

11. STATUTORY AND GENERAL INFORMATION

11.1 *Share Capital*

1. No Shares will be allotted on the basis of this Prospectus later than twelve (12) months after the date of this Prospectus.
2. There are no founder, management or deferred shares in the Company. As at the date of this Prospectus 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.
3. Save for the Shares reserved for Directors and eligible employees of the Group as disclosed in Section 5.4 of this Prospectus, no person has been or is entitled to be given an option to subscribe for any shares, stocks or debentures of the Company or its subsidiary.
4. There are no restrictions on the transfer of the Shares of the Company, except as otherwise required by law.
5. A Director is not required to hold any qualification shares in the Company.

11.2 *Articles of Association*

The following provisions are reproduced from the Company's Articles of Association which has been approved by the KLSE.

CHANGES IN CAPITAL AND VARIATIONS OF CLASS RIGHTS

The provisions in the Company's Articles of Association in regard to the changes in capital and variation of class rights which are as stringent as those provided in the Companies Act, 1965 are as follows :-

Article 37

The Company may from time to time, whether all the shares for the time being authorised shall have been issued or all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, by Ordinary Resolution increase the share capital by such sum to be subject to such conditions or restrictions in regard to dividend, return of capital or otherwise, as the resolution shall prescribe.

Article 38

The Company may by Ordinary Resolution:-

- a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; or
- b) sub-divide its existing shares or any of them, into shares of smaller amounts than is fixed by the Memorandum of Association subject, nevertheless to the provisions of the Act, and so that as between the resulting shares, one or more of such shares may by the resolution by which such sub-division is effected be given any preference or advantage as regards dividend, capital, voting or otherwise over the others or any other of such shares; or
- c) cancel any shares not taken or agreed to be taken by any person.

11. STATUTORY AND GENERAL INFORMATION *(cont'd)*

Article 39

The Company may by Special Resolution reduce its share capital and any capital redemption reserve fund in any manner authorised and subject to any conditions prescribed by the Act.

Article 40

- (a) Subject to the provisions of the Act, all or any of the rights, privileges or conditions for the time being attached or belonging to any class of shares for the time being forming part of the share capital of the Company may from time to time be modified, affected, varied, extended, or surrendered in any manner or with the sanction of a special resolution passed at a separate meeting of the members of that class. To any such separate meeting all the provisions of these Articles as to general meeting of the Company shall *mutatis mutandis* apply but so that the necessary quorum shall be two (2) Members of the class holding or represented by proxy one third of the share capital paid or credited as paid on the issued shares of that class and every holder of shares of that class in question shall be entitled on a poll to one vote for every such share held by him provided however that in the event of the necessary majority for such a special resolution not having been obtained in the manner aforesaid consent in writing may be secured by Members holding at least three-fourths of the issued shares of the class and such consent if obtained within two (2) months from the date of the separate general meeting shall be as valid and effectual as a special resolution carried at the meeting. To every such special resolution the provisions of Section 152 of the Act, shall with such adoption as are necessary apply.
- (b) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or in all respect *pari passu* therewith.

TRANSFER OF SECURITIES

The provisions in the Company's Articles of Association in respect of the arrangement on transfer of the securities of the Company and restrictions on their free transferability are as follows:-

Article 20

The transfer of any securities or class of securities of the Company shall be by way of block entry by the Central Depository in accordance with the Rules of the Central Depository and, notwithstanding sections 103 and 104 of the Companies Act, 1965, but subject to section 107c of the Companies Act, 1965, and any exemption that may be made in compliance with section 107c of the Companies Act, 1965, the Company shall be precluded from registering and affecting transfer of such securities.

Article 21

- (a) Where:-
- (i) the securities of the Company are listed on an Approved Market Place; and
 - (ii) the company is exempted from compliance with section 14 of the Securities Industry (Central Depositories) Act, 1991 or section 29 of the Securities Industry (Central Depositories)(Amendment) Act, 1998, as the case may be, under the Rules of the Central Depository in respect of such securities,
- the Company shall, upon the request of the securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the Company in the jurisdiction of the Approved market Place (hereinafter referred to as the "Foreign Register"), to the register of holders maintained by the register of the Company in Malaysia (hereinafter referred to as "the Malaysia Register") subject to the following condition:-
- (a) there shall be no change in the ownership of such securities; and
 - (b) the transmission shall be executed by causing such securities to be credited directly into the securities account of such securities holder.

11. STATUTORY AND GENERAL INFORMATION (cont'd)

- (b) Where the Company fulfills the requirements of clause 23(a) (i) and (ii), the Company shall not allow the transmission of securities from the Malaysian Register to the Foreign Register..

Article 22

Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have noticed that such instrument or transfer was signed or executed and delivered by the transferor, or otherwise in a defective manner. And in every such case, the person registered as transferee, his executors administrators and assignees alone shall be entitled to be recognized as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

Article 23

The registration of transfer may be suspended at such time and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty (30) days in any year. At least eighteen (18) Market Days notice of intention to suspend the register shall be published in a daily newspaper and dispatched to the relevant stock exchange stating the period and the purpose of such closure. At least three (3) Market Days' prior notice shall be given to the Central Depository to enable the Central Depository to prepare the appropriate Record of Depositors.

SECOND BOARD LISTING REQUIREMENTS

The provisions of the Second Board Listing Requirements of the KLSE on the transferability of securities and restrictions on their free transferability are as follows:-

Section 9.5(A) - Transfer of Securities

The transfer of any securities or class of securities of the company which have been deposited with the Central Depository, shall be by way of book entry by the Central Depository in accordance with the Rules of the Central Depository and, notwithstanding sections 103 and 104 of the Companies Act 1965, but subject to sub-section 107C (2) of the Companies Act, 1965 and any exemption that may be made from compliance with sub-section 107C (1) of the Companies Act, 1965, the company shall be precluded from registering and affecting any transfer of securities.

11. STATUTORY AND GENERAL INFORMATION *(cont'd)*

Section 9.5(B) - Transmission of securities from Foreign Register

(1) Where:-

(a) the securities of a company are listed on an Approved Market Place; and

(b) such company is exempted from compliance with section 14 of the Securities Industry (Central Depositories) Act, 1991 or section 29 of the Securities Industry (Central Depositories) Amendment Act, 1998, as the case may be, under the Rules of the Central Depository in respect of such securities,

such company shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of company in the jurisdiction of the Approved Market Place (hereinafter referred to as “**the Foreign Register**”), to the register of holders maintained by the registrar of the company in Malaysia (hereinafter referred to as “**the Malaysian Register**”) subject to the following conditions:-

(i) there shall be no change in the ownership of such securities; and

(ii) the transmission shall be executed by causing such securities to be credited directly into the securities account of such securities holder.

(2) For the avoidance of doubt, no company which fulfils the requirements of paragraphs (a) and (b) of Section 9.5(B) (1) shall allow any transmission of securities from the Malaysian Register in to the Foreign Register.

COMPANIES ACT, 1965

The provisions within the Companies Act, 1965 on the transferability of securities and restrictions on their free transferability are as follows:-

Section 103(1)

Notwithstanding anything in its articles a company shall not register a transfer of shares or debentures unless a proper instrument of transfer in the prescribed form has been delivered to the company, but this subsection shall not prejudice any power to register as a shareholder of debenture holder any person to whom the right to any shares in or debentures in the company has been transmitted by operation of law.

Section 103 (1A)

Nothing in this section shall be construed as affecting the validity of any instrument which would be effective to transfer shares or debentures apart from this section; and any instrument purporting to be made in any form which was common or usual in use, or in any form authorised or required for that purpose apart from this section before the commencement of this Act, shall be sufficient, whether or not it is completed in accordance with the prescribed form, if it complies with the requirements as to execution and contents which apply to a transfer.

Provided that a company shall be precluded from registering a transfer of shares or debentures, the title of which is evidenced by a certificate that is issued on or after the date of coming into operation of this subsection unless a proper instrument of transfer in the prescribed form has been delivered to the company.

11. STATUTORY AND GENERAL INFORMATION (cont'd)

Section 107C (1)

On or after the coming into operation this section, the transfer of any securities or class of securities of a company whose securities of any class of whose securities have been deposited with a central depository shall be by way of book entry by the central depository in accordance with the rules of the central depository and, notwithstanding sections 103 and 104, such company shall be precluded from registering and affecting any transfer of securities.

Section 107C (2)

Subsection (1) shall not apply to a transfer of securities to a Central Depository or its nominee company.

RULES OF THE MCD

The rules within the MCD on the transferability of securities and restrictions on their free transferability are as follows:-

Rule 8.01(2)

The Central Depository may, in its absolute discretion, reject a transfer request made by a depositor thereunder, where the reason for the said transfer does not fall within any of the approved reason stipulated under Rule 8.03 (1) (c).

Rule 8.05A

Transfer made by the authorised depository agent from the agent's principal or nominee account shall be subject to the Rules in this Chapter.

Rule 9.03(2)

It shall be the responsibility of the authorised depository agent, in processing the transfer between the two securities accounts belonging to different depositors (hereinafter the transfer is referred to as "**the inter-account transfer**"), to check and ensure the completeness, accuracy and/or genuineness of the documents lodged as follows:-

- (a) the prescribed Form FTF010 (request for ordinary transfer of securities form) or Form FTF015 (request for express transfer of securities form) fully and properly completed in triplicate;
- (b) the Transferring Depositor has executed the Transferor portion of the said form duly witnessed by another person (other than the depositor's spouse);
- (c) the Transferring Depositor has stated his reason for the transfer and that the reason is or are amongst any of the approved as stated herein below:-
 - (i) transmission of securities arising from the provision of any written law or an order of the court of competent jurisdiction;
 - (ii) rectification of errors;
 - (iii) pledge, charge or mortgage;
 - (iv) mandatory offer pursuant to the provisions of the Malaysian Code on Take-overs and Mergers 1987; or
 - (v) any other circumstances as deemed fit by the Central Depository after consultation with the SC.

11. STATUTORY AND GENERAL INFORMATION *(cont'd)*

- (d) documents to support the reason for the transfer; and
- (e) such other accompanying documents duly processed in such manner as the Central Depository may from time to time determine in the Procedures Manuals.

REMUNERATION OF DIRECTORS

The provisions in the Company's Articles of Association dealing with the remuneration of the Directors are as follows:-

Article 85

- (a) The Directors shall be paid by way of remuneration for their services, such fixed sum (if any) as shall from time to time be determined by the Company in general meeting and such remuneration shall be divided among the Directors in such proportions and manner as the Directors may determine provided always that:-
 - (i) fees payable to non-executive Directors in the Company shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover;
 - (ii) salaries payable to executive Directors in the Company may not include a commission on or percentage of profits or turnover;
 - (iii) fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting where notice of the proposed increase has been given in the notice convening the meeting; and
 - (iv) any fee paid to an alternate director shall be between himself and the Director nominating him and shall be paid out of the remuneration of the latter.
- (b) The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of Directors or any committee of the Directors or any committee of the Directors or general meeting of the Company or otherwise in connection with the business of the Company and subject to these Articles, if any Director being willing renders or is called upon to perform extra services or to make any special exertions in going or residing abroad or otherwise for any business or purpose of the Company, the Directors may arrange with that Director for a special remuneration may be either in addition to or in substitution for his share in the remuneration provided in these Articles.

VOTING AND BORROWING POWERS OF DIRECTORS

The provisions in the Company's Articles of Association dealing with voting powers of the Directors in proposals, arrangements and contracts in which they are interested are as follows:-

Article 89

The Directors may exercise all the powers of the Company to borrow or raise money from time to time, to mortgage or charge upon all or any of the undertaking, property or assets and uncalled capital or any part thereof and to issue debentures, debenture stocks, bonds, loan securities and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party **PROVIDED ALWAYS** that the above powers shall not be applicable to an unrelated third party.

11. STATUTORY AND GENERAL INFORMATION *(cont'd)*

Article 99

A Director shall not vote in respect of any contract or proposed contract or arrangement which he is directly interested, and if he shall do so his vote shall not be counted, nor, save as provided by Article 100 shall be counted in the quorum present at the meeting but neither of these prohibitions shall apply to:

- (a) any arrangement for giving any Director any security or indemnity in respect of money lent by him to, or obligations undertaken by him for the benefit of the Company; or
- (b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of security

The following provisions are reproduced from the Company's Articles of Association which have been approved by the KLSE.

11.3 *Directors and Substantial Shareholders*

1. The names, addresses and occupation of the Directors of Aikbee are set out in Corporate Information Section of this Prospectus.
2. No Director, senior executive officer or person nominated to become a Director or senior executive officer is or was involved in the following events:-
 - a) a petition under bankruptcy or insolvency laws filed against such person or any partnership in which he was or is a partner or any corporation of which he was or is a director or key personnel;
 - b) a conviction in a criminal proceeding or is a named subject of a pending criminal proceeding; or
 - c) the subject of any order, judgement or ruling of any court, tribunal or governmental body of competent jurisdiction permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, Director or employee of a financial institution or engaging in any type of business activity or practice.
3. There are no existing or proposed service contracts between the Directors, key management or key technical personnel and the Company or its subsidiaries excluding contracts expiring, or terminable by the employing company without payments or compensation (other than statutory compensation) within one (1) year.
4. For the financial year ended 31 December 2000, the remuneration payable to the Directors for services in all capacities to the Company and its subsidiaries company was about RM380,000. For the current financial year ending 31 December 2001, the estimated remuneration payable to the Directors is approximately RM1,602,000. The details of the aggregate remuneration are as follows: -

Directors' emoluments (RM)	-----No. of Directors-----	
	Year ended 31 December 2000	Year ended 31 December 2001
0 – 100,000	1	-
100,001 – 200,000	3	7
Above 200,000	-	2
	4	9

11. STATUTORY AND GENERAL INFORMATION (cont'd)

5. According to the Register of Directors' Shareholdings of Aikbee as at 20 March 2001, the beneficial interests of the Directors in the shares of the Company are as follows:-

	BEFORE THE IPO				^AFTER THE IPO			
	Direct		Indirect		Direct		Indirect	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Lim Yen Siew @ Tan Sit Seng	3,998,523	9.52	23,803,205#	56.67	3,560,590	7.12	21,882,976#	43.77
Tan Aik Hooi	1,782,243	4.24	26,019,485#	61.95	1,597,045	3.19	23,846,521#	47.69
Tan Aik Hong	1,782,243	4.24	26,019,485#	61.95	1,587,045	3.17	23,856,521#	47.71
Yap Keat Choon	652,159	1.55	27,149,569#	64.64	590,732	1.18	24,852,834#	49.70
Low Chee Hock	163,187	0.39	-	-	155,314	0.31	-	-
Kamal Bin Abu	3,772,377	8.98	-	-	3,369,212	6.72	-	-
Dato' Mohd Nor Bin Abdul Wahid	-	-	-	-	-	-	-	-
Mohd Zaki Bin Hamzah	-	-	-	-	10,000	0.2	-	-
Li Lim Shiu @ Lee Chee Chow	-	-	-	-	10,000	0.2	-	-

Notes:

- # Deemed interested by virtue of his/her family shareholdings in Sit Seng & Sons Realty Sdn Bhd and Aikbee Timbers Sdn Bhd and his/her family shareholdings
 ^ Including the pink form allocation pursuant to the IPO

6. According to the Register of Substantial Shareholders of Aikbee as at 20 March 2001, the substantial shareholders of Aikbee and their respective direct and indirect interests in the shares of the Company before and after the IPO are as follows:-

	BEFORE THE IPO				^AFTER THE IPO			
	Direct		Indirect		Direct		Indirect	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Aikbee Timbers Sdn Bhd	6,936,235	16.51	-	-	6,476,552	12.95	-	-
Lim Yen Siew @ Tan Sit Seng	3,998,523	9.52	23,803,205#	56.67	3,560,590	7.12	21,882,976#	43.77
Yap Kin Thai	207,925	0.50	27,593,803#	65.70	185,151	0.37	25,258,415#	50.52
Tan Aik Hooi	1,782,243	4.24	26,019,485#	61.95	1,597,045	3.19	23,846,521#	47.69
Tan Aik Hong	1,782,243	4.24	26,019,485#	61.95	1,587,045	3.17	23,856,521#	47.71
Tan Cheng Laye	1,767,273	4.21	26,034,455#	61.99	1,573,715	3.15	23,869,851#	47.74
Tan Aik Thor	1,767,273	4.21	26,034,455#	61.99	1,573,715	3.15	23,869,851#	47.74
Tan Aik Kiong	-	-	27,801,728#	66.19	-	-	25,443,566	50.89
Tan Aik Chong	-	-	27,801,728#	66.19	-	-	25,443,566	50.89
Sit Seng & Sons Realty Sdn Bhd	8,907,854	21.21	-	-	8,299,021	16.60	-	-
Kamal Bin Abu	3,772,377	8.98	-	-	3,369,212	6.72	-	-
Astaka Budi Sdn Bhd	5,239,914	12.48	-	-	3,999,230	8.00	-	-
Siti Hapzah Binti Ali	-	-	5,239,914@	12.48	-	-	3,999,230@	8.0
Dato' Seri Utama Tan Sri Abdul Samad Bin Idris	-	-	5,239,914@	12.48	-	-	3,999,230@	8.0

Notes:

- # Deemed interested by virtue of his/her and his/her family shareholdings in Sit Seng & Sons Realty Sdn Bhd and Aikbee Timbers Sdn Bhd and his/her family shareholdings

11. STATUTORY AND GENERAL INFORMATION (cont'd)

- ^ Including the pink form allocation pursuant to the IPO
 @ Deemed interested by virtue of his/her shareholdings in Astaka Budi Sdn Bhd

7. None of the Directors or substantial shareholders of the Company has any interests, direct or indirect, in other businesses and corporations quoted and unquoted on a recognized stock exchange carrying on a similar trade as the Company or any of its subsidiaries.

11.4 General

1. The nature of the Company's business and the names of all corporations which are deemed related to the Company by virtue of Section 6 of the Companies Act, 1965 are disclosed in Section 4 of this Prospectus. Other than mentioned in this Section of this Prospectus, there is no deemed corporation deemed related to the Company by virtue of Section 6 of the Companies Act, 1965.
2. The time of the opening of the Application List is set out in Section 12 of this Prospectus.
3. The amount payable in full on application to the Company/Offerors is RM2.10 per Share.
4. Save as disclosed in this Prospectus, no Shares or debentures of the Company or its subsidiaries have been issued or proposed to be issued as fully or partly paid-up for cash or otherwise than in cash within the two (2) preceding years of the date of this Prospectus.
5. As at the date of this Prospectus, neither the Company nor its subsidiaries have any convertible debt securities.
6.
 - a) Underwriting commission is payable to the Underwriters by the Company at the rate of 2% of the IPO price of RM2.10 per Share on the Shares being underwritten which form the subject of this Prospectus.
 - b) Brokerage will be paid at the rate of 1% of the IPO of RM2.10 per Share to the parties in the circumstances specified in Section 12 of this Prospectus; and
 - c) Fees incidental to the listing of and quotation for the entire issued and paid-up share capital of the Company on the Second Board of the KLSE estimated to amount to RM1,500,000 would be borne by the Company. The Offeror shall bear stamp duty, brokerage, registration and transfer fees relating to the Offer Shares totalling approximately RM400,000.
7. Save as disclosed in paragraph 6, no commission, discount, brokerages or other special terms have been paid or granted within the two preceding years of the date of this Prospectus or is payable by the Company or its subsidiary within the two (2) years immediately preceding the date of this Prospectus for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any Shares in or debentures of the Company or its subsidiary and no Director or proposed Director or promoter or expert is entitled to receive any such payment in connection with the issue and sale of the Company and its subsidiaries.
8. No amount or benefit has been paid or given within the two (2) years preceding the date hereof, nor is it intended to be paid or given, to any promoter.
9. The name and address of the Auditors are set out in the Corporate Information page of this Prospectus.

11. STATUTORY AND GENERAL INFORMATION (cont'd)

10. Save as disclosed in Section 7.2 of this Prospectus, the Directors of the Company or its subsidiaries are not aware of any material information including trading factors or risks which are unlikely to be known or anticipated by the general public and which could materially affect the profits of the Company or its subsidiaries.
11. Save as disclosed in Section 7.2 of this Prospectus, the Directors of the Company are of the view that the financial conditions and operations of the Company and its subsidiaries are not affected by any of the following:-
 - a) any known trends or known demands, commitments, events or uncertainties that have had or that the Aikbee Group reasonably expects to have, a material favourable or unfavourable impact on financial performance, position and operations of the Group;
 - b) any material commitments for capital expenditure;
 - c) any unusual or infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of the Group;
 - d) any substantial increase in revenue; and
 - e) any known events, circumstances, trends, uncertainties or commitments that are reasonably likely to make the historical financial statements not indicative of future financial performance and position of the Group.
12. With the exception of the Public Issue, there is no present intention on the part of the Directors of the Company to issue any part of the authorized but unissued share capital of the Company.
13. During the last financial year and the current financial year, there were:-
 - a) no public takeover offers by third parties in respect of the Company's shares; and
 - b) no public takeover offers by the Company in respect of other companies' shares.
14. Other than the 2.5 million Shares reserved for Directors and eligible employees of Aikbee Group pursuant to the IPO under this Prospectus, there are at present no other schemes involving the staff or the Directors in the capital of the Company and its subsidiaries as at the date of this Prospectus.
15. The manner in which copies of this Prospectus together with the Application Forms and envelopes may be obtained is set out in Section 12 of this Prospectus.
16. As at 20 March 2001, being the latest practicable date prior to the printing of this Prospectus, the Group has no contingent liabilities.

11. STATUTORY AND GENERAL INFORMATION *(cont'd)*

11.5 *Material Contracts and Litigations*

1. Save as disclosed below, there are no contracts which are or may be material (not being contracts entered into in the ordinary course of business) which have been entered into by the Company and its subsidiaries within the two (2) years preceding the date of this Prospectus:-
 - a) Three (3) Conditional Agreements (“Conditional Agreements”) between the Company and respective shareholders of ABSabah, ABSarawak and ABSawmill all dated 25 November 1997 for the acquisition of the entire shares of ABSabah, ABSarawak and ABSawmill at the consideration of RM9,833,824, RM15,134,348 and RM22,662,087 respectively via the issuance of new shares in Aikbee at an issue price of approximately RM1.45 per share.
 - b) Three (3) Supplemental Agreements to Conditional Sale & Purchase Agreements (“Supplemental Agreement”) between the Company and the respective shareholders of ABSabah, ABSarawak and ABSawmill all dated 26 June 1998 for revising the purchase consideration of the shareholders’ shares in ABSabah, ABSarawak and ABSawmill as stated in the Conditional Agreements to RM8,182,865, RM15,402,492 and RM19,479,648 respectively via the issuance of new shares in Aikbee at an issue price of approximately RM1.60 per share.
 - c) Three (3) Deed of Revocation cum Supplemental Agreement and supplement the Conditional Agreement (“Deed of Revocation”) between the respective shareholders of ABSabah, ABSarawak and ABSawmill all dated 18 May 1999 for further revision of the purchase consideration of the shareholders’ shares in ABSabah, ABSarawak and ABSawmill at the consideration of RM14,191,194, RM15,449,842 and RM19,847,740 respectively via the issuance of new shares in Aikbee at an issue price of approximately RM1.50 per share.
 - d) Three (3) Supplemental Agreements to absolutely revoke the Deed of Revocation cum Supplemental Agreement (dated 18/05/1999) and Supplemental Agreement (dated 26/06/1998) and to supplement the Conditional Agreement (dated 25/11/1997) between the respective shareholders of ABSabah, ABSarawak and ABSawmill all dated 20 July 2000 for finalising the purchase consideration of the shareholders’ shares in ABSabah, ABSarawak and ABSawmill as stated in the Conditional Agreements to RM22,744,804, RM18,446,178 and RM17,674,691 respectively via the issuance of new shares in Aikbee at an issue price of approximately RM1.45 per share.
 - e) An Underwriting Agreement dated 8 December 2000 between the Company, the Offerors and the Underwriters mentioned in the Corporate Information of this Prospectus for underwriting 6,350,000 Public Issue Shares and 1,400,000 Offer For Sale Shares at 2% of the IPO price of RM 2.10 per Share and a Supplemental Underwriting Agreement dated 7 March 2001 between the Company, the Offerors and the Underwriters for the extension of time of the underwriting period to 7 June 2001.
2. The Company and its subsidiaries are not engaged in any litigation, either as plaintiff or defendant, which has a material effect on the financial position of the Company and the Directors do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and/or adversely affect the position or business of the Company or its subsidiaries.

11. STATUTORY AND GENERAL INFORMATION *(cont'd)*

11.6 *Material Agreements*

Save as disclosed below, there is no other material agreements entered into by the Company and its subsidiary companies as at the date of this Prospectus:-

1. Three (3) Logging Agreements entered into between ABSawmill and three (3) log concessionaires, namely Perkayuan Sri Balau, Syarikat Usha Murni and Perkayuan Tropika on 2 December 2000 and 28 July 2000 respectively, to perform logging on 865.04 hectares or approximately 2,136.6 acres of land in Pahang and Johor for a total cash consideration of RM5,657,500, details as set out in Section 4.5.18 herein.
2. A Extraction of Timber Agreement dated 10 November 1998 and a Deed of Variation dated 10 March 2001 entered into between ABSabah and Maichel Ulik, a log concessionaire, to perform logging on 544.872 hectares or approximately 1,345.83 acres of land in Sabah for a cash consideration of RM2.80 per cubic foot, details as set out in Section 4.5.18 herein.
3. A Logging Agreement dated 10 November 1998 and a Deed of Variation dated 11 May 2000 entered into between ABSabah and Otimum Sdn Bhd, the Main Contractor, to perform logging on 2,023 hectares or approximately 4,996.8 acres of land in Sabah for a cash consideration of RM2.80 per cubic foot, details as set out in Section 4.5.18 herein.
4. Five (5) Logging Agreements entered into between ABSabah and five (5) log concessionaires, namely Upaya Abadi Sdn Bhd, Realwood Enterprise Sdn Bhd, Lubah Plantation (S) Sdn Bhd, Fasgain Sdn Bhd and Ever-Yield Sdn Bhd all on 10 December 1996, to perform logging on approximately 3,700 acres of land in Sabah for a cash consideration of RM47.00 per cubic metre, details as set out in Section 4.5.18 herein.
5. Three (3) Log Supply Agreements entered into between ABSawmill and three (3) log suppliers, namely Fu Sheng Trading Sdn Bhd, Foo Lian Timber Trading and Perkayuan Sumber Alam on 9 January 1997, 10 October 1997 and 22 March 2000 respectively, for the supply of 44,200 tons or approximately 79,679 m³ of logs per annum, the consideration of which are based on the prevailing market rate, details as set out in Section 4.5.18 herein.
6. Four (4) Log Supply Agreements entered into between ABSabah and four (4) log suppliers, namely Reliwell Sdn Bhd, Luan Pori Contractor, Fokusmaju Sdn Bhd and PT Terra Agroforesto on 20 April 1997, 2 April 1997, 17 March 1997 and 25 March 2000 respectively, for the supply of 60,283 tons or approximately 108,673 m³ of logs per annum, the consideration of which are based on the prevailing market rate, details as set out in Section 4.5.18 herein.
7. Oil Palm Plantation Maintenance Agreements entered into between ABSabah and various companies related to the Directors and substantial shareholders of Aikbee to carry out plantation management and maintenance programmes after logging activities in approximately 6,794.5 acres of land in Sabah, details as set out in Section 4.11.1 herein.
8. Oil Palm Plantation Maintenance Agreement entered into between ABSabah and JK Timber Management Contractor Sdn Bhd on 27 September 1999 to carry out plantation management and maintenance programmes after logging activities in 44 parcels of land measuring 1,672.6 acres of land located at Sungai Lokan, District of Labuk/Sugut, Sabah, for a cash maintenance fee of RM49.50 per acre per month and harvesting fee of RM40.00 per metric/tonne.
9. Oil Palm Plantation Development Agreements entered into between ABSabah and various companies related to the Directors and substantial shareholders of Aikbee to carry out replanting and development programmes after logging activities in approximately 6,223.7 acres of land in Sabah, details as set out in Section 4.11.1 herein.

11. STATUTORY AND GENERAL INFORMATION (cont'd)

10. Fire insurance policy (No. W/01/FF30/068698) taken by ABSabah collectively with ABSawmill with Lonpac Insurance Bhd for the period from 2 January 2001 to 1 January 2002 against destruction and damage on building, machinery and stock in-trade at Batu 74, Sandakan, Sabah as a result of fire for a total sum insured of approximately RM6.4 million.
11. Fire insurance policy (No. W/01/FF20/067588) taken by ABSarawak with Lonpac Insurance Bhd for the period from 1 January 2001 to 31 December 2001 against destruction and damage on building, machinery and stock in-trade at Lot 67, Tanjung Manis, Sarawak as a result of fire for a total sum insured of approximately RM3.365 million.
12. Fire insurance policy (No. W/01/FF30/067568) taken by ABSawmill collectively with ABSabah with Lonpac Insurance Bhd for the period from 2 January 2001 to 1 January 2002 against destruction and damage on building, machinery and stock in-trade at Batu 6½ Jalan Kepong, Kuala Lumpur as a result of fire for a total sum insured of approximately RM655,000.
13. Fire insurance policy (No. W/01/FF20/068722) taken by ABSawmill collectively with ABSabah with Lonpac Insurance Bhd for the period from 2 January 2001 to 1 January 2002 against destruction and damage on building, machinery and stock in-trade at Batu 6½ Jalan Kepong, Kuala Lumpur as a result of fire for a total sum insured of approximately RM500,000.
14. Fire insurance policy (No. W/01/FF10/067947) taken by ABSawmill collectively with Sit Seng & Sons Realty Sdn Bhd, Soo Tian Chai (Holding) Sdn Bhd, Fokusmaju Sdn Bhd and Universal Faber Sdn Bhd with Lonpac Insurance Bhd for the period from 1 January 2001 to 31 December 2001 against destruction and damage of Pearl Point Shopping Mall at Jalan Kelang Lama, Kuala Lumpur as a result of fire for a total sum insured of approximately RM42.0 million.

11.7 Consents

1. The consent of the Adviser and Managing Underwriter, Underwriters, Solicitors, Valuers, Principal Bankers, Registrars, Company Secretary and Issuing House to the inclusion in this Prospectus of their names in the context and form in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.
2. The consent of the Auditors and Reporting Accountants for the inclusion in this Prospectus of their name, letter on the consolidated profit forecast for the financial year ending 31 December 2001, letter on the proforma consolidated balance sheets as at 30 September 2000 and Accountants' Report in the manner and form in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.
3. The consent from MTIB for the inclusion in this Prospectus of their name and quotation as set out in this Prospectus in the manner and form in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.
4. The consent from Dynaquest Sdn Bhd for the inclusion in this Prospectus of their name and quotation as set out in this Prospectus in the manner and form in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.

11. STATUTORY AND GENERAL INFORMATION (cont'd)

11.8 Documents for Inspection

Copies of the following documents may be inspected at the registered office of the Company during office hours for a period of twelve (12) months from the date of the Prospectus:-

- (a) Memorandum and Articles of Association of Aikbee Group;
- (b) Directors' Report and Accountants' Report as included herein;
- (c) Reporting Accountants' Letters relating to the consolidated profit forecast for the financial year ending 31 December 2001 and proforma consolidated balance sheets as at 30 September 2000 as included herein;
- (d) Audited accounts of Aikbee for the financial years ended 31 December 1997 to 1999 and for the nine (9) months ended 30 September 2000 and unaudited accounts for the financial year ended 31 December 2000;
- (e) Audited accounts of ABSawmill, ABSabah and ABSarawak for the financial years ended 31 December 1995 to 1999 and for the nine (9) months ended 30 September 2000 and unaudited accounts for the financial year ended 31 December 2000;
- (f) The material contracts referred to under Section 11.5 above;
- (g) The material agreements referred to under Section 11.6 above;
- (h) Valuers' letter as set out in Section 9 of this Prospectus; and
- (i) The letters of consent referred to under Section 11.7 above.

11.9 Responsibility

1. Arab-Malaysian Merchant Bank Berhad acknowledges that, to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts about the IPO and the Aikbee Group, and is satisfied that the consolidated profit forecast (for which the Directors of the Company are solely responsible) has been stated by the Directors of the Company after due and careful inquiry.
2. This Prospectus has been seen and approved by the Directors of the Company and the Offerors, and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable inquiries and to the best of their knowledge and belief, there are no other material facts the omission of which would make any statement herein misleading.