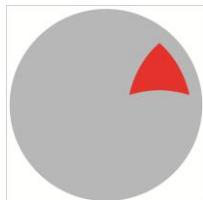


**THIS NOTICE IS FOR THE INFORMATION OF THE HOLDERS OF 2004/2014 WARRANTS OF AHB HOLDINGS BERHAD (“2004/2014 WARRANTS”) ONLY. NO ACTION IS REQUIRED TO BE TAKEN BY YOU.**

If you have sold/transferred all your 2004/2014 Warrants, you should at once hand this Notice to the agent through whom the sale/transfer was effected for onward transmission to the purchaser/transferee.

Bursa Malaysia Securities Berhad (“**Bursa Securities**”) has not perused through the contents of this Notice prior to its issuance pursuant to Paragraph 2.1(a) of Practice Note 18 of the Main Market Listing Requirements of Bursa Securities, takes no responsibility for the contents of this Notice, 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 Notice.



**AHB HOLDINGS BERHAD**

(Company No. 274909-A)

(Incorporated in Malaysia)

**NOTICE TO 2004/2014 WARRANTS HOLDERS  
IN RELATION TO THE  
ADJUSTMENT TO THE EXERCISE PRICE OF THE OUTSTANDING 2004/2014 WARRANTS  
PURSUANT TO THE PAR VALUE REDUCTION**

*Prepared by*



**TA SECURITIES HOLDINGS BERHAD (14948-M)**  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

**This Notice is dated 15 October 2012**

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## DEFINITIONS

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Except where the context otherwise requires, the following definitions apply throughout this Notice and the accompanying appendix:

“2004/2014 Warrants” or “Warrants”	:	The warrants of AHB which are expiring on 21 March 2014 and were issued pursuant to the Deed Poll
“Act”	:	Companies Act, 1965 and includes any amendments made thereto from time to time
“AHB” or the “Company”	:	AHB Holdings Berhad
“AHB Shares” or “Shares”	:	Ordinary shares of RM0.20 each in our Company
“Approved Merchant Bank”	:	A licensed merchant bank or an advisor carrying on business in Malaysia as approved by the Securities Commission Malaysia and selected by our Directors, as defined in the Deed Poll
“Board”	:	Board of Directors of our Company
“Deed Poll”	:	The deed poll constituting the 2004/2014 Warrants dated 22 March 2004
“Market Day”	:	A day on which the stock market of Bursa Malaysia Securities Berhad is open for trading in securities
“Notice”	:	This Notice to holders of 2004/2014 Warrants dated 15 October 2012
“Outstanding 2004/2014 Warrants”	:	The 5,228,000 2004/2014 Warrants which remain outstanding as at 3 October 2012
“Par Value Reduction”	:	Reduction of the issued and paid-up share capital of our Company pursuant to Section 64 of the Act via the cancellation of RM0.80 of the then par value of RM1.00 for each AHB Share, which was completed and took effect on 3 October 2012
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“TA Securities”	:	TA Securities Holdings Berhad
“Warrant Adjustment”	:	The adjustment to the exercise price of the Outstanding 2004/2014 Warrants following the completion of the Par Value Reduction

All references to “our Company” in this Notice are to AHB. All references to “we”, “us”, “our” and “ourselves” are to our Company or where the context requires, our Company and our subsidiaries. All references to “you” in this Notice are to the holders of 2004/2014 Warrants.

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa.

Reference to persons shall include a corporation, unless otherwise specified. Any reference in this Notice to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Notice shall be a reference to Malaysian time, unless otherwise specified.

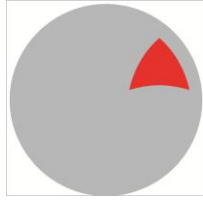
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**AHB HOLDINGS BERHAD**

(Company No. 274909-A)  
(Incorporated in Malaysia)

**Registered Office:**

Suite 11.1A, Level 11  
Menara Weld  
76, Jalan Raja Chulan  
50200 Kuala Lumpur

Date: 15 October 2012

**Board of Directors**

Mirzan Mahathir (*Chairman / Non-Independent Non-Executive Director*)  
Yong Yoke Keong (*Managing Director / Chief Executive Officer*)  
Yong Chew Keat (*Non-Independent Non-Executive Director*)  
Lim Chee Hoong (*Independent Non-Executive Director*)  
Danny Ng Siew L'Leong (*Independent Non-Executive Director*)

**To: Our 2004/2014 Warrants Holders**

Dear Sir/Madam,

**AHB HOLDINGS BERHAD**

**ADJUSTMENT TO THE EXERCISE PRICE OF THE OUTSTANDING 2004/2014 WARRANTS  
PURSUANT TO THE PAR VALUE REDUCTION**

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**1. INTRODUCTION**

- 1.1 On 21 May 2012, TA Securities had on behalf of our Board announced that our Company had proposed to undertake the Par Value Reduction.  
  
Subsequently, on 28 June 2012, our shareholders had approved the Par Value Reduction at an extraordinary general meeting held on the same date.
- 1.2 On 6 September 2012, the High Court of Malaya had granted an order confirming the Par Value Reduction. The sealed order was lodged with the Companies Commission of Malaysia on 3 October 2012 and accordingly, the Par Value Reduction took effect on 3 October 2012.
- 1.3 Consequential to the Par Value Reduction, the existing exercise price of the Outstanding 2004/2014 Warrants of RM1.00 per Share payable has been adjusted in the manner as detailed in Section 3 of this Notice.

**THE PURPOSE OF THIS NOTICE IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE WARRANT ADJUSTMENT. THIS NOTICE ALSO SETS OUT BRIEF PARTICULARS OF THE EVENTS GIVING RISE TO THE WARRANT ADJUSTMENT. NO ACTION IS REQUIRED TO BE TAKEN BY YOU.**

## 2. RATIONALE FOR THE WARRANT ADJUSTMENT

The Warrant Adjustment has been undertaken to reflect the consequential reduction in the par value of our Shares pursuant to the Par Value Reduction in order to ensure that the status of the holders of 2004/2014 Warrants would not be prejudiced after the implementation of the Par Value Reduction. Accordingly, our Board has resolved to effect the Warrant Adjustment as detailed in Section 3 of this Notice.

## 3. THE WARRANT ADJUSTMENT

3.1 In accordance with the Deed Poll, each 2004/2014 Warrants entitles the holder to subscribe for one (1) new AHB Share at the exercise price of RM1.00 per Share, subject to adjustments, if any, during the exercise period. However, no specific provision or formula is available under the Deed Poll which caters for the adjustments to the exercise price and number of Outstanding 2004/2014 Warrants as a result of the Par Value Reduction.

Third Schedule, Condition 3.6 of the Deed Poll stipulates that in any circumstance where our Directors consider that adjustments should be made notwithstanding that no such adjustment is required under Third Schedule, Conditions 3.1 and 3.2 of the Deed Poll, our Company may appoint an Approved Merchant Bank to consider whether for any reason whatsoever the adjustment ought to be made (or the absence of an adjustment) is inequitable and, if such Approved Merchant Bank shall consider this to be the case, the adjustment shall be modified or nullified in such manner as shall be considered by such Approved Merchant Bank to be in its opinion appropriate and in accordance with the terms of the Deed Poll.

3.2 Our Board, in consultation with TA Securities, has adopted the following formula for the Warrant Adjustment:

$$\begin{aligned} \text{New exercise price of the 2004/2014 Warrants} &= \frac{\text{Revised par value of each AHB Share}}{\text{Original par value of each AHB Share}} \times \text{Existing exercise price of the 2004/2014 Warrants} \\ &= \frac{\text{RM0.20}}{\text{RM1.00}} \times \text{RM1.00} \\ &= \text{RM0.20} \end{aligned}$$

Our Board has resolved not to adjust the number of the Outstanding 2004/2014 Warrants as a consequence to the Par Value Reduction as the Par Value Reduction is not expected to result in any dilutive effects on the holders of 2004/2014 Warrants since the number of AHB Shares in issue remains unchanged after the Par Value Reduction.

The auditors, Messrs. SJ Grant Thornton, has examined the Warrant Adjustment and a copy of their certificate dated 3 October 2012 is set out in **Appendix I** of this Notice.

3.3 The summary of the exercise price and number of Outstanding 2004/2014 Warrants as at 3 October 2012 before and after the Warrant Adjustment are as follows:

	Before Warrant Adjustment	After Warrant Adjustment
Exercise price	RM1.00	RM0.20
Total number of Outstanding 2004/2014 Warrants	5,228,000	5,228,000

#### **4. EFFECTIVE DATE OF THE WARRANT ADJUSTMENT**

The Warrant Adjustment took effect from 9.00 a.m. on 4 October 2012, being the next Market Day following the lodgement of the sealed order granted by the High Court of Malaya confirming the Par Value Reduction with the Companies Commission of Malaysia as detailed in Section 1.2 of this Notice.

#### **5. CONSENTS**

TA Securities has given and has not subsequently withdrawn its written consent to the inclusion in this Notice of its name and all references thereon in the form and context in which they appear.

Messrs. SJ Grant Thornton has given and has not subsequently withdrawn its written consent to the inclusion in this Notice of its name and letter, in the form and context in which they appear.

#### **6. DOCUMENTS FOR INSPECTION**

The following documents are available for inspection at our Registered Office at Suite 11.1A, Level 11, Menara Weld, 76, Jalan Raja Chulan, 50200 Kuala Lumpur, during normal business hours from the date of this Notice up to and including the earlier of the date on which the last 2004/2014 Warrants is exercised or 21 March 2014, being the expiry date of the 2004/2014 Warrants:

- (a) the Deed Poll;
- (b) the certificate from our Director dated 3 October 2012 setting forth brief particulars of the event giving rise to the Warrant Adjustment, the exercise price and/or number of Outstanding 2004/2014 Warrants held in effect prior to the Warrant Adjustment, the new exercise price of the Outstanding 2004/2014 Warrants held and the effective date of the Warrant Adjustment;
- (c) the certificate from Messrs. SJ Grant Thornton dated 3 October 2012 as referred to in Section 3.2 above; and
- (d) the letters of consent as referred to in Section 5 above.

#### **7. DIRECTORS' RESPONSIBILITY STATEMENT**

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

Yours faithfully,  
For and on behalf of the Board  
**AHB HOLDINGS BERHAD**

**YONG YOKE KEONG**  
Managing Director / Chief Executive Officer

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**CERTIFICATE FROM AUDITORS PURSUANT TO THE WARRANT ADJUSTMENT**


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# Grant Thornton

An instinct for growth™

**The Board of Directors**  
**AHB Holdings Berhad**  
 No 17, Jalan Industri PBP 11  
 Pusat Bandar Puchong  
 47100 Puchong  
 Selangor Darul Ehsan

03 OCT 2012

**SJ Grant Thornton** (AF:0737)  
 Level 11 Sheraton Imperial Court  
 Jalan Sultan Ismail  
 50250 Kuala Lumpur, Malaysia  
 T +603 2692 4022  
 F +603 2691 5229  
 www.gt.com.my

Dear Sirs,

**AHB HOLDINGS BERHAD (“AHB” OR “THE COMPANY”)  
 PROPOSED REDUCTION OF THE ISSUED AND PAID-UP SHARE CAPITAL OF  
 AHB PURSUANT TO SECTION 64 OF THE COMPANIES ACT, 1965 VIA THE  
 CANCELLATION OF RM0.80 OF THE EXISTING PAR VALUE OF EACH ORDINARY  
 SHARE OF RM1.00 EACH IN AHB (“AHB SHARE”) (“PROPOSED PAR VALUE  
 REDUCTION”)**

We refer to our engagement letter dated 21 February 2012 where we are required to report on the computations of the proposed adjustment to the exercise price of AHB’s 2004/2014 warrants (“Outstanding Warrants”) (“the Adjustment”) as set out in Attachment I; which we have stamped for the purpose of identification with this letter in connection with the Proposed Par Value Reduction.

The computations of the Adjustment (including determination of formulas used) and new exercise price of the Outstanding Warrants as set out in Attachment I are the responsibility of the Company’s Directors. Our responsibility is to report whether the Adjustment has been computed on a basis consistent with the ratio as set out in Attachment I.

Based on our examination, nothing has come to our attention to cause us to believe that the Adjustments prepared by the Directors of the Company has not been computed on a basis consistent with the ratio as set out in Attachment I; and is not in accordance with the Deed Poll dated 22 March 2004 constituting the Outstanding Warrants.

This letter has been prepared in accordance with the agreed terms solely for the benefit of the Board of Directors of AHB in connection with the Proposed Par Value Reduction. It is not to be used, circulated, quoted or otherwise referred to for any other purpose, including but not limited to the purchase of the securities, not is it to be filed with or referred to in whole or in part in any document without our prior consent. Neither the Firm nor any member or employee of the Firm undertakes responsibility arising in any way whatsoever to you or any other party in respect of this letter contrary to the purpose set out above.

Yours faithfully,

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**CERTIFICATE FROM AUDITORS PURSUANT TO THE WARRANT ADJUSTMENT (cont'd)**


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**Attachment I****AHB HOLDINGS BERHAD ("AHB" OR "THE COMPANY")**

**PROPOSED REDUCTION OF THE ISSUED AND PAID-UP SHARE CAPITAL OF AHB PURSUANT TO SECTION 64 OF THE COMPANIES ACT, 1965 VIA THE CANCELLATION OF RM0.80 OF THE EXISTING PAR VALUE OF EACH ORDINARY SHARE OF RM1.00 EACH IN AHB ("AHB SHARE") ("PROPOSED PAR VALUE REDUCTION")**

In respect of the Adjustment arising from the Proposed Par Value Reduction, the Board of Directors of AHB has reviewed the following formula in adjusting exercise price of the Outstanding Warrants as set out below:

Proposed adjustment to the exercise price of the Outstanding Warrants

$$\begin{aligned}
 &= \frac{\text{Revised par value of each AHB Share}}{\text{Original par value of each AHB Share}} \times \text{Existing exercise price of the Outstanding Warrants} \\
 &= \frac{\text{RM0.20}}{\text{RM1.00}} \times \text{RM1.00} \\
 &= \text{RM0.20}
 \end{aligned}$$

The above formula is prepared by AHB Holdings Berhad.

