

**AHMAD ZAKI RESOURCES BERHAD (“THE COMPANY” OR “AZRB”)
- JOINT-VENTURE AGREEMENT BETWEEN AZRB AND MALAYSIAN HARVEST
SDN BHD AND PRIMARY HORIZON SDN BHD**

1. INTRODUCTION

The Board of Directors of AZRB wishes to announce that the Company had on 02 October 2013 entered into a Joint Venture Agreement with Malaysian Harvest Sdn Bhd (“MHSB”) and Primary Horizon Sdn Bhd (“PHSB”) (the “JV Agreement”).

(AZRB, MHSB and PHSB hereinafter collectively referred to as the “JV Parties”)

2. BACKGROUND INFORMATION

2.1 Information on MHSB

MHSB is a company incorporated under the laws of Malaysia and having its registered address at D502, Block D, Kelana Square, 17 Jalan SS 7/26, Kelana Jaya, 47301 Petaling Jaya, Selangor;

The principal activities of MHSB are to carry on the business of cleaning services and hygiene products.

2.2 Information on PHSB

PHSB is a company incorporated under the laws of Malaysia and having its registered address at 14-1, Persiaran 65C, Pekeliling Business Centre, Jalan Pahang Barat, Off Jalan Tun Razak, 53000 Kuala Lumpur;

The principal activities of PHSB is to carry on the business of providing engineering and maintenance support services for, inter alia, civil, mechanical and electrical & electronic engineering systems, lift and elevator maintenance services and building communication systems.

2.3 The Company, MHSB and PHSB; collectively referred to herein as “JV partners”. Other details of the JV partners can be found in Table A, below.

3. SALIENT TERMS OF THE JOINT VENTURE ARRANGEMENT

3.1 Objective

The JV Parties are desirous of participating in a joint venture company named “Peninsular IFM Sdn Bhd” (the “JV Company”) to carry on the business of providing integrated facilities management services for buildings or facilities or certain projects undertaken by the JV Parties, subject to the terms and conditions stated in the JV Agreement;

3.2 All the issued and paid-up capital of the JV Company shall at all times be held in the following percentage proportions

a) AZRB	-	34%
b) MHSB	-	33%
c) PHSB	-	33%

4. SOURCE OF FUNDING

JV Company shall be funded by equity injection by the JV Parties.

5. FINANCIAL EFFECTS

The JV Agreement is neither expected to have any material effects on the share capital, and shareholding structure of the Company nor will it materially affect the earnings and net tangible assets of the Group for the year ending 31 December 2013.

6. APPROVAL REQUIRED

The execution of the JV Agreement had been approved by the respective Board of AZRB and is not conditional upon the approval of AZRB's shareholders or any approvals being obtained from any relevant authorities.

7. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

Save for Dato' Sri Haji Wan Zaki bin Haji Wan Muda, who is a common director and substantial shareholder in AZRB and MHSB, none of the directors and/or major shareholders of AZRB and persons connected with them have any interest, direct or indirect in the JV Agreement.

8. DIRECTORS' STATEMENT

The Board of Directors of AZRB is of the opinion that the execution of the JV Agreement is in the best interest of the Group.

This announcement is dated 02 October 2013