

VALUATION CERTIFICATE IN RESPECT OF THE SERI KEMBANGAN PROPERTIES*(Prepared for inclusion in this Circular)*

1 November 2000

The Board of Directors
Systematic Education Group Berhad
 11th Floor, Wisma Damansara
 Jalan Semantan
 Damansara Heights
 50490 Kuala Lumpur

Dear Sirs,

VALUATION OF PROPERTIES

This valuation certificate is prepared for inclusion in the Circular to shareholders of Systematic Education Group Berhad be dated 10 November 2000 in connection with the Proposals.

In accordance with instructions received from the Board of Directors of Binary Mark Sdn Bhd and Prestige Front Sdn Bhd respectively, we, as independent valuers, have valued the properties listed below based on the Valuation Reports with reference nos. as stated below. The purpose of the valuation is for submission to the Securities Commission ("SC") in relation to the acquisition proposals. The valuations were undertaken in accordance with the Guidelines on Asset Valuations for submission to the SC (1995) issued by the SC, in compliance with the Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents Malaysia and with the necessary professional responsibility and due diligence. The basis of valuation is the market value of the respective properties. The methods of valuation used are the Comparison and Investment Methods.

In our opinion, the Market Values of the properties identified below, with titles free from all encumbrances are as follows:-

REFERENCE NO./ DATE OF VALUATION	PROPERTY	DESCRIPTION/ TENURE	MARKET VALUE
V/B12-99/1479 Jan. 20, 2000	Block A	5½ storey office block 99 years leasehold (expiring on Nov. 9, 2093)	RM7,595,000
V/B12-99/1480 Jan. 20, 2000	Block B Unit No. 3.09A Unit No. 3.09B	5½ storey office block Shop unit Shop unit 99 years leasehold (expiring on Nov. 9, 2093)	RM7,725,000 RM5,276,000 RM3,715,000

Yours faithfully,
HENRY BUTCHER, Lim & Long Sdn. Bhd.

LIEW CHEE KONG
 B.Sc., ARICS
 Registered Valuer (V-242)

VALUATION CERTIFICATE IN RESPECT OF THE ULU KLANG PROPERTY
(Prepared for inclusion in this Circular)

8 November 2000

The Board of Directors
Systematic Education Group Berhad
11th Floor Wisma Damansara Jalan Semantan
Damansara Heights
50490 Kuala Lumpur

Dear Sirs

RE: VALUATION OF LOT 501, 502 & 503 MUKIM OF ULU KLANG DISTRICT OF GOMBAK

This valuation certificate is prepared for inclusion in the Circular to shareholders of Systematic Education Group Berhad to be dated 10 November 2000 in connection with the Proposals.

In accordance with instructions received from Berrington Bay Corporation Sdn Bhd, we have valued the properties listed below in our Valuation Reports with reference nos. VPJ 99.035.SC dated 6th January 2000. The purpose of the valuation is for submission to the Securities Commission ("SC") in relation to the acquisition proposals. The valuations were undertaken in accordance with the Guidelines on Asset Valuations for submission to the SC (1995) issued by the SC, in compliance with Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia and with the necessary professional responsibility and due diligence. **The undersigned and the firm, Raine & Horne International Zaki + Partners Sdn Bhd has acted independently and do not have any pecuniary interest in Berrington Corporation Sdn Bhd.**

The basis of valuation is in accordance with the Malaysian Valuation Standards contained in the manual of the Board of Valuers, Appraisers and Estate Agents (Malaysia). The methods of valuation used are the Comparison and Residual Methods.

In our opinion, the market value of Lot 501, 502 and 503 Mukim Of Ulu Kelang District of Gombak, State Of Selangor, a parcel of converted development land in their existing condition, with the benefit of planning and conversion approval conveying a freehold interest with vacant possession, free from all encumbrances is RM20,000,000.00 (Ringgit Malaysia: Twenty million only.)

For and on behalf of
Raine & Horne International
Zaki + Partners Sdn Bhd

Lim Lian Hong BLE FISM
Registered Valuer (Reg No V381)

VALUATION CERTIFICATE IN RESPECT OF THE OFFICE BUILDINGS*(Prepared for inclusion in this Circular)*

V. 278/00(SC)/MAA

8 November 2000

The Board of Directors
Systematic Education Group Berhad
 11th Floor Wisma Damansara
 Jalan Semantan
 Damansara Heights
 50490 Kuala Lumpur

Dear Sirs,

VALUATION OF PROPERTIES

This valuation certificate is prepared for inclusion in the Circular to shareholders of Systematic Education Group Berhad ("SEGB") to be dated 10 November 2000 in connection with the Proposals.

We, Azmi & Co Sdn. Bhd., being named as the independent and professional valuers in the abovementioned Circular to shareholders of SEGB and in accordance with instructions received from SEGB, we have valued the properties listed below based on the Valuation Report with reference no. as stated below. The purpose of the valuation is for submission to the Securities Commission ("SC") in relation to the acquisition proposals. The valuation was undertaken in accordance with the Guidelines on Asset Valuations for submission to the SC (1995) issued by the SC, in compliance with the Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia and with the necessary professional responsibility and due diligence. The basis of valuation is the market value of the respective properties. The methods of valuation used are the Comparison and Investment Methods.

In our opinion, the market value of the properties identified below, with titles free from all encumbrances are as follows:-

NO	PROPERTY	DESCRIPTION AND TENURE	REFERENCE NO. (DATE OF VALUATION)	MARKET VALUE (RM)
1.	Block Nos. B01 & B02, Phileo Damansara I erected on Part of Lot Nos. 907 and 1603, Mukim of Sungai Buluh, District of Petaling, State of Selangor Darul Ehsan.	Two (2) units of shoplots (Ground Floor only) and twenty-two (22) units of office premises (1st – 11th Floors) located in two 12-storey blocks identified as Block Nos. B01 and B02 within the Shopoffice Project known as PHILEO DAMANSARA I. Freehold	V. 278/00(SC)/MAA 11 February 2000	14.6 million

Yours faithfully
 AZMI & CO SDN. BHD. (77155-D)
 (No. Pendaftaran Bersiri: V(1)0011)

MOHD. AZMI ARIFFIN, FRICS, FIS(M)
 Registered Valuer (V-011)

FURTHER INFORMATION**1. RESPONSIBILITY**

The Board has seen and approved the contents of this Circular and its members collectively and individually accept full responsibility for the accuracy of the information given in respect of SEG and confirm, having made all reasonable enquiries, that, 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 or incorrect.

In respect of information pertaining to the Acquiree Companies and Office Buildings, the principal vendor of the Acquiree Companies, KEB and the principal vendor of the Office Buildings, namely MOCCIS accept full responsibility for the accuracy and the correctness of the information given in respect of the Acquiree Companies and Office Buildings respectively and 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.

As such, the Board's responsibility is limited to ensuring that such information has been correctly reproduced in this Circular.

2. CONSENTS

Amanah, MIMB, KPMG, Henry Butcher, Lim & Long Sdn Bhd, Azmi & Co. Sdn Bhd and Raine & Horne International Zaki + Partners Sdn Bhd have given and have not subsequently withdrawn their written consent to the inclusion of their names, letters and reports and all references thereto in the form and context in which they appear in this Circular.

3. MATERIAL LITIGATION

Neither SEG nor its subsidiary companies are engaged in any litigation either as plaintiff or defendant, which will have a material effect on the financial position of the Group and the Directors of SEG are not aware of any proceedings which might materially and adversely affect the position or business of the Group.

BBC

Neither BBC nor its subsidiary companies are involved in any material litigation either as plaintiff or defendant, and the Directors of BBC are not aware of any proceedings, pending or threatened, against BBC or its subsidiary companies or of any facts likely to give rise to any proceedings which might materially affect the position or business of BBC or its subsidiary companies.

SES

Neither SES nor its subsidiary companies are involved in any material litigation either as plaintiff or defendant, and the Directors of SES are not aware of any proceedings, pending or threatened, against SES or its subsidiary companies or of any facts likely to give rise to any proceedings which might materially affect the position or business of SES or its subsidiary companies.

SME

Neither SME nor its subsidiary company are involved in any material litigation either as plaintiff or defendant, and the Directors of SME are not aware of any proceedings, pending or threatened, against SME or its subsidiary company or of any facts likely to give rise to any proceedings which might materially affect the position or business of SME or its subsidiary company.

RMSB

Neither RMSB nor its subsidiary company are involved in any material litigation either as plaintiff or defendant, and the Directors of RMSB are not aware of any proceedings, pending or threatened, against RMSB or its subsidiary company or of any facts likely to give rise to any proceedings which might materially affect the position or business of RMSB or its subsidiary company.

4. MATERIAL CONTRACTS

SEG

Save as disclosed below, SEG and its subsidiary companies have not entered into any other contract which are or may be material outside the ordinary course of business, during the two years preceding the date of this Circular:

- (i) Conditional sale and purchase of shares agreement dated 22 October 1999 between KEB, Datin Mah, Kee Shih-Lene and SEG for the disposal of 11,773,002 ordinary shares of RM1.00 each representing the entire issued and paid-up capital of BBC for a consideration of RM37,993,319 to be satisfied by the issuance of approximately 29,225,630 SEG New Shares at the issue price of RM1.30 per SEG New Share subject to the adjustments as stipulated in the said agreement;
- (ii) Conditional sale and purchase of shares agreement dated 22 October 1999 between Dato' Megat, BBC and SEG for BBC's purchase from Dato' Megat of 454,500 shares representing 30% of the issued and paid-up share capital in ORSB for a consideration of RM7,006,681 to be satisfied by BBC's issuance of 2,189,588 new BBC shares to be allotted to SEG in consideration of the issuance of 5,389,755 SEG New Shares at the issue price of RM1.30 per SEG New Share subject to the adjustments as stipulated in the said agreement;
- (iii) Conditional sale and purchase of shares agreement dated 22 October 1999 between KEB, Noah Foundation, Tan Sri Dato' Amin Osman, Dato' Dr. Mokhzani Abdul Rahim and SEG for the disposal of up to 14,000,000 shares representing the total enlarged share capital in SES for a consideration of up to RM14,000,000 to be satisfied by the issuance of such number of SEG New Shares at the issue price of RM1.30 per SEG New Share subject to the adjustments as stipulated in the said agreement;
- (iv) Conditional sale and purchase of shares agreement dated 22 October 1999 between KEB, Mohd Nor Ibrahim @ Ibrahim Fikri, Loh Poh Choo @ Low Poh Choo, Cheam Tow Yong and SEG for the disposal of 1,350,002 ordinary shares of RM1.00 each representing the entire issued and paid-up capital of SME for a consideration of RM6,500,000 to be satisfied by the issuance of approximately 5,000,000 SEG New Shares at the issue price of RM1.30 per SEG New Share subject to the adjustments as stipulated in the said agreement;
- (v) Conditional sale and purchase of shares agreement dated 22 October 1999 between KEB and SEG for the disposal of 500,000 ordinary shares of RM1.00 each representing the entire issued and paid-up capital in RMSB for the consideration of RM500,000 to be satisfied by the issuance of approximately 384,615 SEG New Shares at the issue price of RM1.30 per SEG New Share subject to the adjustments as stipulated in the said agreement;

- (vi) Conditional sale and purchase of agreement dated 22 October 1999 between SEG and MOCCIS for the disposal of twelve (12) units of shoplot/office identified as Units B01/G to B01/11, within Block B (collectively referred to as "MOCCIS' Property") erected on the part of land held under master titles GM 34 for Lot 1603, Mukim of Sungai Buloh, District of Petaling, State of Selangor and EMR 4970 for Lot 907 Mukim of Kuala Lumpur, Wilayah Persekutuan, now held under title nos. GM161 for Lot No. 907 and GM162 for Lot No. 1603 both Mukim Sungai Buloh, Daerah Petaling, Negeri Selangor (collectively "the said Land"), for a consideration of RM8,800,000 to be satisfied by issuance of approximately 6,769,231 SEG New Shares at the issue price of RM1.30 per SEG New Share subject to the adjustments as stipulated in the said agreement;
- (vii) Conditional sale and purchase of agreement dated 22 October 1999 between SEG and Ladang MOCCIS for the disposal of twelve (12) units of shop lot/office identified as Units B-2/G to B-2/11, within Block B (collectively "Ladang MOCCIS' Property") erected on the part of the said Land for a consideration of RM9,100,000 to be satisfied by issuance of approximately 7,000,000 SEG New Shares at the issue price of RM1.30 per SEG New Share subject to the adjustments as stipulated in the said agreement;
- (viii) Profit guarantee agreement dated 22 October 1999 entered between SEG, KEB as the guarantor, Datin Mah and Kee Shih-Lene as the indemnifying parties whereby KEB guaranteed SEG the level of the aggregate pre-tax profits of BBC, SES, SME and their subsidiaries for three (3) years commencing from 1 January 2000 to 31 December 2002;
- (ix) Supplemental agreement dated 16 February 2000 between KEB, Datin Mah, Kee Shih-Lene and SEG varying, inter alia, the terms and conditions of the conditional sale and purchase of shares agreement dated 22 October 1999 entered between the said parties such as the consideration for the shares in BBC to RM36,814,800 to be satisfied by issuance of approximately 24,543,200 SEG New Shares at the issue price of RM1.50 per SEG New Share;
- (x) Supplemental agreement dated 16 February 2000 between Dato' Megat, BBC and SEG varying, inter alia, the terms and conditions of the conditional sale and purchase of shares agreement dated 22 October 1999 entered between the said parties such as the consideration for the shares in ORSB to RM8,185,200 to be satisfied by BBC's issuance of approximately 2,617,544 new BBC shares to be allotted to SEG in consideration of the issuance of 5,456,800 SEG New Shares at the issue price of RM1.50 per SEG New Share;
- (xi) Supplemental agreement dated 16 February 2000 between KEB, Noah Foundation, Tan Sri Dato' Amin Osman, Dato' Dr. Mokhzani Abdul Rahim and SEG varying, inter alia, the terms and conditions of the conditional sale and purchase of shares agreement dated 22 October 1999 entered between the said parties such as the number of SEG New Shares to be issued in satisfaction of the purchase price for 98.51% equity interest in SES to 9,194,422 SEG New Shares at an issue price of RM1.50 per SEG New Share;
- (xii) Supplemental agreement dated 16 February 2000 between KEB, Mohd Nor Ibrahim @ Ibrahim Fikri, Loh Poh Choo @ Low Poh Choo, Cheam Tow Yong and SEG varying, inter alia, the terms and conditions of the conditional sale and purchase of shares agreement dated 22 October 1999 entered between the said parties such as the number of SEG New Shares to be issued in satisfaction of the purchase price for shares in SME to 4,333,333 SEG New Shares at the issue price of RM1.50 per SEG New Share;
- (xiii) Supplemental agreement dated 16 February 2000 between KEB and SEG varying, inter alia, the terms and conditions of the conditional sale and purchase of shares agreement dated 22 October 1999 entered between the said parties such as the number of SEG New Shares to be issued in satisfaction of the purchase price for shares in RMSB to 333,333 SEG New Shares at the issue price of RM1.50 per SEG New Share;

- (xiv) Supplemental agreement dated 16 February 2000 between MOCCIS and SEG varying, inter alia, the terms and conditions of the conditional sale and purchase agreement dated 22 October 1999 entered between the said parties such as the consideration for the MOCCIS' Property to RM7,759,427 to be satisfied by issuance of approximately 5,172,951 SEG New Shares at the issue price of RM1.50 per SEG New Share;
- (xv) Supplemental agreement dated 16 February 2000 between Ladang MOCCIS and SEG varying, inter alia, the terms and conditions of the conditional sale and purchase agreement dated 22 October 1999 entered between the said parties such as the consideration for the Ladang MOCCIS' Property to RM6,840,573 to be satisfied by issuance of approximately 4,560,382 SEG New Shares at the issue price of RM1.50 per SEG New Share;
- (xvi) Supplemental profit guarantee agreement dated 17 October 2000 entered between SEG, KEB as the guarantor, Datin Mah and Kee Shih-Lene as the indemnifying parties varying the guaranteed period from the three years commencing from 1 Jan 2000 to 31 December 2002 to the three (3) years commencing from the completion date of the Proposed Acquisition of BBC, Proposed Acquisition of SES and Proposed Acquisition of SME which is within four (4) months from the date the last of the conditions precedent (as defined in the relevant Sale and Purchase Agreement dated 22 October 1999 in respect of the said companies) has been fulfilled;
- (xvii) Supplemental agreement dated 17 October 2000 between MOCCIS and SEG varying, inter alia, the purchase consideration of MOCCIS's Property from RM7,759,427 to RM6,909,080 to be satisfied by the issuance of approximately 4,606,054 SEG New Shares at an issue price of RM1.50 per SEG New Shares; and
- (xviii) Supplemental agreement dated 17 October 2000 between Ladang MOCCIS and SEG varying, inter alia, the purchase consideration of Ladang MOCCIS Property from RM6,840,573 to RM6,090,920 to be satisfied by satisfied by the issuance of approximately 4,060,613 SEG New Shares of an issue price of RM1.50 per SEG New Shares.

BBC

Save as disclosed below, BBC and its subsidiary companies have not entered into any other contract which are or may be material outside the ordinary course of business, during the two years preceding the date of this Circular:

- (i) Termination Agreement dated 10 June 1999 between KE Education Sdn Bhd ("KESB"), BBC, Datin Mah and Kee Shih-Lene in respect of the subscription agreement between the parties dated 21 July 1998;
- (ii) Agreement dated 6 July 1999 between BBC, Datin Mah, Kee Shih-Lene and KESB for the issuance of 6,773,000 new ordinary shares of RM1.00 each representing 57.5% of the enlarged issued and paid-up share capital in BBC to KESB in return of the settlement of the purchase price for the properties purchased by BBC measuring in area approximately 71,054 square feet in a commercial complex provisionally known as "Summit Centre" on land held under HS(D) 91640 PT 32218 Daerah Petaling Negeri Selangor (now held under P.N. 7393 for Lot No. 1, Pekan Serdang, Daerah Petaling, Negeri Selangor) for the total sum of RM25,735,424 pursuant to two (2) separate sale and purchase agreements both dated 3 July 1998 (as varied by Supplemental Agreements dated 8 January 1998) and sale and purchase agreement dated 8 January 1999, all of which are entered into with Pujian Development Sdn Bhd;
- (iii) Conditional sale and purchase of shares agreement dated 22 October 1999 between KEB, Datin Mah, Kee Shih-Lene and SEG for the disposal of 11,773,002 ordinary shares of RM1.00 each representing the entire issued and paid-up capital of BBC for a consideration of RM37,993,319 to be satisfied by the issuance of approximately 29,225,630 SEG New Shares at the issue price of RM1.30 per SEG New Share subject to the adjustments as stipulated in the said agreement;

- (iv) Conditional sale and purchase of shares agreement dated 22 October 1999 between Dato' Megat, BBC and SEG for BBC's purchase from Dato' Megat of 454,500 shares representing 30% of the issued and paid-up share capital in ORSB for a consideration of RM7,006,681 to be satisfied by BBC's issuance of 2,189,588 new BBC shares to be allotted to SEG in consideration of the issuance of 5,389,755 SEG New Shares at the issue price of RM1.30 per SEG New Share subject to the adjustments as stipulated in the said agreement;
- (v) Sale and Purchase Agreement and Deed of Assignment both dated 18 January 2000 between BBC and PFSB for the sale and purchase of the property known as Block B measuring in area approximately 33,585.7 square feet in a commercial complex provisionally known as "Summit Centre" on land held under HS(D) 91640 PT 32218 Mukim Petaling, Negeri Selangor (now held under P.N. 7393 for Lot No. 1, Pekan Serdang, Daerah Petaling, Negeri Selangor) for the total sum of RM10,747,424 to be paid by the issuance of 10,747,424 shares in PFSB to BBC at par value;
- (vi) Sale and Purchase Agreement and Deed of Assignment both dated 18 January 2000 between BBC and PFSB for the sale and purchase of the property known as Lot 3.09a measuring in area approximately 21,986 square feet in a commercial complex provisionally known as "Summit Centre" on land held under HS(D) 91640 PT 32218 Mukim Petaling, Negeri Selangor (now held under P.N. 7393 for Lot No. 1, Pekan Serdang, Daerah Petaling, Negeri Selangor) for the total sum of RM8,794,000 to be paid by the issuance of 8,794,400 shares in PFSB to BBC at par value;
- (vii) Sale and Purchase Agreement and Deed of Assignment both dated 18 January 2000 between BBC and PFSB for the sale and purchase of the property known as Lot 3.09b measuring in area approximately 15,482 square feet in a commercial complex provisionally known as "Summit Centre" on land held under HS(D) 91640 PT 32218 Mukim Petaling, Negeri Selangor (now held under P.N. 7393 for Lot No. 1, Pekan Serdang, Daerah Petaling, Negeri Selangor) for the total sum of RM6,193,600 to be paid by the issuance of 6,193,600 shares in PFSB to BBC at par value;
- (viii) Supplemental agreement dated 16 February 2000 between KEB, Datin Mah, Kee Shih-Lene and SEG varying, inter alia, the terms and conditions of the conditional sale and purchase of shares agreement dated 22 October 1999 entered between the said parties such as the consideration for the shares in BBC to RM36,814,800 to be satisfied by issuance of approximately 24,543,200 SEG New Shares at the issue price of RM1.50 per SEG New Share; and
- (ix) Supplemental agreement dated 16 February 2000 between Dato' Megat, BBC and SEG varying, inter alia, the terms and conditions of the conditional sale and purchase of shares agreement dated 22 October 1999 entered between the said parties such as the consideration for the shares in ORSB to RM8,185,200 to be satisfied by BBC's issuance of approximately 2,617,544 BBC New shares to be allotted to SEG in consideration of the issuance of 5,456,800 SEG New Shares at the issue price of RM1.50 per SEG New Share.

SES

Save as disclosed below, SES and its subsidiary companies have not entered into any other contract which are or may be material outside the ordinary course of business, during the two years preceding the date of this Circular:

- (i) Sale and Purchase Agreement and Deed Of Mutual Covenants both dated 21 October 1999 between BMSB and Pujian Development Sdn Bhd for the purchase by BMSB of a property measuring in area 33,020.30 square feet provisionally known as Block B, Summit Centre on land held under HS(D) 91640 PT 32218 Mukim Petaling Negeri Selangor for the total sum of RM9,400,000;

- (ii) Conditional sale and purchase of shares agreement dated 22 October 1999 between KEB, Noah Foundation, Tan Sri Dato' Amin Osman, Dato' Dr. Mokhzani Abdul Rahim and SEG for the disposal of up to 14,000,000 shares representing the total average share capital in SES for a consideration of up to RM14,000,000 to be satisfied by the issuance of such number of SEG New Shares at the issue price of RM1.30 per SEG New Share subject to the adjustments as stipulated in the said agreement;
- (iii) Conditional sale of shares Agreement dated 31 December 1999 between SES and Chung Chen Sun Art & Design Group Sdn Bhd ("CCS") for the purchase by CCS of 750,000 shares in Summit Multimedia Education Sdn Bhd ("SMESB") a subsidiary of SES representing 25% of the total enlarged share capital in SMESB for the consideration sum of RM250,000 subject to the approval of SEG and SMESB's restructuring exercise as described in the said Agreement; and
- (iv) Supplemental agreement dated 16 February 2000 between KEB, Noah Foundation, Tan Sri Dato' Amin Osman, Dato' Dr. Mokhzani Abdul Rahim and SEG varying, inter alia, the terms and conditions of the conditional sale and purchase of shares agreement dated 22 October 1999 entered between the said parties such as the number of SEG New Shares to be issued in satisfaction of the purchase price for 98.51% equity interest in SES to 9,194,422 SEG New Shares at an issue price of RM1.50 per SEG New Share.

SME

Save as disclosed below, SME and its subsidiary company have not entered into any other contract which are or may be material outside the ordinary course of business, during the two years preceding the date of this Circular:

- (i) Conditional sale and purchase of shares agreement dated 22 October 1999 between KEB, Mohd Nor Ibrahim @ Ibrahim Fikri, Loh Poh Choo @ Low Poh Choo, Cheam Tow Yong and SEG for the disposal of 1,350,002 ordinary shares of RM1.00 each representing the entire issued and paid-up capital of SME for a consideration of RM6,500,000 to be satisfied by the issuance of approximately 5,000,000 SEG New Shares at the issue price of RM1.30 per SEG New Share subject to the adjustment as stipulated in the said agreement; and
- (ii) Supplemental agreement dated 16 February 2000 between KEB, Mohd Nor Ibrahim @ Ibrahim Fikri, Loh Poh Choo @ Low Poh Choo, Cheam Tow Yong and SEG varying, inter alia, the terms and conditions of the conditional sale and purchase of shares agreement dated 22 October 1999 entered between the said parties such as the number of SEG New Shares to be issued in satisfaction of the purchase price for shares in SME to 4,333,333 SEG New Shares at the issue price of RM1.50 per SEG New Share.

RMSB

Save as disclosed below, RMSB and its subsidiary company have not entered into any other contract which are or may be material outside the ordinary course of business, during the two years preceding the date of this Circular:

- (i) Conditional sale and purchase of shares agreement dated 22 October 1999 between KEB and SEG for the disposal of 500,000 ordinary shares of RM1.00 each representing the entire issued and paid-up capital in RMSB for the consideration of RM500,000 to be satisfied by the issuance of approximately 384,615 SEG New Shares at the issue price of RM1.30 per SEG New Share subject to the adjustments as stipulated in the said agreement; and
- (ii) Supplemental agreement dated 16 February 2000 between KEB and SEG varying, inter alia, the terms and conditions of the conditional sale and purchase of shares agreement dated 22 October 1999 entered between the said parties such as the number of SEG New Shares to be issued in satisfaction of the purchase price for shares in RMSB to 333,333 SEG New Shares at the issue price of RM1.50 per SEG New Share.

5. SERVICE CONTRACTS AND MANAGEMENT AGREEMENTS

Save and except for Tuan Haji Taib bin Rasak, none of the Directors of SEG has any existing or proposed service contracts with the Company and/or its subsidiaries.

No management agreements other than those in the ordinary course of business have been entered into or are proposed to be entered into by SEG and/or any of its subsidiaries.

6. DOCUMENTS FOR INSPECTION

Copies of the following documents will be made available for inspection during normal office hours (except public holidays) at the Registered Office of SEG at 11th Floor, Wisma Damansara, Jalan Semantan, Damansara Heights, 50490 Kuala Lumpur from the date of this Circular up to and including the date of the EGM:

- (a) Memorandum and Articles of Association of SEG, BBC, SES, SME and RMSB;
- (b) Audited accounts of SEG for the past three (3) financial years ended 31 December 1999 and unaudited six (6) month financial period ended 30 June 2000;
- (c) Audited accounts of BBC for the past one (1) financial period from the date of incorporation and two (2) financial years ended 31 December 1999 and unaudited seven (7) month financial period ended 31 July 2000;
- (d) Audited accounts of SES for the past four (4) financial years ended 31 December 1997, seven (7) month financial period ended 31 July 1998, financial year ended 31 July 1999 and unaudited six (6) month financial period ended 31 January 2000;
- (e) Audited accounts of SME for the past one (1) financial period from the date of incorporation to one (1) financial year ended 30 June 1998, thirteen (13) month financial period ended 31 July 1999 and the unaudited six (6) month financial period ended 31 January 2000;
- (f) Profit estimate of SEG for the financial year ending 31 December 2000 together with the underlying assumptions and the Auditors' letter thereon referred to in Appendix XII of this Circular;
- (g) Proforma consolidated balance sheet of SEG as at 31 December 1999 together with the Auditors' letter thereon referred to in Appendix XIII of this Circular;
- (h) Valuers' Certificates referred to in Appendices XIV, XV and XVI of this Circular;
- (i) Accountants' Report referred to in Appendix VII in this Circular;
- (j) Directors' Reports referred to in Appendices VIII, IX, X and XI respectively in this Circular;
- (k) Material contracts referred to in paragraph 4 above; and
- (l) Letters of consent referred to in paragraph 2 above.



SYSTEMATIC EDUCATION GROUP BERHAD

(Company No. 145998-U)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Systematic Education Group Berhad (“SEG” or the “Company”) will be held at the Dynasty Hotel Ballroom, Level 5, No. 218, Jalan Ipoh, 51200 Kuala Lumpur, on Saturday, 25 November 2000 at 10.00 a.m. for the purpose of considering, and if thought fit, to pass the following resolutions:

ORDINARY RESOLUTION 1 PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

“THAT, subject to Ordinary Resolutions 2, 3, 4, 5, 6 and 7 below being passed, the authorised share capital of SEG be increased from RM20,000,000 comprising 20,000,000 ordinary shares of RM1.00 each to RM100,000,000 comprising 100,000,000 ordinary shares of RM1.00 each by the creation of an additional 80,000,000 new ordinary shares of RM1.00 each.”

ORDINARY RESOLUTION 2 PROPOSED BONUS ISSUE OF 7,600,000 NEW ORDINARY SHARES OF RM1.00 EACH TO BE CREDITED AS FULLY PAID-UP ON THE BASIS OF TWO (2) NEW ORDINARY SHARES FOR EVERY FIVE (5) EXISTING SHARES OF RM1.00 EACH HELD

“THAT, subject to Ordinary Resolution 1 above and Ordinary Resolutions 3, 4, 5, 6 and 7 below being passed and subject to the approval of the Kuala Lumpur Stock Exchange for the listing of and quotation for all the new ordinary shares of RM1.00 each to be issued hereunder and the approval (if any) from the relevant authorities, approval be and is hereby given for the Company to capitalise a sum of RM7,600,000 from the Company’s reserves that is RM543,000 from the share premium account and RM7,057,000 from the unappropriated profit account and that the Directors of the Company be and is hereby authorised to apply the said sum to issue at par 7,600,000 new ordinary shares of RM1.00 each (“Bonus Shares”) credited as fully paid-up and such Bonus Shares to be distributed to registered shareholders of the Company whose names appear on the Record of Depositors at the date and time of entitlement to be determined by the Directors of the Company on the basis of two (2) Bonus Shares for every five (5) existing ordinary shares of RM1.00 each held on the entitlement date (“Proposed Bonus Issue”), and that such new fully paid-up Bonus Shares shall be treated for all purposes as an increase in the paid-up capital of the Company and not as income, and such Bonus Shares shall, upon issue and allotment, rank *pari passu* in all respects with the existing ordinary shares of RM1.00 each in the Company except that they shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared by the Company, the entitlement date of which is prior to the date of allotment of the said Bonus Shares AND THAT the Directors of the Company be and is hereby authorised to give effect to and complete the Proposed Bonus Issue with full powers to assent to any modifications and/or amendments as may be required by any relevant authorities and to take all steps as it may consider necessary in order to implement, finalise and give full effect to the Proposed Bonus Issue.”

ORDINARY RESOLUTION 3 PROPOSED ACQUISITION OF 100% EQUITY INTEREST IN THE SHARE CAPITAL OF BERRINGTON BAY CORPORATION SDN BHD

“THAT, subject to Ordinary Resolutions 1 and 2 above and Ordinary Resolutions 4, 5, 6 and 7 below being passed and subject to the approval of the relevant authorities and the conditions contained in the:

- (a) Conditional Sale and Purchase Agreement dated 22 October 1999, as amended pursuant to the Supplemental Agreement dated 16 February 2000, (collectively “the BBC Agreement”) entered into between SEG and Kumpulan Emas Berhad (“KEB”), Datin Mah Ming Yuet and Kee Shih-Lene; and
- (b) the Conditional Sale and Purchase Agreement dated 22 October 1999, as amended pursuant to the Supplemental Agreement dated 16 February 2000, (collectively “the ORSB Agreement”) entered into between SEG and Dato’ Haji Megat Najmuddin bin Dato’ Seri (Dr) Haji Megat Khas (“Dato’ Megat”);

Approval be and is hereby given to the Company to acquire:

- (i) 11,773,002 ordinary shares representing 100% of the issued and paid up capital of Berrington Bay Corporation Sdn Bhd (“BBC”) comprising 11,773,002 ordinary shares of RM1.00 each for a total purchase consideration of RM36,814,800 to be satisfied by the issuance of 24,543,200 new ordinary shares of RM1.00 each in the Company at RM1.50 per share, credited as fully paid-up in the share capital of the Company and upon issue and allotment rank pari passu in all respect with the existing ordinary shares of the Company save that they shall not be entitled to the Proposed Bonus Issue as detailed in the Ordinary Resolution 2 above and to any dividends, rights, allotment and/or other distributions that may be declared by the Company, the entitlement date of which is prior to the date of allotment of which the new ordinary shares to be issued; and
- (ii) Dato’ Megat’s rights to receive 2,617,544 new ordinary shares of RM1.00 each in BBC pursuant to the proposed acquisition by BBC of the remaining 30% equity interest in Organizational Resources Sdn Bhd in exchange thereof by the issuance of 5,456,800 new ordinary shares of RM1.00 each in the Company at RM1.50 per share, credited as fully paid-up in the share capital of the Company and upon issue and allotment rank pari passu in all respect with the existing ordinary shares of the Company save that they shall not be entitled to the Proposed Bonus Issue as detailed in the Ordinary Resolution 2 above and to any dividends, rights, allotment and/or other distributions that may be declared by the Company, the entitlement date of which is prior to the date of allotment of which the new ordinary shares to be issued;

AND THAT authority be and is hereby given to the directors of the Company to take such steps as may be required to give effect and to implement the aforesaid acquisitions with full powers to assent to any conditions, modifications, variations and/or amendments by the relevant authorities as they may deem fit and expedient AND THAT the directors be and are further authorised to do all such acts, deeds and things and to execute and sign on behalf of the Company all such documents as may be necessary to give effect to and complete the BBC Agreement and ORSB Agreement in respect of the aforesaid acquisitions.”

ORDINARY RESOLUTION 4 PROPOSED ACQUISITION OF 98.51% EQUITY INTEREST IN SUMMIT EDUCATION SDN BHD

“THAT, subject to Ordinary Resolutions 1, 2 and 3 above and Ordinary Resolutions 5, 6 and 7 below being passed and subject to the approval of the relevant authorities and the conditions contained in the Conditional Sale and Purchase Agreement dated 22 October 1999, as amended pursuant to the Supplemental Agreement dated 16 February 2000, (collectively “the SES Agreement”) entered into between SEG and KEB, Noah Foundation, Tan Sri Dato’ Mohd Amin Osman and Dato’ Dr Mokhzani Abdul Rahim, approval be and is hereby given to the Company to acquire 14,000,000 ordinary shares representing 98.51% of the issued and paid-up capital of Summit Education Sdn Bhd comprising 13,791,633 ordinary shares of RM1.00 each for a total purchase consideration of RM13,791,633 to be satisfied by the issuance of 9,194,422 new ordinary shares of RM1.00 each in the Company at RM1.50 per share (“Proposed Acquisition of SES”), credited as fully paid-up in the share capital of the Company and upon issue and allotment rank pari passu in all respect with the existing ordinary shares of the Company save that they shall not be entitled to the Proposed Bonus Issue as detailed in the Ordinary Resolution 2 above and to any dividends, rights, allotment and/or other distributions that may be declared by the Company, the entitlement date of which is prior to the date of allotment of which the new ordinary shares to be issued AND THAT authority be and is hereby given to the directors of the Company to take such steps as may be required to give effect and to implement the aforesaid acquisition with full powers to assent to any conditions, modifications, variations and/or amendments by the relevant authorities as they may deem fit and expedient AND THAT the directors be and are further authorised to do all such acts, deeds and things and to execute and sign on behalf of the Company all such documents as may be necessary to give effect to and complete the SES Agreement in respect of the aforesaid acquisition.”

ORDINARY RESOLUTION 5
PROPOSED ACQUISITION OF 100% EQUITY INTEREST IN SUMMIT MONTESSORI EDU-CARE SDN BHD

“THAT, subject to Ordinary Resolutions 1, 2, 3 and 4 above and Ordinary Resolutions 6 and 7 below being passed and subject to the approval of the relevant authorities and the conditions contained in the Conditional Sale and Purchase Agreement dated 22 October 1999, as amended pursuant to the Supplemental Agreement dated 16 February 2000, (collectively “the SME Agreement”) entered into between SEG and KEB, Md Nor bin Ibrahim, Loh Poh Choo @ Low Poh Choo and Cheam Tow Yong, approval be and is hereby given to the Company to acquire 1,350,002 ordinary shares representing 100% of the issued and paid up capital of Summit Montessori Edu-Care Sdn Bhd comprising 1,350,002 ordinary shares of RM1.00 each for a total purchase consideration of RM6,500,000 to be satisfied by the issuance of 4,333,333 new ordinary shares of RM1.00 each in the Company at RM1.50 per share (“Proposed Acquisition of SME”), credited as fully paid-up in the share capital of the Company and upon issue and allotment rank pari passu in all respect with the existing ordinary shares of the Company save that they shall not be entitled to the Proposed Bonus Issue as detailed in the Ordinary Resolution 2 above and to any dividends, rights, allotment and/or other distributions that may be declared by the Company, the entitlement date of which is prior to the date of allotment of which the new ordinary shares to be issued AND THAT authority be and is hereby given to the directors of the Company to take such steps as may be required to give effect and to implement the aforesaid acquisition with full powers to assent to any conditions, modifications, variations and/or amendments by the relevant authorities as they may deem fit and expedient AND THAT the directors be and are further authorised to do all such acts, deeds and things and to execute and sign on behalf of the Company all such documents as may be necessary to give effect to and complete the SME Agreement in respect of the aforesaid acquisition.”

ORDINARY RESOLUTION 6
PROPOSED ACQUISITION OF 100% EQUITY INTEREST IN REKAAN MEDIANET SDN BHD

“THAT, subject to Ordinary Resolutions 1, 2, 3, 4 and 5 above and Ordinary Resolution 7 below being passed and subject to the approval of the relevant authorities and the conditions contained in the Conditional Sale and Purchase Agreement dated 22 October 1999, as amended pursuant to the Supplemental Agreement dated 16 February 2000 (collectively “the RMSB Agreement”) entered into between SEG and KEB, approval be and is hereby given to the Company to acquire 500,000 ordinary shares representing 100% of the issued and paid up capital of Rekaan Medianet Sdn Bhd comprising 500,000 ordinary shares of RM1.00 each for a total purchase consideration of RM500,000 to be satisfied by the issuance of 333,333 new ordinary shares of RM1.00 each in the Company at RM1.50 per share (“Proposed Acquisition of RMSB”), credited as fully paid-up in the share capital of the Company and upon issue and allotment rank pari passu in all respect with the existing ordinary shares of the Company save that they shall not be entitled to the Proposed Bonus Issue as detailed in the Ordinary Resolution 2 above and to any dividends, rights, allotment and/or other distributions that may be declared by the Company, the entitlement date of which is prior to the date of allotment of which the new ordinary shares to be issued AND THAT authority be and is hereby given to the directors of the Company to take such steps as may be required to give effect and to implement the aforesaid acquisition with full powers to assent to any conditions, modifications, variations and/or amendments by the relevant authorities as they may deem fit and expedient AND THAT the directors be and are further authorised to do all such acts, deeds and things and to execute and sign on behalf of the Company all such documents as may be necessary to give effect to and complete the RMSB Agreement in respect of the aforesaid acquisition.”

ORDINARY RESOLUTION 7
PROPOSED ACQUISITION OF OFFICE BUILDINGS

“THAT, subject to Ordinary Resolutions 1, 2, 3, 4, 5 and 6 above being passed and subject to the approval of the relevant authorities and the conditions contained in the Conditional Sale and Purchase Agreement dated 22 October 1999 as amended pursuant to the Supplemental Agreements dated 16 February 2000 and 17 October 2000 (collectively “the 1st Office Building Agreement”) entered into between SEG and Koperasi Pegawai-Pegawai Melayu Malaysia Berhad and the Conditional Sale and Purchase Agreement dated 22 October 1999, as amended pursuant to the Supplemental Agreements dated 16 February 2000 and 17 October 2000 (collectively “the 2nd Office Building Agreement”) entered into between SEG and Ladang MOCCIS Sdn Bhd, approval be and is hereby given to the Company to acquire two (2) 12 storey office blocks, identified as developer’s plot nos. B 02/G to B 02/11 and B 01/G to B 01/11 situated at Phileo Damansara, Jalan Damansara, Kuala Lumpur for a total purchase consideration of RM13,000,000 to be satisfied by the issuance of 8,666,667 new ordinary shares of RM1.00 each in the Company at RM1.50 per share, as approved by the Securities Commission on 4 September 2000 (“Proposed Acquisition of Office Buildings”), credited as fully paid-up in the share capital of the Company and upon issue and allotment rank pari passu in all respect with the existing ordinary shares of the

Company save that they shall not be entitled to the Proposed Bonus Issue as detailed in the Ordinary Resolution 2 above and to any dividends, rights, allotment and/or other distributions that may be declared by the Company, the entitlement date of which is prior to the date of allotment of which the new ordinary shares to be issued AND THAT authority be and is hereby given to the directors of the Company to take such steps as may be required to give effect and to implement the aforesaid acquisitions with full powers to assent to any conditions, modifications, variations and/or amendments by the relevant authorities as they may deem fit and expedient AND THAT the directors be and are further authorised to do all such acts, deeds and things and to execute and sign on behalf of the Company all such documents as may be necessary to give effect to and complete the 1st Office Building Agreement and the 2nd Office Building Agreement in respect of the aforesaid acquisitions.”

ORDINARY RESOLUTION 8 PROPOSED WAIVER

“THAT, in accordance with the Practice Note 2.9.1 of the Malaysian Code on Take-overs and Mergers, 1998 (“the Code”), approval be and is hereby given for the Company to waive the obligations of Kumpulan Emas Berhad, Datin Mah Ming Yuet and Kee Shih-Lene who will collectively hold an aggregate of 35,304,539 ordinary shares in the Company representing 44.62% of the enlarged share capital of the Company following the Proposed Bonus Issue and Proposed Acquisitions as described and tabled in Ordinary Resolutions 3, 4, 5, 6 and 7 above, to undertake a mandatory general offer for the remaining 43,823,216 ordinary shares in the Company not already owned by Kumpulan Emas Berhad, Datin Mah Ming-Yuet and Kee Shih-Lene after the completion of Proposed Acquisitions (“Proposed Waiver”) AND THAT the Board of SEG be and is hereby authorised to do all such acts, deeds and things as they may deemed necessary to give effect to the Proposed Waiver.”

BY ORDER OF THE BOARD

Lum Chee Yeng
(MAICSA: 0880217)
Saw Bee Lean
(MAICSA: 0793472)
Secretaries
10 November 2000

Notes:

1. *A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. A member may appoint any person to be his proxy without limitation and the provisions of Section 149 (1) (b) of the Companies Act, 1965 shall not apply.*
2. *Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.*
3. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its Common Seal or signed by an officer or attorney so authorised.*
4. *The instrument appointing a proxy must be deposited at the Registered Office of the Company at 11th Floor, Wisma Damansara, Jalan Semantan, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time set for holding the meeting or any adjournment thereof.*
5. *In the case of joint holders, the vote of the first name in the Register of Members will be accepted to the exclusion of the other joint holder.*



SYSTEMATIC EDUCATION GROUP BERHAD

(Company No. 145998-U)
(Incorporated in Malaysia under the Companies Act, 1965)

FORM OF PROXY

(Before completing in the form please refer to notes below)

Number of shares held

I/We
(FULL NAME IN CAPITALS)

of
(FULL ADDRESS)

being a Member/Members of the abovenamed Company hereby appoint
(FULL NAME)

of
(ADDRESS)

or failing him/her
(FULL NAME)

of
(ADDRESS)

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 the Dynasty Hotel Ballroom, Level 5, No. 218, Jalan Ipoh, 51200 Kuala Lumpur, on Saturday, 25 November 2000 at 10.00 a.m in respect of my/our holding of shares in the manner indicated below:

RESOLUTIONS	FOR	AGAINST
ORDINARY RESOLUTION 1: PROPOSED INCREASE IN THE AUTHORISED SHARE CAPITAL		
ORDINARY RESOLUTION 2: PROPOSED BONUS ISSUE		
ORDINARY RESOLUTION 3: PROPOSED ACQUISITION OF BBC		
ORDINARY RESOLUTION 4: PROPOSED ACQUISITION OF SES		
ORDINARY RESOLUTION 5: PROPOSED ACQUISITION OF SME		
ORDINARY RESOLUTION 6: PROPOSED ACQUISITION OF RMSB		
ORDINARY RESOLUTION 7: PROPOSED ACQUISITION OF OFFICE BUILDINGS		
ORDINARY RESOLUTION 8: PROPOSED WAIVER		

Please indicate your vote by a tick (✓) in the spaces provided as to how you wish your votes to be cast. If you do not do so the proxy/proxies will vote or abstain from voting at his/their discretion.

Signed this Day of 2000

.....
Signature of Member(s)

Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. A member may appoint any person to be his proxy without limitation and the provisions of Section 149 (1) (b) of the Companies Act, 1965 shall not apply.
2. Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
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5. In the case of joint holders, the vote of the first name in the Register of Members will be accepted to the exclusion of the other joint holder.



Fold this flap for sealing

Then fold here

AFFIX
STAMP

THE COMPANY SECRETARY
SYSTEMATIC EDUCATION GROUP BERHAD
11TH FLOOR, WISMA DAMANSARA
JALAN SEMANTAN
DAMANSARA HEIGHTS
50490 KUALA LUMPUR

1st fold here
