

This Circular contains important information for your attention.

If you are in any doubt as to what action you should take, please consult an appropriate independent professional adviser. If you have sold or transferred all of your stock units and/or warrants in **Advance Synergy Berhad (ASB or Company)**, you should send this Circular to the stockbroker, or whoever that arranged for the sale or transfer, for transmission to the purchaser or transferee.

The approval of the Securities Commission (SC) should not be taken to indicate that the SC recommends the proposed extension of the duration and exercise period of ASB's outstanding Warrants 2000/2003, which will expire on 28 August 2003. Stockholders and/or warrant holders should rely on their own evaluation to assess the merits and demerits of the abovementioned proposal.

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ADVANCE SYNERGY BERHAD

(Company No.: 1225-D)
(Incorporated in Malaysia)

Circular to Stockholders and/or Warrant holders
in relation to the

Proposed extension of the duration and exercise period of ASB's outstanding warrants 2000/2003 by five (5) years from 28 August 2003 up to and including 28 August 2008 and thereafter the option to extend the exercise period for a further period of two (2) years expiring on 28 August 2010

and.

Notice of Extraordinary General Meeting

and

Notice of Warrant holders' Meeting

Adviser



SOUTHERN
Investment Bank

Southern Investment Bank Berhad (169955-T)

The Notice convening the Extraordinary General Meeting (EGM) of the Company to be held at Dewan Thai, City Villa Kuala Lumpur, 69, Jalan Haji Hussein, 50300 Kuala Lumpur on Wednesday, 9 July 2003 at 10.30 a.m. together with the Proxy Form is enclosed together in this Circular. The Notice convening the Warrant holders' Meeting of the Company to be held at Dewan Thai, City Villa Kuala Lumpur, 69, Jalan Haji Hussein, 50300 Kuala Lumpur on Wednesday, 9 July 2003 at 10.45 a.m. or immediately following the conclusion, adjournment or postponement (as the case may be) of the EGM which will be held at the same venue and on the same day, whichever is the later, together with the Proxy Form is also enclosed together in this Circular.

As a stockholder and/or warrant holder, you can appoint a proxy or proxies to attend and vote on your behalf. You must complete and deposit the Proxy Form(s) at the Registered Office of the Company at Level 3A (Tower Block), Menara Milenium, No. 8, Jalan Damansara, Bukit Damansara, 50490 Kuala Lumpur, Malaysia on or before the date and time indicated below. You are not precluded from attending and voting in person at the EGM and/or Warrant holders' Meeting should you wish to do so subsequent to the lodging of the Proxy Form(s).

Last date and time for lodging the Proxy Form for

- EGM : Monday, 7 July 2003 at 10.30 a.m.
- Warrant holders' Meeting : Monday, 7 July 2003 at 10.45 a.m.

Date and time for the

- EGM : Wednesday, 9 July 2003 at 10.30 a.m.
- Warrant holders' Meeting : Wednesday, 9 July 2003 at 10.45 a.m.

This Circular is dated 16 June 2003

ABBREVIATIONS

In this Circular, the words and phrases below, unless the context otherwise requires, shall bear the following meanings assigned next to them:

Abbreviations	Meanings
Companies	
ASB or Company	: Advance Synergy Berhad
ASB Group or Group	: ASB, its subsidiaries and associated companies, collectively
Proposal	
CLS	: 5-year 7% convertible loan stocks 2000/2005
Deed Poll	: Deed Poll dated 28 April 2000 executed by ASB governing the Warrants
First Extension	: Proposed extension of the duration and exercise period of the Warrants by five (5) years from 28 August 2003 up to and including 28 August 2008
Further Extension	: Proposed extension of the exercise period of the Warrants for a further period of two (2) years expiring on 28 August 2010
Proposed Warrants Extension	: Proposed extension of the duration and exercise period of ASB's Warrants by five (5) years from 28 August 2003 up to and including 28 August 2008 and thereafter the option to extend the exercise period for a further period of two (2) years expiring on 28 August 2010
RLS	: 5-year 7% redeemable loan stocks 2000/2005
Stock Units	: Stock units of RM1.00 each
Warrants	: The 168,896,809 outstanding Warrants 2000/2003 which will expire on 28 August 2003
Authorities/Regulations	
Act	: Companies Act, 1965 and any re-enactment as amended from time to time
KLSE	: Kuala Lumpur Stock Exchange
SC	: Securities Commission
Adviser	
SIBB	: Southern Investment Bank Berhad
Financial Term	
NTA	: Net tangible assets
Others	
Board	: Board of Directors
EGM	: Extraordinary General Meeting
RM and sen	: Ringgit Malaysia and sen, respectively

We have inserted headings and sub-headings in this Circular for convenience of reference only.

CONTENTS

Letter to Stockholders and/or Warrantheolders of ASB:	Page
1. Introduction	1
2. The Proposed Warrants Extension	2
3. Rationale for the Proposed Warrants Extension	4
4. Effects of the Proposed Warrants Extension	5
5. Conditions of the Proposed Warrants Extension	6
6. Directors' and Major Stockholders' Interests	7
7. Directors' Recommendation	8
8. EGM/Warrantheolders' Meeting	8
9. Further Information	8
 APPENDICES	
I Legal Opinion	9
II Further Information	13
Notice of EGM	18
Notice of Warrantheolders' Meeting	20
Proxy Form for EGM	Enclosed
Proxy Form for Warrantheolders' Meeting	Enclosed



ADVANCE SYNERGY BERHAD

(Company No.: 1225-D)
(Incorporated in Malaysia)

Registered Office:

Level 3A (Tower Block)
Menara Milenium
No. 8 Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur

16 June 2003

Directors:

Dato' Ahmad Sebi Bakar (*Executive Chairman*)
Tan Sri Dato' Nik Ibrahim Kamil Bin Tan Sri Nik Ahmad Kamil (*Independent Non-Executive Director*)
Aznan Bin Haji Ismail (*Independent Non-Executive Director*)
Wong Ah Nam @ Wong Joon Tuang (*Independent Non-Executive Director*)
Datin Masri Khaw Binti Abdullah (*Non-Independent Non-Executive Director*)
Chim Wai Khuan (*Independent Non-Executive Director*)

To: **The Stockholders and/or Warrantheolders of Advance Synergy Berhad**

Dear Sir/Madam

Proposed extension of the duration and exercise period of ASB's outstanding warrants 2000/2003 by five (5) years from 28 August 2003 up to and including 28 August 2008 and thereafter the option to extend the exercise period for a further period of two (2) years expiring on 28 August 2010

1. Introduction

On 9 April 2003, SIBB on behalf of the Board of ASB announced the proposed extension of the duration and exercise period of ASB's Warrants by five (5) years from 28 August 2003 up to and including 28 August 2008 and thereafter the option to extend the exercise period for a further period of two (2) years expiring on 28 August 2010.

The SC had via its letter dated 9 June 2003 informed that the SC has no objection towards the Proposed Warrants Extension subject to the following conditions:

Conditions	Status of compliance
(i) ASB is to comply with the relevant requirements as announced by the SC on 30 October 1998 and the legal opinion by Messrs Jin & Co dated 16 April 2003;	Complied. Please refer to Section 2.3 herein
(ii) ASB is required to insert a clause in the deed poll stating clearly that notification for extension will be despatched to warrantholders thirty (30) days prior to the expiry of the warrants;	Will be complied. Please refer to Section 2.3 herein

Conditions	Status of compliance
(iii) ASB is required to disclose clearly in the circular to stockholders/warranholders and deed poll, the following: (a) terms and conditions including the mechanism for the Further Extension; (b) legal opinion by Messrs Jin & Co; and	Complied. Please refer to Section 2.3 herein. The legal opinion is set out in Appendix I herein
(iv) ASB is required to ensure that a timely and appropriate announcement is made to the KLSE for the implementation of the said extension.	Will be complied
In addition, SIBB is required to inform the SC upon completion of the Proposed Warrants Extension.	Will be complied

The purpose of this Circular is to provide you with the relevant information on the Proposed Warrants Extension, to set out your Board's recommendation on the Proposed Warrants Extension and to seek your approval for the resolutions to be tabled at the forthcoming EGM and Warranholders' Meeting, both to be convened at Dewan Thai, City Villa Kuala Lumpur, 69, Jalan Haji Hussein, 50300 Kuala Lumpur on Wednesday, 9 July 2003. The Notice of EGM and Notice of Warranholders' Meeting together with the Proxy Forms are enclosed in this Circular.

2. The Proposed Warrants Extension

2.1 Background

ASB had on 1 May 2000 issued RM183,460,787 equivalent nominal value of CLS and RM185,874,269 equivalent nominal value of RLS together with the rights to allotment of 168,896,809 detachable Warrants.

The Warrants were subsequently offered to the stockholders of ASB via a renounceable offer for sale on the basis of one (1) Warrant for every two (2) ASB Stock Units. The Warrants were listed on the Main Board of the KLSE on 15 September 2000. As at 31 May 2003, no Warrants have been exercised and the total number of outstanding Warrants is 168,896,809.

Each Warrant entitles its registered holder to subscribe for one (1) new ASB Stock Unit at an exercise price of RM1.00 per ASB Stock Unit (subject to the adjustments under certain circumstances in accordance with the provisions of the Deed Poll).

The expiry date of the Warrants is 28 August 2003. The Deed Poll expressly permits the extension of the exercise period of the Warrants subject to relevant regulations and the approval of all relevant authorities as shall be required at the relevant time.

The proceeds from the exercise of the Warrants were intended to be utilised for the redemption/repurchase of the RLS/CLS. Based on the current market prices of ASB Stock Units, there is no certainty that the Warrants will be exercised. Assuming no Warrants are exercised, any funding requirement for purposes of redemption of the RLS and/or repurchase of the CLS will be financed through internally generated funds and/or financing facilities to be procured from financial institutions. Currently, ASB has not commenced procuring financing facilities from financial institutions for such purposes as the financing facilities are not required until 2005. However, the proceeds from the exercise of the Warrants will be utilised for the redemption/repurchase of the RLS/CLS if the Warrants are exercised prior to the full redemption/repurchase of the RLS/CLS. Any proceeds from the exercise of Warrants after the redemption/repurchase of the RLS/CLS will be utilised for the repayment of bank borrowings and/or working capital of the ASB Group. The total borrowings of the ASB Group based on the unaudited consolidated accounts for the three (3)-month period ended 31 March 2003 is RM330.9 million (including the total outstanding nominal value of RLS and CLS amounting to an equivalent of RM285.5 million). Assuming all proceeds from the exercise of the Warrants totalling RM168,896,809 are utilised for the repayment of bank borrowings, the ASB Group expects interest savings of RM14.19 million per annum based on the average prevailing interest rate of 8.4% per annum.

2.2 First Extension and Further Extension

ASB proposes to extend the duration and exercise period of the Warrants by five (5) years from 28 August 2003 up to and including 28 August 2008 and thereafter the option to extend the exercise period for a further period of two (2) years expiring on 28 August 2010.

Following the First Extension, the Further Extension will be implemented by ASB if the weighted average price of ASB Stock Units quoted on the KLSE is not more than 20% over the exercise price of RM1.00 per ASB Stock Unit for any period of 30 consecutive days during the six (6)-month period from 29 November 2007 to 28 May 2008.

2.3 Compliance with relevant requirements

The Proposed Warrants Extension is in compliance with the announcement by the SC on 30 October 1998 pertaining to extension of the exercise period of warrants and Section 68 (1) of the Act which allows options on shares to have an exercise period of up to ten (10) years.

ASB has engaged Jin & Co, a firm of advocates and solicitors, to give a legal opinion on the Proposed Warrants Extension, which is set out in Appendix I of this Circular.

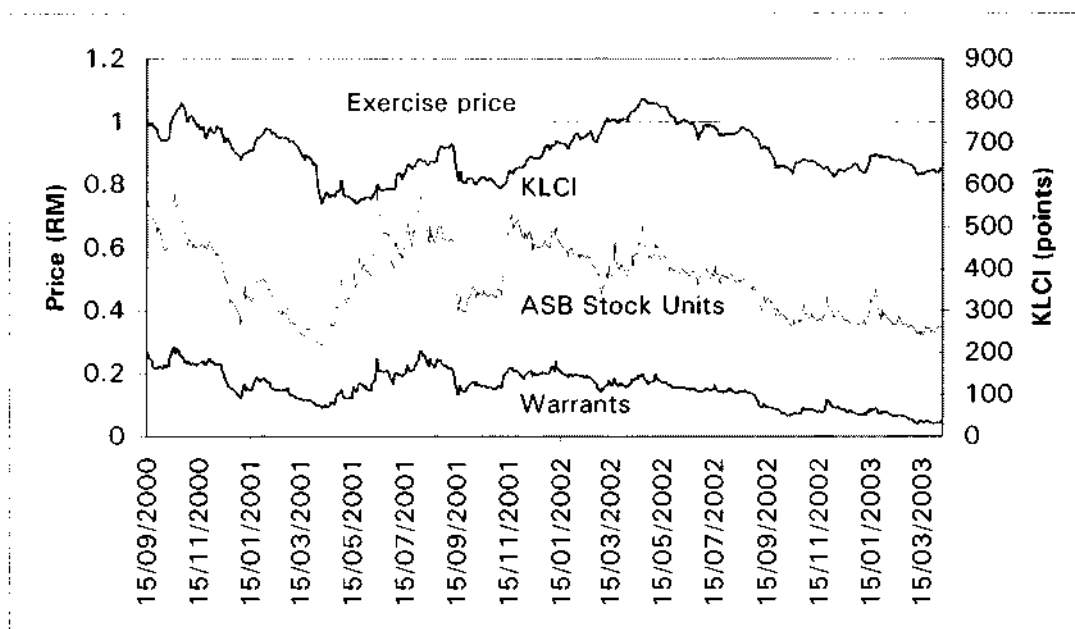
Notwithstanding the Proposed Warrants Extension, all other terms, rights, aspects or conditions attaching to the Warrants as set out in the Deed Poll, apart from those necessary to effect the Proposed Warrants Extension will remain unchanged. Upon the requisite approvals being obtained, a supplemental deed poll will be executed to formalise the Proposed Warrants Extension. A notice will also be despatched to warrant holders thirty (30) days prior to the expiry of the Warrants on 28 August 2003 to effect the First Extension. If the weighted average price of ASB Stock Units quoted on the KLSE is not more than 20% over the exercise price of RM1.00 per ASB Stock Unit for any period of 30 consecutive days during the six (6)-month period from 29 November 2007 to 28 May 2008, the Further Extension will be implemented. To effect the Further Extension, a notice will be despatched to warrant holders thirty (30) days prior to the expiry of the First Extension on 28 August 2008.

3. Rationale for the Proposed Warrants Extension

The market price of ASB Stock Units as at 8 April 2003 (being the date prior to the announcement of the Proposed Warrants Extension) of RM0.35 per Stock Unit is at a discount of 65% to the exercise price of the Warrants of RM1.00. Since the listing and quotation of the Warrants on 15 September 2000, ASB Stock Units have not been traded above the exercise price of RM1.00. The market price of ASB Stock Units as at 12 June 2003 (being the last practicable date prior to the printing of this Circular) is RM0.43. In view of the prevailing equity market conditions, it is unlikely that the market price of ASB Stock Units will improve to above the exercise price of the Warrants of RM1.00 by the expiry date of the Warrants on 28 August 2003. Hence, it will not be favourable for warrant holders to exercise the Warrants.

The Proposed Warrants Extension is intended to allow the warrant holders further time period to exercise their Warrants as and when the market price of ASB Stock Units are more favourable. In the event that the Warrants are exercised, ASB will be able to utilise the proceeds from the exercise of the Warrants to, inter alia, redeem/repurchase the RLS/CLS and/or repay borrowings.

The traded price of the Warrants and ASB Stock Units against the performance of the Kuala Lumpur Composite Index (KLCI) from 15 September 2000 to 8 April 2003 (being the day prior to the announcement of the Proposed Warrants Extension on 9 April 2003) is as follows:



(Source: Bloomberg)

Unless the ASB Stock Units are traded above RM1.00 in the immediate future, it is unlikely that the warrant holders will exercise their Warrants prior to the expiry date of the Warrants on 28 August 2003. Upon the expiry date, the Warrants will have zero value. The Proposed Warrants Extension would allow a longer period for the exercise of the Warrants with any proceeds to be raised to be utilised for, inter alia, the redemption/repurchase of the RLS/CLS and/or repayment of borrowings.

The Proposed Warrants Extension would benefit the Company as the Warrants, if exercised, will provide the Company with additional funds and further strengthen its capital base. Upon exercise of the Warrants, stockholders would benefit from the enhancement in the value of the Company. In addition, it should be noted that the Proposed Warrants Extension will not cause any further dilution in the stockholders' interests other than that which had already been taken into account when the Warrants were originally issued.

4. Effects of the Proposed Warrants Extension

4.1 Share Capital

The Proposed Warrants Extension does not have any effect on the issued and paid-up share capital of the Company. The issued and paid-up share capital will increase depending on the number of Warrants exercised subsequent to the Proposed Warrants Extension. Assuming the full exercise of the Warrants, the effects on the issued and paid-up share capital is as follows:

	RM
Existing issued and paid-up share capital	337,793,619
Upon the full exercise of Warrants	168,896,809
Enlarged issued and paid-up share capital	<u>506,690,428</u>

4.2 Earnings

The Proposed Warrants Extension will allow more time for the Warrants to be exercised and the proceeds is expected to contribute positively to the future earnings of the ASB Group upon the exercise of the Warrants in the future. Upon exercise of the Warrants and the utilisation of the proceeds from the exercise of the Warrants to, inter alia, redeem/repurchase the RLS/CLS and/or repay borrowings, the earnings of the ASB Group will be enhanced by the corresponding savings in interest expense.

4.3 NTA

The Proposed Warrants Extension will not have any effect on the NTA of the ASB Group as at 31 December 2002. However, assuming the full exercise of the Warrants, the proforma NTA of the ASB Group is expected to increase from RM239.176 million (or RM0.71 per Stock Unit) to approximately RM408.072 million (or RM0.81 per Stock Unit) based on the audited consolidated accounts of ASB Group as at 31 December 2002 as follows:

	Audited as at 31 December 2002 RM'000	Assuming full exercise of Warrants RM'000
Share capital	337,794	506,690
Reserves	34,386	34,386
Stockholders' equity	<u>372,180</u>	<u>541,076</u>
Less:		
Intangible assets	(133,004)	(133,004)
NTA	<u>239,176</u>	<u>408,072</u>
No. of Stock Units ('000)	337,794	506,690
NTA per Stock Unit (RM)	0.71	0.81

4.4 Major Stockholders

The Proposed Warrants Extension does not have any effect on the stockholdings of the major stockholders of ASB. The exercise of the Warrants will not cause any further dilution in the stockholders' interests other than that which would have already been taken into account when the Warrants were originally issued.

Major stockholder		Existing as at 31 May 2003		After Proposed Warrants Extension ¹	
		No. of Stock Units	%	No. of Stock Units	%
Dato' Ahmad Sebi Bakar	Direct	15,020,009	4.44	22,530,014	4.44
	Indirect	27,451,109 ²	8.13	41,178,109	8.13

Notes:

1. Assuming full exercise of Warrants
2. Deemed interested by virtue of his 87% equity interest in Suasana Dinamik Sdn Bhd and 90% equity interest in Bright Existence Sdn Bhd which directly holds 4.71% and 3.42% equity interest in ASB respectively

4.5 Dividends

The Board of ASB did not recommend the payment of any dividends for the financial year ended 31 December 2002. Barring unforeseen circumstances, any dividends to be declared by ASB for the financial year ending 31 December 2003 would depend on, amongst others, the profitability and cashflow position of the ASB Group. The Proposed Warrants Extension is not expected to have any effect on the dividend policy of the Company.

5. Conditions of the Proposed Warrants Extension

The Proposed Warrants Extension is conditional upon approvals being obtained from the following:

- (i) SC which was obtained on 9 June 2003;
- (ii) stockholders of ASB in an EGM to be convened, whereby at least 75% of the stockholders present in person or by proxy vote in favour of the Proposed Warrants Extension; and
- (iii) warrantholders of ASB in a Warrantholders' Meeting to be convened for the Proposed Warrants Extension, whereby at least 75% of the warrantholders present in person or by proxy vote in favour of the Proposed Warrants Extension.

In the event that any of the above approvals is not obtained, the Warrants will expire as originally scheduled on 28 August 2003. The Further Extension is not subject to further approvals of the stockholders of ASB, warrantholders of ASB and regulatory authorities. The Further Extension is conditional upon the First Extension and upon the trigger of events as set out in Section 2.2 of this Circular. However, the First Extension is not conditional upon the Further Extension.

6. Directors' and Major Stockholders' Interests

The interests of the interested Directors in ASB Stock Units and Warrants as at 31 May 2003 are as set out below:

Interested Directors	Direct		Indirect	
	No. of Stock Units	%	No. of Stock Units	%
Dato' Ahmad Sebi Bakar	15,020,009	4.44	27,451,109 ¹	8.13
Datin Masri Khaw Binti Abdullah	6,000	0.00 ²	800,000 ³	0.24

Notes:

1. Deemed interested by virtue of his 87% equity interest in Suasana Dinamik Sdn Bhd and 90% equity interest in Bright Existence Sdn Bhd which directly holds 4.71% and 3.42% equity interest in ASB respectively
2. Negligible
3. Deemed interested by virtue of her 50% equity interest in ASH Holdings Sdn Bhd, which directly holds 0.24% equity interest in ASB

Interested Directors	Direct		Indirect	
	No. of Warrants	%	No. of Warrants	%
Dato' Ahmad Sebi Bakar	7,510,005	4.44	13,727,000 ¹	8.13
Datin Masri Khaw Binti Abdullah	3,000	0.00 ²	350,000 ³	0.21

Notes:

1. Deemed interested by virtue of his 87% equity interest in Suasana Dinamik Sdn Bhd and 90% equity interest in Bright Existence Sdn Bhd which directly holds 7,957,000 Warrants and 5,770,000 Warrants in ASB respectively
2. Negligible
3. Deemed interested by virtue of her 50% equity interest in ASH Holdings Sdn Bhd, which directly holds 350,000 Warrants in ASB

Dato' Ahmad Sebi Bakar and Datin Masri Khaw Binti Abdullah are deemed interested in the Proposed Warrants Extension.

Save as disclosed above, none of the Directors and/or major stockholders of ASB as well as persons connected to them, has any interest, direct or indirect, in the Proposed Warrants Extension. Accordingly, Dato' Ahmad Sebi Bakar and Datin Masri Khaw Binti Abdullah have abstained and will continue to abstain from all deliberations and voting at the Board meetings in respect of the Proposed Warrants Extension. Dato' Ahmad Sebi Bakar and Datin Masri Khaw Binti Abdullah will also abstain from voting in respect of their direct and indirect stockholdings in ASB at the forthcoming EGM in respect of the Proposed Warrants Extension. In addition, Dato' Ahmad Sebi Bakar and Datin Masri Khaw Binti Abdullah have also undertaken to ensure that persons connected to them, namely Suasana Dinamik Sdn Bhd, Bright Existence Sdn Bhd and ASH Holdings Sdn Bhd, will abstain from voting at the forthcoming EGM in respect of the Proposed Warrants Extension. Dato' Ahmad Sebi Bakar and Datin Masri Khaw Binti Abdullah will however be voting in the forthcoming Warrant Holders' Meeting in respect of the Proposed Warrants Extension.

7. Directors' Recommendation

Having considered the rationale for the Proposed Warrants Extension, your Directors (with the exception of Dato' Ahmad Sebi Bakar and Datin Masri Khaw Binti Abdullah) are of the opinion that the Proposed Warrants Extension is in the best interest of the Company.

Accordingly, your Directors (with the exception of Dato' Ahmad Sebi Bakar and Datin Masri Khaw Binti Abdullah) recommend that you vote in favour of the resolutions to be tabled in the forthcoming EGM and Warranholders' Meeting.

8. EGM/Warranholders' Meeting

The EGM and Warranholders' Meeting, the Notices of which are enclosed in this Circular, will be held at Dewan Thai, City Villa Kuala Lumpur, 69, Jalan Haji Hussein, 50300 Kuala Lumpur on Wednesday, 9 July 2003 for the purpose of considering and, if thought fit, passing the special resolutions to give effect to the Proposed Warrants Extension.

If you are unable to attend or vote in person at the EGM and/or Warranholders' Meeting, you may appoint a proxy by completing, signing and returning the enclosed Proxy Form(s) in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the Registered Office of the Company at Level 3A (Tower Block), Menara Milenium, No. 8, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, not less than forty-eight (48) hours before the time set for the EGM and/or Warranholders' Meeting. You are not precluded from attending and voting in person at the EGM and/or Warranholders' Meeting should you wish to do so subsequent to the lodging of the Proxy Form(s).

9. Further Information

We advise the stockholders and/or warranholders to refer to the accompanying appendices for further information.

Yours faithfully
For and on behalf of the Board
ADVANCE SYNERGY BERHAD

Wong Ah Nam @ Wong Joon Tuang
Independent Non-Executive Director

Legal Opinion

Jin & Co**ADVOCATES & SOLICITORS**

Suite No. 8-10-9, Level 10, Menara Mutiara Bangsar,
No. 8, Jalan Liku, Bangsar, 59100 Kuala Lumpur, Malaysia.
Tel: (603) 2284 2811 Fax: (603) 2284 2611 E-mail: jinlaw@tm.net.my

OFFICE HOURS:
Monday-Friday
9 a.m. - 5.30 p.m.

Our Ref : JC90/ASB(2.2003)

Date : 16th April 2003

Your Ref :

Advance Synergy Berhad
Level 3A, (Tower Block),
Menara Milenium,
No. 8, Jalan Damanlela,
Bukit Damansara,
50490 Kuala Lumpur
Attention: Ms. Lee Su Nie
By Fax : 2094 8748/Post

Dear Sirs,

Re: Proposed Extension of the duration and exercise period of the Warrants 2000/2003 of Advance Synergy Berhad ("ASB" or "the Company") by five (5) years from 28th August 2003 up to and including 28th August 2008 and thereafter the option to extend the exercise period for a further period of two (2) years expiring on 28th August 2010 ("Proposed Extension").

We are instructed that, Southern Investment Bank Berhad ("SIBB") had on the 9th April 2003 announced to the Kuala Lumpur Stock Exchange ("KLSE") on behalf of the Board of Directors of ASB that the Company proposes to effect the above Proposed Extension for five (5) years from 28th August 2003 up to and including 28th August 2008 ("1st Extension") and thereafter for an option to extend the exercise period for a further period of two (2) years expiring on 28th August 2010 ("Further Extension").

2. The Procedure for the Proposed Extension is governed by the requirements contained in the press releases of the Securities Commission ("SC") dated the 30th October 1998 and 28th August 2001 (collectively "the SC Press Releases") which inter alia requires that a legal opinion be provided stating that the extension of the exercise period for the Warrants would not contravene any subsisting laws, the prospectus or offer document issued at the time of the warrant offering and the Deed Poll governing the warrants.

Background

3. In connection with the foregoing, we are also provided with the following background to issue of the Warrants 2000/2003:-

3.1 On 1st May 2000, the Company issued RM185,874,269.00 equivalent nominal value 5-year 7% redeemable loan stocks 2000/2005 ("RLS 2000/2005") and RM183,460,787.00 equivalent nominal value of 7% convertible loan stocks 2000/2005 ("CLS 2000/2005") together with the rights to allotment of 168,896,809 detachable warrants 2000/2003 ("Warrants 2000/2003").

3.2 The RLS 2000/2005 and CLS 2000/2005 (collectively "the Loan Stocks") were issued by the Company pursuant to a restructuring agreement dated the 1st October 1999 made between ASB and the several financial institutions set-out in the Schedule 1 thereto

(respectively “the Restructuring Agreement” and “the Bank Creditors”). The terms of the Restructuring Agreement inter alia provided for the conversion of amounts outstanding to the Bank Creditors as at 29th February 2000 to prescribed numbers of RLS 2000/2005 and CLS 2000/2005 in the manner more particularly stated in Schedule 1A of the Restructuring Agreement so that the Bank Creditors shall be deemed to have been fully paid upon such issuance of Loan Stocks.

- 3.3 The RLS 2000/2005 and CLS 2000/2005 are not listed on the KLSE or any other stock exchange and are respectively constituted by several deed polls all dated the 28th April 2000 (respectively “the RLS Deed Polls” and “CLS Deed Polls”) up to the following aggregate amounts:-

	Equivalent RM('000)	Equivalent RM('000)
7% RLS 2000/2005 (secured) :	-	185,874
7% CLS 2000/2005 (secured) :	172,942)	-
7% CLS 2000/2005 (unsecured):	10,519)	183,460
		<u>369,335*</u>

Note⁺

⁺Based on the conversion of certain foreign loans denominated in United States Dollars and Australian Dollars into Ringgit denominations based on the prevalent rate of exchange at the time of issuance of the Loan Stocks.

- 3.4 The Company had earlier announced that the Warrants Deed Poll has an extension provision on the 30th August 2001 in compliance with SC Press Releases.
- 3.5 Following the 1st Extension, the Further Extension of up to 2 years to 28th August 2010 will only be implemented by ASB if the weighted average price of ASB’s stock units quoted on the KLSE shall fail to attain a premium of more than 20% of the exercise price of RM1.00 per warrant for any period of thirty (30) consecutive days during the six (6)-month period preceding 28th May 2008, being three (3) months prior to the proposed expiry date of the 1st Extension on the 28th August 2008.

Documents

4. For the purposes of this opinion, we have examined the following documents (or facsimile copies thereof):-

- The Warrants Deed Poll;
- The RLS Deed Polls and CLS Deed Polls;
- Memorandum and Articles of Association of ASB;
- The Abridged Prospectus dated the 12th July 2000 on the renounceable offer for sale of the rights to allotment of the Warrants 2000/2003 (“the AP”).
- Such other records and documents we have deemed necessary and /or appropriate for the purposes of this opinion.

Assumptions

5. For the purposes of this opinion, we have assumed:-
- the authenticity and completeness of all documents perused and the genuineness of all signatures;

- that there have been no changes to the documents perused; and
- that any matters or events pertinent to the giving of this opinion has been disclosed to us.

Opinion

6. Based upon and subject to the foregoing and the qualifications set-out below, we are of the opinion that:-

- 6.1 The Proposed Extension does not contravene Section 68(1) of the Companies Act 1965 as the 1st Extension and optional Further Extension is for an aggregate period of ten (10) years and within the stipulated maximum prescribed therein.
- 6.2 The Warrants Deed Poll expressly reserves the right to extend under the following provisions:-
- Clause 6.1 – allows modifications to the Warrants Deed Poll by supplementary deed poll subject to compliance with Condition 7 of the Second Schedule (Part III) of the Warrants Deed Poll and subject to the approval of the KLSE.
 - Condition 7.2 – allows for all or any of the rights for the time being attached to the Warrants (other than the Exercise Price or the formulae for the adjustment of the Exercise Price or other than as specifically provided in the Conditions) to be altered or abrogated by the Company from time to time by Special Resolution passed at a meeting of the Warrantheolders and subject to the approval of the KLSE being obtained in respect of the modification.
 - Condition 10 – expressly permits the extension of the subscription/exercise period of the Warrants subject to Section 68(1) of the Companies Act 1965, SC requirements from time to time and the consents of SC, the KLSE, shareholders of the Company and the Warrantheolders (by way of Special Resolution).
- 6.3 The AP dated the 12th July 2000 issued in connection with the Warrants 2000/2003 does not prohibit the Proposed Extension. The AP, sets out the salient terms and conditions of the Warrants Deed Poll at para 9 and Condition 10 which allows for the extension of the exercise period of warrants is reproduced at para 9.
- 6.4 The CLS and RLS Deed Polls also do not prohibit the Proposed Extension. The CLS and RLS Deed Polls inter alia provide that for so long as any of the Loan Stocks remain outstanding, ASB has to pay to BSN Commercial Bank (Malaysia) Berhad as trustee all subscription moneys received by it in respect of the exercise of any of the Warrants 2000/2003. The purpose of the sinking fund is to inter alia secure the redemption of RLS 2000/2005 and any compensation payable in respect of the CLS 2000/2005 pursuant to the terms of the compensation if the Weighted Average Price (based on the last three (3) months weighted average price prior to the maturity date of the CLS 2000/2005) falls below par. As we are informed that no Warrants 2000/2003 have been exercised to-date, the Proposed Extension would in our view benefit the Bank Creditors who are holders of the Loan Stocks.

Conclusion

7. By reason of the foregoing, we are of the opinion that the Proposed Extension would not contravene any subsisting laws, the prospectus or offer document issued at the time of the warrant offering and the Deed Poll governing the Warrants 2000/2003.

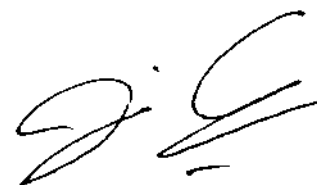
Qualifications

8. The above opinion is expressed subject to the following:-

- (a) It is strictly limited to the matter of the Proposed Extension as stated herein and is not to be read as extending by implication or otherwise to any other matter beyond this.
- (b) Aside from its intended inclusion into your proposed Circular to be issued to your stockholders in respect of the Proposed Extension, it is not to be relied upon by any other person or for any other purposes nor is it to be quoted or referred to in any document made available to members of the public or filed with any governmental agency or other person without our prior written consent.
- (c) This opinion is based on subsisting laws the prevailing as at the date hereof.

9. We trust this suffices for your purposes. Please do not hesitate to contact us for further clarification.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'J. C.', written in a cursive style.

Further Information

1. Responsibility Statement

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

No representations with regard to the information on three subsidiaries of the Company namely, Kedah Marble Sdn Bhd (KMSB), Advance Synergy Furniture Sdn Bhd (ASF) and Syarikat Fit & Weld Engineering (M) Sdn Bhd (SFWE), are made in this Circular due to the following factors:

- The Company does not exercise any significant influence over the Board of KMSB. Management control of KMSB is exercised by the minority shareholders namely Perbadanan Kemajuan Negeri Kedah pursuant to a Shareholders' Agreement dated 12 December 1991. Furthermore, there is a proposed disposal of ASB's equity interest in KMSB to the minority shareholders namely Perbadanan Kemajuan Negeri Kedah for a cash consideration of RM59,797,000. The proposed disposal is currently pending implementation. The expected completion date cannot be determined as ASB is currently pursuing the matter with the purchaser, Perbadanan Kemajuan Negeri Kedah. The accounts of KMSB have been excluded from the consolidated accounts of ASB since 1994 and effective from the financial year ended 31 December 2000, the Company's investment in KMSB has been treated as a simple investment.
- With regard to ASF, a wholly-owned subsidiary of Excellent Arch Sdn Bhd which in turn is a wholly-owned subsidiary of ASB, two Special Administrators (SA) have been appointed by Pengurusan Danaharta Nasional Berhad on 9 September 1999. On 24 October 2002, the SA were terminated with the appointment of a Liquidator. Since the appointment of the SA, the Company has been unable to exercise any further control over ASF.
- A Notice of Winding-up Petition dated 8 April 2000 was served on SFWE, a 70%-owned subsidiary of Nagapura Management Corporation Sdn Bhd, which in turn is a wholly-owned subsidiary of ASB, by the Malaysian Government. On 15 September 2000, a Winding-up Order was granted by the High Court and served on SFWE on 16 November 2001. A provisional Liquidator was appointed on 15 September 2000 and effectively, ASB ceased to have any control over SFWE.

2. Consent

SIBB and Jin & Co have each given and have not subsequently withdrawn their separate written consents to the inclusion in this Circular of their names, letters and all references thereto in the form and manner in which they so appear.

3. Material Litigation

Save as disclosed below, ASB and/or its subsidiaries have not engaged in any litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of ASB and/or its subsidiaries and the Directors of ASB are not aware of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially or adversely affect the financial position or business of ASB and/or its subsidiaries:

- (i) On 29 November 1993, the Company received a notice of a legal action taken by a stockholder, Mr V. Balakrishnan, who is disputing the basis of determining the entitlement to the bonus issue carried out by the Company in 1993. The suit was struck out by the Senior Assistant Registrar on ASB's application on 30 September 1997. However, Mr V. Balakrishnan has appealed to the Judge in Chambers and on 12 April 2002, the High Court allowed the Petitioner's appeal against the Company, with costs both in respect of the appeal and the hearing before the Senior Assistant Registrar. The Company has on 2 May 2002 lodged an appeal to the Court of Appeal against the High Court's decision given on 12 April 2002, which appeal is still pending. Although the final outcome of this matter is currently uncertain, the Directors are of the opinion that the legal suit has no merit and will not succeed.
- (ii) A third party action was filed by American Home Assurance Company (AHA) on 24 October 2002 against Rewardstreet.com (Malaysia) Sdn Bhd, a wholly-owned subsidiary of iSynergy Sdn Bhd which in turn is a 51%-owned subsidiary of ASB. AHA is sued as defendant in the main suit filed by Ultra Dimension Sdn Bhd as plaintiff for, inter alia, the alleged infringement of copyright by Rewardstreet.com (Malaysia) Sdn Bhd via the AHA Privilege Cash In Rebate Cards. The application filed to strike-out the third party action by AHA on the basis that the design was provided by a third party and that no cause of action lay against Rewardstreet.com (Malaysia) Sdn Bhd was not successful. The matter is currently pending the filing of defence. The solicitors are of the opinion that the outcome would be favourable to the Group.

4. Material Contracts

Save as disclosed below, ASB and/or its subsidiaries have not entered into any contract which is or may be material (not being contracts entered into in the ordinary course of business) during the two (2) years immediately preceding the date of this Circular:

- (i) A sale and purchase agreement dated 13 July 2001 entered into between ASB and United Merchant Group Berhad [now known as Advance Synergy Capital Berhad (ASC)] for the disposal of ASB's entire 49% equity interest comprising 36,750,000 ordinary shares of RM1.00 each, together with 12,250,000 ordinary shares of RM1.00 each pursuant to a proposed rights issue, in ACE Synergy Insurance Berhad to ASC for a cash consideration of RM71,000,000 (Proposed ACE Synergy Disposal). The Proposed ACE Synergy Disposal was completed on 15 January 2003;
- (ii) A supplemental agreement dated 26 July 2001 entered into between ASF with Hotline Furniture Berhad (HFB) and Pengurusan Danaharta Nasional Berhad to vary certain terms of the proposed subscription by HFB of 24,000,000 new ordinary shares of RM1.00 each in ASF for a total subscription price of RM36,000,000 to be satisfied through the issuance of up to 30,000,000 new ordinary shares of RM1.00 each in HFB at an issue price of RM1.20 per new HFB share. ASF had vide its notice of termination to HFB dated 9 April 2002, elected to terminate the share subscription agreement dated 28 February 2001 entered into by ASF with HFB and Pengurusan Danaharta Nasional Berhad in respect of the proposed subscription by HFB in ASF, effective on the date of ASF's notice of termination to HFB.

- (iii) A shares sale agreement dated 15 August 2001 entered into between ASC and Hamidah Binti Maktar for the acquisition by ASC of 6,646,000 ordinary shares of RM1.00 each representing 19.96% equity interest in Powernet Industries Sdn Bhd for a cash consideration of RM10,633,600 which was completed on 28 September 2001;
- (iv) A shares sale agreement dated 15 August 2001 entered into between ASC, Mr Kam Cheong Loong and Mr Tan Boon Kang for the acquisitions by ASC of a total of 1,269,000 ordinary shares of RM1.00 each representing 3.81% equity interest in Powernet Industries Sdn Bhd for a total cash consideration of RM2,030,400 which was completed on 9 October 2001;
- (v) A supplemental agreement dated 14 September 2001 entered into between ASB and Inisiatif Ikhlas Sdn Bhd (IISB) to complete the sale and purchase agreement dated 27 April 1999 entered into between ASB and IISB for the disposal of ASB's entire shareholding of 3,850,000 ordinary shares of RM1.00 each representing 70% equity interest in Plastic Centre Sdn Bhd (PCSB) to IISB for a sale consideration of RM28,000,000;
- (vi) A supplemental agreement dated 14 September 2001 entered into between ASB and PCSB to revoke and rescind the sale and purchase agreement dated 27 April 1999 entered into by ASB and PCSB in so far as it relates to the acquisition by ASB of 49% equity interest in PC Ventures Sdn Bhd from PCSB for a purchase consideration of RM14,002,584 and to complete the acquisition by ASB of 100% equity interest in Calmford Incorporated from PCSB for a purchase consideration of RM1.00;
- (vii) A sale and purchase agreement dated 10 January 2002 entered into between ASC (as vendor) together with the 6 other remaining vendors and Kumpulan Powernet Berhad (as purchaser) whereby ASC disposed its entire shareholding of 7,915,000 ordinary shares of RM1.00 each representing 23.77% equity interest in Powernet Industries Sdn Bhd for a sale consideration to be satisfied by an issuance of 8,152,064 new ordinary shares of RM1.00 each in Kumpulan Powernet Berhad which was completed on 10 January 2002;
- (viii) A sale and purchase agreement dated 23 February 2002 entered into between ASC and Mr Lau Chan Seng (as guarantor and vendor) together with 6 other vendors for the acquisition by ASC of the entire interest comprising 7,915,000 ordinary shares of RM1.00 each in Konsortium Bas Ekspres Semenanjung (M) Sdn Bhd (KBES) for a total cash consideration of RM65,389,000 (Proposed KBES Acquisition by ASC). The Proposed KBES Acquisition by ASC was rescinded on 13 November 2002;
- (ix) A sale and purchase agreement dated 19 March 2002 entered into between ASC with Super Trans Capital Sdn Bhd (as vendor) and Mr Lau Chan Seng (as guarantor) for the acquisition by ASC of the entire equity interest comprising 5,000,000 ordinary shares of RM1.00 each in Super Trans Corporation Sdn Bhd (STC) for a total cash consideration of RM21,604,000 (Proposed STC Acquisition by ASC). The Proposed STC Acquisition by ASC was rescinded on 19 March 2003;
- (x) A supplemental agreement dated 22 March 2002 entered into between Worldwide Matrix Sdn Bhd (WMSB), a wholly owned subsidiary of ASB, and Mr Wong Tze Leng to vary certain terms of the sale and purchase agreement dated 26 May 2001 for the acquisition of 70% equity interest in both Unified Communications Sdn Bhd (UCSB) and Unified Communications Pte Ltd (UCPL) for a total cash consideration of RM109,000,000 (Proposed UCSB and UCPL Acquisitions) which was completed on 29 August 2002;

- (xi) A supplemental agreement dated 24 April 2002 entered into between ASB and ASC to vary certain terms of the sale and purchase agreement dated 13 July 2001 in relation to the Proposed ACE Synergy Disposal. The Proposed ACE Synergy Disposal was completed on 15 January 2003;
- (xii) A supplemental agreement dated 6 May 2002 entered into between ASC with Super Trans Capital Sdn Bhd and Mr Lau Chan Seng to suspend, vary and supplement the sale and purchase agreement dated 19 March 2002 in relation to the Proposed STC Acquisition by ASC. The Proposed STC Acquisition by ASC was rescinded on 19 March 2003;
- (xiii) A supplemental agreement dated 6 May 2002 entered into between ASC and Mr Lau Chan Seng together with 6 other vendors to vary and supplement the sale and purchase agreement dated 23 February 2002 in relation to the Proposed KBES Acquisition by ASC. The Proposed KBES Acquisition by ASC was rescinded on 13 November 2002;
- (xiv) A letter dated 17 May 2002, issued by WMSB to Mr Wong Tze Leng to extend the period for fulfilment of conditions precedent and payment period with regard to the Proposed UCSB and UCPL Acquisitions which was completed on 29 August 2002;
- (xv) A supplemental agreement dated 29 August 2002 entered into between WMSB and Mr Wong Tze Leng to vary the quantum, time of making the second payment and the manner of completion in respect of the Proposed UCSB and UCPL Acquisitions. The Proposed UCSB and UCPL Acquisitions was completed on 29 August 2002;
- (xvi) A letter dated 29 November 2002 issued by ASC to ASB to agree to a variation of payment terms of the Proposed ACE Synergy Disposal. The Proposed ACE Synergy Disposal was completed on 15 January 2003;
- (xvii) A share subscription agreement dated 8 May 2003 entered into between ASC, Hicom Australia Pty Ltd (Hicom Australia) and Frank Michael Turrisi to subscribe for 615,000 ordinary shares in Quality Bus & Coach (M) Sdn Bhd (formerly known as Comfort Solution Sdn Bhd) (QBC) for a cash consideration of RM615,000 representing 51% of the enlarged issued and paid-up share capital of QBC; and
- (xviii) A sale and purchase agreement dated 3 June 2003 entered into between AESBI Power Systems Sdn Bhd (AESBI), a wholly-owned subsidiary of ASC with Lion Suzuki Motor Sdn Bhd to purchase a piece of freehold land upon which is erected various buildings comprising two (2) four and a half storey (including a mezzanine floor) office buildings, one (1) single storey detached building with a mezzanine floor and one (1) single storey detached building at No. 72, Persiaran Jubli Perak, Lion Industrial Park, Section 22, Shah Alam for a cash consideration of RM29,000,000.

5. Documents for Inspection

Copies of the following documents are made available for inspection between 9.00 a.m. and 5.00 p.m. from Monday to Friday (except on public holidays) at the Registered Office of the Company at Level 3A (Tower Block), Menara Milenium, No. 8, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur from the date of this Circular up to and including the date of the EGM and Warrantholders' Meeting:

- (a) Memorandum and Articles of Association of ASB;
- (b) Audited consolidated accounts of ASB for the two (2) financial years ended 31 December 2001 and 31 December 2002 and the unaudited consolidated accounts for the three (3)-month period ended 31 March 2003;
- (c) Letters of consent referred to in Section 2 above;
- (d) Writs of summon and statements of claim referred to in Section 3 above;
- (e) Material contracts referred to in Section 4 above;
- (f) Deed Poll dated 28 April 2000 executed by ASB governing the Warrants;
- (g) Draft supplemental deed poll in relation to the Proposed Warrants Extension; and
- (h) Legal opinion on the Proposed Warrants Extension from Jin & Co dated 16 April 2003 as set out in Appendix I.



ADVANCE SYNERGY BERHAD

(Company No.: 1225-D)
(Incorporated in Malaysia)

Notice of Extraordinary General Meeting

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Advance Synergy Berhad (ASB or Company) will be held at **Dewan Thai, City Villa Kuala Lumpur, 69, Jalan Haji Hussein, 50300 Kuala Lumpur** on **Wednesday, 9 July 2003 at 10.30 a.m.** or any adjournment or postponement (as the case may be) thereof for the purpose of considering and, if thought fit, passing with or without modifications the following resolution:

SPECIAL RESOLUTION – PROPOSED WARRANTS EXTENSION

“THAT subject to the Companies Act, 1965, the approvals of the relevant authorities and the holders of ASB Warrants 2000/2003 being obtained and any condition(s), modification(s), variation(s) and/or amendment(s) that may be imposed by the relevant authorities in granting such approvals, the Company hereby approves the proposed extension of the exercise period of the outstanding ASB Warrants 2000/2003 (Proposed Warrants Extension) issued on 29 August 2000 (ASB Warrants) to the then existing stockholders of the Company on the basis of one (1) ASB Warrant for every two (2) existing stock units of RM1.00 each held in the Company by a further period of five (5) years thereby amending the exercise period of the ASB Warrants to commence from the date of issue of the ASB Warrants and ending at 5.00 p.m. on 28 August 2008 and thereafter the option to extend the exercise period for a further period of two (2) years thereby amending the exercise period of the ASB Warrants to commence from the date of issue of the ASB Warrants and ending at 5.00 p.m. on 28 August 2010 if the weighted average price of ASB stock units quoted on the Kuala Lumpur Stock Exchange is not more than 20% over the exercise price of RM1.00 per ASB stock unit for any period of thirty (30) consecutive days during the six (6)-month period from 29 November 2007 to 28 May 2008 and all the other terms, provisions and conditions attaching to the ASB Warrants as set out in the deed poll dated 28 April 2000 (Deed Poll) constituting the ASB Warrants shall, apart from the amendments necessary to give effect to the Proposed Warrants Extension, remain unchanged;

AND THAT the Company hereby approves and affirms the execution of a further deed poll (Supplemental Deed Poll) expressed to be supplemental to the Deed Poll to implement and give effect to the Proposed Warrants Extension;

AND THAT the Directors be and are hereby authorised to enter into for and on behalf of the Company any such agreement and arrangement and to do all acts and things that they consider necessary and expedient in the best interests of the Company to give effect to the Proposed Warrants Extension with full power to consent to and implement any condition(s), modification(s), addition(s), variation(s) and/or amendment(s) as may be required or imposed by any relevant authorities.”

By order of the Board

SNG NGIAP KOON
Secretary

Kuala Lumpur
16 June 2003

Notes:

1. A member of the Company entitled to attend and vote at the general meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney duly authorised and in the case of a corporation, the instrument appointing a proxy must be under its common seal or under the hand of an officer or attorney duly authorised.
3. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 3A (Tower Block), Menara Milenium, No. 8, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any other adjournment thereof.
4. If neither "FOR" nor "AGAINST" is indicated above, the proxy will vote or abstain at his/her discretion.



ADVANCE SYNERGY BERHAD

(Company No.: 1225-D)

(Incorporated in Malaysia)

Notice of Warranholders' Meeting

NOTICE IS HEREBY GIVEN that a Warranholders' Meeting of Advance Synergy Berhad (ASB or Company) will be held at **Dewan Thai, City Villa Kuala Lumpur, 69, Jalan Haji Hussein, 50300 Kuala Lumpur** on **Wednesday, 9 July 2003 at 10.45 a.m.** or immediately following the conclusion, adjournment or postponement (as the case may be) of the Extraordinary General Meeting which will be held at the same venue and on the same day, whichever is the later, or any adjournment or postponement (as the case may be) thereof for the purpose of considering and, if thought fit, passing with or without modifications the following resolution:

SPECIAL RESOLUTION – PROPOSED WARRANTS EXTENSION

“THAT conditional upon the passing of the Special Resolution of the Company by the stockholders at the Extraordinary General Meeting in respect of the proposed extension of the exercise period of the ASB Warrants 2000/2003 (ASB Warrants) (Proposed Warrants Extension) and subject to the Companies Act, 1965, the approvals of the relevant authorities being obtained and any condition(s), modification(s), variation(s) and/or amendment(s) that may be imposed by the relevant authorities in granting such approvals, the holders of the ASB Warrants (Warranholders) which are outstanding and issued on 29 August 2000 to the then existing stockholders of the Company on the basis of one (1) new ASB Warrant for every two (2) existing stock units held in the Company hereby approve the proposed extension of the exercise period of the ASB Warrants by a further period of five (5) years thereby amending the exercise period of the ASB Warrants to commence from the date of issue of the ASB Warrants and ending at 5.00 p.m. on 28 August 2008 and thereafter the option to extend the exercise period for a further period of two (2) years thereby amending the exercise period of the ASB Warrants to commence from the date of issue of the ASB Warrants and ending at 5.00 p.m. on 28 August 2010 if the weighted average price of ASB stock units quoted on the Kuala Lumpur Stock Exchange is not more than 20% over the exercise price of RM1.00 per ASB stock unit for any period of thirty (30) consecutive days during the six (6)-month period from 29 November 2007 to 28 May 2008 and all the other terms, provisions and conditions attaching to the ASB Warrants as set out in the deed poll dated 28 April 2000 (Deed Poll) constituting the ASB Warrants shall, apart from the amendments necessary to give effect to the Proposed Warrants Extension, remain unchanged;

AND THAT the Warranholders hereby approve and affirm the execution of a further deed poll (Supplemental Deed Poll) expressed to be supplemental to the Deed Poll in such form and content as the Directors of the Company may approve to implement and give effect to the Proposed Warrants Extension;

AND THAT the Warranholders hereby approve that the Directors of the Company be and are hereby authorised to enter into for and on behalf of the Company any such agreement and arrangement and to do all acts and things that they consider necessary and expedient in the best interests of the Company to give effect to the Proposed Warrants Extension with full power to consent to and implement any condition(s), modification(s), addition(s), variation(s) and/or amendment(s) as may be required or imposed by any relevant authorities.”

By order of the Board

SNG NGIAP KOON
Secretary

Kuala Lumpur
16 June 2003

Notes:

1. A Warrantholder of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a Warrantholder of the Company.
2. The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney duly authorised and in the case of a corporation, the instrument appointing a proxy must be under its common seal or under the hand of an officer or attorney duly authorised.
3. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 3A (Tower Block), Menara Milenium, No. 8, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any other adjournment thereof.
4. If neither "FOR" nor "AGAINST" is indicated above, the proxy will vote or abstain at his/her discretion.



ADVANCE SYNERGY BERHAD

(Company No.: 1225-D)
(Incorporated in Malaysia)

PROXY FORM FOR EXTRAORDINARY GENERAL MEETING

Number of stock units held

Please refer to the notes below before completing this Proxy Form.

I/We
(full name in block letters)

NRIC/Company No. or CDS Account No.
(for nominee companies only)

of
(full address)

being a stockholder/stockholders of Advance Synergy Berhad, hereby appoint

..... NRIC No.
(full name in block letters)

of
(full address)

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be held at Dewan Thai, City Villa Kuala Lumpur, 69, Jalan Haji Hussein, 50300 Kuala Lumpur on Wednesday, 9 July 2003 at 10.30 a.m. or any adjournment or postponement (as the case may be) thereof.

My/Our proxy is to vote on the resolution as indicated by an **X** in the appropriate space below. If no indication is given, my/our proxy shall vote or abstain as he/she thinks fit.

Resolution	FOR	AGAINST
Special Resolution – Proposed Warrants Extension		

Dated this day of 2003

.....
Signature(s) of stockholder(s)

Notes:

1. A member of the Company entitled to attend and vote at the general meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney duly authorised and in the case of a corporation, the instrument appointing a proxy must be under its common seal or under the hand of an officer or attorney duly authorised.
3. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 3A (Tower Block), Menara Milenium, No. 8, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any other adjournment thereof.
4. If neither "FOR" nor "AGAINST" is indicated above, the proxy will vote or abstain at his/her discretion.





ADVANCE SYNERGY BERHAD

(Company No.: 1225-D)
(Incorporated in Malaysia)

PROXY FORM FOR WARRANTHOLDERS' MEETING

Number of warrants held

Please refer to the notes below before completing this Proxy Form.

I/We
(full name in block letters)

NRIC/Company No. or CDS Account No.
(for nominee companies only)

of
(full address)

being a warrant holder/warrant holders of Advance Synergy Berhad, hereby appoint

..... NRIC No.
(full name in block letters)

of
(full address)

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the Warrant holders' Meeting of the Company to be held at Dewan Thai, City Villa Kuala Lumpur, 69, Jalan Haji Hussein, 50300 Kuala Lumpur on Wednesday, 9 July 2003 at 10.45 a.m. or immediately following the conclusion, adjournment or postponement (as the case may be) of the Extraordinary General Meeting which will be held at the same venue and on the same day, whichever is the later, or any adjournment or postponement (as the case may be) thereof.

My/Our proxy is to vote on the resolution as indicated by an X in the appropriate space below. If no indication is given, my/our proxy shall vote or abstain as he/she thinks fit.

Resolution	FOR	AGAINST
Special Resolution - Proposed Warrants Extension		

Dated this day of 2003

.....
Signature(s) of warrant holder(s)

Notes:

1. A warrant holder of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a warrant holder of the Company.
2. The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney duly authorised and in the case of a corporation, the instrument appointing a proxy must be under its common seal or under the hand of an officer or attorney duly authorised.
3. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 3A (Tower Block), Menara Milenium, No. 8, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any other adjournment thereof.
4. If neither "FOR" nor "AGAINST" is indicated above, the proxy will vote or abstain at his/her discretion.



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