

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in **Lebar Daun Berhad**, you should immediately hand this Circular together with the accompanying Form of Proxy, to the agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The approval of the Securities Commission ("SC") shall not be taken to indicate that the SC recommends the Proposed Placement. Shareholders of Lebar Daun Berhad should rely on their own evaluation to assess the merits and demerits of the Proposed Placement contained herein.

The Bursa Malaysia Securities Berhad (*formerly known as Malaysia Securities Exchange Berhad*) takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



LEBAR DAUN BERHAD

(Company No.: 590945-H)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE:

PROPOSED PRIVATE PLACEMENT OF UP TO 11,848,367 NEW ORDINARY SHARES OF RM0.50 EACH REPRESENTING UP TO EIGHT POINT SIX EIGHT PERCENT (8.68%) OF THE ISSUED AND PAID-UP SHARE CAPITAL OF LEBAR DAUN BERHAD AS AT 30 APRIL 2005

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Advised by

AmMerchant Bank Berhad

(Company No. 23742-V)

A member of



AmInvestment Group

The Notice of an Extraordinary General Meeting to be held at Bilik Langat, 1st Floor, Kelab Shah Alam Selangor, No. 1A, Jalan Aerobik 13/43, Persiaran Kayangan, 40704 Shah Alam, Selangor Darul Ehsan on Tuesday, 7 June 2005 at 11:30 a.m. or immediately after the conclusion or adjournment (as the case may be) of the 3rd Annual General Meeting of the Company which will be held at 11:00 a.m. at the same venue and on the same day, whichever is earlier, is set out in this Circular. Shareholders are advised to refer to the Notice of the Extraordinary General Meeting and the Form of Proxy, which are enclosed. The Form of Proxy must be completed and deposited at the Registered Office of the Company at Wisma Lebar Daun, No. 2, Jalan Tengku Ampuan Zabedah J9/J, Seksyen 9, 40000 Shah Alam, Selangor Darul Ehsan not less than forty-eight (48) hours before the time stipulated for holding the meeting. The last day and time for lodging the Form of Proxy is on 5 June 2005 at 11.30 a.m. The lodging of the Form of Proxy will not preclude you from attending and voting at the meeting if you subsequently wish to do so.

This Circular is dated 20 May 2005

DEFINITIONS

For the purpose of this Circular, except where the context otherwise requires, the following definitions shall apply: -

AmMerchant Bank	:	AmMerchant Bank Berhad (23742-V)
Board	:	The Board of Directors of LDAUN
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (formerly known as Malaysian Central Depository Sdn Bhd) (165570-W)
Bursa Securities	:	Bursa Malaysia Securities Berhad (formerly known as Malaysia Securities Exchange Berhad) (635998-W)
EGM	:	Extraordinary General Meeting
EPS	:	Earnings per Share
LDAUN or Company	:	Lebar Daun Berhad (590945-H)
LDAUN Group or Group	:	Collectively, LDAUN and its subsidiary, LDCSB
LDAUN ICULS	:	3-years 2% Irredeemable Convertible Unsecured Loan Stocks 2004/2007 at 100% of the nominal value of RM1.00 each
LDCSB	:	Lebar Daun Construction Sdn Bhd (175883-H), a wholly owned subsidiary of LDAUN
Listing Requirements	:	The Listing Requirements of Bursa Securities
NTA	:	Net tangible assets
PAT	:	Profit after taxation
PBT	:	Profit before taxation
Placement Arrangement	:	Proposed placement of up to 11,848,367 new ordinary shares of RM0.50 each in LDAUN to potential investors
Placement Shares	:	Up to 11,848,367 new Shares to be issued pursuant to the Proposed Placement
Proposed Placement	:	Proposed private placement of up to 11,848,367 new ordinary shares of RM0.50 each, representing up to 8.68% of the issued and paid-up share capital of the Company as at 30 April 2005
RM and sen	:	Ringgit Malaysia and sen respectively
SC	:	Securities Commission
SC Guidelines	:	The SC's Policies and Guidelines on Issue/Offer of Securities
Share(s)	:	Ordinary share(s) of RM0.50 each in LDAUN

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LEBAR DAUN BERHAD

(Company No: 590945-H)
(Incorporated in Malaysia)

Registered Office:

Wisma Lebar Daun
No. 2, Jalan Tengku
Ampuan Zabedah J9/J
Seksyen 9
40000 Shah Alam
Selangor Darul Ehsan

20 May 2005

Directors

Norazmi bin Mohamed Nurdin (*Chairman/Managing Director*)
Datuk Mohd Hashim bin Hassan (*Independent Non-Executive Director*)
Prof Dr. Hamzah Ismail (*Independent Non-Executive Director*)
Dato' Nik Ismail bin Dato' Nik Yusoff (*Independent Non-Executive Director*)
Dato' Noor Azman @ Noor Hizam bin Mohd Nurdin (*Non-Independent Non-Executive Director*)

To : The Shareholders of **Lebar Daun Berhad**

Dear Sir/Madam,

LEBAR DAUN BERHAD ("LDAUN" OR THE "COMPANY")

- **PROPOSED PRIVATE PLACEMENT OF UP TO 11,848,367 NEW ORDINARY SHARES OF RM0.50 EACH REPRESENTING UP TO EIGHT POINT SIX EIGHT PERCENT (8.68%) OF THE ISSUED AND PAID-UP SHARE CAPITAL OF LDAUN AS AT 30 APRIL 2005 ("PROPOSED PLACEMENT")**

1. INTRODUCTION

On behalf of the Board, AmMerchant Bank had on 15 March 2004 announced the following proposals to the Bursa Securities:

- (a) the proposed private placement of new ordinary shares of RM0.50 each, representing up to 10% of the then issued and paid-up share capital of the Company; and
- (b) the proposed transfer of the listing of and quotation for the entire issued and paid-up share capital of LDAUN and the outstanding RM18,000,000 nominal value of 3 years 2% ICULS from the Second Board to the Main Board of the Bursa Securities ("**Proposed Transfer**").

In the above announcement, the Proposed Transfer is conditional upon the Proposed Placement.

In view that the issued and paid-up share capital has exceeded RM60 million as a result of the conversion of LDAUN ICULS, the Proposed Transfer is no longer necessary to be conditional upon the Proposed Placement. As such, an application has been made to the SC on 20 April 2005 for the Proposed Transfer to be implemented independent of the Proposed Placement. LDAUN is still awaiting SC's decision.

Save for the Proposed Placement and Proposed Transfer, the Company has not announced any other intended corporate exercises or schemes prior to the printing of this Circular.

On 29 December 2004, AmMerchant Bank had, on behalf of the Board, announced that the SC had vide its letter dated 27 December 2004 approved the Proposed Placement subject to the following conditions: -

- (i) AmMerchant Bank/LDAUN to obtain the prior approval of the SC for the list of placees who intend to subscribe for the placement shares;
- (ii) The proposed placees should each submit a written declaration to the SC under Section 32 of the Securities Commission Act that:
 - (a) they are/will be the beneficial owners of the new ordinary LDAUN shares held by/to be allocated to them;
 - (b) they are/will not be acting as nominees for others; and
 - (c) they have the financial resources to hold/subscribe for the shares;
- (iii) AmMerchant Bank/LDAUN should submit a final list of the placees and inform the SC once the Proposed Placement is implemented, stating the final number of placement shares issued and the issue price; and
- (iv) LDAUN should fully comply with all the requirements pertaining to the implementation of the Proposed Placement as stipulated in the Policies and Guidelines on Issue/Offer of Securities.

The Proposed Transfer was not approved on the basis that LDAUN was not listed on the Second Board for at least one (1) year and it has not met its profit forecast as disclosed in its Prospectus dated 10 February 2004 (LDAUN's last financial year end was on 31 December 2004). Subsequently on 26 January 2005, AmMerchant Bank had, on behalf of the Board, announced that AmMerchant Bank had vide its letter dated 26 January 2005 appealed to the SC to allow the Proposed Transfer to take place upon LDAUN meeting its profit forecast and upon having been listed for one (1) year on the Second Board. LDAUN is currently awaiting SC's decision on the appeal.

LDAUN was listed on 1 March 2004. The PAT forecast for LDAUN as disclosed in its Prospectus for the financial year ended 31 December 2004 was RM20.33 million. Based on the audited consolidated accounts of LDAUN for the financial year ended 31 December 2004, the consolidated PAT of LDAUN was RM21.57 million. As such, LDAUN has met its PAT forecast.

The purpose of this Circular is to provide you with information on the Proposed Placement, to set out the views of your Board and to seek your approval for the resolution to be tabled at the forthcoming EGM of the Company. A Notice of EGM together with the Form of Proxy are enclosed in this Circular.

2. THE PROPOSED PLACEMENT

2.1 Placement Size

The size of the Proposed Placement will be up to 11,848,367 new ordinary shares of RM0.50 each in LDAUN.

As at 30 April 2005, the Company has RM46,800 LDAUN ICULS outstanding. These outstanding LDAUN ICULS are convertible at the conversion price of RM1.00 per new LDAUN Share until the day immediately prior to the third (3rd) anniversary of the date of issuance, i.e. 6 January 2007.

The issued and paid-up share capital of LDAUN as at 30 April 2005 amounts to RM68,218,438 comprising 136,436,875 Shares. The issued and paid-up share capital of LDAUN will be increased to RM68,241,838 comprising 136,483,675 Shares if all the outstanding LDAUN ICULS are converted into Shares.

2.2 Basis of Pricing

The pricing for the Placement Shares to potential investors will be determined at the discretion of the Board after taking into consideration prevailing market conditions and in the best interest of the Company and its shareholders.

The pricing for the Placement Shares will be determined in accordance with the SC Guidelines and in any event, shall not be lower than RM0.50, being the par value of the Shares.

The Board will determine the price fixing date after obtaining all relevant approvals for the Proposed Placement.

2.3 Placement Arrangement

The Company intends to place the Placement Shares to potential investors to be identified. LDAUN will appoint a placement agent to procure prospective placees for the Placement Shares. The prospective placees will be determined in compliance with the criteria prescribed in the SC Guidelines.

At the point of this application, no placees have been secured and as such the background information on the placees could not be made available.

The Placement Shares will not be placed to nominee companies (unless the names of the ultimate beneficiaries are disclosed) nor connected parties of the placement agent to be appointed.

2.4 Ranking of the Placement Shares

The Placement Shares shall, upon allotment and issue, rank pari passu in all respects with the existing Shares of the Company except that they will not be entitled to participate in any dividends, rights, allotments and/or any other distributions that may be declared, made or paid prior to the date of allotment of the Placement Shares.

2.5 Utilisation of Proceeds

For illustration purposes, assuming a placement price of RM6.00 per Placement Share as at 6 May 2005 (being the last practicable date immediately prior to the printing of this Circular) and a total of up to 11,848,367 new Shares in LDAUN are placed out, the Proposed Placement will generate gross proceeds of approximately RM71.09 million.

The gross proceeds are proposed to be utilised as follows: -

	Notes	Time Frame for Utilisation	RM'000
Working Capital	(a)	Within 12 months	70,790
Estimated Expenses of the Proposed Placement	(b)	Within 3 months	300
Total			71,090

Notes: -

- (a) *The Company intends to utilise the proceeds for its working capital purposes including the payment of creditors, salaries, purchase of raw materials/stock and operating expenses for its existing contracts in-hand.*
- (b) *The expenses of the Proposed Placement comprising professional fees, fees payable to relevant authorities and miscellaneous charges are estimated at RM300,000. In the event that there is a surplus after paying off the estimated expenses, the surplus will be utilised for working capital purposes.*

2.6 Underwriting of the Placement Shares

A placement agent will be appointed to place out the Placement Shares. As such, the Placement Shares will not be underwritten.

3. RATIONALE FOR THE PROPOSED PLACEMENT

The objective of the Proposed Placement is primarily to raise additional working capital for the Group. Following from this, the Proposed Placement will also assist the Group in meeting its public shareholding requirement.

4. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

4.1 Share Capital

The effects of the Proposed Placement on the issued and paid-up share capital of the Company are as follows:

	Assuming remaining LDAUN ICULS are converted after the Proposed Placement		Assuming remaining LDAUN ICULS are converted prior to the Proposed Placement	
	No. of Shares	% of Enlarged Share Capital	No. of Shares	% of Enlarged Share Capital
Issued and paid-up share capital as at 30 April 2005	136,436,875	91.98	136,436,875	91.98
Assuming full conversion of the remaining outstanding LDAUN ICULS ⁽¹⁾	-	-	46,800	0.03
	136,436,875	91.98	136,483,675	92.01
To be issued pursuant to the Proposed Placement (up to)	11,848,367	7.99	11,848,367	7.99
	148,285,242	99.97	148,332,042	100.00
Assuming full conversion of the remaining outstanding LDAUN ICULS ⁽¹⁾	46,800	0.03	-	-
Enlarged share capital	148,332,042	100.00	148,332,042	100.00

Notes: -

- (1) *The remaining LDAUN ICULS are convertible from now until 6 January 2007 on any day between Monday and Friday, which is not a public holiday.*

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4.2 NTA and Gearing

Based on the latest audited consolidated balance sheet of LDAUN Group as at 31 December 2004, the proforma effects of the Proposed Placement on the Group's NTA and gearing are as follows: -

Scenario I: Assuming remaining LDAUN ICULS are converted after the Proposed Placement

	LDAUN as at 31 December 2004 (RM'000)	(I)	(II)	(III)
		After Conversion of LDAUN ICULS up till 30 April 2005 (RM'000)	After (I) and Proposed Placement ⁽²⁾ (RM'000)	After (II) and Full Conversion of Remaining LDAUN ICULS ⁽³⁾ (RM'000)
Share capital	59,242	68,218 ⁽¹⁾	74,143	74,166
Share premium	1,478	10,455 ⁽¹⁾	75,321 ⁽⁴⁾	75,344
Reserves	21,485	21,485	21,485	21,485
ICULS - equity	600	2	2	2
Shareholders' funds	82,805	100,160	170,951	170,997
Less: -				
Goodwill on Consolidation	(12,938)	(12,938)	(12,938)	(12,938)
NTA	69,867	87,222	158,013	158,059
No. of shares in issue ('000)	118,484	136,437	148,285	148,332
NTA per Share (RM)	0.59	0.64	1.07	1.07
Total Borrowings ⁽⁵⁾	29,316	29,316	29,316	29,316
Gearing (times)	0.35	0.29	0.17	0.17

Notes: -

- (1) After taking into consideration the 17,953,200 LDAUN ICULS converted from 8 January 2005 to 30 April 2005 at the conversion price of RM1.00 per LDAUN Share.
- (2) Based on a proposed placement price of RM6.00, being the latest traded price as at 6 May 2005.
- (3) The remaining LDAUN ICULS are convertible from now until 6 January 2007 on any day between Monday and Friday, which is not a public holiday.
- (4) After deducting RM300,000 from the Company's Share Premium for estimated expenses for the Proposed Placement.
- (5) The total borrowings exclude the RM346,954 LDAUN ICULS outstanding as at 31 December 2004

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Scenario II: Assuming remaining LDAUN ICULS are converted prior to the Proposed Placement

		(I)	(II)	(III)
	LDAUN as at 31 December 2004	After Conversion of LDAUN ICULS up till 30 April 2005	After (I) and Full Conversion of Remaining LDAUN ICULS ⁽³⁾	After (II) and Proposed Placement ⁽²⁾
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Share capital	59,242	68,218 ⁽¹⁾	68,242	74,166
Share premium	1,478	10,455 ⁽¹⁾	10,478	75,344 ⁽⁴⁾
Reserves	21,485	21,485	21,485	21,485
ICULS - equity	600	2	2	2
Shareholders' funds	82,805	100,160	100,207	170,997
Less: -				
Goodwill on Consolidation	(12,938)	(12,938)	(12,938)	(12,938)
NTA	69,867	87,222	87,269	158,059
No. of shares in issue ('000)	118,484	136,437	136,484	148,332
NTA per Share (RM)	0.59	0.64	0.64	1.07
Total Borrowings ⁽⁵⁾	29,316	29,316	29,316	29,316
Gearing (times)	0.35	0.29	0.29	0.17

Notes: -

- (1) After taking into consideration the 17,953,200 LDAUN ICULS converted from 8 January 2005 to 30 April 2005 at the conversion price of RM1.00 per LDAUN Share.
- (2) Based on a proposed placement price of RM6.00, being the latest traded price as at 6 May 2005.
- (3) The remaining LDAUN ICULS are convertible from now until 6 January 2007 on any day between Monday and Friday, which is not a public holiday.
- (4) After deducting RM300,000 from the Company's Share Premium for estimated expenses for the Proposed Placement.
- (5) The total borrowings exclude the RM346,954 LDAUN ICULS outstanding as at 31 December 2004

4.3 Earnings

The Proposed Placement is not expected to have any material effect on the earnings of the Group for the financial year ending 31 December 2005, save for the immediate dilution in its EPS as a result of the enlarged share capital. However, the Proposed Placement is expected to contribute positively to the future earnings of the Group.

4.4 Dividends

The Company did not declare any dividend for the financial year ended 31 December 2004.

The level of dividends to be declared for future financial years would be determined by the Board after taking into consideration the performance of the Company and prevailing economic conditions.

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4.5 Major Shareholding Structure

Scenario I: Assuming remaining LDAUN ICULS are converted after the Proposed Placement

	As at 30 April 2005			After the Proposed Placement (I)			After (I) and the Full Conversion of Remaining LDAUN ICULS ⁽²⁾ (II)		
	Direct	%	Indirect	Direct	%	Indirect	Direct	%	Indirect
Dato' Noor Azman @ Noor Hizam bin Mohd Nurdin (NRIC No: 620804-10-5455)	86,250,000	63.22	1,911,800 ⁽¹⁾	86,250,000	58.16	1,911,800 ⁽¹⁾	86,251,000	58.15	1,911,800 ⁽¹⁾
			1.40			1.29			1.29

Notes:-

- (1) Deemed interest by virtue of his brothers, Norazmi bin Mohamed Nurdin's, Norazlan bin Mohamad Nordin's and Noorazhar bin Mohamed Nurdin's and his sister-in-law, Fatmawati bt Kasbin's direct shareholdings in LDAUN
- (2) The remaining LDAUN ICULS are convertible from now until 6 January 2007 on any day between Monday and Friday which is not a public holiday

Scenario II: Assuming remaining LDAUN ICULS are converted prior to the Proposed Placement

	As at 30 April 2005			After Full Conversion of Remaining ICULS ⁽²⁾ (I)			After (I) and the Proposed Placement (II)		
	Direct	%	Indirect	Direct	%	Indirect	Direct	%	Indirect
Dato' Noor Azman @ Noor Hizam bin Mohd Nurdin (NRIC No: 620804-10-5455)	86,250,000	63.22	1,911,800 ⁽¹⁾	86,251,000	63.20	1,911,800 ⁽¹⁾	86,251,000	58.15	1,911,800 ⁽¹⁾
			1.40			1.40			1.29

Notes:-

- (1) Deemed interest by virtue of his brothers, Norazmi bin Mohamed Nurdin's, Norazlan bin Mohamad Nordin's and Noorazhar bin Mohamed Nurdin's and his sister-in-law, Fatmawati bt Kasbin's direct shareholdings in LDAUN
- (2) The remaining LDAUN ICULS are convertible from now until 6 January 2007 on any day between Monday and Friday which is not a public holiday

5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

None of the directors and/or major shareholders of LDAUN and persons connected with the directors and/or major shareholders of LDAUN have any interest, either direct or indirect, in the Proposed Placement.

6. CONDITIONS TO THE PROPOSED PLACEMENT

The Proposed Placement is conditional upon the approvals of: -

- (i) the SC, which was obtained on 27 December 2004;
- (ii) the Equity Compliance Unit of the SC, which was obtained on 27 December 2004;
- (iii) the Bursa Securities for the listing of and quotation of the Placement Shares;
- (iv) the approval of the shareholders of the Company at the forthcoming EGM for the Proposed Placement; and
- (v) any other relevant authorities, if necessary.

7. DIRECTORS' RECOMMENDATION

The Board is of the opinion that the Proposed Placement are in the best interests of the Company, hence accordingly recommend that you vote in favour of the resolution for the Proposed Placement.

8. EXTRAORDINARY GENERAL MEETING

For the purposes of approving the Proposed Placement, an EGM, the notice of which is enclosed with this Circular, will be held at Bilik Langat, 1st Floor, Kelab Shah Alam Selangor, No. 1A, Jalan Aerobik 13/43, Persiaran Kayangan, 40704 Shah Alam, Selangor Darul Ehsan on Tuesday, 7 June 2005 at 11:30 a.m. or immediately after the conclusion or adjournment (as the case may be) of the 3rd Annual General Meeting of the Company which will be held at 11:00 a.m. at the same venue and on the same day, whichever is earlier.

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 therein as soon as possible and in any event so as to arrive at the Registered Office of the Company not less than forty-eight (48) hours before the time set for the EGM. The completion and return of the Form of Proxy does not preclude you from attending and voting in person should you subsequently wish to do so.

The Form of Proxy should be completed strictly in accordance with the instructions contained therein.

9. PROPOSALS ANNOUNCED BUT PENDING IMPLEMENTATION

Save for the Proposed Placement and Proposed Transfer, the Company does not have any other corporate proposals which have been announced and are pending implementation.

10. FURTHER INFORMATION

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

Yours faithfully
For and on behalf of
LEBAR DAUN BERHAD

Norazmi bin Mohamed Nurdin
Chairman/Managing Director

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board of Directors of LDAUN and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statements herein false or misleading.

2. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

Neither LDAUN and/or its subsidiary are engaged in any material litigation, claims or arbitration either as plaintiff or defendant and the Directors have no knowledge of any proceedings pending or threatened against LDAUN and/or its subsidiaries or of any fact likely to give rise to any proceedings which might materially affect the position or business of LDAUN and/or its subsidiary.

3. MATERIAL CONTRACTS

Save as disclosed below, there are no other material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the LDAUN Group within the past two (2) years preceding the date of this Circular.

- (i) By a Sale and Purchase Agreement dated 25 August 2003 entered into between LDCSB (“**Vendor**”) and Bina-Mas Construction & Landscape Sdn Bhd (“**Purchaser**”), the Vendor agreed to sell and the Purchaser agreed to purchase all that properties held under H.S.(M) 23146 P.T. No. 32404, Mukim Kapar, Tempat Batu 5, Jalan Sungai Binjai, Daerah Klang, Selangor and H.S.(M) 23075 P.T. No. 32460, Mukim Kapar, Tempat Batu 5, Jalan Sungai Binjai, Daerah Klang, Selangor, for the purchase consideration of RM2,550,000;
- (ii) Trust Deed for LDAUN ICULS dated 7 January 2004 entered into between LDAUN and AmTrustee Berhad pursuant to which, LDAUN has appointed AmTrustee Berhad as the trustee for the holders of LDAUN ICULS;
- (iii) By an Underwriting Agreement dated 9 January 2004 between LDAUN and AmMerchant Bank and AmSecurities Sdn Bhd for the underwriting of 5,000,000 Shares for an underwriting commission of 2% of the Public Offering price of RM1.20 per share; and
- (iv) By an Offer Letter dated 20 May 2004 LDCSB appointed Malaysian International Merchant Bankers Berhad as its lead arranger for the proposed issuance of commercial papers, being a revolving facility of up to RM70.0 million, for an arrangement fee of RM525,000 and an annual agency fee of RM50,000 subject to the term and conditions contained therein.

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APPENDIX I - FURTHER INFORMATION

4. SHARE PRICES

The monthly highest and lowest share prices of LDAUN for the past twelve (12) months to April 2005 are as follows: -

Year	High (RM)	Low (RM)
<u>2004</u>		
May	6.35	5.30
June	7.60	5.30
July	7.35	6.85
August	7.35	6.60
September	7.05	6.65
October	6.90	6.35
November	6.90	6.50
December	7.00	6.40
<u>2005</u>		
January	6.95	6.45
February	7.00	6.60
March	6.70	5.80
April	6.30	5.75

(Source: Bloomberg)

Last transacted market price on 12 March 2004 (being the date prior to the announcement of the Proposed Placement) was RM9.85.

Last transacted market price on 6 May 2005 (being the last practicable date immediately prior to the printing of this Circular) was RM6.00.

(Source: Bloomberg)

5. CONSENT

The written consent of AmMerchant Bank for the inclusion in this Circular of its name in the form and context in which it appears has been given before the issue of this Circular and has not subsequently been withdrawn.

6. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company during normal office hours from the date of this Circular up to and including the date of the EGM: -

- (i) the Memorandum and Articles of Association of LDAUN;
- (ii) the audited accounts of LDAUN for the financial year ended 31 December 2003 and the audited consolidated accounts of LDAUN for the financial year ended 31 December 2004;
- (iii) the material contracts referred to in Section 3 above; and
- (iv) letter of consent referred to in Section 5 above.

LEBAR DAUN BERHAD

(Company No.: 590945-H)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at Bilik Langat, 1st Floor, Kelab Shah Alam Selangor, No. 1A, Jalan Aerobik 13/43, Persiaran Kayangan, 40704 Shah Alam, Selangor Darul Ehsan on Tuesday, 7 June 2005 at 11:30 a.m. or immediately after the conclusion or adjournment (as the case may be) of the 3rd Annual General Meeting of the Company which will be held at 11:00 a.m. at the same venue and on the same day, whichever is earlier, for the purpose of considering and, if thought fit, passing the following resolution:-

ORDINARY RESOLUTION

PROPOSED PRIVATE PLACEMENT OF UP TO 11,848,367 NEW ORDINARY SHARES OF RM0.50 EACH REPRESENTING UP TO EIGHT POINT SIX EIGHT PERCENT (8.68%) OF THE ISSUED AND PAID-UP SHARE CAPITAL OF LEBAR DAUN BERHAD AS AT 30 APRIL 2005 ("PROPOSED PRIVATE PLACEMENT")

THAT, subject to the approval of the relevant authorities and the Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the listing of and quotation for the new ordinary shares of RM0.50 each of the Company ("**Placement Shares**") to be issued hereunder, approval be and is hereby given for the Directors to allot and issue, pursuant to the Proposed Private Placement, up to a maximum of 11,848,367 new ordinary shares of the Company. The pricing for the Placement Shares to third party investors will be at the discretion of the Directors of the Company based on market principles and in the best interest of the Company. In any event, the placement price shall not be lower than RM0.50, being the par value of the Company's Shares. The price fixing date will be determined after obtaining all relevant approvals for the Proposed Private Placement **AND THAT** the Placement Shares shall, upon allotment and issue, rank pari passu in all respects with the existing Shares of the Company except that they will not be entitled to participate in any dividends, rights, allotments and/or distributions that may be declared, made or paid prior to the date of allotment of the Placement Shares **AND FURTHER THAT** the Directors of the Company be and are hereby authorised to give effect to the aforesaid Proposed Private Placement with full power to assent to any conditions, modifications, variations and/or amendments as may be required/approved by the relevant authorities and to deal with all matters relating thereto, and to do all acts and things in any manner, and to execute, sign and deliver on behalf of the Company all deeds and documents, as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Private Placement.

BY ORDER OF THE BOARD

RAZALI BIN HASSAN (LS 05531)
Company Secretary

Shah Alam
Date: 20 May 2005

Notes: -

1. *A proxy may but need not be a member of the Company and the provisions of section 149(1)(b) of the Companies Act 1965 shall not apply to the Company.*
2. *To be valid this form duly completed must be deposited at the registered office of the Company at Wisma Lebar Daun, No 2, Jalan Tengku Ampuan Zabedah J 9/J, Seksyen 9, 40000 Shah Alam, Selangor Darul Ehsan not less than forty-eight (48) hours before the time for holding the Meeting or at any adjournment thereof.*
3. *A member shall be entitled to appoint a proxy/proxies (but not more than two (2)) to attend and vote at the same meeting.*
4. *Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.*
5. *Where a member is an authorized nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.*
6. *If the appointer is a corporation, this form must be executed under its Common Seal or under the hand of its attorney.*

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

LEBAR DAUN BERHAD

(Company No: 590945-H)
(Incorporated in Malaysia)

FORM OF PROXY

No. of Shares held

I/We.....
of.....
being a member/members of **Lebar Daun Berhad** ("Company"), hereby appoint
.....
of
or failing whom of
as my/our proxy to vote for me/us and on my/our behalf at the **Extraordinary General Meeting** of the Company to be held at Bilik Langat, 1st Floor, Kelab Shah Alam Selangor, No. 1A, Jalan Aerobik 13/43, Persiaran Kayangan, 40704 Shah Alam, Selangor Darul Ehsan on Tuesday, 7 June 2005 at 11:30 a.m. or immediately after the conclusion or adjournment (as the case may be) of the 3rd Annual General Meeting of the Company which will be held at 11:00 a.m. at the same venue and on the same day, whichever is earlier, and at any adjournment thereof for/against* the resolution(s) to be proposed thereat.

* - Please strike out whichever is not applicable

Please indicate with an "X" in the appropriate space how you wish your vote to be cast. Unless voting instructions are specified herein, the proxy will vote or abstain from voting as he/she thinks fit.

	FIRST PROXY		SECOND PROXY	
	FOR	AGAINST	FOR	AGAINST
ORDINARY RESOLUTION				
PROPOSED PRIVATE PLACEMENT				

Signature

(If shareholder is a Corporation, this part should be executed under seal)

Dated this day of 2005

Notes: -

1. A proxy may but need not be a member of the Company and the provisions of section 149(1)(b) of the Companies Act 1965 shall not apply to the Company.
2. To be valid this form duly completed must be deposited at the registered office of the Company at Wisma Lebar Daun, No 2, Jalan Tengku Ampuan Zabedah J 9/J, Seksyen 9, 40000 Shah Alam, Selangor Darul Ehsan not less than forty-eight (48) hours before the time for holding the Meeting or at any adjournment thereof.
3. A member shall be entitled to appoint a proxy/proxies (but not more than two (2)) to attend and vote at the same meeting.
4. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
5. Where a member is an authorized nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
6. If the appointer is a corporation, this form must be executed under its Common Seal or under the hand of its attorney.



Fold this flap for sealing

Then fold here

**AFFIX
STAMP**

The Company Secretary
LEBAR DAUN BERHAD (590945-H)
Wisma Lebar Daun
No. 2, Jalan Tengku Ampuan Zabedah J9/J
Seksyen 9
40000 Shah Alam
Selangor Darul Ehsan

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