

Date : 8 November 2004

Refer : 001/SO/Oversea

To: the business coordinator in Australia, Philippine, India, Singapore, Hong Kong, United State, Indonesia and Thailand

**Re : DXN Holdings Bhd ('DXN') – Offer for sale of DXN ordinary share at a price of US Dollar 0.23 or equivalent to Ringgit Malaysia 0.874 per share.**

DXN is a Main Board Public Listed Company in Malaysia Exchange Securities. For more detail information about the quarterly financial performance, interested applicants are invited to visit the Malaysia Securities website address as below :-

<http://announcements.bursamalaysia.com/linkwebmainpage.nsf/lca.htm>

DXN executive chairman and CEO, Dr Lim Siow Jin always recognize the valuable contribution of the members and employees to the remarkable growth of DXN business. Today, DXN has consistently achieved in the 1<sup>st</sup> half of the financial year 2005 a growth of 137% in the turnover and the Profit After Tax has also been increased by 100% compared to the 1<sup>st</sup> half of the financial year 2004. Dr Lim is of opinion to share this tremendous growth with all the members and employees and hence would like to offer for sale of his personal share holding to the DXN members and employees in Australia, Philippine, India, Singapore, Hong Kong, United State, Indonesia and Thailand, at the above price per share which is about 8% discount from the Market Price as at 5 November 2004, subject to the following conditions.

- i) The offer period will be from 8 November 2004 until 8 December 2004. The interested applicant must submit their name and number of share apply to our respective country coordinator by 8 December 2004 for reservation purpose.
- ii) Only DXN Members and employees whose joint DXN on and before 8 November 2004 are qualify to apply for the share.
- iii) Minimum quantity of share apply must be at least 1,000 shares thereafter additional share can be apply in multiple of 100 share. There is no maximum limit of the number of share, but the absolute right of allocation will be based on the offeror's decision.
- iv) The applicant must open the CDS accounts with the Malaysia Centralised Depository System in order for the share to transfer to their account. The oversea branches coordinator will assist with this process but all the expenses will be born by the applicant.

- v) There will be the brokerage fee, clearing fee and stamp duty charge on the transfer of the share and each party ( the offeror and the applicant ) will bear their proportion accordingly. The Malaysia coordinator will inform the total amount payable to the applicant before the shares are transacted. It is the requirement to pay the full amount of the share applied before the transfer of share is able to carry out.
- vi) The offer price of US0.23 is subject to the exchange rate of Ringgit Malaysia is pegged at 3.8. If there is a re-peg in the currency rate, the offer price will be revised accordingly. For your information, the government of Malaysia has announced that it is unlike for the currency to re-peg in the short- term period.
- vii) Applicant must understand the risk of investing and it is advise to consult the share expert before making any decision to apply for the share.

For any inquiry, please do not hesitate to contact the coordinator for further information.

Thank you

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On behalf of Dr Lim Siow Jin.

**The procedure for the opening of the CDS accounts are as follows :-**

Items needed to open an account for a foreigner:

1. Photocopy of the passport (the page that shows the identity of the person) 3 copies, verified and stamped by notary public.
2. Letter from the foreigner that shows the registered address. Verified and stamped by notary public. If the applicant holds a USA passport, the registered address must be in USA. We request it because most of the passports don't indicate address.

Sample of the letter:

"I, x x x, passport number xxx, hereby confirm that my register address is, XXX.

3. Fully completed OSK CDS and Trade App. Form. Notary Public must verified and stamped beside each of the applicant's signature.
4. RM10.00 for open of one CDS Account. This is just a one – off payment and there are no annual maintenance fee. In order to save the Bank Charges, the respective amount will pay to the DXN oversea subsidiaries and we only need to remit the lump sum to Malaysia when all the investors amount are collected.
5. All payments is in RM.  
For the share purchase, the applicant need to bank in into OSK local banks account before the purchase transaction is carried out.  
For the sale of share, the sales cheque will be issued in RM and bank in into the applicant's LOCAL banks account. LOCAL mean that the applicant need to maintain the bank accounts whereby it can be bank in Malaysia. Applicants are advised to open a bank accounts with the International Bank to facilitate the payment of the sale of shares to their bank accounts. The example of the international banks available in Penang , Malaysia which includes Citibank, HSBC, Maybank, OCBC, UOB, ABN Amro.

The Fee structure will be as follow :-

**1) Minimum brokerage**

the minimum brokerage rate is as follows –

| <b>Category of Trade</b>             | <b>Minimum Brokerage Rate#</b> |
|--------------------------------------|--------------------------------|
| Retail trades valued above RM100,000 | 0.3% of contract value         |
| Retail trades valued below RM100,000 | 0.6% of contract value         |
| Same day buy and sell trades         | 0.15% of contract value        |

**#Fixed Brokerage**

Subject Always to the fixed brokerage of RM12.00 on any other transactions.

**2) Clearing fee for**

**On-Market** 0.04% of transaction value (payable by both buyer and seller) with a maximum of RM200.00 per contract. No minimum.

**3) Stamp duty** The stamp duty chargeable on transactions on the stock market is: RM1.00 for RM1,000.00 or fractional part of value of securities (payable by both buyer and seller), and effective 17 March 2003, the stamp duty shall be remitted to the maximum of RM200.00.