

General Announcement

Reference No **MM-071011-61659**

Submitting Merchant Bank : **MIMB INVESTMENT BANK BERHAD**
Company Name : **AIC CORPORATION BERHAD**
Stock Name : **AIC**
Date Announced : **11/10/2007**

Type : **Announcement**
Subject : **AIC CORPORATION BERHAD (“AIC” OR “COMPANY”)**

PROPOSED ACQUISITION BY AIC OF THE REMAINING 25% EQUITY INTEREST IN AIC TECHNOLOGY SDN BHD (“AICT”) NOT HELD BY AIC FROM DARULNAS (M) SDN BHD (“DARULNAS”) (“PROPOSED ACQUISITION”)

Contents :

We refer to the announcement dated 31 May 2007 in relation to the above. Pursuant to the terms of the sale and purchase agreement dated 31 May 2007 for the Proposed Acquisition (“SPA”), the new ordinary shares of RM1.00 each in AIC (“AIC Shares”) to be issued pursuant to the Proposed Acquisition (“Consideration Shares”) shall, upon allotment and issue, rank *pari passu* in all respects with the existing AIC Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the said shares.

Subsequently, on 19 September 2007, RHB Investment Bank Berhad (*formerly known as RHB Sakura Merchant Bankers Berhad*) on behalf of AIC announced that the Company proposes to undertake the following:-

- (i) proposed renounceable rights issue of up to 36,980,244 new AIC Shares together with up to 33,618,403 free new warrants (“Warrants”) attached on the basis of 11 new AIC Shares with 10 free new Warrants for every 40 existing AIC Shares (“Proposed Rights Issue”); and
- (ii) proposed acquisition by AIC of the entire equity interest in Prodelcon Sdn Bhd for a purchase consideration of RM53,000,000 to be satisfied by the issuance of 27,500,000 new AIC Shares and the remaining RM25,500,000 in cash.

On behalf of the Board of Directors of AIC, MIMB Investment Bank Berhad (*formerly known as Malaysian International Merchant Bankers Berhad*) (“MIMB”), wishes to announce that the Company had on 11 October 2007 entered into a supplemental agreement (“SA”) with Darulnas for the Proposed Acquisition to amend the terms of the SPA in relation to the ranking of the Consideration Shares. Pursuant to the SA, the Consideration Shares shall, upon allotment and issue, rank *pari passu* in all respects with the existing AIC Shares, save and except that they shall not be entitled to **any dividends, rights, allotments and/or other distributions under and in respect of the Proposed Rights Issue** nor any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the said shares.

Save as disclosed above, the other terms and conditions of the Proposed Acquisition remain unchanged.

This announcement is dated 11 October 2007.