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## 2. DETAILS OF THE IPO

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This Prospectus is dated 30 March 2001.

A copy of this Prospectus has been registered with the SC and lodged with the ROC who takes no responsibility for its contents.

**The approval of the SC obtained vide its letter dated 28 September 2000 shall not be taken to indicate that the SC recommends the IPO, and that investors should rely on their own evaluation to assess the merits and risks of the IPO.**

Application will be made to the KLSE within three (3) market days of the issuance of this Prospectus for admission to the Official List and for the listing of and quotation for the issued and fully paid-up share capital of Aikbee on the Second Board of the KLSE. These Shares will be admitted to the Official List of the KLSE and official quotation will commence upon receipt of confirmation from MCD that all CDS Accounts of the successful applicants have been duly credited and notices of allotment have been despatched to all successful applicants. Acceptance of applications for the IPO Shares will be conditional upon permission being granted by the KLSE to deal in and for the quotation of the entire enlarged issued and fully paid-up Shares of Aikbee on the Second Board of the KLSE. Accordingly, monies paid in respect of any application accepted from the IPO will be returned without interest if the said permission for listing is not granted within six (6) weeks from the date of issue of this Prospectus (or such longer period as may be specified by the SC) provided that the Company is notified by or on behalf of the KLSE within the aforesaid timeframe.

**Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991 and Section 39(1)(j) of the Act, KLSE has prescribed Aikbee as a prescribed security. In consequence thereof, the shares issued/offered through this Prospectus will be deposited directly with the MCD and any dealings in these shares will be carried out in accordance with the aforesaid Acts and the Rules of the MCD.**

An applicant should state his CDS Account number in the space provided in the Application Form if he presently has such an account. Where an applicant does not presently have a CDS Account, he should state in the Application Form his preferred ADA Code.

The KLSE assumes no responsibility for the correctness of any statements made or opinions or report expressed in this Prospectus. Admission to the Official List of the Second Board of the KLSE is not to be taken as an indication of the merits of the Company or of its Shares.

No person is authorised to give any information or to make any representation not contained herein in connection with the IPO and if given or made, such information or representation must not be relied upon as having been authorised by Aikbee. Neither the delivery of this Prospectus nor any IPO made in connection with this Prospectus shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of Aikbee since the date hereof.

The distribution of this Prospectus and the making of the IPO in certain other jurisdictions outside Malaysia may be restricted by law. Persons who may come into possession of this Prospectus are required to inform themselves of and to observe such restrictions. This Prospectus does not constitute and may not be used for the purpose of an invitation to subscribe for the Public Issue shares or to buy any Offer Shares in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

***If you are unsure of any information contained in this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant, or other professional adviser.***

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**2. DETAILS OF THE IPO (Cont'd)**


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**2.1 Share Capital**

<i>Authorised:-</i>	<b>RM</b>
· 100,000,000 Shares	<u>100,000,000</u>
<i>Issued and fully paid-up :-</i>	
· 42,000,000 Shares	RM42,000,000
<i>To be issued pursuant to the Public Issue :-</i>	
· 8,000,000 Shares	<u>RM8,000,000</u>
	<u>RM50,000,000</u>
<i>To be Offered for Sale:-</i>	
· 4,600,000 Shares	<u>RM4,600,000</u>

There is only one class of shares in the Company, namely ordinary shares of RM1.00 each, all of which rank pari passu with one another. The Public Issue Shares to be issued and the Offer Shares to be offered pursuant to this Prospectus will rank pari passu in all respect with the existing Shares of the Company including voting rights and rights to all dividends that may be declared subsequent to the date of this Prospectus.

Subject to any special rights attaching to any Shares which may be issued by the Company in the future, the holders of Shares in the Company shall, in proportion to the amount paid-up on the shares held by them, be entitled to share in the whole of the profits paid out by the Company as dividends and the whole of any surplus in the event of the liquidation of the Company.

Each ordinary shareholder shall be entitled to vote at any general meeting of the Company in person or by proxy or by attorney, and, on show of hands, every person present who is a shareholder or representative or proxy or attorney of a shareholder shall have one vote, and, on a poll, every shareholder present in person or by proxy or by attorney or other duly authorised representatives shall have one vote for each Share held.

**2.2 Details of the Initial Public Offering**

The Public Issue and Offer for Sale of 8,000,000 and 4,600,000 Shares respectively at an IPO price of RM2.10 per Share is payable in full on application upon such terms and conditions as set out in this Prospectus.

The 8,000,000 Public Issue Shares and 4,600,000 Offer Shares arising from the IPO will be allocated and allotted in the following manner:-

- (i) 3,850,000 Public Issue Shares and 1,400,000 Offer Shares will be made available for application by Malaysian citizens, companies, societies, co-operatives and institutions, of which at least 30% is to be set aside strictly for Bumiputera individuals, companies, societies, co-operatives and institutions;
- (ii) 2,500,000 Public Issue Shares have been reserved for eligible employees, Directors, and business associates (which include the suppliers, contractors, agents and customers) of the Aikbee Group; and
- (iii) 1,650,000 Public Issue Shares and 3,200,000 Offer Shares have been reserved for Bumiputera investors approved by MITI.

The Public Issue Shares and Offer Shares represent 16.0% and 9.2% respectively of the enlarged issued and paid-up share capital of Aikbee of 50,000,000 Shares.

## 2. DETAILS OF THE IPO (Cont'd)

The Shares in respect of paragraph (i) and (ii) have been fully underwritten. The Shares in respect of paragraph (iii) are not underwritten as the Bumiputera parties have given an undertaking to subscribe/purchase the IPO Shares. Any Shares in respect of paragraph (ii) not subscribed for by the eligible employees, Directors and business associates (which include the suppliers, contractors, agents and customers) of the Aikbee Group will be made available for application by the Malaysian public.

### 2.3 Critical dates of the IPO

Events	Tentative Date
Date of Prospectus – Opening Date of Application List for the Public Issue/Offer Shares	30 March 2001
Closing of Application List for the Public Issue/Offer Shares	12 April 2001
Tentative Date for the Balloting of Applications	16 April 2001
Tentative Date of Despatch of Notices of Allotment of the Shares of Aikbee to successful applicants	26 April 2001
Tentative Listing Date of the Company's entire issued and paid up share capital on the Second Board of the KLSE	3 May 2001

### 2.4 Purposes of the IPO

The purposes of the IPO are as follows:-

- (i) The listing of Aikbee Shares on the Second Board of the KLSE is expected to enhance the Group's corporate reputation and assist the Group in expanding its customer base both in Malaysia and overseas;
- (ii) To provide an opportunity for Malaysian investors and institutions and the eligible employees, Directors and business associates (which include the suppliers, contractors, agents and customers) of the Aikbee Group to participate in the equity and continuing growth of the Aikbee Group;
- (iii) To enable the Aikbee Group to gain access to the capital markets for funds for its future expansion and growth;
- (iv) To obtain a listing of and quotation for Aikbee's entire issued and paid-up share capital of 50,000,000 Shares on the Second Board of the KLSE; and
- (v) To comply with National Development Policy requirements in respect of Bumiputera equity participation.

### 2.5 Proceeds of the Public Issue, Offer for Sale and their Utilisation

All proceeds of the Rights Issue and the Public Issue after deducting the relevant listing expenses will accrue to Aikbee. The gross proceeds of the Rights Issue and the Public Issue are approximately RM6.85 million and RM16.8 million respectively. Aikbee will bear all expenses incidental to the listing of and quotation for Aikbee's Shares on the Second Board of the KLSE which include underwriting commission, brokerage, registration fee, professional fees, SC fees, advertising, listing expenses and other fee the aggregate of which is estimated to

## 2. DETAILS OF THE IPO (Cont'd)

be approximately RM1.5 million. The proceeds from the Rights Issue and the Public Issue will be utilised as follows:-

	Notes	RM'000
Capital Expenditure	1	2,000
Repayment of bank borrowings	2	12,000
Specific working capital – purchase of logs	3	1,000
Working capital		7,150
Estimated Listing expenses	4	1,500
	<b>TOTAL</b>	<b>23,650</b>

### Notes:-

#### 1. Capital Expenditure

Aikbee will utilise a portion of the funds raised to continue upgrading and increasing the machinery of the sawmills and the downstream plant. Focus will be placed especially on the expansion of the downstream activities. These investments will reduce the dependency on manual labour and increase the efficiency in production. The capital expenditure will improve the technological manufacturing capabilities and increase the Group's competitiveness.

Aikbee plans for the following capital expenditure:-

Machineries and Equipment	Number of Units	Estimated Unit Cost RM'000	Estimated Total Cost RM'000
Cummins Engine Generator Set	1	200	200
Caterpillar Log Grapper	3	250	750
Moulder/2-side Planner	2	100	200
Cross-cut saw	5	15	75
Forklift	1	150	150
Bulldozer	4	120	480
Computer system	1	145	145
			<b>2,000</b>

#### 2. Part Repayment of Bank Borrowings

As at 20 March 2001, (being the last practicable date prior to the printing of this Prospectus), the Aikbee Group has bank borrowings of RM42.4 million. By repaying RM12 million of the total bank borrowings, Aikbee would be able to save interest cost totalling RM1.02 million per annum based on the average prevailing interest rates of the borrowing costs of the Aikbee Group.

#### 3. Specific Working Capital - Purchase of Logs

The subsidiaries of Aikbee have entered into long term and short term log supply agreements with various log supply agents/brokers in Sabah, Sarawak and Peninsular Malaysia. This arrangement is to ascertain regular and sufficient supply of round logs for the process of sawmilling, moulding and other downstream products. The increase in stock holding costs is inevitable with the increasing focus of the Group into downstream manufacturing, which requires a relatively longer stock holding period for further processing.

## 2. DETAILS OF THE IPO (Cont'd)

### 4. Estimated Listing Expenses

The estimated listing expenses amounting to RM1.5 million consist of the following:-

Major cost items	RM
Estimated Professional fees	600,000
Underwriting commission at 2%	280,000
Brokerage	144,000
Printing of Prospectus and Application forms and envelopes	130,000
Issuing House fees	100,000
Advertising of Prospectus	45,000
Securities Commission fees	50,000
KLSE fees	30,000
Registration of Prospectus	10,000
Miscellaneous *	111,000
<b>TOTAL</b>	<b>1,500,000</b>

\* Any unutilised amount shall be used for working capital.

The utilisation of the proceeds by the Group is expected to have a financial impact on the Group as follows:-

Financial Year Ending 31 December 2001	Incremental Effect (RM'000)	With Listing Proceeds (RM'000)
Consolidated PBT	1,828	17,312
Consolidated PAT	1,278	11,768

The proceeds from the Public Issue and the Offer For Sale are expected to be fully utilised by end September 2001, assuming the proceeds are received by mid April 2001.

### *Proceeds of the Offer for Sale*

The gross proceeds of the Offer for Sale of RM9.66 million shall accrue to the Offerors and no part of the proceeds of the Offer for Sale is receivable by Aikbee. The Offerors shall bear all expenses including underwriting fee, brokerage, stamp duty (if any) and share transfer fees relating to the Offer Shares estimated at approximately RM331,200.

### 2.6 *Brokerage and Underwriting Commission*

The Underwriters mentioned earlier in this Prospectus have agreed to underwrite the 6,350,000 Public Issue Shares and 1,400,000 Offer For Sale Shares to be offered to the Malaysian public, employees, Directors, and business associates of the Aikbee Group. Underwriting commission is payable by the Company at 2% of the IPO price of RM2.10 per Share.

Brokerage is payable in respect of the IPO Shares by the Company and the Offerors at the rate of 1% of the IPO price of RM2.10 per Share in respect of successful applications which bear the stamp of Arab-Malaysian, member companies of the KLSE, members of the Association of Banks in Malaysia, members of the Association of Merchant Banks in Malaysia or MIH.

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**2. DETAILS OF THE IPO (Cont'd)**


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**2.7 Salient Terms of the Underwriting Agreements**

The following are some of the Clauses of the Underwriting Agreement dated 8 December 2000 between the Company, the Offerors and the Underwriters stating the events that may affect the Underwriting of the Aikbee Shares:-

- "Notwithstanding anything herein contained, the Managing Underwriter and the Underwriters, acting through the Managing Underwriter, may at any time before the Closing Date terminate its or their obligations herein if in the reasonable opinion of the respective underwriters there shall have been such a change in national or international monetary policy, financial, political, market or economic conditions or exchange control or currency exchange rates as would in their/its reasonable opinion prejudice materially the success of the Offer For Sale, the Public Issue and their distribution or sale (whether in primary market or in respect of dealings in the secondary market) and thereupon the Underwriters, the Company and the Offerors shall (except for the liability of the Company or Offerors in the payment of costs and expenses referred to in Clause 15 hereof incurred prior to or in connection with such termination) be released and discharged from their respective obligations hereunder"
- Upon any material breach of the warranties or representations, material failure to perform any of the said undertakings or any change rendering any of the said warranties, representations or undertakings (as set out in Section 2 of the Underwriting Agreement) inaccurate in a material respect coming to the notice of the Underwriters or any of them prior to the Closing Date, the Underwriters or any of them through the Managing Underwriter shall be entitled by giving a written notice of seven (7) days to the Company and the Offerors to require the same to be remedied and should such material breach or failure to perform remain unremedied after the period of notice, the Underwriters shall be entitled (but not bound) by notice to the Company and the Offerors to elect to treat such breach, failure or change as releasing or discharging it from their obligations under the Agreement.
- The warranties, representations and undertakings are, inter alia, as follows:-
  - (i) That the Company shall comply with all the requirements and provisions of the Companies Act, 1965, the Securities Commission, the rules of the Malaysian Central Depository and the listing requirements of the KLSE in relation to the issue and listing of its shares on the Second Board of the KLSE;
  - (ii) That the Offer for Sale, the Public Issue or compliance by the Company of the terms of the Agreement will not result in a default in, or breach of, any of the covenants, terms, conditions or provisions of the Memorandum and Articles of Association of the Company or any trust deed or any material agreement or other instrument or obligation to which the Company is a party or by which it is bound;
  - (iii) That no circumstance or situation financial or otherwise has arisen which is or likely to adversely affect the condition of the Company or any of its subsidiaries or the earnings, affairs or business prospects of the Company or any of its subsidiaries or to affect the success of the Offer for Sale and that no information has been withheld from the Underwriters which may in any way affect their decision to underwrite the Underwritten Shares;
  - (iv) That the Company and the Offerors will promptly and without any delay whatsoever notify the Managing Underwriter who shall thereupon inform the Underwriters of any fact, information or circumstance which it believes may adversely affect the success of the Offer for Sale and Public Issue and in particular any material and adverse change affecting any of the representations, warranties or agreements at any time prior to the Closing Date; or
  - (v) The balance sheet and the income statement of the Company gives a true and fair view of the assets, liabilities, reserves and profits of the Company and its subsidiaries and the above has been in accordance with generally accepted accounting principles consistently applied.

## 2. DETAILS OF THE IPO (*Cont'd*)

- The obligations of the Underwriters under the Agreement shall further be conditional, inter alia, upon:-
  - (a) The Company undertaking and completing the Public Issue and the Offer for Sale;
  - (b) The approval in principle of the KLSE for the listing of the Company on the Second Board of the KLSE and the Underwriters being reasonably satisfied that such listing and quotation will be granted within three (3) clear business days after the submission to the KLSE of the relevant documents required by the KLSE;
  - (c) The Underwriters being reasonably satisfied that the Company will make or has made applications to the KLSE for permission for listing and quotation of all its shares;
  - (d) There not having on or prior to the Closing Date, any adverse change or any development reasonably likely to invoke a prospective adverse change in the condition (financial or otherwise) of the Company or any of its subsidiaries from that set forth in the Prospectus which is material in the context of the Offer Shares and the Public Issue; and
  - (e) The lodgement with the Registrar of Companies in Malaysia and registration with the SC of the Prospectus.

If any of the foregoing conditions is not satisfied on or before the Closing Date, the Underwriters shall thereupon be entitled as mentioned under the Agreement to terminate the Agreement by notice in writing delivered to the Company and the Offerors.

- The Underwriters shall have the rights to terminate this Agreement in the event that the Company shall not have been granted approval in principle by the KLSE for the listing and quotation of its shares and upon such termination the liabilities hereto of the Company, the Offerors and the Underwriters shall wholly cease and no party shall have a claim against any other, save that the Offerors and the Company shall in such event be solely liable for all costs, charges and expenses of and incidental to the preparation of the Agreement referred to in Clause 15 of the Agreement.
- An underwriting commission at a rate of Two Percent (2%) of the issue/offer price of Ringgit Malaysia Two and Sen Ten (RM2.10) ONLY per Underwritten Share will be paid by the Offerors and the Company in respect of the Offer For Sale and Public Issue respectively to the Underwriters on the Underwritten Shares.
- The Offerors shall bear and pay all costs, charges and expenses of and incidental to the Offer For Sale including the costs and charges that may be incurred in the registration of the Underwritten Shares in the denomination requested by the Underwriters. The Company shall bear and pay all costs, charges and expenses of and incidental to the Public Issue including the costs and charges that may be incurred in the registration of the Underwritten Shares in the denomination requested by the Underwriters including the negotiation, preparation, execution and stamping of this Underwriting Agreement.

### 2.8 *Moratorium on Shares*

The SC, in approving the flotation of the Company has imposed a moratorium on the disposal of Shares held by the major shareholders/promoters of Aikbee.

Accordingly, the major shareholders/promoters of Aikbee as listed in the table below will not be allowed to sell, transfer or assign their respective portions of Shares in Aikbee representing 45% of the enlarged share capital of 50,000,000 Shares within one (1) year from the date of admission of the Company to the Official List of the Second Board of the KLSE. Thereafter, they are permitted to sell, transfer or assign their shares in Aikbee subject to a maximum of one third (1/3) per annum (on a straight line basis) of their respective shareholdings in the Company which are under moratorium.

## 2. DETAILS OF THE IPO (Cont'd)

The shareholdings of the major shareholders after the IPO which are under moratorium as imposed by the SC are set out below:-

Promoters	Number of Shares	% of enlarged issued and paid-up capital
Aikbee Timbers Sdn Bhd	4,266,000	8.5
Lim Yen Siew @ Tan Sit Seng	2,090,250	4.2
Yap Kin Thai	101,250	0.2
Tan Aik Hooi	949,500	1.9
Tan Aik Hong	949,500	1.9
Tan Cheng Laye	940,500	1.9
Tan Aik Thor	940,500	1.9
Yap Keat Choon	324,000	0.6
Low Chee Hock	81,000	0.2
Sit Seng & Sons Realty Sdn Bhd	4,653,000	9.3
Astaka Budi Sdn Bhd	2,207,250	4.4
Kamal Bin Abu	2,027,250	4.0
Mohd Raini Bin Mohamed Junus	742,500	1.5
Harun Bin Abdul Samad	742,500	1.5
Mohd Nor Bin Hussain	742,500	1.5
Halimah Binti Hashim	742,500	1.5
<b>Total</b>	<b>22,500,000</b>	<b>45.0</b>

The restriction, which is fully accepted by the aforesaid shareholders, is endorsed specifically on the share certificates representing the shareholders' respective shareholdings that are under moratorium to ensure that Aikbee's registrars do not register any transfer not in compliance with the restriction imposed by the SC.

The endorsement which will be affixed in the certificates of the securities under moratorium is as follows:-

*"The shares comprised herein are not capable of being sold, transferred or assigned for a period as determined by the Securities Commission (the "Moratorium Period"). The shares comprised herein will not constitute good delivery pursuant to the Rules of the Exchange during the Moratorium Period. No share certificate or certificates will be issued to replace this certificate during the Moratorium Period unless the same shall be endorsed with this restriction".*

### 2.9 Approvals and Conditions from Authorities

The Acquisitions, Rights Issue, the Public Issue, Offer For Sale and the Listing was approved by the following authorities as follows:-

<u>Authorities</u>	<u>Date</u>
SC	28 September 2000
MITI	21 November 2000
FIC	20 December 2000



## 2. DETAILS OF THE IPO (Cont'd)

The details of the conditions of the authorities' approvals and status of compliance are set out below :-

Conditions Imposed By SC	Status of Compliance
<p>1. The conditions to be complied for the utilisation of proceeds are as follows: -</p> <p>(i) SC approval must be obtained for any changes to the original utilisation of proceeds if the utilisation involves any utilisation other than for the core business of Aikbee;</p> <p>(ii) The approval of shareholders must be obtained for any changes of 25% or above for the said utilisation of proceeds. If the change is less than 25%, the appropriate disclosure must be made to the shareholders of Aikbee;</p> <p>(iii) Any extension of time from the timing determined by Aikbee for the utilisation of proceeds must be approved by a final resolution of the Board of Directors of Aikbee and full disclosure must be made to KLSE; and</p> <p>(iv) The appropriate disclosure on the status of the proceeds must be made on the annual reports and the quarterly reports of Aikbee until the utilisation is completed.</p>	<p>Will be complied.</p> <p>Will be complied.</p> <p>Will be complied.</p> <p>Will be complied.</p>
<p>2. Moratorium is to be imposed on 22,500,000 ordinary shares of Aikbee held by the promoters of Aikbee, representing 45% of the enlarged issued and paid-up capital of Aikbee, where they are not allowed to sell, transfer or assign for a period of one (1) year from the date of listing of Aikbee on the KLSE, and thereafter, is only allowed to sell, transfer or assign up to a maximum of one-third (1/3) per annum (on a straight line basis) of their respective shareholdings in every subsequent year.</p>	<p>Will be complied. Copies of the moratorium letters from each promoter (and ultimate shareholder) have been obtained.</p>
<p>3. Aikbee is required to produce the letter of confirmation from the District Office Secretary (Setiausaha Hasil Bumi), Chief Minister Department, Kota Kinabalu, stating that it has obtained approval for the conversion of land status, where the moulding plant is prior to the issuance of the prospectus;</p>	<p>Complied. The letters from Setiausaha Hasil Bumi dated 10 March 1999 and Jabatan Tanah Dan Ukur, Kota Kinabalu, dated 19 March 1999 have stated the approval for the conversion of land status for the moulding plant, subject to complying with the provisions and conditions imposed by the relevant authorities.</p>
<p>4. All debts owing by the companies related to the promoters, directors or substantial shareholders of Aikbee must be fully collected in full prior to the issuance of prospectus and Arab-Malaysian and the auditors of Aikbee, Messrs. Folks DFK &amp; Co must furnish written confirmation on the matter;</p>	<p>All the debts owing by the companies related to the promoters, directors or substantial shareholders of Aikbee have been fully settled as at 30 September 2000 and duly certified by Messrs. Folks DFK &amp; Co vide its letter dated 27 November 2000 and Arab-Malaysian vide its letter dated 13 March 2001.</p>
<p>5. All debts from debtors, exceeding the credit period must be collected or fully provided as doubtful debts in the financial statements of Aikbee before the issuance of prospectus;</p>	<p>All debts from trade debtors exceeding the credit period have been collected except for an amount of RM249,588 which exceeded the credit period and have hence been duly provided for in the financial statements for the year ended 30 September 2000.</p>

## 2. DETAILS OF THE IPO (Cont'd)

Conditions Imposed By SC		Status of Compliance
6	All transactions between Aikbee and parties or companies related to the Promoters, Directors of Aikbee in the future must be at 'arms-length' and does not include any special terms exceeding commercial terms or conditions that are disadvantageous to the Aikbee Group. If there are such transactions, they must be fully disclosed in the prospectus. The Audit Committee of Aikbee has to monitor and the directors of Aikbee has to report such transactions, if any, in the Annual Report of Aikbee each year;	Noted and will be complied.
7	Aikbee is required to furnish written confirmation that sufficient provision for tax liabilities has been made in its financial statements; and	Complied. The tax liabilities for the period up to 30 September 2000 have been duly provided for to-date.
8	Full compliance to the requirements relating to the listing of company as stated in our Policies and Guidelines On Issue/Offer of Securities, especially Chapters 7, 10 and 25 of the said guidelines.	Noted and will be complied.
9	In line with the National Development Policy, where at least 30% of the equity in a company must be held by Bumiputera, Aikbee is reminded that the composition of the board of directors reflects the percentage of Bumiputera equity interest.	Complied. The composition of the board of directors is currently 33% Bumiputera.

Conditions Imposed By FIC		Status of Compliance
1.	Aikbee is to have at least 30% direct Bumiputera equity interest upon listing and quotation of the Aikbee Shares on the Second Board of the KLSE	Complied.
2.	Aikbee is to obtain the approval of the SC and MITI.	Aikbee obtained the approvals of SC and MITI on 28 September 2000 and 21 November 2000 respectively.

Conditions Imposed By MITI		Status of Compliance
1.	Aikbee is to have at least 30% direct Bumiputera equity interest upon listing and quotation of the Aikbee Shares on the Second Board of the KLSE	Complied.
2.	Aikbee is to ensure that the approval is obtained from MITI prior to any sale or transfer of the 27.81% equity participation of the Company held by the approved Bumiputera shareholders, namely :- (a) Kamal Bin Abu (b) Mohd. Raini Bin Mohamed Junus (c) Harun Bin Abdul Samad (d) Mohd Nor Bin Hussain (e) Halimah Binti Hashim (f) Astaka Budi Sdn Bhd	The said approved Bumiputera shareholders have provided an undertaking that they shall not sell or transfer their shares until and unless the approval from the MITI is obtained.