



ASIA GENERAL HOLDINGS LIMITED (“AGHL”) AND THE ASIA LIFE ASSURANCE SOCIETY LIMITED (“ASIA LIFE”)

Call & Put Option Agreement

1. Further to the announcements made by Southern Bank Berhad (“**SBB**”) on 24 August 2005 and 18 October 2005 in relation to the possible mandatory offers for AGHL and Asia Life, the Board of Directors of SBB wishes to announce that the conditions precedent for the exercise of the options under the Call and Put Option Agreement dated 18 August 2005 as amended by the Supplemental Deed thereto dated 18 October 2005 (the “**Call & Put Option Agreement**”) have not been satisfied as at 17 December 2005, being the last date for fulfilment of the said conditions precedent. The Call & Put Option Agreement has thus lapsed.
2. Notwithstanding the above, SBB is currently exploring various possible options in relation to the transaction with Bank Negara Malaysia. In the meantime, SBB will also be entering into discussions with the vendors of the 51.58% of the shares in AGHL which are the subject of the Call & Put Option Agreement with a view to the acquisition of the AGHL shares on the same terms as provided for in the Call & Put Option Agreement. An announcement will be made at the appropriate time as and when the relevant parties have reached a decision on the matter.

Responsibility Statement

3. The Directors of SBB (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted from published or publicly available sources, the sole responsibility of the Directors of SBB has been to ensure through reasonable enquiries that such information has been accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

By order of the Board
Southern Bank Berhad
22 December 2005