

THIS CIRCULAR IS IMPORTANT and requires your immediate attention. If you are in any doubt as to the course of action you should follow, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold all your shares in Pembinaan YCS Berhad, you should at once hand this Circular together with the enclosed proxy form to the agent through whom the same was contracted for transmission to the purchaser.

The Kuala Lumpur Stock Exchange takes no responsibility for the contents of this circular, makes no representation as to the accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or reliance upon the whole or any part of the contents of this circular.



PEMBINAAN YCS BERHAD

(Company No : 29238-M)

(Incorporated in Malaysia under the Companies Act, 1965)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE RATIFICATION OF THE FOLLOWING TRANSACTIONS :-

- (I) Acquisition of 15,019,000 Shares in Wing Tiek Holdings Bhd for a Total Cash Consideration of RM69,930,207.03
- (ii) Disposal of 15,019,000 Shares in Wing Tiek Holdings Bhd for a Total Cash Consideration of RM65,583,195.14
- (iii) Acquisition of 15,262,000 Shares in Metro Kajang Holdings Bhd for a Total Cash Consideration of RM165,353,925.88
- (iv) Disposal of 15,262,000 Shares in Metro Kajang Holdings Bhd for a Total Cash Consideration of RM150,028,147
- (v) Acquisition of 14,241,000 Shares in Johor Land Bhd for a Total Cash Consideration of RM42,598,999.90
- (vi) Disposal of 14,241,000 Shares in Johor Land Bhd for a Total Cash Consideration of RM40,173,451.25

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

The Notice of the Extraordinary General Meeting of Pembinaan YCS Berhad to be held at the Langkawi Room, Bukit Jalil Golf & Country Club, Jalan 3/155B, Bukit Jalil, Kuala Lumpur on Friday, 22 December 2000 at 11.00 am or immediately upon the conclusion of the 23rd Annual General Meeting to be held on the same day at 10.00 am, and at any adjournment thereof to ratify the abovementioned transactions together with the Form of Proxy are enclosed herewith.

A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy to attend and vote on his behalf by completing and returning the enclosed Form of Proxy in accordance with the instructions thereon as soon as possible. Your Form of Proxy must be deposited at the Registered Office of the Company at Unit A-3-1, Wisma HB, Megan Phileo Avenue, No.12 Jalan Yap Kwan Seng, 50450 Kuala Lumpur not later than forty-eight(48) hours before the time of the Extraordinary General Meeting or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the Extraordinary General Meeting should you subsequently wish to do so.

Last day and time for lodging the Form of Proxy : Wednesday, 20 December 2000 at 11.00 am

Date and time of the Extraordinary General Meeting : Friday, 22 December 2000 at 11.00am or immediately upon the conclusion of the 23rd Annual General Meeting to be held on the same day at 10.00 am, or and adjournment thereof

This Circular is dated 7 December 2000

DEFINITIONS

Unless otherwise indicated, the following definitions shall apply throughout the Circular and the accompanying appendices:

“EGM”	Extraordinary General Meeting
“EPS”	Earnings per Share
“JLB”	Johor Land Bhd (Company No : 12379-K)
“KLCI”	Kuala Lumpur Composite Index
“KLSE”	Kuala Lumpur Stock Exchange (Company No : 30632-P)
“MKHB”	Metro Kajang Holdings Bhd (Company No : 50948-T)
“PCSB”	Perumahan Chianion Sdn Bhd (Company No : 111279-W), a wholly-owned subsidiary of YCSB
“RO”	Restraining and Stay Order
“Scheme Companies”	YCSB and/or its subsidiaries which are subject to the Restructuring Scheme under Section 176 of the Companies Act, 1965, namely YCSB, PCSB, TMSB, SCSB, UCSB and TMPSB
“SCSB”	Success Charade (M) Sdn Bhd (Company No : 331278-K), a wholly-owned subsidiary of YCSB
“TMPSB”	Tetap Meriah Properties Sdn Bhd (Company No : 355831-A), a wholly-owned subsidiary of UCSB, which in turn is a wholly-owned subsidiary of YCSB
“TMSB”	Tetap Meriah Sdn Bhd (Company No : 188089-V), a 90% subsidiary of UCSB with the remaining 10% held by YCSB, effectively a wholly-owned subsidiary
“UCSB”	Univer Corporation Sdn Bhd (Company No : 198431-D), a wholly-owned subsidiary of YCSB
“WTHB”	Wing Tiek Holdings Bhd (Company No : 23668-X)
“YCSB”	Pembinaan YCS Bhd (Company No : 29238-M)

CONTENTS

	PAGE
1 INTRODUCTION	1
2 RATIFICATION OF THE ACQUISITIONS AND DISPOSALS OF QUOTED SHARES IN WTHB, MKHB AND JLB	2
3 EFFECTS OF THE ACQUISITION AND DISPOSAL OF THE SHARES OF WTHB, MKHB AND JLB	6
4 DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST AND DIRECTORS' RECOMMENDATION	7
5 CONDITIONS OF THE RATIFICATION	7
6 EXTRAORDINARY GENERAL MEETING	8
7 FURTHER INFORMATION	8
APPENDICES	
I INFORMATION ON WTHB	
II INFORMATION ON MKHB	
III INFORMATION ON JLB	
IV FURTHER INFORMATION	
NOTICE OF EXTRAORDINARY GENERAL MEETING	
FORM OF PROXY ENCLOSED	



PEMBINAAN YCS BERHAD

(Company No : 29238-M)

(Incorporated in Malaysia)

Registered Office:

Unit A-3-1 Wisma HB

Megan Phileo Avenue

No.12, Jalan Yap Kwan Seng

50450 Kuala Lumpur

Date : 7 December 2000

Directors:

Zainuddin Bin Che Soh (Chairman)

Yap Kwee Huat (Managing Director)

Yap Kwee Chai (Executive Director)

Leong Kway Wah (Independent Non-Executive Director)

Ong Meng Teck (Independent Non-Executive Director)

Mohd. Roslan Bin Chik (Independent Non-Executive Director)

To : The Shareholders of Pembinaan YCS Bhd

Dear Sir/Madam

RE : SHAREHOLDERS' RATIFICATION OF THE ACQUISITION AND DISPOSAL OF QUOTED SHARES

1. INTRODUCTION

The Company had made the following acquisitions and disposals of quoted shares, through trading accounts opened with several stockbroking companies, between the period of May 1997 and November 1997:-

- (I) Acquisition of 15,019,000 Shares in Wing Tiek Holdings Bhd for a Total Cash Consideration of RM69,930,207.03 representing 22% of the issued and paid up capital of WTHB as at 30 June 1998
- (ii) Disposal of 15,019,000 Shares in Wing Tiek Holdings Bhd for a Total Cash Consideration of RM65,583,195.14
- (iii) Acquisition of 15,262,000 Shares in Metro Kajang Holdings Bhd for a Total Cash Consideration of RM165,353,925.88 representing 16% of the issued and paid up capital of MKHB as at 30 June 1998
- (iv) Disposal of 15,262,000 Shares in Metro Kajang Holdings Bhd for a Total Cash Consideration of RM150,028,147
- (v) Acquisition of 14,241,000 Shares in Johor Land Bhd for a Total Cash Consideration of RM42,598,999.90 representing 14% of the issued and paid up capital of JLB as at 30 June 1998
- (vi) Disposal of 14,241,000 Shares in Johor Land Bhd for a Total Cash Consideration of RM40,173,451.25

Details of the acquisitions and disposals are set-out in Section 2.1.

The acquisitions of these quoted shares were funded by the working capital of the company.

The Company had on 30 September 1998 announced to the KLSE the "Preliminary Unaudited Consolidated Financial Results ended 30 June 1998", of which the losses for the period was caused by, amongst several factors, investment losses in quoted shares.

On 12 October 1998, the Company had furnished the details of these acquisitions and disposals to the KLSE as per their request on 6 October 1998.

On 10 December 1999, the KLSE had publicly reprimanded and fined the Company RM300,000 for the failure to make immediate announcements on the acquisitions and disposals of quoted shares and the failure to obtain approval by the shareholders in a General Meeting.

Subsequently, on 21 January 2000, the KLSE has instructed the Company to seek shareholders' approval for the aforesaid share transactions pursuant to Clause 5.6 of the Second Board Listing Requirements.

Your Board of Directors now seek the shareholders' approval for the ratification of the acquisition and disposal of the quoted shares of WTHB, MKHB and JLB.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE RATIFICATION OF THE ACQUISITION AND DISPOSAL OF QUOTED SHARES OF WTHB, MKHB AND JLB. SHAREHOLDERS ARE ADVISED TO READ THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE RATIFICATION OF ACQUISITIONS AND DISPOSALS OF QUOTED SHARES OF WTHB, MKHB AND JLB AT AN EGM TO BE CONVENED AT THE LANGKAWI ROOM, BUKIT JALIL GOLF & COUNTRY CLUB, JALAN 3/155B, BUKIT JALIL, KUALA LUMPUR ON FRIDAY, 22 DECEMBER 2000 AT 11.00 AM. THE NOTICE OF THE EGM IS ENCLOSED WITH THIS CIRCULAR.

2. RATIFICATION OF THE ACQUISITIONS AND DISPOSALS OF QUOTED SHARES IN WTHB, MKHB AND JLB

2.1 Details of the Acquisitions and Disposals

The acquisitions and disposals of the following quoted shares were open market transactions. The shares were acquired/disposed of free of encumbrances.

2.1A WTHB Shares Acquired and Disposed :-

Transaction Date	Number of Shares Acquired / (Disposed)	Price per Share (RM)	Consideration Acquisition / (Disposal) (RM)
30 May 1997	393,000	5.14	2,037,423.31
11 June 1997	(393,000)	4.88	(1,900,288.20)
11 June 1997	393,000	4.88	1,935,391.80
16 June 1997	2,000,000	5.00	10,085,000.00
18 June 1997	2,900,000	5.00	14,600,500.00
20 June 1997	(393,000)	5.00	(1,947,047.50)
20 June 1997	393,000	5.00	1,982,952.50
20 June 1997	(2,000,000)	4.76	(9,441,935.00)
26 June 1997	1,815,000	4.77	8,713,379.10
30 June 1997	(1,000,000)	5.00	(4,963,750.00)
1 July 1997	(1,900,000)	4.70	(8,870,170.00)
2 July 1997	(393,000)	4.70	(1,830,148.75)
8 July 1997	1,018,000	4.70	4,819,558.00
8 July 1997	800,000	4.70	3,788,810.00
8 July 1997	320,000	4.70	1,518,786.00
9 July 1997	(1,815,000)	4.57	(8,252,539.10)
18 July 1997	(320,000)	4.10	(1,298,942.00)
21 July 1997	(1,818,000)	4.08	(7,366,684.80)
24 July 1997	1,200,000	4.08	4,934,074.00
25 July 1997	318,000	4.08	1,310,367.52
25 July 1997	300,000	4.08	1,236,266.00
30 July 1997	300,000	4.16	1,260,482.00
31 July 1997	200,000	4.08	824,594.00
1 August 1997	451,000	4.10	1,866,068.25
4 August 1997	(1,200,000)	4.08	(4,891,104.00)

4 August 1997	(318,000)	4.08	(1,296,142.00)
4 August 1997	(300,000)	4.08	(1,222,776.00)
4 August 1997	1,818,000	4.08	7,476,998.80
4 August 1997	(1,818,000)	3.13	(5,690,103.01)
11 August 1997	(269,000)	3.52	(935,828.09)
12 August 1997	(231,000)	3.38	(771,403.83)
13 August 1997	(241,000)	3.43	(818,847.44)
13 August 1997	(210,000)	4.10	(852,431.50)
13 August 1997	210,000	4.10	869,568.50
25 August 1997	(190,000)	3.49	(656,212.75)
25 August 1997	(20,000)	3.16	(62,472.40)
25 August 1997	190,000	3.49	669,987.25
2 September 1997	(190,000)	2.74	(514,358.77)
	0		6,347,021.89

Losses Incurred	6,347,021.89
Service Charges Incurred	98,711.12
	<u>6,445,733.01</u>

2.1B *MKHB Shares Acquired and Disposed:-*

Transaction Date	Number of Shares Acquired / (Disposed)	Price per Share (RM)	Consideration Acquisition / (Disposal) (RM)
5 May 1997	426,000	13.10	5,623,124.30
13 May 1997	2,000,000	11.74	23,629,545.00
15 May 1997	(426,000)	12.31	(5,203,722.67)
19 May 1997	118,000	12.40	1,477,619.60
26 May 1997	(2,000,000)	12.10	(24,048,550.00)
26 May 1997	2,000,000	12.10	24,351,450.00
28 May 1997	500,000	12.40	6,246,550.00
30 May 1997	(500,000)	12.40	(6,156,550.00)
30 May 1997	(118,000)	12.40	(1,449,512.00)
5 June 1997	(1,500,000)	12.40	(18,482,150.00)
5 June 1997	1,500,000	12.40	18,717,850.00
9 June 1997	(500,000)	12.40	(6,156,550.00)
9 June 1997	500,000	12.40	6,243,450.00
11 June 1997	118,000	12.40	1,477,619.60
17 June 1997	(1,500,000)	12.70	(18,929,450.00)
17 June 1997	1,500,000	12.70	19,170,550.00
18 June 1997	(500,000)	12.70	(6,305,650.00)
18 June 1997	500,000	12.70	6,394,350.00
27 June 1997	(1,500,000)	10.50	(15,649,250.00)
27 June 1997	1,711,000	10.54	18,127,794.08
27 June 1997	(118,000)	12.40	(1,449,512.00)
30 June 1997	(500,000)	10.20	(5,060,600.00)
4 July 1997	255,000	10.60	2,726,819.50
10 July 1997	118,000	12.40	1,476,888.00
11 July 1997	(711,000)	8.16	(5,770,697.13)
11 July 1997	(1,000,000)	8.47	(8,423,513.50)
14 July 1997	17,000	12.00	206,244.00
15 July 1997	376,000	9.00	3,410,554.00
15 July 1997	140,000	8.45	1,194,897.00
16 July 1997	(137,000)	8.45	(1,145,980.79)
21 July 1997	(118,000)	9.10	(1,062,885.60)

22 July 1997	500,000	8.00	4,030,250.00
23 July 1997	499,000	7.50	3,771,205.50
24 July 1997	(110,000)	8.85	(963,488.00)
24 July 1997	(8,000)	8.00	(63,264.00)
24 July 1997	(17,000)	6.40	(107,498.14)
25 July 1997	(6,000)	6.45	(38,254.65)
28 July 1997	(92,000)	6.25	(568,301.21)
28 July 1997	(134,000)	6.50	(862,255.62)
29 July 1997	(58,000)	6.22	(356,352.76)
29 July 1997	(226,000)	6.90	(1,544,894.50)
30 July 1997	500,000	6.39	3,223,226.10
31 July 1997	(209,000)	6.30	(1,304,054.52)
31 July 1997	174,000	6.35	1,116,094.20
4 August 1997	(500,000)	8.00	(3,969,750.00)
4 August 1997	(240,000)	7.50	(1,783,450.00)
4 August 1997	(259,000)	6.08	(1,558,963.23)
4 August 1997	500,000	8.00	4,030,250.00
4 August 1997	240,000	7.50	1,816,550.00
11 August 1997	336,000	5.70	1,933,687.60
11 August 1997	99,000	5.70	570,629.40
11 August 1997	(291,000)	4.74	(1,365,386.61)
12 August 1997	(174,000)	4.51	(776,668.73)
13 August 1997	(286,000)	4.45	(1,260,363.22)
13 August 1997	(214,000)	8.00	(1,696,198.00)
13 August 1997	214,000	8.00	1,727,802.00
14 August 1997	(240,000)	7.50	(1,783,450.00)
14 August 1997	240,000	7.50	1,816,550.00
19 August 1997	(28,000)	4.50	(124,551.00)
20 August 1997	(226,000)	4.59	(1,026,305.90)
20 August 1997	(51,000)	4.49	(226,356.60)
21 August 1997	(60,000)	4.60	(272,884.37)
21 August 1997	(49,000)	4.61	(223,195.18)
25 August 1997	(3,000)	4.40	(13,047.40)
26 August 1997	(137,000)	4.80	(650,760.00)
26 August 1997	137,000	4.80	664,440.00
26 August 1997	(7,000)	4.45	(30,790.92)
26 August 1997	(42,000)	4.23	(175,616.57)
27 August 1997	(5,000)	4.18	(20,659.55)
2 September 1997	(93,000)	4.14	(380,857.46)
2 September 1997	(20,000)	4.33	(85,583.91)
4 September 1997	(44,000)	4.00	(174,064.00)
4 September 1997	44,000	4.00	177,936.00
4 September 1997	(5,000)	3.90	(19,275.25)
5 September 1997	(44,000)	4.20	(182,496.09)
5 September 1997	(37,000)	4.17	(152,514.95)
5 September 1997	(3,000)	3.98	(11,802.63)
8 September 1997	(54,000)	4.49	(239,671.17)
9 September 1997	(8,000)	4.88	(38,590.08)
10 September 1997	(37,000)	4.56	(166,779.44)
12 September 1997	(29,000)	4.28	(122,691.74)
15 September 1997	(40,000)	4.41	(174,370.80)
23 September 1997	(48,000)	4.60	(218,115.11)
	0		15,325,778.88

Losses Incurred	15,325,778.88
Service Charges Incurred	306,704.73
	<u>15,632,483.61</u>

2.1C *JLB Shares Acquired and Disposed:-*

Transaction Date	Number of Shares Acquired / (Disposed)	Price per Share (RM)	Consideration Acquisition / (Disposal) (RM)
15 July 1997	2,310,000	4.09	9,518,351.70
25 July 1997	(60,000)	3.88	(230,122.60)
28 July 1997	(900,000)	3.91	(3,490,860.05)
28 July 1997	(1,200,000)	4.10	(4,884,230.00)
28 July 1997	(150,000)	4.20	(623,395.00)
28 July 1997	150,000	4.20	636,605.00
7 August 1997	335,000	3.46	1,170,203.25
7 August 1997	1,005,000	3.46	3,504,414.50
8 August 1997	(150,000)	3.50	(519,287.50)
19 August 1997	(1,340,000)	3.10	(4,122,826.00)
19 August 1997	1,340,000	3.10	4,185,174.00
27 August 1997	(23,000)	2.53	(57,520.00)
27 August 1997	(1,317,000)	2.94	(3,842,498.10)
27 August 1997	1,317,000	2.94	3,901,461.90
5 September 1997	(1,317,000)	2.57	(3,358,131.55)
5 September 1997	1,317,000	2.57	3,411,248.45
15 September 1997	(35,000)	2.45	(84,952.03)
15 September 1997	(1,282,000)	2.57	(3,268,721.30)
15 September 1997	1,282,000	2.57	3,320,758.70
22 September 1997	(1,282,000)	2.57	(3,268,721.30)
22 September 1997	1,282,000	2.57	3,320,758.70
30 September 1997	(1,282,000)	2.57	(3,268,721.30)
30 September 1997	1,282,000	2.57	3,320,758.70
7 October 1997	(13,000)	2.39	(30,750.36)
8 October 1997	(907,000)	2.45	(2,202,566.25)
8 October 1997	(362,000)	2.39	(857,218.87)
8 October 1997	907,000	2.45	2,241,733.75
9 October 1997	(7,000)	2.40	(16,613.53)
10 October 1997	(11,000)	2.39	(26,019.61)
16 October 1997	(889,000)	2.40	(2,114,548.00)
16 October 1997	889,000	2.40	2,152,652.00
21 October 1997	(1,000)	2.30	(2,272.85)
23 October 1997	(10,000)	2.30	(22,735.50)
24 October 1997	(825,000)	2.30	(1,880,120.75)
24 October 1997	(53,000)	2.30	(120,498.05)
24 October 1997	825,000	2.30	1,914,879.25
5 November 1997	(825,000)	2.30	(1,880,120.75)
	0		2,425,548.65

Losses Incurred	2,425,548.65
Service Charges Incurred	105,704.82
	<u>2,531,253.47</u>

The losses incurred on the above acquisitions and disposals amounting to RM26,331,259.11 (inclusive of interest charged of RM1,721,789.02 on outstanding amounts) was

accrued and disclosed in the Company's Annual Report in respect of the 18 month financial period ended 30 June 1998.

The financial effects of the losses incurred is set-out in Section 3 of this Circular.

2.2 Rationale for the acquisition and disposal of the WTHB, MKHB and JLB shares

The Company had purchased these shares in the belief and confidence that there will be a capital appreciation on these shares in the near future and that these shares represent a good investment.

The KLCI had been declining steadily since April 1997, after reaching a three-year high in February 1997. A series of developments from July to August 1997, including the revised rating outlook for Malaysia and major Malaysian banks by an international rating agency, resulted in the sharpest fall in the KLSE for 1997, when the KLCI dipped by 20.6% in August 1997.

Source : Zaitun Bhd's Circular to Shareholders dated 21 October 1999

The deterioration of the economy as well as the stock market had a very drastic effect on the Company due to the exposure of the Company which was beyond the control of the Directors of the Company.

The Company had to relinquish the investments due to the decline in share prices and the resultant losses suffered by the Company.

2.3 Ratification of the acquisition and disposal of shares in WTHB, MKHB and JLB

Section 132(C) of the Companies Act, 1965 requires prior approval to be obtained from shareholders for any acquisition of a property or undertaking of a substantial value by the Company. The KLSE Listing Requirements also requires shareholders' prior approval to be obtained for acquisitions exceeding 25% of the NTA of the acquiring company. Therefore, in compliance with Section 132(C) of the Companies Act, 1965 and the KLSE Listing Requirements, the directors now seek your approval to ratify the acquisitions and disposals of the WTHB, MKHB and JLB shares.

3 EFFECTS OF THE ACQUISITION AND DISPOSAL OF THE SHARES OF WTHB, MKHB AND JLB

3.1 On share capital and substantial shareholders

The acquisition and disposal of the WTHB, MKHB and JLB shares did not and will not have any effect on the share capital and substantial shareholders of Pembinaan YCS Bhd.

3.2 Effects of the acquisitions and disposals of WTHB, MKHB and JLB shares on the earnings of Pembinaan YCS Bhd

The entire loss has been provided for in the Group's 18 month financial period ended 30 June 1998 audited accounts.

The effects on the EPS is as follows:-

<u>Name of Counter</u>	<u>Losses Incurred(RM)</u>
WTHB	6,445,733.01
MKHB	15,632,483.61
JLB	2,531,253.47
	<hr/>
	24,609,470.09
Interest Charged by Brokers	1,721,787.02
	<hr/>
Net reduction on earnings	26,331,257.11
	<hr/>
Weighted average number of shares	53,552,873
Effect on EPS(sen)	(49.17)

3.3 Effects on the acquisition and disposal of WTHB, MKHB and JLB shares on the NTA of Pembinaan YCS Bhd

For illustrative purposes only, the effects of the acquisition and disposal of WTHB, MKHB and JLB shares on the NTA of Pembinaan YCS Bhd based on the consolidated balance sheet as at 30 June 1998 assuming that the acquisition of these shares was not effected is shown below:-

	Audited as at 30 June 1998 (RM)	Proforma (assuming that the shares were not acquired/or disposed of) (RM)
Share Capital	54,742,050	54,742,050
Share Premium	52,321,327	52,321,327
Profit & Loss Account	(170,866,728)	(144,535,471)
Shareholders' Funds	(63,803,351)	(37,472,094)
Intangible Assets	66,140	66,140
Net Tangible Assets	(63,869,491)	(37,538,234)
Weighted average number of ordinary shares in issue	53,552,873	53,552,873
Net Tangible Assets/share	(1.19)	(0.70)

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST AND DIRECTORS' RECOMMENDATION

None of the Directors or Substantial Shareholders of Pembinaan YCS Bhd or their connected persons have any direct / indirect interest in the said acquisitions and disposals.

None of the directors hold any shares in Pembinaan YCS Bhd as at the date of this Circular, save and except for the following:-

Names	Direct Shareholdings		Indirect Shareholdings	
	No of shares	%	No of shares	%
Yap Kwee Huat	1,000	0	162,854,920	42.14
Yap Kwee Chai	120,250	0.03	162,429,920	42.03

The directors are of the opinion that the ratification is in the best interest of Pembinaan YCS Bhd. Accordingly, the directors recommend that you vote in favour of the resolution to be tabled at the forthcoming EGM.

5. CONDITIONS TO THE RATIFICATION

The acquisition and disposal of the WTHB, MKHB and JLB shares are conditional upon the ratification of shareholders and approval of members of Pembinaan YCS Bhd at the forthcoming EGM.

6. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is enclosed with this Circular, will be held at the Langkawi Room, Bukit Jalil Golf & Country Club, Jalan 3/155B, Bukit Jalil, Kuala Lumpur on Friday, 22 December 2000 at 11.00 am or immediately upon the conclusion of the 23rd Annual General Meeting to be held on the same day at 10.00 am, for the purpose and if thought fit, passing the resolution for the ratification of the acquisition and disposal of WTHB, MKHB and JLB shares.

If you are unable to attend and vote in person at the EGM, you are requested to complete, sign and return the enclosed Form of Proxy 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 not less than 48 hours before the time fixed for the EGM. The lodging of the Form of Proxy does not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

7. FURTHER INFORMATION

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

Yours faithfully
For and on behalf of the Board of
PEMBINAAN YCS BHD

Zainuddin bin Che Soh
Chairman