
INFORMATION ON WONG TZE LENG

1. **NAME** : Wong Tze Leng
2. **DATE OF BIRTH** : 10 October 1964
3. **PLACE OF BIRTH** : Pahang, Malaysia
4. **CITIZENSHIP** : Malaysian
5. **ACADEMIC QUALIFICATION**

College/Polytechnic/University	Certificate/Diploma/Degree	Year
Monash University	Bachelor of Science (Computer Science)	1985
Monash University	Bachelor of Engineering (Honours) (Electrical & Electronic)	1987

6. **WORKING EXPERIENCE**

Position	Year	Employer
Chief Executive Officer	1998	Unified Communications Sdn Bhd
Chief Executive Officer	1998	Unified Communications Pte Ltd
Business Development Director	1993	Dialogic S.E.A Pte Ltd
Software Manager	1990	Federal Computer Services Pte Ltd
Design Engineer	1988	Singapore Institute of Standards & Industrial Research

7. **BUSINESS INTEREST**

Company	% interest held	Position	Principal activities
UCSB	75.00*	Chief Executive Officer	Research and development, software engineering, system integration, project management and maintenance and support for the telecommunication industry
UCPL	75.00*	Chief Executive Officer	Design and development of telecommunication software and trading of telecommunication products
InAccess Sdn Bhd	-	Director	Dormant
InAccess Pte Ltd	50.00	Director	Dormant
IContaq Asia Pte Ltd	100.00	Director	IT solution and services provider specialising in Customers Relationship Management and e-Learning system

* including his wife direct shareholdings

DIRECTORS' REPORT ON UCSB



UNIFIED COMMUNICATIONS SDN BHD (Co. No. 459754-P)
Room 231, 2nd Floor Wisma IJM, Jalan Yong Shook Lin, 46050 Petaling Jaya

Date: 22 May 2002

The Stockholders

Advance Synergy Berhad

Dear Sir/Madam

On behalf of the Board of Directors of Unified Communication Sdn Bhd (UCSB), I report, after making due enquiries, that during the year from 31 December 2000 (being the date to which the last audited accounts of the Company have been made up) to 20 May 2002 (being the date not earlier than fourteen (14) days before the issue of this circular),

- a) The business of the Company has, in our opinion, been satisfactorily maintained;
- b) No circumstances have arisen since the last audited accounts of UCSB, which, in our opinion, have adversely affected the trading, or the value of the assets of UCSB;
- c) The current assets of UCSB appear in the books at values which are believed to be realisable in the ordinary course of business;
- d) There is no contingent liabilities by reason of any guarantees given by UCSB; and
- e) There have been no changes in the published reserves or any unusual factors affecting the profits of the Company since the last audited accounts of UCSB.

Yours faithfully

For and on behalf of the Board of Directors

A handwritten signature in black ink, appearing to read 'Wong Tze Leng'.

WONG TZE LENG

Director

DIRECTORS' REPORT ON UCPL



UNIFIED COMMUNICATIONS PTE LTD
390 Havelock Road #04-06 King's Centre
Singapore 169992

Date: 22 May 2002

The Stockholders
Advance Synergy Berhad

Dear Sir/Madam

On behalf of the Board of Directors of Unified Communication Pte Ltd(UCPL), I report, after making due enquiries, that during the year from 31 December 2000 (being the date to which the last audited accounts of the Company and its subsidiary companies have been made up) to 20 May 2002 (being the date not earlier than fourteen (14) days before the issue of this circular),

- a) The business of the Company and its subsidiary companies has, in our opinion, been satisfactorily maintained;
- b) No circumstances have arisen since the last audited accounts of UCPL and its subsidiary companies, which, in our opinion, have adversely affected the trading, or the value of the assets of UCPL or its subsidiary companies;
- c) The current assets of UCPL and its subsidiary companies appear in the books at values which are believed to be realisable in the ordinary course of business;
- d) There is no contingent liabilities by reason of any guarantees given by UCPL or its subsidiary companies; and
- e) There have been no changes in the published reserves or any unusual factors affecting the profits of the Company and its subsidiary companies since the last audited accounts of UCPL.

Yours faithfully
For and on behalf of the Board of Director

A handwritten signature in black ink, appearing to read 'Wong Tze Leng'.

WONG TZE LENG
Director

VALUER'S LETTER ON ACE

MERCER

Suite 17.02, Kenanga International
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia.
603 2161 0433 Fax 603 2161 3595

16 April 2002

The Board of Directors
United Merchant Group Berhad
Level 3A (Tower Block)
Menara Millenium
Jalan Damanlela, Bukit Damansara
50490 Kuala Lumpur

Dear Sirs:

Subject: Appraisal Value for ACE Synergy Insurance Berhad "ACE"

Mercer Zainal Consulting Sdn Bhd. ("Mercer") has been engaged by United Merchant Group Berhad to calculate the main components of economic value of ACE as at 31 December 2001.

In respect of this work, Mercer prepared a report entitled "Appraisal Value of General Fund – ACE Synergy Insurance Berhad" dated 16 April 2002 (Mercer report).

General Insurance

The components of value in respect of ACE as at 31 December 2001 consist of the following elements:

- the net asset value as at 31 December 2001 excluding the shareholders fund, adjusted for any shortfall/writeback in provisions net of tax

plus
- the present value of future profits as at 31 December 2001

less
- an assessment of the cost to shareholders of holding the solvency margin in respect of the ten years of growth.

The adjusted net asset value excluding the shareholders fund has been based on the audited accounts as at 31 December 2001, before any adjustments arising from the due diligence exercise performed by the external auditors.

The table below shows the breakdown of the values contributed by the components after allowing for the cost of minimum solvency to shareholders.

MERCER

The Board of Directors
16 April 2002
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RM' million

	Risk Discount Rates		
	8% p.a.	13% p.a.	18% p.a.
Adjusted Net Asset Value	111.1	111.1	111.1
Present Value of Future Profits	96.7	72.5	56.4
Less Cost of Minimum Solvency	(12.0)	(23.2)	(30.5)
Total	195.8	160.4	137.0

The recommended appraisal value of ACE on a minimum solvency basis, as suggested by the above table, ranges from RM195.8 million to RM137.0 million around a central estimate of RM160.4 million.

The methodology and assumptions used to determine the recommended appraisal value are set out in the Mercer report.

Reinsurance Recoveries

We have not taken into account any failure to recover from reinsurers any claims outstanding.

Opinion

On the basis of our work, in our opinion:

- the methodology used is consistent with internationally accepted actuarial principles and methodologies; and
- the assumptions used to assess the present value of future profits for the general insurance operation as at 31 December 2001 are reasonable.

On the basis of the data provided by ACE and the application of the agreed methodology and the assumptions, we consider that the present value of future profits for general insurance is reasonable.

Reliances and Limitations

In producing this Mercer report we have relied upon audited and unaudited data and information, both written and verbal, supplied by the management of ACE, and on information from other sources.

While we have reviewed some of the information provided for overall reasonableness and consistency with our knowledge of the general insurance industry in Malaysia, we have not carried out independent checks of the data and other information supplied to us.

The conclusions set out in the Mercer report are dependent on the accuracy and completeness of the information provided to us.

MERCER

The Board of Directors
16 April 2002
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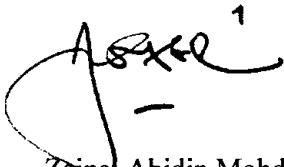
Reliance was placed on, but not limited to, the accuracy of information regarding historical operating experience, existence and valuation of assets and liabilities, historical financial statements, commission payments made to intermediaries, annual returns to Bank Negara Malaysia, tax returns, guidelines on underwriting and claims practices, terms of reinsurance arrangements and basic data records regarding the above.

The values attributed to the future performance of the general insurance business are highly dependent on the results of financial projections. In developing these financial projections, a variety of assumptions have been made in respect of economic conditions and other factors, many of which are beyond ACE control. Changes in ACE internal or external operating environment may affect the suitability of the assumptions used in the projections and could alter the projected results substantially. Deviations from best estimate experience are normal and are to be expected. Even without changes in operational environments, and in the assumptions used to reflect them, actual results will vary from those projected due to normal random fluctuations.

In reaching our conclusions, provision has been made only for those claims made from the general insurance policyholders in the normal course of business under the term of the policies issued.

The scope of our services did not include a review of the value or quality of the current asset portfolios of ACE, nor the adequacy of its balance sheet provisions for non-policy related liabilities, nor the accuracy of the unit pricing and allocation procedures.

Yours faithfully



Zainal Abidin Mohd Kassim
Principal and Actuary
Mercer Zainal Consulting Sdn Bhd

VALUER'S LETTER ON UC GROUP



Tokyo-Mitsubishi International (Singapore) Ltd.

(A subsidiary of THE BANK OF TOKYO-MITSUBISHI, LTD.)

17 May 2002

Advance Synergy Berhad
 Level 3A (Tower Block), Menara Milenium
 No. 8, Jalan Damanlela, Damansara Heights
 50490 Kuala Lumpur
 Malaysia

Dear Sirs/Madam

VALUATION OF THE UNIFIED COMMUNICATIONS GROUP

We are pleased to submit to you this valuation letter of the Unified Communications Group (which refers to Unified Communications Pte. Ltd. ("UCPL") and Unified Communications Sdn. Bhd. ("UCSB")) in accordance to our Appointment Letter dated 6 July 2001. Readers of this letter are advised to note that this letter should be read in conjunction with and should be regarded as part of our valuation report dated 11 September 2001. For details of the scope of the valuation, basis of the valuation, key assumptions used, methodology applied and limitations of the valuation, we highlight that the readers should refer to the said valuation report.

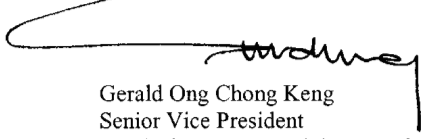
We were not involved in the preparation of the financial forecasts/projections, the preparation of which is solely the responsibility of the management of the Unified Communications Group. As the financial forecasts/projections were based upon assumptions about events and circumstances that have not yet transpired, we do not guarantee or otherwise warrant the achievability of the underlying earnings' forecasts/projections used in the valuation, seeing that its accuracy are dependent upon changes in business and economic conditions which are beyond our ability to predict.

In assessing the market value of the Unified Communications Group, we have adopted the income approach technique known as the discounted cash flow method, which depends on the present worth of the future economic benefits to be derived from a projected earnings and telecommunication industry in Singapore and Malaysia. Indications of value have been developed by discounting projected net future cashflow available for payment of shareholders' interest to their present worth at market derived rates of return which in our opinion are appropriate given the perceived risk of the business. In arriving at our assessed value, we have only considered the core business of the companies, namely software integration for the telecommunication industry and sales of hardware, we have not made provision for other non-operating cashflow items such as interest income, exchange rate gain/loss, etc. in the valuation model.

We wish to reiterate that our valuation purports only to define the indicative market value for the Unified Communications Group, and shall be used only in the context of determining the valuation of the Unified Group in connection to the Transaction (as defined in the valuation report). It should not be referred to, quoted or otherwise mentioned for any other reasons save for that necessary to complete the Transaction. We reserve our right (but will be under no obligation) to review all calculations included or referred to in this valuation, and if we consider necessary, to review our valuation in the light of any information existing at the valuation date which become known or available to us after the date of this report.

Based on the above assumptions, premises and valuation methodology outlined in this letter, it is our opinion that as at 11 September 2001, being the date of the valuation report, the market value of a 100 per cent. equity interest in the Unified Communications Group is **RM162.40 million (Malaysian Ringgit One Hundred Sixty Two Million Four Hundred Thousand Only)**.

Yours truly,
 For and on behalf of
 Tokyo-Mitsubishi International (Singapore), Ltd.


 Gerald Ong Chong Keng
 Senior Vice President
 Head of Corporate Advisory, M&A

9 RAFFLES PLACE #01-01 REPUBLIC PLAZA SINGAPORE 048619. TEL: 5367818/2327777
 FAX: 5367162 TELEX: RS 20494 BTMSPR

**PROFORMA CONSOLIDATED BALANCE SHEETS OF ASB AS AT 31 DECEMBER 2001
TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER RELATING THERETO**



BDO Binder AF 0206
Chartered Accountants

15th Floor Wisma Hamzah Kwong Hing
No. 1 Leboh Ampang 50100 Kuala Lumpur
Malaysia
Telephone : (603) 2072 2755
Telefax : (603) 2078 7045, 2078 8949

Our Ref : BDOB/DS/JC/YYS

10 May 2002

The Board of Directors
Advance Synergy Berhad
Level 3A (Tower Block)
Menara Milenium
8 Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur

Dear Sir

**ADVANCE SYNERGY BERHAD (“ASB” or “Company”)
PROFORMA CONSOLIDATED BALANCE SHEETS AS AT 31 DECEMBER 2001**

We have reviewed the presentation of the Proforma Consolidated Balance Sheets of ASB Group as at 31 December 2001, together with the accompanying notes for which the Directors of ASB are solely responsible, as set out in the accompanying statements for the purpose of inclusion in the circular to stockholders of ASB, which we have stamped for the purpose of identification, in connection with the following proposals:-

a) Proposed disposal of ASB’s entire 49% equity interest in ACE Synergy Insurance Berhad (“ACE”)

The Company proposes to dispose of its entire 49% equity interest comprising 49,000,000 ordinary shares of RM1.00 each in ACE to United Merchant Group Berhad (“UMG”), a 50.75% owned subsidiary of the Company, for a cash consideration of RM71 million.

b) Proposed acquisitions of Unified Communications Sdn Bhd (“UCSB”) and Unified Communications Pte Ltd (“UCPL”)

The Company proposes to acquire of a 70% equity interest comprising 700,140 ordinary shares of RM1.00 each in UCSB for a cash consideration of RM54 million and a 70% equity interest comprising 700,000 ordinary shares of SGD1.00 each in UCPL for a cash consideration of RM45 million, both through Worldwide Matrix Sdn Bhd, a wholly owned subsidiary of the Company, from Mr Wong Tze Leng.

Advance Synergy Berhad
Proforma Consolidated Balance Sheets
as at 31 December 2001

In our opinion, the Proforma Consolidated Balance Sheets of ASB Group as at 31 December 2001 which are provided for illustration purposes only, have been properly compiled on the basis as set out in the notes thereto.

Yours faithfully,

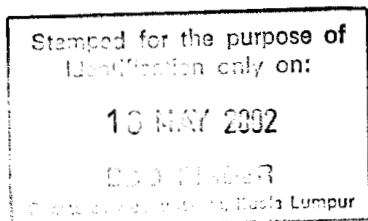
BDO Binder

BDO Binder
AF : 0206
Chartered Accountants



Siew Kah Toong
1045/3/04 (J)
Partner

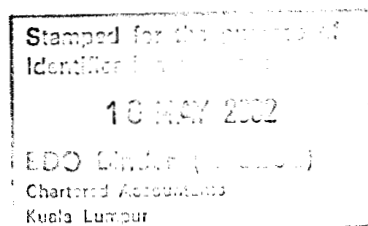
ADVANCE SYNERGY BERHAD (1225-D)
PROFORMA CONSOLIDATED BALANCE SHEETS AS AT 31 DECEMBER 2001



← Proforma →

	Audited as at 31 December 2001 RM'000	I After proposed disposal of ACE RM'000	II After proposed acquisitions of UCSB and UCPL RM'000	III After I and proposed acquisitions of UCSB and UCPL RM'000
ASSETS EMPLOYED				
PROPERTY, PLANT AND EQUIPMENT	333,886	333,886	336,397	336,397
INVESTMENT IN ASSOCIATED COMPANIES	84,795	84,795	84,795	84,795
LAND HELD FOR DEVELOPMENT	13,774	13,774	13,774	13,774
INVESTMENTS SECURITIES	53,391	53,391	53,391	53,391
GOODWILL ON CONSOLIDATION	91,027	91,027	186,332	186,332
PURCHASED GOODWILL	1,257	1,257	1,257	1,257
INTANGIBLE ASSETS	998	998	998	998
CURRENT ASSETS				
Development properties and expenditure	54,487	54,487	54,487	54,487
Inventories	14,569	14,569	20,516	20,516
Receivables	142,790	142,790	149,793	149,793
Tax recoverable	8,611	8,611	8,611	8,611
Dealing securities	4,758	4,758	4,758	4,758
Deposits with financial institutions	484,519	484,519	385,519	385,519
Cash and bank balances	24,511	24,511	25,453	25,453
	734,245	734,245	649,137	649,137
LESS: CURRENT LIABILITIES				
Payables	109,760	109,760	119,509	119,509
Bank overdrafts	5,633	5,633	5,633	5,633
Short term borrowings	19,238	19,238	19,238	19,238
Taxation	10,000	10,000	11,185	11,185
	144,631	144,631	155,565	155,565
NET CURRENT ASSETS	589,614	589,614	493,572	493,572
	1,168,742	1,168,742	1,170,516	1,170,516

ADVANCE SYNERGY BERHAD (1225-D)
PROFORMA CONSOLIDATED BALANCE SHEETS AS AT 31 DECEMBER 2001 (continued)



	Audited as at 31 December 2001 RM'000	Proforma		
		I After proposed disposal of ACE RM'000	II After proposed acquisitions of UCSB and UCPL RM'000	III After I and proposed acquisitions of UCSB and UCPL RM'000
FINANCED BY				
SHARE CAPITAL	337,794	337,794	337,794	337,794
RESERVES	87,855	93,211	87,855	93,211
STOCKHOLDERS' EQUITY	425,649	431,005	425,649	431,005
MINORITY INTERESTS	327,548	322,192	329,132	323,776
7% REDEEMABLE LOAN STOCKS 2000/2005	185,874	185,874	185,874	185,874
7% CONVERTIBLE LOAN STOCKS 2000/2005	183,461	183,461	183,461	183,461
TERM LOANS	41,648	41,648	41,648	41,648
HIRE PURCHASE AND LEASE CREDITORS	3,167	3,167	3,167	3,167
DEFERRED TAXATION	1,092	1,092	1,282	1,282
PROVISION FOR REIREMENT BENEFITS	264	264	264	264
DEFERRED INCOME	39	39	39	39
	<u>1,168,742</u>	<u>1,168,742</u>	<u>1,170,516</u>	<u>1,170,516</u>
Net tangible assets per stock unit (RM)	<u>0.98</u>	<u>1.00</u>	<u>0.70</u>	<u>0.72</u>

NOTES TO THE PROFORMA CONSOLIDATED BALANCE SHEETS OF ASB GROUP AS AT 31 DECEMBER 2001

(A) BASIS OF PREPARATION

The Proforma Consolidated Balance Sheets are presented for illustrative purposes only and have been prepared based on :-

- i) The audited consolidated balance sheets of Advance Synergy Berhad (“ASB”) as at 31 December 2001;
- ii) The audited balance sheet of Unified Communications Sdn Bhd (“UCSB”) and Unified Communications Pte Ltd (“UCPL”) as at 31 December 2000 respectively; and
- iii) Accounting principles and bases consistent with those previously adopted in the preparation of the audited financial statements of the ASB and its subsidiaries.

(B) PROFORMA I

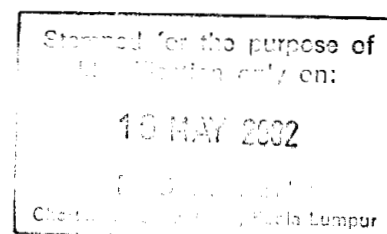
Proforma I incorporates the proposed disposal of ASB’s entire 49% equity interest comprising 49,000,000 ordinary shares of RM1.00 each in ACE Synergy Insurance Berhad to United Merchant Group Berhad, a 50.75% owned subsidiary of ASB, for a cash consideration of RM71 million.

(C) PROFORMA II

Proforma II incorporates the proposed acquisition of a 70% equity interest comprising 700,140 ordinary shares of RM1.00 each in UCSB for a cash consideration of approximately RM54 million and a 70% equity interest comprising 700,000 ordinary shares of SGD1.00 each in UCPL for a cash consideration of approximately RM45 million, both acquisitions through Worldwide Matrix Sdn Bhd, a wholly owned subsidiary of ASB, from Mr Wong Tze Leng.

(D) PROFORMA III

Proforma III incorporates Proforma I and the proposed acquisition of a 70% equity interest comprising 700,140 ordinary shares of RM1.00 each in UCSB for a cash consideration of approximately RM54 million and a 70% equity interest comprising 700,000 ordinary shares of SGD1.00 each in UCPL for a cash consideration of approximately RM45 million, both acquisitions through Worldwide Matrix Sdn Bhd, a wholly owned subsidiary of ASB, from Mr Wong Tze Leng.



(E) **SHARE CAPITAL AND RESERVES**

The movement of the issued and paid-up share capital and reserves of the ASB Group are as follows:-

Proforma I

	Share Capital RM'000	Reserves RM'000	Total RM'000
As at 31 December 2001	337,794	87,855	425,649
Proposed disposal of ACE	-	5,356	5,356
Proforma I	337,794	93,211	431,005

Proforma II

	Share Capital RM'000	Reserves RM'000	Total RM'000
As at 31 December 2001	337,794	87,855	425,649
Proposed acquisitions of UCSB and UCPL	-	-	-
Proforma II	337,794	87,855	425,649

Proforma III

	Share Capital RM'000	Reserves RM'000	Total RM'000
As at 31 December 2001	337,794	87,855	425,649
Proposed disposal of ACE	-	5,356	5,356
	337,794	93,211	431,005
Proposed acquisitions of UCSB and UCPL	-	-	-
Proforma III	337,794	93,211	431,005

