



MINORITY SHAREHOLDER WATCHDOG GROUP
Shareholder Activism and Protection of Minority Interest

27 March 2009

The Board of Directors
Watta Holdings Berhad
Suite 11.1A, Level 11, Menara Weld
76, Jalan Raja Chulan
50200 Kuala Lumpur

BY FAX/HAND
(Fax No: 03-20319788)

Attention: Mr. Yeoh Chong Keat & Ms Pua Lei Ngor
Joint Company Secretary

Re: Extraordinary General Meeting (EGM) of Watta Holdings Berhad (Watta Holdings or the Company)

We, the MSWG received the Notice that Watta Holdings Berhad (Watta Holdings or the Company) would hold an Extraordinary General Meeting (EGM) on Tuesday, 31 March 2009 at 9.00 a.m. at Garden Ballroom, Mezzanine Floor, Melia Hotel Kuala Lumpur.

The agenda of the EGM is to seek shareholders' approval for the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature.

In this regard, we would like to raise a point of corporate governance in the interest of minority shareholders of the Group.

Corporate Governance

1. What is the reason for the Board's inability to finalise the Audited Financial Statements of the Company for the financial year ended 30 September 2008?

This has caused the Board to be unable to issue the Company's first quarter financial results for the period ended 31 December 2008 by the due date of 27 February 2009 in accordance with Paragraph 9.22 (1) of the Bursa Securities Listing Requirements.

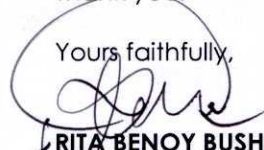
2. Why is the Board not considering to make Zitron Enterprise (M) Sdn Bhd and Z'tronic Holdiays (M) Sdn Bhd as subsidiary companies given that the recurrent related party transactions are material in terms of the Group revenue?

Both Mr. Lee Foo San and his spouse, Mdm Teoh Lian Tin, Group Executive Director and Executive Director respectively of the Company have financial interests in Zitron Enterprise (M) Sdn Bhd. Mr. Lee Foo San has also financial interest in Z'tronic Holidays (M) Sdn Bhd.

It would be appreciated if the Board could provide a written reply to us as soon as possible for our record.

Thank you.

Yours faithfully,



RITA BENOY BUSHON
Chief Executive Officer

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

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