

**THIS CIRCULAR IS FOR YOUR INFORMATION ONLY. NO ACTION IS REQUIRED TO BE TAKEN.**

If you have sold your shares in Paramount Corporation Berhad, you should at once send this Circular to the agent through whom the sale was contracted for onward transmission to the purchaser.



## **PARAMOUNT CORPORATION BERHAD**

(Company No. 8578-A)  
(Incorporated in Malaysia)

### **INFORMATION CIRCULAR TO SHAREHOLDERS**

#### **IN RELATION TO THE**

**ACQUISITION OF 750,000 ORDINARY SHARES OF RM1.00 EACH IN  
BERLIAN SAKTI SDN. BHD. ("BSSB") REPRESENTING THE ENTIRE  
ISSUED AND PAID-UP SHARE CAPITAL OF BSSB FOR A TOTAL CASH  
CONSIDERATION OF RM20,000,000**

*Advised by*



**COMMERCE INTERNATIONAL MERCHANT BANKERS BERHAD**

(Company No. 18417-M)

This Information Circular is dated 12 December 1996

## CONTENTS

### LETTER TO THE SHAREHOLDERS OF PCB CONTAINING:-

	PAGE
1. INTRODUCTION	1
2. DETAILS OF BSSB	2
3. DETAILS OF THE BSSB ACQUISITION	2
4. RATIONALE FOR THE BSSB ACQUISITION	3
5. FINANCIAL EFFECTS OF THE BSSB ACQUISITION	3
6. CONDITIONS OF THE BSSB ACQUISITION	3
7. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS	3
8. ADDITIONAL INFORMATION	4

### APPENDICES

APPENDIX 1	- INFORMATION ON BSSB	5
APPENDIX 2	- FURTHER INFORMATION	8

## DEFINITION

In this Circular, unless the context otherwise requires, the following abbreviations shall have the following meanings:-

"BSSB"	-	Berlian Sakti Sdn. Bhd.
"Board of PCB"	-	Board of Directors of Paramount Corporation Berhad
"CIMB"	-	Commerce International Merchant Bankers Berhad
"FIC"	-	Foreign Investment Committee
"NTA"	-	Net Tangible Assets
"PCB" or "Company"	-	Paramount Corporation Berhad
"PCB Group"	-	PCB and its subsidiary and associated companies
"BSSB Acquisition"	-	Acquisition of 750,000 ordinary shares of RM1.00 each in BSSB representing the entire issued and paid-up share capital of BSSB from the Vendors for a cash consideration of RM20,000,000
"RM" and "sen"	-	Ringgit Malaysia and sen respectively
"the Vendors"	-	Yeo Hock Lim and Tan Hwee Beng



**PARAMOUNT CORPORATION BERHAD**

(Company No. 8578-A)  
(Incorporated in Malaysia)

**Registered Office:-**

39th Floor, Menara Maybank  
100 Jalan Tun Perak  
50050 Kuala Lumpur

12 December 1996

**Directors:-**

Teo Chiang Lim (*Chairman*)  
Teo Chiang Quan (*Chief Executive Officer*)  
Tun Dato' Haji Omar Yoke Lin Ong, *SSM, PMN, SPMS, SPDK*  
*Hon. Ph.D (Malaya), Hon. L.L.D (Hanyang, Seoul)*  
Dato' Haji Azlan bin Hashim, *DSNS, DSSA*  
Datuk Lim Sun Hoe, *PSD, AMN*  
Teo Soo Chew  
Teo Soo Weng  
Teo Soo Kiat  
Teo Chiang Khai  
Md. Taib bin Abdul Hamid  
Ong Keng Siew

To the Shareholders of Paramount Corporation Berhad

Dear Sir/Madam

**ACQUISITION OF 750,000 ORDINARY SHARES OF RM1.00 EACH IN BSSB REPRESENTING THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF BSSB FOR A TOTAL CASH CONSIDERATION OF RM20,000,000**

**1. INTRODUCTION**

On 4 October 1996, CIMB, on behalf of the Board of PCB announced that the Company had entered into a sale and purchase agreement with the Vendors for the acquisition of 750,000 ordinary shares of RM1.00 each in BSSB representing the entire issued and paid-up share capital of BSSB for a total cash consideration of RM20,000,000.

The purpose of this Circular is to provide you with the details, rationale and financial effects of the BSSB Acquisition. **No further action is required to be taken.**

## 2. DETAILS OF BSSB

BSSB was incorporated on 27 March 1991 in Malaysia. The present authorised share capital of BSSB is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each. The issued and paid-up share capital is RM750,000 comprising 750,000 ordinary shares of RM1.00 each.

BSSB is primarily a construction company and its principal activities are related to civil engineering and building works. BSSB wholly owns three (3) subsidiary companies which are all involved in civil engineering and construction works. These subsidiary companies are Bilsys Sdn. Bhd., Zenbilt Sdn. Bhd. and Arah Teknik Sdn. Bhd..

Arah Teknik Sdn. Bhd. is a Pusat Khidmat Kontraktor ("PKK") Class "B" contractor which permits the company to bid for private construction projects and to undertake construction projects that are awarded by the Government of Malaysia and other statutory authorities. As at the date of incorporation, BSSB has completed contracts worth RM76.2 million and secured ongoing contracts valued at RM74.8 million.

## 3. DETAILS OF THE BSSB ACQUISITION

The BSSB Acquisition involves the acquisition of 750,000 ordinary shares of RM1.00 each in BSSB representing the entire issued and paid-up share capital of BSSB from the Vendors for a total cash consideration of RM20,000,000.

The Vendors together with their respective shareholdings and the cash consideration payable by PCB are as follows:-

Vendor	No. of shares	Equity %	Cash consideration payable by PCB RM
Yeo Hock Lim	375,000	50	10,000,000
Tan Hwee Beng	375,000	50	10,000,000
	<u>750,000</u>	<u>100</u>	<u>20,000,000</u>

The purchase consideration for the BSSB Acquisition of RM20,000,000 was arrived at on a willing buyer willing seller basis and will be financed by internally generated funds.

The purchase consideration of RM20,000,000 for the equity interest in BSSB was arrived at after taking into consideration the business and earnings potential of BSSB. The Vendors have also jointly and severally agreed to provide personal guarantees for a cumulative profit before taxation of RM13 million for the financial years ending 31 December 1996 and 31 December 1997. The estimated profit before taxation guarantee for each of the years ending 31 December 1996 and 31 December 1997 is RM6 million and RM7 million respectively. No security has been provided for the personal guarantees provided by the Vendors.

A deposit amounting to RM2,000,000 (being 10% of the total cash consideration) was paid upon execution of the sale and purchase agreement. The sum of RM18,000,000 being the balance sum of the total cash consideration will be paid on or before the expiry of three(3) months from the date of the sale and purchase agreement. The ordinary shares of BSSB shall be acquired by PCB free from encumbrances.



#### 4. RATIONALE FOR THE BSSB ACQUISITION

The PCB Group through its wholly owned subsidiary company Patani Jaya Sdn. Bhd. is involved in a mixed development project comprising residential, commercial, industrial and recreational developments in the Mukim of Sungai Petani, District of Kuala Muda, Kedah comprising 476.98 acres currently cultivated with oil palm and rubber. BSSB is one of the major contractors for past and present developments undertaken by the PCB Group. Through this alliance, the PCB Group is expected to reap synergistic benefits via the acquisition of a subsidiary company involved in the construction sector.

#### 5. FINANCIAL EFFECTS OF THE BSSB ACQUISITION

The BSSB Acquisition will not have any effect on the issued and paid-up share capital, equity structure and substantial shareholding in PCB.

The BSSB Acquisition was completed on 4 October 1996 and is expected to provide a profit before taxation contribution for the financial year ending 31 December 1996 of RM1.5 million or 1.9 sen per PCB share based on the expected weighted average number of PCB shares. For the financial year ending 31 December 1997, the expected profit before taxation contribution is RM7.0 million or 7.2 sen per PCB share. The profit before taxation contribution for the years ending 31 December 1996 and 31 December 1997 is based on the profit before taxation guarantee provided by the Vendors and excludes financing costs of the BSSB Acquisition. The BSSB Acquisition is also expected to contribute positively to the earnings of the PCB Group in future.

Based on the audited consolidated accounts of PCB Group as at 31 December 1995, the proforma effects of the BSSB Acquisition on the NTA of the PCB Group are as follows:-

	Before BSSB Acquisition RM'000	After BSSB Acquisition RM'000
Share capital	66,730	66,730
Reserves	93,884	79,809 <sup>*1</sup>
Shareholders' funds	160,614	146,539
Less: Deferred expenditure	(188)	(188)
NTA	160,426	146,351
NTA per share (RM)	2.40	2.19

*Note:-*

<sup>\*1</sup> After deducting goodwill arising from the BSSB Acquisition

#### 6. CONDITIONS OF THE BSSB ACQUISITION

The BSSB Acquisition is condition subsequent upon approval being obtained from the Foreign Investment Committee.

#### 7. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

None of the Directors or substantial shareholders of PCB has any interest, direct or indirect in the BSSB Acquisition.

## 8. ADDITIONAL INFORMATION

Shareholders are requested to refer to the attached appendices for additional information.

Yours faithfully  
for and on behalf of the Board  
of **PARAMOUNT CORPORATION BERHAD**

Teo Chiang Lim  
Chairman

## INFORMATION ON BSSB

### 1. History and Business

BSSB was incorporated as a private limited company on 27 March 1991 under the name of Berlian Sakti Sdn. Bhd.. The company is primarily a construction company and its principal activities are related to civil engineering and building works.

### 2. Subsidiary and Associated Companies

The subsidiary companies of BSSB as at 30 November 1996 are as follows:-

Name of Company	Principal activities	Country of Incorporation	%	Authorised share capital RM	Issued and paid-up share capital RM
Bilsys Sdn. Bhd.	Building construction	Malaysia	100.0	300,000	250,000
Arah Teknik Sdn. Bhd.	Civil engineering, building construction PKK Class "B" contractor	Malaysia	100.0	500,000	401,000
Zenbilt Sdn. Bhd.	Building construction and civil engineering	Malaysia	100.0	500,000	150,000

BSSB does not have any associated companies as at 30 November 1996.

### 3. Share Capital

The present authorised share capital of BSSB is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each. The existing issued and paid-up share capital of BSSB is RM750,000 comprising 750,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of BSSB since incorporation are as follows:-

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Issued and paid-up share capital (cumulative) RM
27.03.1991	2	1.00	Cash	2
09.01.1993	149,998	1.00	Cash	150,000
12.04.1993	150,000	1.00	Cash	300,000
25.10.1993	200,000	1.00	Cash	500,000
15.10.1994	250,000	1.00	Cash	750,000



#### 4. Directors and their Shareholding Interests

The Directors of BSSB and their shareholdings in BSSB as at 30 November 1996 are as follows:-

Name	Nationality	Occupation	Direct		Indirect	
			No. of ordinary shares	%	No. of ordinary shares	%
Yeo Hock Lim	Malaysian	Director	375,000	50.0	-	-
Tan Hwee Beng	Singaporean	Director	375,000	50.0	-	-

#### 5. Substantial Shareholders

The substantial shareholders (holding 5% or more) of BSSB as at 30 November 1996 are as follows:-

Name	Direct		Indirect	
	No. of ordinary shares	%	No. of ordinary shares	%
Yeo Hock Lim	375,000	50.0	-	-
Tan Hwee Beng	375,000	50.0	-	-

#### 6. Profit and Dividend Record

The following table summarises the audited profit and dividend record of BSSB<sup>\*1</sup> for the period nine (9) months ended 31 December 1991, the four(4) years ended 31 December 1995 and the six(6) months ended 30 June 1996.

	9 months ended 31.12.1991 <sup>*2</sup>	Year ended 31 December				6 months ended 30.06.1996
	RM'000	1992 RM'000	1993 RM'000	1994 RM'000	1995 RM'000	RM'000
Turnover	-	9,534	20,275 <sup>*3</sup>	20,785	23,695	10,904
Profit before taxation	-	253	331	1,149 <sup>*4</sup>	1,196	4,242
Taxation	-	(97)	(130)	(359)	(372)	(1,311)
Profit after taxation before extraordinary item	-	156	201	790	824	2,931
Extraordinary item	-	-	-	-	-	-
Profit after taxation after extraordinary item	-	156	201	790	824	2,931
Share capital (RM'000)	<sup>*5</sup>	150	500	750	750	750
Weighted average number of shares ('000)	<sup>*6</sup>	147	297	552	750	750
Net earnings per share (RM)	-	1.06	0.68	1.43	1.10	3.91
Gross dividend (%)	-	-	-	40.0	62.0	-

**Notes:-**

- \*1 BSSB does not have any consolidated accounts as the active subsidiary companies were only acquired in September 1996
- \*2 BSSB does not have any profit and dividend record for the nine (9) months ended 31 December 1991 as the company only commenced operations in 1992
- \*3 The increase in turnover from RM9,534,000 in 1992 to RM20,275,000 in 1993 was due to additional construction contracts secured.
- \*4 The increase in profit before taxation from RM331,000 in 1993 to RM1,149,000 in 1994 was due to the higher profit margin obtained from additional contracts secured in 1994 and the favourable credit terms and lower prices obtained from suppliers and sub-contractors.
- \*5 Represents a RM2.00 issued and paid-up share capital
- \*6 Represents a weighted average number of two (2) shares

**FURTHER INFORMATION****1. Responsibility Statement**

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

**2. Material Contracts****2.1 PCB Group**

Save as disclosed below, the PCB Group has not entered into any material contract, other than contracts entered into in the ordinary course of business, during the two (2) years immediately preceding the date of this Information Circular.

- (i) On 4 October 1996, PCB entered into a sale and purchase agreement with the Vendors for the acquisition of the entire issued and paid-up share capital of BSSB comprising 750,000 ordinary shares of RM1.00 for a total cash consideration of RM20,000,000.

**2.2 BSSB**

Save as disclosed below, BSSB and its subsidiary companies have not entered into any material contracts, other than contracts entered into in the ordinary course of business, during the two(2) years immediately preceding the date of this Information Circular.

- (i) On 25 September 1996, BSSB entered into a sale and purchase agreement with Yeo Hock Lim and Tan Hwee Beng for the disposal of 300,000 ordinary shares of RM1.00 each representing 32.97% of the issued and paid-up share capital of Johmalim Industry Sdn. Bhd. for a total cash consideration of RM300,000; and
- (ii) On 1 October 1996, BSSB entered into a sale and purchase agreement with Yeo Hock Lim and Tan Hwee Beng for the disposal of 179,557 ordinary shares of RM1.00 each representing 38.91% of the issued and paid-up share capital of Eco-llction Sdn. Bhd. for a total cash consideration of RM384,602.

**3. Service Contracts**

None of the Directors of PCB have any service contracts, existing or proposed, with the Company.

#### **4. Material Litigation**

##### **4.1 PCB Group**

The PCB Group is not engaged in any material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Company or its subsidiary companies or of any facts likely to give rise to any proceedings which might adversely and materially affect the position or business of PCB and/or its subsidiary companies.

##### **4.2 BSSB**

Neither BSSB or its subsidiary companies are engaged in any material litigation either as plaintiff or defendant, and the Board of Directors of BSSB do not have any knowledge of any proceedings pending or threatened against or of any facts likely to give rise to any proceedings which might adversely and materially affect the position or business of BSSB and/or its subsidiary companies.

#### **5. Documents available for Inspection**

Copies of the following documents are available for inspection at the Registered Office of PCB at 39th Floor, Menara Maybank, 100 Jalan Tun Perak, 50050 Kuala Lumpur, during normal business hours between Monday and Friday (except public holidays) for a period of two (2) weeks from the date of this Information Circular:-

- (a) Memorandum and Articles of Association of PCB and BSSB;
- (b) Audited accounts of PCB for the past three (3) financial years ended 31 December 1995 and the unaudited results for the six (6) months ended 30 June 1996;
- (c) Audited accounts of BSSB for the nine (9) months ended 31 December 1991, the four (4) financial years ended 31 December 1995 and the six (6) months ended 30 June 1996; and
- (d) The material contracts referred to in paragraph 2 above.

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### **INFORMATION CIRCULAR TO SHAREHOLDERS**

#### **IN RELATION TO THE**

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ISSUED AND PAID-UP SHARE CAPITAL OF BSSB FOR A TOTAL CASH  
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*Advised by*



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(Company No. 18417-M)



## CONTENTS

### LETTER TO THE SHAREHOLDERS OF PCB CONTAINING:-

	PAGE
1. INTRODUCTION	1
2. DETAILS OF BSSB	2
3. DETAILS OF THE BSSB ACQUISITION	2
4. RATIONALE FOR THE BSSB ACQUISITION	3
5. FINANCIAL EFFECTS OF THE BSSB ACQUISITION	3
6. CONDITIONS OF THE BSSB ACQUISITION	3
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8. ADDITIONAL INFORMATION	4

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"BSSB Acquisition"	-	Acquisition of 750,000 ordinary shares of RM1.00 each in BSSB representing the entire issued and paid-up share capital of BSSB from the Vendors for a cash consideration of RM20,000,000
"RM" and "sen"	-	Ringgit Malaysia and sen respectively
"the Vendors"	-	Yeo Hock Lim and Tan Hwee Beng



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50050 Kuala Lumpur

12 December 1996

**Directors:-**

Teo Chiang Lim (*Chairman*)  
Teo Chiang Quan (*Chief Executive Officer*)  
Tun Dato' Haji Omar Yoke Lin Ong, *SSM, PMN, SPMS, SPDK*  
*Hon. Ph.D (Malaya), Hon. L.L.D (Hanyang, Seoul)*  
Dato' Haji Azlan bin Hashim, *DSNS, DSSA*  
Datuk Lim Sun Hoe, *PSD, AMN*  
Teo Soo Chew  
Teo Soo Weng  
Teo Soo Kiat  
Teo Chiang Khai  
Md. Taib bin Abdul Hamid  
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To the Shareholders of Paramount Corporation Berhad

Dear Sir/Madam

**ACQUISITION OF 750,000 ORDINARY SHARES OF RM1.00 EACH IN BSSB REPRESENTING THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF BSSB FOR A TOTAL CASH CONSIDERATION OF RM20,000,000**

**1. INTRODUCTION**

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The purpose of this Circular is to provide you with the details, rationale and financial effects of the BSSB Acquisition. **No further action is required to be taken.**

## 2. DETAILS OF BSSB

BSSB was incorporated on 27 March 1991 in Malaysia. The present authorised share capital of BSSB is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each. The issued and paid-up share capital is RM750,000 comprising 750,000 ordinary shares of RM1.00 each.

BSSB is primarily a construction company and its principal activities are related to civil engineering and building works. BSSB wholly owns three (3) subsidiary companies which are all involved in civil engineering and construction works. These subsidiary companies are Bilsys Sdn. Bhd., Zenbilt Sdn. Bhd. and Arah Teknik Sdn. Bhd..

Arah Teknik Sdn. Bhd. is a Pusat Khidmat Kontraktor ("PKK") Class "B" contractor which permits the company to bid for private construction projects and to undertake construction projects that are awarded by the Government of Malaysia and other statutory authorities. As at the date of incorporation, BSSB has completed contracts worth RM76.2 million and secured ongoing contracts valued at RM74.8 million.

## 3. DETAILS OF THE BSSB ACQUISITION

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The Vendors together with their respective shareholdings and the cash consideration payable by PCB are as follows:-

Vendor	No. of shares	Equity %	Cash consideration payable by PCB RM
Yeo Hock Lim	375,000	50	10,000,000
Tan Hwee Beng	375,000	50	10,000,000
	<u>750,000</u>	<u>100</u>	<u>20,000,000</u>

The purchase consideration for the BSSB Acquisition of RM20,000,000 was arrived at on a willing buyer willing seller basis and will be financed by internally generated funds.

The purchase consideration of RM20,000,000 for the equity interest in BSSB was arrived at after taking into consideration the business and earnings potential of BSSB. The Vendors have also jointly and severally agreed to provide personal guarantees for a cumulative profit before taxation of RM13 million for the financial years ending 31 December 1996 and 31 December 1997. The estimated profit before taxation guarantee for each of the years ending 31 December 1996 and 31 December 1997 is RM6 million and RM7 million respectively. No security has been provided for the personal guarantees provided by the Vendors.

A deposit amounting to RM2,000,000 (being 10% of the total cash consideration) was paid upon execution of the sale and purchase agreement. The sum of RM18,000,000 being the balance sum of the total cash consideration will be paid on or before the expiry of three(3) months from the date of the sale and purchase agreement. The ordinary shares of BSSB shall be acquired by PCB free from encumbrances.



#### 4. RATIONALE FOR THE BSSB ACQUISITION

The PCB Group through its wholly owned subsidiary company Patani Jaya Sdn. Bhd. is involved in a mixed development project comprising residential, commercial, industrial and recreational developments in the Mukim of Sungai Petani, District of Kuala Muda, Kedah comprising 476.98 acres currently cultivated with oil palm and rubber. BSSB is one of the major contractors for past and present developments undertaken by the PCB Group. Through this alliance, the PCB Group is expected to reap synergistic benefits via the acquisition of a subsidiary company involved in the construction sector.

#### 5. FINANCIAL EFFECTS OF THE BSSB ACQUISITION

The BSSB Acquisition will not have any effect on the issued and paid-up share capital, equity structure and substantial shareholding in PCB.

The BSSB Acquisition was completed on 4 October 1996 and is expected to provide a profit before taxation contribution for the financial year ending 31 December 1996 of RM1.5 million or 1.9 sen per PCB share based on the expected weighted average number of PCB shares. For the financial year ending 31 December 1997, the expected profit before taxation contribution is RM7.0 million or 7.2 sen per PCB share. The profit before taxation contribution for the years ending 31 December 1996 and 31 December 1997 is based on the profit before taxation guarantee provided by the Vendors and excludes financing costs of the BSSB Acquisition. The BSSB Acquisition is also expected to contribute positively to the earnings of the PCB Group in future.

Based on the audited consolidated accounts of PCB Group as at 31 December 1995, the proforma effects of the BSSB Acquisition on the NTA of the PCB Group are as follows:-

	Before BSSB Acquisition RM'000	After BSSB Acquisition RM'000
Share capital	66,730	66,730
Reserves	93,884	79,809 <sup>*1</sup>
Shareholders' funds	160,614	146,539
Less: Deferred expenditure	(188)	(188)
NTA	160,426	146,351
NTA per share (RM)	2.40	2.19

*Note:-*

<sup>\*1</sup> After deducting goodwill arising from the BSSB Acquisition

#### 6. CONDITIONS OF THE BSSB ACQUISITION

The BSSB Acquisition is condition subsequent upon approval being obtained from the Foreign Investment Committee.

#### 7. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

None of the Directors or substantial shareholders of PCB has any interest, direct or indirect in the BSSB Acquisition.



**8. ADDITIONAL INFORMATION**

Shareholders are requested to refer to the attached appendices for additional information.

Yours faithfully  
for and on behalf of the Board  
of **PARAMOUNT CORPORATION BERHAD**

Teo Chiang Lim  
Chairman

## INFORMATION ON BSSB

### 1. History and Business

BSSB was incorporated as a private limited company on 27 March 1991 under the name of Berlian Sakti Sdn. Bhd.. The company is primarily a construction company and its principal activities are related to civil engineering and building works.

### 2. Subsidiary and Associated Companies

The subsidiary companies of BSSB as at 30 November 1996 are as follows:-

Name of Company	Principal activities	Country of Incorporation	%	Authorised share capital RM	Issued and paid-up share capital RM
Bilsys Sdn. Bhd.	Building construction	Malaysia	100.0	300,000	250,000
Arah Teknik Sdn. Bhd.	Civil engineering, building construction PKK Class "B" contractor	Malaysia	100.0	500,000	401,000
Zenbilt Sdn. Bhd.	Building construction and civil engineering	Malaysia	100.0	500,000	150,000

BSSB does not have any associated companies as at 30 November 1996.

### 3. Share Capital

The present authorised share capital of BSSB is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each. The existing issued and paid-up share capital of BSSB is RM750,000 comprising 750,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of BSSB since incorporation are as follows:-

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Issued and paid-up share capital (cumulative) RM
27.03.1991	2	1.00	Cash	2
09.01.1993	149,998	1.00	Cash	150,000
12.04.1993	150,000	1.00	Cash	300,000
25.10.1993	200,000	1.00	Cash	500,000
15.10.1994	250,000	1.00	Cash	750,000

#### 4. Directors and their Shareholding Interests

The Directors of BSSB and their shareholdings in BSSB as at 30 November 1996 are as follows:-

Name	Nationality	Occupation	Direct		Indirect	
			No. of ordinary shares	%	No. of ordinary shares	%
Yeo Hock Lim	Malaysian	Director	375,000	50.0	-	-
Tan Hwee Beng	Singaporean	Director	375,000	50.0	-	-

#### 5. Substantial Shareholders

The substantial shareholders (holding 5% or more) of BSSB as at 30 November 1996 are as follows:-

Name	Direct		Indirect	
	No. of ordinary shares	%	No. of ordinary shares	%
Yeo Hock Lim	375,000	50.0	-	-
Tan Hwee Beng	375,000	50.0	-	-

#### 6. Profit and Dividend Record

The following table summarises the audited profit and dividend record of BSSB<sup>\*1</sup> for the period nine (9) months ended 31 December 1991, the four(4) years ended 31 December 1995 and the six(6) months ended 30 June 1996.

	9 months ended 31.12.1991 <sup>*2</sup>	Year ended 31 December				6 months ended 30.06.1996
	RM'000	1992 RM'000	1993 RM'000	1994 RM'000	1995 RM'000	RM'000
Turnover	-	9,534	20,275 <sup>*3</sup>	20,785	23,695	10,904
Profit before taxation	-	253	331	1,149 <sup>*4</sup>	1,196	4,242
Taxation	-	(97)	(130)	(359)	(372)	(1,311)
Profit after taxation before extraordinary item	-	156	201	790	824	2,931
Extraordinary item	-	-	-	-	-	-
Profit after taxation after extraordinary item	-	156	201	790	824	2,931
Share capital (RM'000)	<sup>*5</sup>	150	500	750	750	750
Weighted average number of shares ('000)	<sup>*6</sup>	147	297	552	750	750
Net earnings per share (RM)	-	1.06	0.68	1.43	1.10	3.91
Gross dividend (%)	-	-	-	40.0	62.0	-

**Notes:-**

- \*1 BSSB does not have any consolidated accounts as the active subsidiary companies were only acquired in September 1996
- \*2 BSSB does not have any profit and dividend record for the nine (9) months ended 31 December 1991 as the company only commenced operations in 1992
- \*3 The increase in turnover from RM9,534,000 in 1992 to RM20,275,000 in 1993 was due to additional construction contracts secured.
- \*4 The increase in profit before taxation from RM331,000 in 1993 to RM1,149,000 in 1994 was due to the higher profit margin obtained from additional contracts secured in 1994 and the favourable credit terms and lower prices obtained from suppliers and sub-contractors.
- \*5 Represents a RM2.00 issued and paid-up share capital
- \*6 Represents a weighted average number of two (2) shares

**FURTHER INFORMATION****1. Responsibility Statement**

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

**2. Material Contracts****2.1 PCB Group**

Save as disclosed below, the PCB Group has not entered into any material contract, other than contracts entered into in the ordinary course of business, during the two (2) years immediately preceding the date of this Information Circular.

- (i) On 4 October 1996, PCB entered into a sale and purchase agreement with the Vendors for the acquisition of the entire issued and paid-up share capital of BSSB comprising 750,000 ordinary shares of RM1.00 for a total cash consideration of RM20,000,000.

**2.2 BSSB**

Save as disclosed below, BSSB and its subsidiary companies have not entered into any material contracts, other than contracts entered into in the ordinary course of business, during the two(2) years immediately preceding the date of this Information Circular.

- (i) On 25 September 1996, BSSB entered into a sale and purchase agreement with Yeo Hock Lim and Tan Hwee Beng for the disposal of 300,000 ordinary shares of RM1.00 each representing 32.97% of the issued and paid-up share capital of Johmalim Industry Sdn. Bhd. for a total cash consideration of RM300,000; and
- (ii) On 1 October 1996, BSSB entered into a sale and purchase agreement with Yeo Hock Lim and Tan Hwee Beng for the disposal of 179,557 ordinary shares of RM1.00 each representing 38.91% of the issued and paid-up share capital of Eco-llction Sdn. Bhd. for a total cash consideration of RM384,602.

**3. Service Contracts**

None of the Directors of PCB have any service contracts, existing or proposed, with the Company.



#### **4. Material Litigation**

##### **4.1 PCB Group**

The PCB Group is not engaged in any material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Company or its subsidiary companies or of any facts likely to give rise to any proceedings which might adversely and materially affect the position or business of PCB and/or its subsidiary companies.

##### **4.2 BSSB**

Neither BSSB or its subsidiary companies are engaged in any material litigation either as plaintiff or defendant, and the Board of Directors of BSSB do not have any knowledge of any proceedings pending or threatened against or of any facts likely to give rise to any proceedings which might adversely and materially affect the position or business of BSSB and/or its subsidiary companies.

#### **5. Documents available for Inspection**

Copies of the following documents are available for inspection at the Registered Office of PCB at 39th Floor, Menara Maybank, 100 Jalan Tun Perak, 50050 Kuala Lumpur, during normal business hours between Monday and Friday (except public holidays) for a period of two (2) weeks from the date of this Information Circular:-

- (a) Memorandum and Articles of Association of PCB and BSSB;
- (b) Audited accounts of PCB for the past three (3) financial years ended 31 December 1995 and the unaudited results for the six (6) months ended 30 June 1996;
- (c) Audited accounts of BSSB for the nine (9) months ended 31 December 1991, the four (4) financial years ended 31 December 1995 and the six (6) months ended 30 June 1996; and
- (d) The material contracts referred to in paragraph 2 above.