

Our Ref: SR/TYH(LACLA)/LD16/04

28 September 2004

By Courier

The Company Secretary
(Listed Issuers)

Dear Sir/Madam

AMENDMENTS TO THE LISTING REQUIREMENTS IN RELATION TO CONTINUING EDUCATION PROGRAMME

Please be notified that pursuant to section 9 of the Securities Industry Act 1983, amendments have been made to the Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements for the Main Board and Second Board ("LR") as set out in Appendix 1 and Listing Requirements for the MESDAQ Market ("MMLR") as set out in Appendix 2 ("the said Amendments") in relation to Continuing Education Programme ("CEP").

Scope and Objectives

Since the introduction of the Mandatory Accreditation Programme ("MAP") for directors of listed issuers ("Directors") by Bursa Securities in 2001 and the CEP in 2003, we believe that there has been greater awareness of the importance and benefits of training or continuing education amongst the directors of listed issuers.

Todate, approximately 6329 directors have attended the MAP whilst approximately 3553 directors have attended the CEP. The mandatory continuing education requirement was prescribed by Bursa Securities for the years 2003 and 2004. Given the varying training needs of Directors, from year 2005 onwards, the boards of directors of listed issuers ("Boards of Directors") will assume the onus of determining or overseeing the training needs of their Directors. This will enable the Board of Directors to assess the training needs of the Directors and ensure fulfillment of such training deemed appropriate by the Board of Directors.

Key changes

The salient features encompassed in the said Amendments are as follows:-

- (a) the CEP requirements as set out in Practice Note No 15/2003 or Guidance Notes 10 ("CEP Requirements") will be repealed from the effective date;
- (b) Directors are required to compulsorily attend the MAP;

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- (c) the Board of Directors of each listed issuer must evaluate and determine the training needs of its Directors on a continuous basis. The training must be one that aids the Director in the discharge of his duties as a Director; and
- (d) the Board of Directors must disclose in the annual report whether its Directors have attended training for that financial year and the type of training attended. Where any Director has not attended any training during the financial year, the Board of Directors must state the reasons thereof.

Implementation

The said Amendments shall take effect from **1 January 2005**.

Although the CEP Requirements will be repealed with effect from 1 January 2005, all Directors who are required to accumulate either 72 CEP points or 48 CEP points, as the case may be, by 31 December 2004 are still required to comply with the existing obligation in respect of the CEP Requirements for the years 2003 and 2004, but are given **extension of time until 31 December 2005** to accumulate the requisite CEP points. In addition, these Directors must also continue to attend such training as may be determined by their Boards of Directors from 1 January 2005 onwards.

All other Directors who are not required to accumulate CEP points under the CEP Requirements for the years 2003 or 2004, must attend such training as may be determined by their Boards of Directors from 1 January 2005 onwards.

In this regard, listed issuers must disclose the training attended by their Directors, other than training attended for the purpose of fulfilling the CEP Requirements, in the manner required under paragraph 15.09(2) and paragraph (27) of Part A, Appendix 9C of the LR or Rule 13.5.2 and paragraph 15 of Appendix 7B of the MMLR, as may be applicable. The disclosures must be made in respect of annual reports issued for financial years **ending on or after 31 December 2005**.

Additional information

In order to aid listed issuers and the Directors in complying with the said Amendments, a set of Questions and Answers is attached as Appendix 3.

Please take note that the said Amendments and Questions and Answers are available for reference on the Bursa Malaysia's web-site at <http://www.bursamalaysia.com>.

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EDUCATION PROGRAMME (CEP)**

For further information or enquiries on the above, kindly contact:-

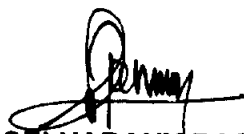
Legal Advisory and Corporate Legal Affairs
9th Floor, Bursa Malaysia Berhad
Exchange Square, Bukit Kewangan
50200 Kuala Lumpur.
Tel No : 2026 7099
Facsimile : 2732 0065

Contact persons

Emilia Tee (Ext 1016)
Yew Yee Tee (Ext 2023)
Tan Ai Chia (Ext 7089)
Noraishah Ismail (Ext 7977)

Thank you.

Yours faithfully,



SELVARANY RASIAH
Chief Legal Officer

TYH/tac

Encl

APPENDIX 2
AMENDMENTS TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE MESDAQ MARKET
RELATING TO CONTINUING EDUCATION PROGRAMME

Existing Provisions		Amended Provisions	
Amendments to the Listing Requirements			
	<p>APPENDIX 7B Annual report</p> <p>New provision</p>	(15)	<p>APPENDIX 7B Annual report</p> <p>A statement by the board of directors containing a brief description on the type of training that the directors have attended. Where any of the directors have not attended any training during the financial year, to state the reasons thereof for each director.</p>
13.5	<p><i>Every director of a Listed Company must ensure that he undergoes continuous training to equip himself to effectively discharge his duties as a director and for that purpose he must ensure that he attends such training programmes as may be prescribed by the Exchange from time to time.</i></p> <p>New provision</p>	<p>13.5</p> <p>13.5.1</p> <p>13.5.2</p>	<p>Directors' training</p> <p>A director of a Listed Company must ensure that he attends such training programme as may be prescribed by the Exchange from time to time.</p> <p>The Exchange considers continuous training for directors of Listed Companies as important to enable the directors to effectively discharge their duties. In this respect, the board of directors of a Listed Company must on a continuous basis, evaluate and determine the training needs of its directors. The subject matter of training must be one that aids the director in the discharge of his duties as a director. The board of directors must disclose in the annual report of the Listed Company whether its directors have attended training for the financial year. Where any of its directors have not attended any training during the financial year, the board of directors must state the reasons thereof in the annual report for each director.</p>
Amendments to Guidance Notes 9			

APPENDIX 2

**AMENDMENTS TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE MESDAQ MARKET
RELATING TO CONTINUING EDUCATION PROGRAMME**

Existing Provisions		Amended Provisions	
9.3	In furtherance of Rule 13.5 of these Requirements, the Exchange has prescribed that Directors attend <i>the following training programmes:-</i> (a) The Mandatory Accreditation Programme (“MAP”); and (b) <i>The Continuing Education Programme (“CEP”) on an annual basis.</i>	9.3	In furtherance of Rule 13.5 of these Requirements, the Exchange has prescribed that Directors attend the Mandatory Accreditation Programme (“MAP”).
9.8	<i>PART III - CONTINUING EDUCATION PROGRAMME</i> <i>A Director must attend the CEP on an annual basis upon completion of the MAP.</i>	9.8	PART III - SAVING AND TRANSITIONAL PROVISIONS IN RELATION TO CONTINUING EDUCATION PROGRAMME (CEP) The repeal of Guidance Notes 10 (GN 10) with effect from 1 January 2005 shall not in any way affect the obligations of Directors to attend Continuing Education Programme (CEP) as prescribed under GN10 which obligations arose prior to the effective date of the repeal. For this purpose, it is clarified that the following Directors are directors who must ensure that they comply with their obligations under GN10 prior to its repeal, to accumulate the requisite minimum CEP Points for the calendar years 2003 and 2004:- (a) Directors who have completed the MAP or whose Stipulated Timeframes (as defined under Note 10.5 of GN10) for completion of the MAP expire on or before 31 December 2002 (hereinafter referred to as “Group 1 Directors”); and (b) Directors who are required to attend CEP for the

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			calendar year 2004 namely Directors who have completed the MAP or whose Stipulated Timeframes for completion of the MAP expire on or before 31 December 2003, other than Group 1 Directors (hereinafter referred to as “Group 2 Directors”).
9.9	<i>Further details regarding CEP will be issued by the Exchange at a subsequent date.</i>	9.9	<p>Notwithstanding the provisions of GN10, the Directors referred to in Note 9.8 above (hereinafter collectively referred to as “the Said Group of Directors”) are hereby given an extension of time as follows to accumulate the requisite minimum CEP Points referred to in Note 9.8 above –</p> <p>(a) Group 1 Directors must accumulate a minimum of 24 CEP points for the calendar year 2003 and 48 CEP points for the calendar year 2004. The Group 1 Directors will have up to 31 December 2005 to accumulate a total minimum of 72 CEP points for both the calendar years of 2003 and 2004.</p> <p>(b) Group 2 Directors must accumulate a minimum of 48 CEP points for the calendar year 2004. The Group 2 Directors have up to 31 December 2005 to accumulate a minimum of 48 CEP points for the calendar year of 2004.</p>
	New provision	9.9A	For the avoidance of doubt, the Said Group of Directors need not accumulate any CEP Point for the calendar years commencing 2005. The requirements of Rule 13.5.2 of these

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			Requirements, instead, will be applicable to the Said Group of Directors with effect from 1 January 2005. In this regard, all Listed Companies must commence making the disclosure required in Rule 13.5.2 and paragraph (15) of Appendix 7B of these Requirements in respect of annual reports issued for financial years ending on or after 31 December 2005.
9.10	Listed Companies must notify their directors of the requirement to attend the MAP <i>and subsequently on an annual basis, the CEP.</i>	9.10	Listed Companies must notify their directors of the requirement to attend the MAP.
9.11	A Director who does not attend the MAP <i>or CEP</i> within the timeframes stipulated will be in breach of the Listing Requirements and enforcement action may be taken against him pursuant to Rule 15.4 of these Requirements.	9.11	A Director who does not attend the MAP within the timeframe stipulated will be in breach of these Requirements and enforcement action may be taken against him pursuant to Rule 15.4 of these Requirements.
	<i>GUIDANCE NOTES 10</i> <i>CONTINUING EDUCATION PROGRAMME (CEP)</i>		The entire Guidance Notes 10 on Continuing Education Programme (CEP) is repealed with effect from 1 January 2005. However, it will continue to apply to Directors identified under paragraphs 3.1(a) and (b) of PN5/2001 who are required to accumulate CEP Points for the years 2003 and 2004.

Appendix 3

QUESTIONS AND ANSWERS RELATING TO AMENDMENTS TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD (BURSA SECURITIES) WITH REGARD TO CONTINUING EDUCATION PROGRAMME (CEP)

- 1. Mr X, a director of a listed issuer is required to accumulate 72 CEP points for the calendar years 2003 and 2004. As at 30 August 2004, he has accumulated only 50 CEP points. With the repeal of the CEP requirements taking effect on 1 January 2005, does Mr X still have to continue to accumulate the remaining 22 CEP points by 31 December 2004?**

Yes, Mr X is still required to accumulate the remaining 22 CEP points. Mr X, however, need not accumulate those CEP points by 31 December 2004, but may do so by the extended timeframe of up to 31 December 2005.

- 2. Mr Y, a director of a listed issuer is required to accumulate 48 CEP points for the calendar year 2004. As at 30 August 2004 he has already accumulated 48 CEP points. With the repeal of the CEP requirements, does it mean that he does not have to attend training anymore?**

With effect from 1 January 2005, as he has already fulfilled his CEP obligations, he does not have to attend CEP accredited courses and accumulate any more CEP points. This, however, does not mean that he does not have to attend training anymore. Commencing 1 January 2005, his training needs will be evaluated and determined by the board of directors and he will have to attend such training as determined by the board. If he does not attend any training during any financial year, the board of directors would have to state the reasons why he did not attend any training in the annual report of the listed issuer.

- 3. Mr Z is appointed for the first time as a director of a listed issuer on 1 July 2004. Does he have to attend CEP accredited courses in the year 2005?**

No, Mr Z does not have to attend CEP accredited courses in the year 2005 or thereafter. This is because the CEP requirements will be repealed with effect from 1 January 2005. Commencing 1 January 2005, his training needs will be evaluated and determined by the board of directors and he will have to attend such training as determined by the board. If he does not attend any training during any financial year, the board of directors would have to state the reasons why he did not attend any training in the annual report of the listed issuer.

4. The Listing Requirements now state that the board of directors must determine the “training” needs of its directors. What would constitute “training” for the purposes of the Listing Requirements?

The board of directors of the listed issuer is given the discretion to determine what constitutes “training” for its directors. “Training” could include, for example, the following:-

- in-house training programmes organised by listed issuers for their directors;
- courses attended by directors as members of professional bodies which require mandatory training for their members;
- diploma/degree/post graduate courses; or
- courses/workshops conducted within or outside Malaysia.

5. Can the “training” prescribed by the board of directors for its directors relate to any topic at all, as may be determined at the absolute discretion of the board?

Under the Listing Requirements, the training that is determined by the board of directors for its directors must be on a subject matter that aids the directors in the discharge of their duties as directors. The discretion of the board of directors must be exercised within the confines of that requirement.

6. When should listed issuers commence making the disclosure required in paragraph 15.09(2) and paragraph (27) of Part A, Appendix 9C of the Listing Requirements?

Listed issuers must commence making the disclosure required in paragraph 15.09(2) and paragraph (27) of Part A, Appendix 9C of the Listing Requirements in respect of annual reports issued for financial years ending on or after 31 December 2005.

7. Under paragraph (27) of Part A, Appendix 9C of the Listing Requirements (and the equivalent under the MESDAQ Market Listing Requirements), a brief description of the type of training attended by the directors for the financial year is required to be disclosed in the annual report. What are examples of the type of information that is required to be included in the brief description?

Examples of the types of information that should be disclosed in the brief description are the mode of training i.e. via seminar, workshops or courses; the title of the seminar, workshop or courses and the number of hours/days spent.

- 8. Mr A, a director of a listed issuer is required to accumulate 48 CEP points for the year 2004. He only did this in the year 2005, within the extended timeframe of up to 31 December 2005. Apart from attending the CEP accredited training, the board of directors of the listed issuer decided that he should also attend another seminar in the year 2005 ("Seminar X"), which he did. In complying with paragraph (27) of Part A, Appendix 9C, does the board of directors have to disclose the fact that some of the training he attended was for the purpose of complying with his CEP obligations for the year 2004?**

In making the disclosure required under paragraph (27) of Part A, Appendix 9C, the board of directors must not include training which Mr A attended in 2005 for the purpose of complying with his CEP obligations for the year 2004. The board of directors should disclose only Seminar X that he attended in 2005.

- 9. With effect from 1 January 2005 when the CEP requirements are repealed, would there still be CEP accredited training offered by course organisers?**

Yes, there should still be CEP accredited training offered by course organisers, to enable directors who were not able to accumulate their requisite CEP points for the years 2003 and/or 2004 by 31 December 2004, to accumulate those points in the year 2005. In this regard, the CEP Accreditation Committee will continue to accredit courses until 31 December 2005.