

CHASE PERDANA BERHAD

Stock Name : **CHASE**
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Type : **Announcement**
Subject : **Announcement Pursuant To Practice Note No. 1/2001 Of The Listing Requirements Of Bursa Malaysia**

Contents :

Introduction

Pursuant to the Restructuring Scheme of Chase Perdana Berhad ("CPB" or "the Company") Group, CPB has, in 2003, issued the following loan stocks to the holders as set out in Table 1 below:-

- (1) 3.5% redeemable convertible secured loan stock due 2003/2008 ("RCSLS")
- (2) 3.5% redeemable convertible unsecured loan stock due 2003/2008 ("RCULS").

Pursuant to the RCSLS Issuing Agreements, all dated 4 June 2003, made between CPB and the RCSLS Holders, CPB is due to make a 10% redemption amount and a 3.5% coupon payment on the 2nd anniversary of the issuance of RCSLS, falling on 18 July 2005.

Pursuant to the RCULS Trust Deed dated 4 June 2003 made between CPB and Bumiputra-Commerce Trustee Berhad (acting as trustee for the RCULS Holders) ("the Trustee"), CPB is required to make a 3.5% coupon payment on the 2nd anniversary of the issuance of RCULS, falling on 18 July 2005.

Proposed Rescheduling Of The 2nd Anniversary Redemption And Coupon Payments

On 13 July 2005, CPB met with the RCSLS Holders and the Trustee for the RCULS Holders and a proposal has been presented and discussed, to reschedule the 2nd anniversary redemption and coupon payments due on 18 July 2005 to 18 July 2006.

Although CPB has the cash at hand to make the required payments, the proposed rescheduling is necessary in order to maintain a higher liquidity position at the working capital level. This will enable CPB to meet initial funding requirements for the implementation of new projects currently being undertaken and pursued by the Group. These new projects to be implemented over the next six years are estimated to be worth approximately RM1.0 billion. If the time for the scheduled payments can be extended by another year, CPB would have sufficient cash to service all amount due to the RCSLS, RCULS and RCPS (redeemable convertible preference shares) holders. With the proposed rescheduling, CPB will be able to undertake new projects, enhance its growth prospects while also ensuring that future scheduled payments to the RCSLS, RCULS and RCPS Holders are met.

Further discussions with the RCSLS and RCULS Holders on the proposal are expected within the next 60 days before an agreement can be made on the proposed rescheduling. Thus, the 2nd anniversary redemption and coupon payments will be deferred / rescheduled until such time when a mutual agreement has been arrived at between the parties concerned.

Financial Implications

CPB has to pay both the RCSLS and RCULS Holders late interest payments on the outstanding principal and coupon due (the outstanding principal and coupon due is as outlined in Table 1 below) at the rate of 4.5% per annum.

Legal Implications

Under the RCSLS Issuing Agreements

The RCSLS Holders may declare by notice in writing that all sums payable to the Holders shall become immediately due and payable whereupon the same shall become immediately due and payable. The Holders shall also have the right to concurrently exercise all or any other remedies available to recover all monies due and owing, if agreements on the proposed rescheduling are not forthcoming.

Under the RCULS Trust Deed

The Trustee, upon instructions from the Majority Holders of the RCULS via a Special Resolution, may declare by notice in writing that all sums payable to the Holders shall become immediately due and payable whereupon the same shall become immediately due and payable. The Trustee shall also have the right to concurrently exercise all or any other remedies available to recover all monies due and owing, if an agreement on the proposed rescheduling is not forthcoming.

Table 1 - Amount of Principal and/or Interests Due to RCSLS and RCULS as at 18 July 2005

Type of Loan Stocks	Loan Stock Holders	Redemption Amount Due (RM)	3.5% Coupon Amount Due (RM)	Total Amount Due (RM)
RCSLS	Affin Bank Berhad	1,017,800.00	337,070.81	1,354,870.81
RCSLS	Alliance Bank Malaysia Berhad	68,630.50	22,728.76	91,359.26
RCSLS	AmBank Berhad	3,843,201.30	1,272,775.55	5,115,976.85
RCSLS	RHB Bank Berhad	234,000.00	77,495.16	311,495.16
RCSLS	Pengurusan Danaharta Nasional Berhad	-	132,486.70	132,486.70
RCSLS	Danaharta	257,851.96	174,987.56	432,829.52

	Managers Sdn Bhd			
RCULS	Bumiputra- Commerce Trustee Berhad ("BCTB") *	-	2,479,909.60	2,479,909.60

* BCTB is the trustee for all RCULS holders.