(Independent Non-executive Director)
KANG HUI LING	(Senior Independent Non-executive Director)

To: The Shareholders of Knusford Berhad

Dear Sir/Madam,

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

1. INTRODUCTION

On 19 June 2009 the Company obtained shareholders' approval for a general mandate from its shareholders for the Company and its subsidiaries to enter into RRPTs in the ordinary course of business of a revenue or trading nature which are necessary for day-to-day operations of the Company and its subsidiaries based on commercial terms which are not more favourable to the Related Parties than those generally available to the public.

The said existing mandate for RRPTs shall lapse at the conclusion of the forthcoming AGM unless its renewal is obtained from the shareholders at the AGM, in addition to obtaining Additional Mandate at the same AGM.

The Company had on 23 April 2010 made an announcement to Bursa Securities pertaining to the above mentioned Proposed Mandate.

The Board proposes to seek the approval of shareholders for a Proposed Mandate for the Company and its subsidiaries in its normal course of business and on terms not more favourable than those generally available to the public, to enter into transactions set out in paragraph 3.4 below with persons who are considered to be "related parties" as defined in Chapter 10 of the Listing Requirements.

2. APPROVAL REQUIRED

The purpose of this Circular is to provide shareholders with details pertaining to the Proposed Mandate and to seek shareholders' approval for the resolutions to be tabled at the forthcoming AGM to be convened on 28 June 2010 at 11.00 a.m. at the Grand Seasons Hotel, 72 Jalan Pahang, 53000, Kuala Lumpur.

The Proposed Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed Mandate shall only continue to be in force until:-

- (a) the conclusion of the next AGM of the Company following the general meeting at which such Proposed Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting the authority is renewed;
- (b) the expiration of the period within which the next AGM after that date it is required to be held pursuant to section 143(1) of the Companies Act, 1965 ("CA") (but shall not extend to such extension as may be allowed pursuant to section 143(2) of CA); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

Thereafter, approval from shareholders for any subsequent renewals of the Proposed Mandate will be sought at each subsequent AGM of the Company.

3. DETAILS OF THE PROPOSED MANDATE

3.1 Paragraph 10.09, Part E of Chapter 10 of the Listing Requirements

Pursuant to Paragraph 10.09, Part E of Chapter 10 of the Listing Requirements, a listed issuer may seek a shareholders' mandate in respect of recurrent related party transactions of a revenue or trading in nature which are necessary for its day to day operations, subject to, inter alia, the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where:

in relation to a listed issuer with an issued and paid-up capital of RM60 million and above:-

- (i) the consideration, value of the assets, capital outlay or costs of the Recurrent Transactions is equal to or exceed RM1 million; or
- (ii) the percentage ratio of such Recurrent Transaction is equal to or exceeds 1%

whichever is the higher; or

in relation to a listed issuer with an issued and paid-up capital which is less than 60 million:-

- (i) the consideration, value of the assets, capital outlay or costs of the Recurrent Transactions is equal to or exceeds RM1 million; or
- (ii) the percentage ratio of such Recurrent Transaction is equal to or exceeds 1%

whichever is the lower.

- (c) the listed issuer to issue a Circular to shareholders for the Shareholders' Mandate for RRPT;
- (d) in a meeting to obtain shareholders mandate, the interested directors, interested major shareholders or interested persons connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder must not vote on the resolution approving the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions; and
- (e) the listed issuer immediately announces to the Exchange when the actual value of a Recurrent Related Party Transaction entered into by the listed issuer, exceeds the estimated value of the Recurrent Related Party Transaction disclosed in the circular by 10% or more and must include the information as may be prescribed by the Exchange in its announcement.

Principal Business

The principal activities of the Company are investment holding and property investment.

The principal activities of the subsidiaries, which are all incorporated in Malaysia, and the interest of the Company are as follows:

No.	Name of Company	Principal Activities	Effective Ownership Interest (%)
1.	Wengcon Holdings Sdn. Bhd.	Reconditioning, sales and rental of heavy machinery	100
2.	Wengcon Equipment Sdn. Bhd.	Rental of machinery and equipment, provision of transportation services and trading of building materials	100
3.	Segi Tiara Sdn. Bhd.	Construction	100
4.	D-Hill Sdn. Bhd	Property development	100
Subsidiaries of Wengcon Holdings Sdn. Bhd.			
5.	Wengcon Machinery Sdn. Bhd.	Reconditioning, sales and rental of light and medium machinery	100
6.	Wengcon Marketing Sdn. Bhd.	Trading in building materials	100
7.	Hi-Plus Development Sdn. Bhd	Rental of machinery and equipment	100
8.	Endau Prima Sdn. Bhd.	Ceased operations	100
9.	Segi Gemilang Sdn. Bhd.	Rental of machinery and equipment	100
Subsidiaries of Wengcon Equipment Sdn Bhd			
10.	Radiant Seas Sdn. Bhd.	Rental of machinery and equipment	100
11.	Yasmin Marine Technology Sdn. Bhd	Rental of machinery and equipment	70

3.2 Shareholders' RRPTs Mandate

The Board are seeking approval from shareholders for the Proposed Mandate which will allow the Company and its subsidiaries, in its normal course of business, to enter into the categories of RRPTs referred to in paragraph 3.4 below, with the classes of Related Parties set out in paragraph 3.3 below, provided that such transactions, if any, are made at arm's length, on the Company and its subsidiaries normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public.

The Proposed Mandate is subject to annual renewal and shall only continue to be in force until:-

- the conclusion of the next AGM of the Company following the general meeting at which such Proposed Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting the authority is renewed;
- the expiration of the period within which the next AGM after the date it is required to be held pursuant to section 143(1) of the Companies Act, 1965 ("CA") (but shall not extend to such extension as may be allowed pursuant to section 143(2) of CA); or
- revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

Thereafter, approval from shareholders for a renewal of the Proposed Mandate will be sought at each subsequent AGM of the Company.

3.3 Classes of Related Parties

The Proposed Mandate will apply to the following classes of Related Parties:

No	Mandated Related Party	Place of Incorporation	Principal Activity
i.	Ekovest Berhad	Malaysia	Investment holding, civil engineering and building works
ii.	Ekovest Construction Sdn Bhd	Malaysia	Civil engineering and building works
iii.	Aramijaya Sdn Bhd	Malaysia	Manufacturing and trading in timber related products
iv.	Danga Bay Sdn Bhd	Malaysia	Property development
v.	Rampai Fokus Sdn Bhd	Malaysia	Investment holding and leisure activities businesses
vi.	Pembinaan Sahabatjaya Sdn Bhd	Malaysia	Civil engineering and building works
vii.	Sahabatjaya Landscape Sdn Bhd	Malaysia	Civil engineering and building works, dealing in construction materials, hiring of plant and machineries and transport agent
viii.	Uniregion Sdn Bhd	Malaysia	Property development
ix.	Konsortium Lebuhraya Utara - Timur (KL) Sdn Bhd	Malaysia	Design, construction, operation and management of highway
x.	Viro M&E Sdn Bhd	Malaysia	Civil engineering and construction works
xi.	Fablelite Sdn Bhd	Malaysia	Dealing in cabling, lighting and street-lighting works
xii.	Milan Suria Sdn Bhd	Malaysia	Interior design, furnishing and supply of furniture and fittings
xiii.	Knight Auto Sdn Bhd	Malaysia	Sales, rental and repair of machinery
xiv.	Kajang Prima Sdn Bhd	Malaysia	Property development
xv.	Iskandar Coast Sdn Bhd**	Malaysia	Property development
xvi.	Global Corporate Development Sdn Bhd	Malaysia	Property development
xvii.	Ekovest Holdings Sdn Bhd	Malaysia	Investment holding
xviii.	Bidarcita Sdn Bhd*	Malaysia	Investment holding
xix.	Iskandar Waterfront Sdn Bhd*	Malaysia	Property development
xx.	Lim Seong Hai Holdings Sdn Bhd*	Malaysia	Investment holding

* New Mandated Related Party

** Formerly known as Iskandar Waterfront Development Sdn Bhd

3.4 Nature of RRPTs and Estimated Annual Value

The RRPTs to be covered by the Proposed Mandate are as follows and such transactions are necessary for the day to day operations and are in the ordinary course of the business of the Company and its subsidiaries. For Item No.1 until No.73, the various transactions listed thereto are entered into by the said Group with the Related Parties.

No	Types of transactions	Related Party	Interested Director, Major Shareholder and persons connected with the Directors and Major Shareholders	Estimated value during the validity period of the RRPT Mandate from 28 June 2010 to the next AGM (RM)	Actual Value Transacted from 19 June 2009 to 30 April 2010 (RM)	Estimated value as disclosed in the Circular to Shareholders dated 28 th May 2009 (RM)
				SOLD TO RELATED PARTY		SOLD TO RELATED PARTY
1.	Sale of machinery & equipment and building materials	Ekovest Berhad	Dato' Lim Kang Hoo Khoo Nang Seng @ Khoo Nam Seng Lim Keng Cheng	3,000,000	3,071	4,000,000
2.	Rental of machinery & equipment	Ekovest Berhad	Dato' Lim Kang Hoo Khoo Nang Seng @ Khoo Nam Seng Lim Keng Cheng	1,000,000	5,440	2,000,000
3.	Sale of machinery & equipment and building materials	Ekovest Construction Sdn Bhd	Dato' Lim Kang Hoo Khoo Nang Seng @ Khoo Nam Seng Lim Keng Cheng	13,000,000	3,734,513	35,000,000
4.	Rental of machinery & equipment	Ekovest Construction Sdn Bhd	Dato' Lim Kang Hoo Khoo Nang Seng @ Khoo Nam Seng Lim Keng Cheng	5,000,000	2,781,354	8,000,000
5.	Sale of machinery & equipment and building materials	Aramijaya Sdn Bhd	Dato' Lim Kang Hoo Dato' Lim Kang Swee Lim Keng Cheng	10,000,000	6,056,990	17,000,000
6.	Rental of machinery & equipment	Aramijaya Sdn Bhd	Dato' Lim Kang Hoo Dato' Lim Kang Swee Lim Keng Cheng	3,000,000	1,866,282	5,000,000

No	Types of transactions	Related Party	Interested Director, Major Shareholder and persons connected with the Directors and Major Shareholders	Estimated value during the validity period of the RRPT Mandate from 28 June 2010 to the next AGM (RM)	Actual Value Transacted from 19 June 2009 to 30 April 2010 (RM)	Estimated value as disclosed in the Circular to Shareholders dated 28 th May 2009 (RM)
				SOLD TO RELATED PARTY		SOLD TO RELATED PARTY
7.	Progress billing for land clearing Services	Aramijaya Sdn Bhd (recipient/buyer)	Dato' Lim Kang Hoo Dato' Lim Kang Swee Lim Keng Cheng	2,000,000	234,447	4,000,000
8.	Sale of machinery & equipment and building materials	Danga Bay Sdn Bhd	Dato' Lim Kang Hoo Lim Keng Cheng	10,000,000	4,644,060	30,000,000
9.	Rental of machinery & equipment	Danga Bay Sdn Bhd	Dato' Lim Kang Hoo Lim Keng Cheng	5,000,000	2,581,352	10,000,000
10.	Sale of machinery & equipment and building materials	Rampai Fokus Sdn Bhd	Dato' Lim Kang Hoo Lim Keng Cheng	5,000,000	876,583	2,000,000
11.	Rental of machinery & equipment	Rampai Fokus Sdn Bhd	Dato' Lim Kang Hoo Lim Keng Cheng	1,000,000	20,269	2,000,000
12.	Sale of machinery & equipment and building materials	Pembinaan Sahabatjaya Sdn Bhd	Lim Keng Cheng	20,000,000	1,981,551	40,000,000
13.	Rental of machinery & equipment	Pembinaan Sahabatjaya Sdn Bhd	Lim Keng Cheng	2,000,000	42,957	10,000,000
14.	Progress billing for construction work	Pembinaan Sahabatjaya Sdn Bhd	Lim Keng Cheng	150,000,000	35,737,083	80,000,000
15.	Sale of machinery & equipment and building materials	Sahabatjaya Landscape Sdn Bhd	Lim Keng Cheng	1,000,000	-	3,000,000
16.	Progress billing for construction work	Sahabatjaya Landscape Sdn Bhd	Lim Keng Cheng	-	-	8,000,000

No	Types of transactions	Related Party	Interested Director, Major Shareholder and persons connected with the Directors and Major Shareholders	Estimated value during the validity period of the RRPT Mandate from 28 June 2010 to the next AGM (RM)	Actual Value Transacted from 19 June 2009 to 30 April 2010 (RM)	Estimated value as disclosed in the Circular to Shareholders dated 28 th May 2009 (RM)
				SOLD TO RELATED PARTY		SOLD TO RELATED PARTY
17.	Rental of machinery & equipment	Sahabatjaya Landscape Sdn Bhd	Lim Keng Cheng	500,000	-	3,000,000
18.	Sale of machinery & equipment and building materials	Uniregion Sdn Bhd	Dato' Lim Kang Hoo Lim Keng Cheng	200,000	64,148	1,500,000
19.	Rental of machinery & equipment	Uniregion Sdn Bhd	Dato' Lim Kang Hoo Lim Keng Cheng	200,000	-	1,000,000
20.	Sale of machinery & equipment and building materials	Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd	Dato' Lim Kang Hoo Lim Keng Cheng	2,000,000	110,567	5,000,000
21.	Rental of machinery & equipment	Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd	Dato' Lim Kang Hoo Lim Keng Cheng	1,500,000	-	3,000,000
22.	Sale of machinery & equipment and building materials	Viro M&E Sdn Bhd	Lim Keng Cheng	10,000,000	5,579,502	20,000,000
23.	Rental of machinery & equipment	Viro M&E Sdn Bhd	Lim Keng Cheng	2,000,000	-	3,000,000
24.	Sale of machinery & equipment and building materials	Sahabat Concrete Sdn Bhd	Lim Keng Cheng	-	-	500,000
25.	Rental of machinery & equipment	Sahabat Concrete Sdn Bhd	Lim Keng Cheng	-	-	200,000

No	Types of transactions	Related Party	Interested Director, Major Shareholder and persons connected with the Directors and Major Shareholders	Estimated value during the validity period of the RRPT Mandate from 28 June 2010 to the next AGM (RM)	Actual Value Transacted from 19 June 2009 to 30 April 2010 (RM)	Estimated value as disclosed in the Circular to Shareholders dated 28 th May 2009 (RM)
				SOLD TO RELATED PARTY		SOLD TO RELATED PARTY
26.	Sale of machinery & equipment and building materials	Fablelite Sdn Bhd	Lim Keng Cheng	1,000,000	-	10,000,000
27.	Sale of machinery & equipment and building materials	Milan Suria Sdn Bhd	Lim Keng Cheng	1,000,000	-	5,000,000
28.	Sale of machinery & equipment and building materials	Knight Auto Sdn Bhd	Lim Keng Cheng	500,000	-	10,000,000
29.	Rental of machinery & equipment	Knight Auto Sdn Bhd	Lim Keng Cheng	500,000	-	5,000,000
30.	Sale of machinery & equipment and building materials	Kajang Prima Sdn Bhd	Lim Keng Cheng	500,000	1,192	1,000,000
31.	Rental of machinery & equipment	Kajang Prima Sdn Bhd	Lim Keng Cheng	1,000,000	-	1,000,000
32.	Sale of machinery & equipment and building materials	Iskandar Coast Sdn Bhd	Dato' Lim Kang Hoo	1,000,000	-	1,000,000
33.	Rental of machinery & equipment	Iskandar Coast Sdn Bhd	Dato' Lim Kang Hoo	1,000,000	-	1,000,000
34.	Progress billing for civil & building and other construction related works	Iskandar Coast Sdn Bhd (recipient/buyer)	Dato' Lim Kang Hoo	20,000,000	-	20,000,000
35.	Sale of machinery & equipment and building materials	Global Corporate Development Sdn Bhd	Dato' Lim Kang Hoo Lim Keng Cheng	200,000	-	200,000

No	Types of transactions	Related Party	Interested Director, Major Shareholder and persons connected with the Directors and Major Shareholders	Estimated value during the validity period of the RRPT Mandate from 28 June 2010 to the next AGM (RM)	Actual Value Transacted from 19 June 2009 to 30 April 2010 (RM)	Estimated value as disclosed in the Circular to Shareholders dated 28 th May 2009 (RM)
				SOLD TO RELATED PARTY		SOLD TO RELATED PARTY
36.	Rental of machinery & equipment	Global Corporate Development Sdn Bhd	Dato' Lim Kang Hoo Lim Keng Cheng	200,000	-	200,000
37.	Sale of machinery & equipment and building materials**	Iskandar Waterfront Sdn Bhd*	Dato' Lim Kang Hoo Lim Keng Cheng	1,000,000	-	-
38.	Rental of machinery & equipment**	Iskandar Waterfront Sdn Bhd*	Dato' Lim Kang Hoo Lim Keng Cheng	1,000,000	-	-
39.	Progress billing for construction work**	Iskandar Waterfront Sdn Bhd*	Dato' Lim Kang Hoo Lim Keng Cheng	20,000,000	-	-
				BOUGHT FROM RELATED PARTY		BOUGHT FROM RELATED PARTY
40.	Purchase of machinery & equipment and building materials	Ekovest Berhad	Dato' Lim Kang Hoo Khoo Nang Seng @ Khoo Nam Seng Lim Keng Cheng	1,000,000	24,000	4,000,000
41.	Rental of machinery & equipment	Ekovest Berhad	Dato' Lim Kang Hoo Khoo Nang Seng @ Khoo Nam Seng Lim Keng Cheng	2,000,000	1,037,841	3,000,000
42.	Purchase of machinery & equipment and building materials.	Ekovest Construction Sdn Bhd	Dato' Lim Kang Hoo Khoo Nang Seng @ Khoo Nam Seng Lim Keng Cheng	1,000,000	368,377	2,000,000

No	Types of transactions	Related Party	Interested Director, Major Shareholder and persons connected with the Directors and Major Shareholders	Estimated value during the validity period of the RRPT Mandate from 28 June 2010 to the next AGM (RM)	Actual Value Transacted from 19 June 2009 to 30 April 2010 (RM)	Estimated value as disclosed in the Circular to Shareholders dated 28 th May 2009 (RM)
				BOUGHT FROM RELATED PARTY		BOUGHT FROM RELATED PARTY
43.	Rental of machinery & equipment	Ekovest Construction Sdn Bhd	Dato' Lim Kang Hoo Khoo Nang Seng @ Khoo Nam Seng Lim Keng Cheng	1,000,000	141,337	7,000,000
44.	Purchase of machinery & equipment and building materials.	Binawani Sdn Bhd	Dato' Lim Kang Hoo Khoo Nang Seng @ Khoo Nam Seng Lim Keng Cheng	-	-	800,000
45.	Rental of machinery & equipment	Binawani Sdn Bhd	Dato' Lim Kang Hoo Khoo Nang Seng @ Khoo Nam Seng Lim Keng Cheng	-	-	200,000
46.	Purchase of mix wood logs, timbers, pallets and etc. for trading and construction site use	Aramijaya Sdn Bhd	Dato' Lim Kang Hoo Dato' Lim Kang Swee Lim Keng Cheng	2,000,000	214,243	2,000,000
47.	Purchase of machinery & equipment and building materials	Danga Bay Sdn Bhd	Dato' Lim Kang Hoo Lim Keng Cheng	1,000,000	1,145	1,000,000
48.	Rental of machinery & equipment	Danga Bay Sdn Bhd	Dato' Lim Kang Hoo Lim Keng Cheng	1,000,000	5,250	1,000,000
49.	Purchase of machinery & equipment and building materials	Rampai Fokus Sdn Bhd	Dato' Lim Kang Hoo Lim Keng Cheng	500,000	-	500,000
50.	Rental of machinery & equipment	Rampai Fokus Sdn Bhd	Dato' Lim Kang Hoo Lim Keng Cheng	500,000	-	500,000
51.	Purchase of machinery & equipment and building materials	Aramijaya Sdn Bhd	Dato' Lim Kang Hoo Dato' Lim Kang Swee Lim Keng Cheng	1,000,000	3,850	6,000,000

No	Types of transactions	Related Party	Interested Director, Major Shareholder and persons connected with the Directors and Major Shareholders	Estimated value during the validity period of the RRPT Mandate from 28 June 2010 to the next AGM (RM)	Actual Value Transacted from 19 June 2009 to 30 April 2010 (RM)	Estimated value as disclosed in the Circular to Shareholders dated 28 th May 2009 (RM)
				BOUGHT FROM RELATED PARTY		BOUGHT FROM RELATED PARTY
52.	Purchase of machinery & equipment and building materials	Pembinaan Sahabatjaya Sdn Bhd	Lim Keng Cheng	1,000,000	64,324	3,000,000
53.	Rental of machinery & equipment	Pembinaan Sahabatjaya Sdn Bhd	Lim Keng Cheng	1,000,000	847,774	2,000,000
54.	Progress billing for construction work	Pembinaan Sahabatjaya Sdn Bhd	Lim Keng Cheng	-	99,176	20,000,000
55.	Purchase of machinery & equipment and building materials	Sahabatjaya Landscape Sdn Bhd	Lim Keng Cheng	-	-	500,000
56.	Progress billing for construction work	Sahabatjaya Landscape Sdn Bhd	Lim Keng Cheng	-	-	10,000,000
57.	Purchase of machinery & equipment and building materials	Viro M&E Sdn Bhd	Lim Keng Cheng	500,000	-	1,000,000
58.	Rental of machinery & equipment	Viro M&E Sdn Bhd	Lim Keng Cheng	500,000	-	1,000,000
59.	Progress billing for construction work	Viro M&E Sdn Bhd	Lim Keng Cheng	-	-	20,000,000
60.	Purchase of cabling, lighting and street- lighting equipments and services	Fablelite Sdn Bhd	Lim Keng Cheng	1,000,000	3,000	10,000,000

No	Types of transactions	Related Party	Interested Director, Major Shareholder and persons connected with the Directors and Major Shareholders	Estimated value during the validity period of the RRPT Mandate from 28 June 2010 to the next AGM (RM)	Actual Value Transacted from 19 June 2009 to 30 April 2010 (RM)	Estimated value as disclosed in the Circular to Shareholders dated 28 th May 2009 (RM)
				BOUGHT FROM RELATED PARTY		BOUGHT FROM RELATED PARTY
61.	Purchase of furnitures, fittings, fixtures, interior design and related items and services	Milan Suria Sdn Bhd	Lim Keng Cheng	500,000	-	5,000,000
62.	Purchase of machinery & equipment and building materials	Knight Auto Sdn Bhd	Lim Keng Cheng	500,000	39,167	5,000,000
63.	Rental of machinery & equipment	Knight Auto Sdn Bhd	Lim Keng Cheng	500,000	12,007	2,000,000
				RENTAL RECEIVED		RENTAL RECEIVED
64.	Rental of Premises (a)	Ekovest Construction Sdn Bhd	Dato' Lim Kang Hoo Khoo Nang Seng @ Khoo Nam Seng Lim Keng Cheng	153,000	130,856	305,500
65.	Rental of Premises [(b) (i-vii)]	Danga Bay Sdn Bhd	Dato' Lim Kang Hoo Lim Keng Cheng	491,400	373,200	468,000
				RENTAL PAID		RENTAL PAID
66.	Rental of Premises (c)	Ekovest Berhad	Dato' Lim Kang Hoo Khoo Nang Seng @ Khoo Nam Seng Lim Keng Cheng	179,400	82,933	104,000
67.	Rental of Premises [(d) (i-ii)]	Ekovest Berhad	Dato' Lim Kang Hoo Khoo Nang Seng @ Khoo Nam Seng Lim Keng Cheng	156,000	122,200	156,000

No	Types of transactions	Related Party	Interested Director, Major Shareholder and persons connected with the Directors and Major Shareholders	Estimated value during the validity period of the RRPT Mandate from 28 June 2010 to the next AGM (RM)	Actual Value Transacted from 19 June 2009 to 30 April 2010 (RM)	Estimated value as disclosed in the Circular to Shareholders dated 28 th May 2009 (RM)
				RENTAL PAID		RENTAL PAID
68.	Rental of Premises [(e) (i-ii)]	Viro M&E Sdn Bhd	Lim Keng Cheng	41,600	32,430	46,800
69.	Rental of Premises [(f) (i-iii)]	Icon Sejati Sdn Bhd	Lim Keng Cheng	59,800	53,807	93,600
70.	Rental of Premises [(g) (i)]	Ekovest Holdings Sdn Bhd	Dato' Lim Kang Hoo	23,400	22,084	46,800
71.	Rental of Premises (h)	Aramijaya Sdn Bhd	Dato' Lim Kang Hoo Dato' Lim Kang Swee Lim Keng Cheng	65,000	51,833	65,000
72.	Rental of Land(i)**	Bidarcita Sdn Bhd*	Dato' Lim Kang Swee	195,000	-	-
73.	Rental of Premises(j)**	Lim Seong Hai Holdings Sdn Bhd*	Lim Keng Cheng	32,500	-	-

* New Related Party

** New Related Party Transaction

Note:

The estimated transaction values are based on the information available at the point of estimation based on projection of the business to be conducted in the coming year after taking into consideration the prevailing market rates. Due to the nature of the transactions, the actual value of the transaction may vary from the estimated value disclosed above. The frequency of the transactions cannot be detailed as the transactions are ongoing and numerous.

1. For Items (a) and (b) below, the said Group are the Landlord renting out the Premises referred to therein to the respective Related Parties.

- a) Warehouse space at Lot 3658, Jalan Air Jernih, Setapak 53000 Kuala Lumpur for use as a warehouse, 0.152 hectares, at a total monthly rental of RM11,750.00.
- b) (i) Lot C-11-01, Danga View Apartment, Bandar of Johor, District of Johor Bahru for use of residential, 2,176 square feet, at a monthly rental of RM4,000.00
- (ii) Lot C-11-02, Danga View Apartment, Bandar of Johor, District of Johor Bahru for use of residential, 2,176 square feet, at a monthly rental of RM4,000.00
- (iii) Lot C-12-02, Danga View Apartment, Bandar of Johor, District of Johor Bahru for use of residential, 4,050 square feet, at a monthly rental of RM6,000.00
- (iv) Lot C-12-03, Danga View Apartment, Bandar of Johor, District of Johor Bahru for use of residential, 4,050 square feet, at a monthly rental of RM6,000.00
- (v) Lot D-12-03, Danga View Apartment, Bandar of Johor, District of Johor Bahru for use of residential, 4,050 square feet, at a monthly rental of RM10,000.00
- (vi) Lot C-12-01, Danga View Apartment, Bandar of Johor, District of Johor Bahru for use of residential, 4,050 square feet, at a monthly rental of RM6,000.00.
- (vii) Lot C-04-01, Danga View Apartment, Bandar of Johor, District of Johor Bahru for use of residential, 1,038 square feet, at a monthly rental of RM1,800.00.

2. For Items (c), (d), (e), (f), (g), (h), (i) and (j) below, the said Group are the Tenants renting the Premises referred to therein from the respective Related Parties.

- c) 1st Floor, Wisma Ekovest, 33-35, Jalan Desa Gombak 6, Taman Sri Setapak, Off Jalan Gombak for use of office space, 6,900 square feet, at a total monthly rental of RM13,800.00.
- d) (i) Lot B-12-3A, Danga View Apartment, Bandar of Johor, District of Johor Bahru for use as residential accommodation for the Company and/or its subsidiaries' employees, 4,050 square feet, at a monthly rental of RM6,000.00.
- (ii) Lot B-12-01, Danga View Apartment, Bandar of Johor, District of Johor Bahru for use as residential accommodation for the Company and/or its subsidiaries' employees, 4,050 square feet, at a monthly rental of RM6,000.00.
- e) (i) Lot B-02-03, Danga View Apartment, Bandar of Johor, District of Johor Bahru for use as residential accommodation for the Company and/or its subsidiaries' employees, 1,038 square feet, at a monthly rental of RM1,400.00.
- (ii) Lot C-03-01, Danga View Apartment, Bandar of Johor, District of Johor Bahru for use as residential accommodation for the Company and/or its subsidiaries' employees, 1,038 square feet, at a monthly rental of RM1,800.00.
- f) (i) Lot B-04-3A, Danga View Apartment, Bandar of Johor, District of Johor Bahru for use as residential accommodation for the Company and/or its subsidiaries' employees, 1,038 square feet, at a monthly rental of RM1,400.00.
- (ii) Lot C-06-01, Danga View Apartment, Bandar of Johor, District of Johor Bahru for use as residential accommodation for the Company and/or its subsidiaries' employees, 1,038 square feet, at a monthly rental of RM1,400.00.
- (iii) Lot C-01-07, Danga View Apartment, Bandar of Johor, District of Johor Bahru for use as residential accommodation for the Company and/or its subsidiaries' employees, 1,038 square feet, at a monthly rental of RM1,800.00.
- g) (i) Lot C-02-08, Danga View Apartment, Bandar of Johor, District of Johor Bahru for use as residential accommodation for the Company and/or its subsidiaries' employees, 1,038 square feet, at a monthly rental of RM1,800.00.
- h) 2 units of shop office located at 2nd Floor G12 & G14, Block 6, Danga Bay, Jalan Skudai, 80200 Johor Bahru, Johor, 1,103 square feet each, at a total monthly rental of RM5,000.00.
- i) Land held under part of H.S. (D) 71716, P.T. No. 495, Mukim Damansara, Daerah Petaling, Negeri Selangor, 73,977 sq. feet, at a total monthly rental of RM15,000.00 is used as display outlet for plant & machinery.
- j) 1 unit of shop office located at G1 & 1-1, Jalan Kajang Perdana 3, Kajang Perdana, 43000 Kajang, Selangor, 2,766 square feet, at a monthly rental of RM2,500.00.

3.5 Nature and Extent of Interest

The nature and extent of the interest of the Interested Directors, Major Shareholders and persons connected with the Directors and Major Shareholders as stated in the preceding table as at 5 May 2010 are as follows:-

1. Dato' Lim Kang Hoo and Khoo Nang Seng @ Khoo Nam Seng are directors in Ekovest Berhad.
2. Dato' Lim Kang Hoo has a 1.31% direct shareholding in Ekovest Berhad, and 20.43% indirect shareholding in Ekovest Berhad through his direct shareholding in Ekovest Holdings Sdn Bhd. Ekovest Construction Sdn Bhd is a wholly owned subsidiary of Ekovest Berhad. Ekovest Holdings Sdn Bhd holds 20.43% of Ekovest Berhad.
3. Khoo Nang Seng @ Khoo Nam Seng has a 7.34% direct shareholding in Ekovest Berhad.
4. Mr Lim Keng Cheng has 6.21% indirect shareholding in Ekovest Berhad through his shareholding in Lim Seong Hai Holdings Sdn Bhd and Fablelite Sdn Bhd.
5. Dato' Lim Kang Swee is deemed interested in Aramijaya Sdn Bhd by virtue of his brother, Tan Sri Dato' Lim Kang Yew holding 11.07% of PLS Plantations Berhad which in turn owns 70% shareholding in Aramijaya Sdn Bhd. Tan Sri Dato' Lim Kang Yew, a brother of Dato' Lim Kang Swee and Dato' Lim Kang Hoo does not own any shares in Knusford Berhad.
6. Dato' Lim Kang Hoo is a director in PLS Plantations Berhad.
7. Dato Lim Kang Hoo is a director in Aramijaya Sdn Bhd.

8. Dato' Lim Kang Hoo is a director and substantial shareholder of Danga Bay Sdn Bhd. Rampai Fokus Sdn Bhd is a wholly owned subsidiary of Danga Bay Sdn Bhd. Global Corporate Development Sdn Bhd is 30% owned by Danga Bay Sdn Bhd.
9. Dato' Lim Kang Hoo is a director and deemed shareholder of Iskandar Coast Sdn Bhd.
10. Dato' Lim Kang Hoo is a director and substantial shareholder of Uniregion Sdn Bhd.
11. Dato' Lim Kang Hoo is a director and deemed major shareholder of Konsortium Lebuhraya Utara - Timur (KL) Sdn Bhd.
12. Mr Lim Keng Cheng is a director in Aramijaya Sdn Bhd.
13. Mr Lim Keng Cheng is deemed interested in Aramijaya Sdn Bhd by virtue of his brother, Mr Lim Keng Guan owns 70.00% indirect interest in Aramijaya Sdn Bhd.
14. Mr Lim Keng Cheng is a director and deemed shareholder of Danga Bay Sdn Bhd.
15. Mr Lim Keng Cheng is a director and deemed shareholder of Global Corporate Development Sdn Bhd.
16. Mr Lim Keng Cheng is a director and shareholder of Pembinaan Sahabatjaya Sdn Bhd.
17. Kajang Prima Sdn Bhd is a wholly owned subsidiary of Pembinaan Sahabatjaya Sdn Bhd.
18. Mr Lim Keng Cheng is a director and deemed shareholder of Uniregion Sdn Bhd.
19. Mr Lim Keng Cheng is a director in Konsortium Lebuhraya Utara - Timur (KL) Sdn Bhd.
20. Mr Lim Keng Cheng is a director in Sahabatjaya Landscape Sdn Bhd.
21. Mr Lim Keng Cheng is a director and substantial shareholder of Viro M&E Sdn Bhd.
22. Mr Lim Keng Cheng is deemed interested in Fablelite Sdn Bhd by virtue of his shareholding in Lim Seong Hai Holdings Sdn Bhd.
23. Mr Lim Keng Cheng is a director and shareholder of Lim Seong Hai Holdings Sdn Bhd.
24. Mr Lim Keng Cheng is deemed interested in Fablelite Sdn Bhd and Lim Seong Hai Holdings Sdn Bhd by virtue of sibling Mr Lim Keng Guan and Lim Pak Lian are major shareholder.
25. Mr Lim Keng Cheng is a shareholder of Knight Auto Sdn Bhd.
26. Mr Lim Keng Cheng is deemed interested in Milan Suria Sdn Bhd by virtue of his brother, Lim Keng Guan and sister Lim Pak Lian holding 50% each of total shareholding in Milan Suria Sdn Bhd.
27. Dato' Lim Kang Hoo and Mr Lim Keng Cheng are directors in Iskandar Waterfront Sdn Bhd.
28. Dato' Lim Kang Swee is a director and substantial shareholder of Bidarcita Sdn Bhd.

3.6 Rationale for, and the benefit to, the Group for transacting with the Mandated Related Parties

The Company and its subsidiaries relationship with the Mandated Related Parties

The Company and its subsidiaries have a long-standing business relationship of more than 6 years with the Mandated Related Parties. The Mandated Related Parties are both good customers of the Company and its subsidiaries as well as reliable suppliers of raw materials, goods and services required by the Company and its subsidiaries for its businesses. The raw materials and goods provided by the Mandated Related Parties are priced competitively and all transactions between the Company and its subsidiaries and the Mandated Related Parties are carried out on an arm's length basis and on terms not more favourable to the related parties than those generally available to the public. The raw materials, goods and services can also be obtained from the Mandated Related Parties even when short notice is given to them, in order to meet the tight deadlines of the Company's business and of its subsidiaries. Although the Company also sources similar raw materials and goods from third parties, the Company would like to seek shareholders' approval for the Proposed Mandate as the close co-operation between the Company and the Mandated Related Parties has reaped mutual benefits and has been and is expected to continue to be of benefit to the business of the Company and its subsidiaries. Further, the Company and its subsidiaries can enjoy the lowest cost through bulk purchase arrangement.

The benefit of the Proposed Mandate

The obtaining of the Proposed Mandate and the renewal of the Proposed Mandate on an annual basis would eliminate the need to convene separate general meetings from time to time to seek shareholders' approval as and when the potential RRPTs with a Mandated Related Party arise, thereby reducing substantially administrative time and expenses in convening such meetings, without compromising the corporate objectives and/or adversely affecting the business opportunities available to the Company and its subsidiaries.

The Proposed Mandate is intended to facilitate transactions in the normal course of business of the Company and its subsidiaries which are transacted from time to time with the Mandated Related Parties, provided that they are carried out on arm's length and on the Company and its subsidiaries' normal commercial terms and are not prejudicial to shareholders and on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders.

3.7 Review Methods or Procedures for RRPTs

There are procedures established by the Company and its subsidiaries to ensure that RRPTs are undertaken on an arm's length basis and on the Company and its subsidiaries normal commercial terms and on transaction prices and terms not more favourable to the related parties than those generally available to the public, consistent with the Company and its subsidiaries usual business practices and policies, which are generally no more favourable to the Mandated Related Parties than those extended to unrelated third parties and are not to the detriment of the minority shareholders.

The Company will implement the following procedures to supplement existing internal procedures for general transactions to ensure that the RRPTs are undertaken on an arm's length basis and on normal commercial terms and on terms not more favourable to the related parties than those generally available to the public.

- (i) A list of Mandated Related Parties will be circulated to the Company's subsidiaries to notify them that all RRPTs are required to be undertaken on an arm's length basis and on normal commercial terms and on terms not more favourable to the related parties than those generally available to the public;
- (ii) All RRPTs will be reviewed by a management committee comprising at least one (1) executive director and two (2) senior management staff;
- (iii) The annual internal audit plan shall incorporate a review of all RRPTs entered into pursuant to the Proposed Mandate to ensure that the relevant approvals have been obtained and the review procedures in respect of such transactions are adhered to;
- (iv) The Board and the Audit Committee shall review the internal audit reports to ascertain that the guidelines and procedures established to monitor RRPTs have been complied with and the review shall be done annually together with the review of annual results;
- (v) The Board and the Audit Committee have reviewed the procedures and shall continue to review the procedures and processes on a quarterly basis;
- (vi) Quotations will be taken to gather information to compare the price quote by third parties and related parties for the purpose of determining the competitive market price of materials and goods. It is the Company's policy to purchase material or goods from related parties when the prices are competitive with prices obtained from third parties. Other factors such as reliability of supply, delivery, services and quality of materials or goods will also be taken into consideration for evaluation purposes; and
- (vii) Disclosures will be made in the annual report of the breakdown of the aggregate value of the RRPTs during the financial year amongst others, based on the following information:-
 - (a) the type of the RRPTs made; and
 - (b) the names of the related parties involved in each type of the RRPTs made and their relationship with the listed issuer.

At least 2 other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities. In the event the quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be based on prevailing market rate/prices that are agreed upon under similar commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms in order to ensure that the RRPTs is not detrimental to the Company or its group of companies.

Pursuant to Paragraph 10.09(1)(a) of the Listing Requirements, a listed issuer must immediately announce a RRPT as follows:

- (a) in relation to a listed issuer with an issued and paid-up capital of RM60 million and above –
- (i) the consideration, value of the assets, capital outlay or costs of the RRPTs is RM1 million or more; or
 - (ii) the percentage ratio of such RRPTs is 1% or more,

whichever is the higher; or

- (b) in relation to a listed issuer with an issued and paid-up capital which is less than RM60 million –
- (i) the consideration, value of the assets, capital outlay or costs of the RRPT is RM1 million or more; or
 - (ii) the percentage ratio of such RRPTs is 1% or more,

whichever is the lower.

There is no specific threshold, however each RRPTs will be approved by the same management committee within the group of the companies as long as the value of RRPTs is within the mandate approved by shareholders. The management committee comprises of at least one (1) executive director and two (2) senior management staff i.e. Senior Manager and Group Accountant.

3.8 Audit Committee's Statements

The Audit Committee will review the relevant RRPTs and also review the established guidelines and procedures to ascertain that they have been complied with. Further, if during these periodic reviews by the Audit Committee, the Audit Committee is of the view that the guidelines and procedures as stated above are not sufficient to ensure that the RRPTs will be done on the Company and its subsidiaries normal commercial terms and on terms not more favourable to the related parties than those generally available to the public and will be prejudicial to the shareholders, the Company will revert to the shareholders for a fresh mandate based on new guidelines and procedures immediately, and in any case before the next transaction is entered into.

The Audit Committee has reviewed the terms of the Proposed Mandate, and is satisfied that the review procedures for RRPTs, as well as the periodic reviews to be made by the Audit Committee in relation thereto, are sufficient to ensure that the RRPTs will be made with the relevant classes of related party in accordance with the Company and its subsidiaries normal commercial terms and on terms not more favourable to the related parties than those generally available to the public, and hence, not prejudicial to the shareholders, nor disadvantageous to the Company and its subsidiary and are not to the detriment of the minority shareholders.

The Company has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner. The Audit Committee conducts the review of these procedures and processes on a quarterly basis.

4. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED WITH THE DIRECTORS AND MAJOR SHAREHOLDERS

The following are Interested Directors' Shareholding, Interested Major Shareholders and persons connected with the Directors and Major Shareholders in the Company as at 5 May 2010.

4.1 Interested Directors' and persons connected with the Directors and Major Shareholders' Shareholdings

Name	Direct Shareholdings	%	Indirect Shareholdings	%
1. Dato' Lim Kang Swee	8,154,000	8.18	439,000(a)	0.44
2. Dato' Lim Kang Hoo	615,749	0.62	32,410,000(b)	32.53
3. Khoo Nang Seng @ Khoo Nam Seng	8,124,122	8.15	-	-
4. Lim Keng Cheng	1,691,500	1.70	2,487,000(c)	2.50
TOTAL	18,585,371	18.65		

4.2 Interested Major Shareholders

Name	Direct Shareholdings	%	Indirect Shareholdings	%
1. Aman Setegap Sdn Bhd	30,000,000	30.11	-	-
2. Kinston Park Sdn Bhd	2,410,000	2.42	30,000,000(d)	30.11
3. Dato' Lim Kang Hoo	615,749	0.62	32,410,000(b)	32.53
TOTAL	33,025,749	33.15		

- (a) Deemed interested by virtue of his 99.17% shareholding in Bidarcita Sdn Bhd. Bidarcita Sdn Bhd holds 439,000 ordinary shares of RM1 each or 0.44% in the Company.
- (b) Deemed interested by virtue of his shareholding in Kinston Park Sdn Bhd and Aman Setegap Sdn Bhd.
- (c) Deemed interested by virtue of his shareholding in Fablelite Sdn Bhd, Lim Seong Hai Holdings Sdn Bhd and Icon Sejati Sdn Bhd.
- (d) Deemed interested by virtue of its 50.00% shareholding in Aman Setegap Sdn Bhd.

4.3 Statements in relation to Interested Parties

- (a) The following interested directors and persons connected with the directors have abstained and will abstain at all board meetings from all deliberations and voting on the Proposed Mandate:
- i. Dato' Lim Kang Swee
 - ii. Dato' Lim Kang Hoo
 - iii. Khoo Nang Seng @ Khoo Nam Seng
 - iv. Lim Keng Cheng

The aforesaid interested directors and persons connected with the directors shall accordingly also abstain from voting in respect of their direct and/or indirect shareholdings on the ordinary resolution vis-à-vis the Proposed Mandate to be tabled at the forthcoming AGM.

- (b) The following interested major shareholders will abstain from voting in respect of their direct and/or indirect shareholdings on the ordinary resolution vis-à-vis the Proposed Mandate to be tabled at the forthcoming AGM:
- i. Aman Setegap Sdn Bhd
 - ii. Kinston Park Sdn Bhd
 - iii. Dato' Lim Kang Hoo
- (c) Further the said interested directors and interested major shareholders have undertaken to ensure that the persons connected with them will abstain from voting in respect of their direct and indirect shareholdings on the resolution pertaining to the Proposed Mandate at the forthcoming AGM. These persons connected and their relationship with the interested directors and interested major shareholders and their respective shareholding as at 5 May 2010 are as stated in the table below.
- (d) The following connected persons will abstain from voting in respect of their direct and indirect shareholding on the ordinary resolutions vis-à-vis the Proposed Mandate to be tabled at the forthcoming AGM.

Persons Connected	Relationship	Direct Shareholding	Indirect Shareholding
Datin Loo Geik Lan	Spouse of Dato' Lim Kang Hoo	5,000	-
Lim Sew Hua	Sister of Dato' Lim Kang Swee and Dato' Lim Kang Hoo	1,669,000	-
Sum Kwai Sang	Brother-in-law of Dato' Lim Kang Swee and Dato' Lim Kang Hoo	11,000	-
Lim Hai	Sister of Dato' Lim Kang Swee and Dato' Lim Kang Hoo	80,000	-
Lim Ah Ya	Sister of Dato' Lim Kang Swee and Dato' Lim Kang Hoo	34,900	-

Persons Connected	Relationship	Direct Shareholding	Indirect Shareholding
Wong Chooi Fah	Sister-in-law of Dato' Lim Kang Swee and Dato' Lim Kang Hoo	149,000	-
Tiong Seng Yoke	Brother-in-law of Dato' Lim Kang Swee and Dato' Lim Kang Hoo	99,900	-
Lim Seong Hai Holdings Sdn Bhd	Lim Keng Cheng is a director and substantial shareholder	1,735,500	287,500
Fablelite Sdn Bhd	Lim Keng Cheng is a director and substantial shareholder	287,500	-
Icon Sejati Sdn Bhd	Lim Keng Cheng is a director and substantial shareholder	464,000	-
Lim Chui How @ Lim Bee Hua	Sister of Dato' Lim Kang Swee and Dato' Lim Kang Hoo	1,000	-
Ngai Leong	Brother-in-law of Dato' Lim Kang Swee and Dato' Lim Kang Hoo	1,000	-

Save as disclosed above none of the directors, major shareholders and/or persons connected with them have any interest direct or indirect in the Proposed Mandate.

5. DIRECTORS' RECOMMENDATION

The Board of Directors save and except for Dato' Lim Kang Swee, Dato' Lim Kang Hoo, Khoo Nang Seng @ Khoo Nam Seng and Lim Keng Cheng, having considered all aspects of the Proposed Mandate, are of the opinion that they are in the best interest of the Company and accordingly, the Directors recommend that you vote in favour of the resolution pertaining to the Proposed Mandate to be tabled at the forthcoming AGM.

6. ANNUAL GENERAL MEETING

The AGM, the notice of which is enclosed in the Annual Report 2009, will be held on 28 June 2010 at 11.00a.m. at the Grand Seasons Hotel, 72 Jalan Pahang, 53000, Kuala Lumpur for the purpose of considering and, if thought fit, passing the resolution so as to give effect to the Proposed Mandate.

If you are unable to attend and vote in person at the AGM, you are requested to complete and return the Proxy Form in accordance with the instructions therein as soon as possible so as to arrive at the Registered Office of the Company not less than forty-eight (48) hours before the time set for the AGM. The lodging of the Proxy Form will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

7. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix contained in this Circular for further formation.

Yours faithfully

For and on behalf of the Board of
Knusford Berhad

LIM TS-FEI

FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

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

2. MATERIAL LITIGATION

Neither the Company nor its subsidiaries is engaged in any material litigation claims or arbitration, either as a plaintiff or defendant, and the Board are not aware of any proceedings, pending or threatened against the Company and its subsidiaries or any fact likely to give rise to any proceedings which might materially or adversely affect the position or business of the Company and its subsidiaries.

3. MATERIAL CONTRACTS

Neither the Company nor any of its subsidiary companies have entered into any material contracts involving directors' interests which are or may be material, not being contracts entered into in the ordinary course of business.

4. CONSENT

Messrs B H Lawrence & Co, Advocates & Solicitors, of Unit No. B11-09, Block B, Phileo Damansara 2, No. 15, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan, as Advisers of the Company have given their written consent, and have not withdrawn the same, to the inclusion of their name in this Circular. A copy of the letter of consent issued by Messrs B H Lawrence & Co is included in the Documents for Inspection (referred to as item 5 (iii) below).

5. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of the Company at 33-35, Ground Floor, Wisma Ekovest, Jalan Desa Gombak 6, Taman Sri Setapak, Off Jalan Gombak, 53000 Kuala Lumpur during normal office hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the AGM:

- i. The Memorandum and Articles of Association of the Company.
- ii. The Audited Financial Statements of Knusford Berhad for the two (2) years ended 31 December 2008 and 31 December 2009 together with the Unaudited Quarterly Results for 3 months ended 31 March 2010.
- iii. Letter of consent from Messrs B H Lawrence & Co, Advocates & Solicitors.