
5. CORPORATE AND DEBT RESTRUCTURING SCHEME

5.1 Background Information on TCHB

TCHB was incorporated in Malaysia on 25 November 1994 under the Companies Act as a public limited company. The Company was listed in the Second Board of the KLSE on 16 December 1996.

The principal activity of TCHB is investment holding. Its subsidiary companies are involved in provision of electronic contract manufacturing services such as printed and flex circuit board assembly, and total box-built products for the computer, telecommunications and electronics industries.

TCHB had been suffering from huge losses since 1999. The TCHB Group operations were adversely affected by the spillover effect from the economic downturn in 1997, the worldwide slow down in the electronics sector and cash flow constraints and shortfall in working capital due to difficulty in obtaining financing. The losses over the financial years ended 31 December 1999 to 2001 were mainly attributable to provisions made for obsolete stocks, investment written off, product development costs, pre-operating expenses written-off and interest expenses.

On 23 February 2001, TCHB announced to the KLSE that it has been deemed as an "Affected Listed Issuer" under the Practice Note 4 ("PN 4") of the Listing Requirements in view of the deficit in its shareholders' equity and the qualification of its accounts for the financial year ended 31 December 2000 ("the First Announcement"). As an affected listed issuer under PN 4 ("Affected Listed Issuer"), TCHB is required to comply with the following obligations to regularise its financial position, failing which, TCHB may risk being de-listed:-

- (i) TCHB must within six(6) months from the date of its First Announcement made in relation to being an Affected Listed Issuer of its obligations, make an announcement to the KLSE of a plan to regularise its financial condition ("Requisite Announcement");
- (ii) TCHB must submit a plan to regularise its financial condition to the relevant authorities for approval within 2 months from the date of the Requisite Announcement; and
- (iii) TCHB must obtain all approvals from the relevant authorities necessary for the implementation of such plan within four(4) months from the date of submission.

On 30 August 1999 and 23 May 2000, the Board of Directors of TCHB announced a proposed restructuring exercise involving a proposed rights issue. On 1 August 2001, a Receiver and Manager was appointed to its wholly-owned subsidiary company, TCSB by the secured creditor. The trading of TCHB shares on the Second Board of the KLSE was suspended since 2 August 2001. As a result of this and due to the difficulty in securing underwriters for the proposed rights issue, the earlier proposed restructuring exercise was aborted on 2 August 2001.

In order to facilitate the implementation of a proposed restructuring scheme, which was aimed to regularize its financial position, TCHB made an application to the High Court of Malaya for an application under section 176 of the Companies Act. TCHB was granted a restraining order for a period of nine (9) months, commencing from 24 September 2001 to 23 June 2002. The restraining order under Section 176 application has been further extended to 23 September 2003.

On 1 March 2002, the directors of TCHB announced that TCHB had entered into a Memorandum of Understanding with AKN Capital and Dato' Ahmad Kabeer bin Mohamed Nagoor to formulate a plan to regularise the financial condition of TCHB group. On 31 July 2002, AmMerchant Bank, on behalf of the Board of Directors of TCHB, made the Requisite Announcement that TCHB would undertake the Corporate and Debt Restructuring Scheme.

5. CORPORATE AND DEBT RESTRUCTURING SCHEME (Cont'd)**5.2 Corporate and Debt Restructuring Scheme of TCHB Group**

The Corporate and Debt Restructuring Scheme involved the following:-

(a) Share Exchange

The shareholders of TCHB on 27 July 2003 exchanged all their shares in TCHB for the shares in AWC on the basis of one(1) new AWC Share for every twelve(12) existing TCHB ordinary share of RM1.00 each at an issue price of RM0.60 per Share. The shareholders of TCHB received 3,466,083 new AWC Shares in exchange for the 41,593,000 ordinary shares of RM1.00 each in TCHB currently held by them. Upon completion of the Share Exchange, TCHB became a wholly owned subsidiary of AWC.

(b) Debt Settlement Scheme

Debts owed by TCHB to its unsecured creditors had been settled through the issuance of new Shares in AWC on the basis of one(1) Share in AWC, valued at RM0.60 per Share, for every RM0.60 of the unsecured debt owing after a debt waiver of 92%.

As for the debts owing by TCHB and the Scheme Subsidiaries to their respective Preferential Creditors, an amount of up to an aggregate not exceeding RM10 million would be settled in cash, from the proceeds of the Restricted Offer for Subscription and Offer for Subscription being undertaken by AWC as set out (c) and (d) below.

(c) Acquisitions

On 31 July 2002, AWC entered into six(6) conditional SSA with the Vendors of the Acquiree Companies to acquire the Acquiree Companies for a total consideration of RM104,660,000 to be settled by way of AWC issuing 174,433,333 Shares at an issue price of RM0.60 per Share to the Vendors. The Acquisitions were completed on 27 June 2003. The details of the Acquisitions are as follows:-

| Vendors | No. of shares held | % of shares held | Purchase Consideration RM | No. of new AWC Shares Issued and allotted |
|---------------------------------------|---------------------------|-------------------------|----------------------------------|--|
| AWSB | | | | |
| Dato' Ahmad Kabeer bin Mohamed Nagoor | 1,200,000 | 40.00 | 16,146,100 | 26,910,167 |
| Abdul Razak bin Abdul Rahman | 900,000 | 30.00 | 12,109,575 | 20,182,625 |
| Musa bin Zainuddin | 900,000 | 30.00 | 12,109,575 | 20,182,625 |
| | 3,000,000 | 100.00 | 40,365,250 | 67,275,417 |
| AWFM | | | | |
| Dato' Haji Mat Yasir bin Juli | 540,000 | 90.00 | 7,650,000 | 12,750,000 |
| Abdul Samad bin Mat Taib | 30,000 | 5.00 | 425,000 | 708,333 |
| Ahmad Bustamam bin Sharif | 30,000 | 5.00 | 425,000 | 708,333 |
| | 600,000 | 100.00 | 8,500,000 | 14,166,666 |
| M&C(M) | | | | |
| AKN Capital | 900,000 | 45.00 | 13,425,750 | 22,376,250 |
| LCB | 800,000 | 40.00 | 11,934,000 | 19,890,000 |
| | 1,700,000 | 85.00 | 25,359,750 | 42,266,250 |
| M&C(S) | | | | |
| Choo Har Thong | 90,000 | 18.00 | 1,530,000 | 2,550,000 |
| Yong Sow Kah | 5,000 | 1.00 | 85,000 | 141,667 |
| Tony Setiadi | 150,000 | 30.00 | 2,550,000 | 4,250,000 |
| | 245,000 | 49.00 | 4,165,000 | 6,941,667 |
| KPSB | | | | |
| PJISB | 183,000 | 61.00 | 8,247,200 | 13,745,333 |
| Lim Kian Seng | 57,000 | 19.00 | 2,568,800 | 4,281,333 |
| Knight's Technology Sdn Bhd | 60,000 | 20.00 | 2,704,000 | 4,506,667 |
| | 300,000 | 100.00 | 13,520,000 | 22,533,333 |

5. CORPORATE AND DEBT RESTRUCTURING SCHEME (Cont'd)

| Vendors | No. of shares held | % of shares held | Purchase Consideration RM | No. of new AWC Shares issued and allotted |
|-----------------|--------------------|------------------|---------------------------|---|
| GGLN | | | | |
| Hew Tze Kwon | 35,000 | 35.00 | 4,462,500 | 7,437,500 |
| Lianti Rahardja | 35,000 | 35.00 | 4,462,500 | 7,437,500 |
| Hew Tze Ken | 30,000 | 30.00 | 3,825,000 | 6,375,000 |
| | 100,000 | 100.00 | 12,750,000 | 21,250,000 |
| Total | | | 104,660,000 | 174,433,333 |

Other than the liabilities incurred in the ordinary course of business, AWC does not assume any liabilities arising from the Acquisitions. The aggregate purchase consideration of the Acquiree Companies of RM104,660,000 has been determined on a willing-buyer willing-seller basis after taking into consideration the future earnings and prospects of the Acquiree Companies.

The issue price of RM0.60 per AWC Share for the Acquisition was based on the future earnings and prospect of the AWC Group and it represented a 20% premium on the par value of AWC Shares.

(c) Restricted Offer for Subscription

AWC, through this Prospectus, is undertaking a Restricted Offer for Subscription of 5,000,000 new Shares at an issue price of RM0.60 per Share to certain of the Vendors of the Acquiree Companies. The issue price is fixed at a premium of RM0.10 above the par value of AWC Shares, after taking into consideration, inter-alia, the future earnings of the enlarged AWC Group. The Restricted Offer for Subscription will raise a gross proceeds of RM3,000,000.

(d) Offer for Subscription

AWC, through this Prospectus is undertaking an Offer for Subscription of 17,100,000 new Shares at an issue price of RM0.60 each to the following parties:-

| | No. of shares to be issued pursuant to the Offer for Subscription |
|---|---|
| Malaysian Public – via balloting | 4,100,000 |
| Former Shareholders of TCHB – via balloting | 1,000,000 |
| Malaysian Public – via placement | 12,000,000 |
| | <u>17,100,000</u> |

The issue price is fixed at RM0.60, after taking into consideration, inter-alia, the future earnings of the enlarged AWC Group. The Offer for Subscription will raise a gross proceeds of RM10,260,000.

In respect of the Offer for Subscription to public investors via placement, approximately 9,000,000 shares shall be reserved for placement to Bumiputera investors to be approved by MITI as the AWC Group will need to maintain a Bumiputera shareholdings of 51% to ensure that its subsidiary, AWFM complies with the equity condition as contained in the license issued by the Ministry of Finance to AWFM.

(e) Listing

The Share Exchange, Debt Settlement Scheme and Acquisitions have been completed. Upon completion of the Restricted Offer for Subscription and Offer for Subscription, the listing status of TCHB on the Second Board of the KLSE shall be transferred to AWC. An application will be made to the KLSE for the following:-

5. CORPORATE AND DEBT RESTRUCTURING SCHEME (Cont'd)

- (i) the listing of the entire enlarged issued and paid-up capital of AWC on the Second Board of the Official List of the KLSE; and
 - (ii) the removal of TCHB from the Official List of the KLSE and the de-listing of the entire issued and paid-up capital of TCHB from the Second Board of the KLSE.
- (f) **Waiver from the obligation to undertake a mandatory general offer**

Following completion of the Acquisitions, K-Capital Sdn Bhd and AKN Capital Sdn Bhd collectively hold approximately 45.40% equity interest in AWC. Further, in the event that all the CG Lenders exercise their rights under the Put Option Agreement in respect of the entire AWC Creditors' shares, K-Capital Sdn Bhd, AKN Capital Sdn Bhd together with the shares to be acquired by the SPV will amount collectively hold more than 57.69% equity interest in AWC after the exercise of the Put Option.

Pursuant to Part II, Section 6 of the Code, K-Capital Sdn Bhd, AKN Capital Sdn Bhd and the SPV will be required to extend a mandatory general offer to the remaining shareholders of AWC to acquire all the remaining shares not already owned by them, firstly upon completion of the Acquisitions and subsequently upon exercise of the Put Options (if the exercise of the Put Options would result in the acquisition of more than 2% of AWC's issued and paid-up capital within a period of 6 months).

In this connection, K-Capital Sdn Bhd, AKN Capital Sdn Bhd and the SPV had applied for a waiver from the SC under Practice Note 2.9.3 of the Code (relating to rescue operation) in respect of their respective obligations to make a mandatory GO for the remaining AWC Shares not already owned by them.

The SC had vide their letter dated 24 December 2002 approved the Waiver.

5.3 Put Option

The SPV granted an option to the CG Lenders the right to require the SPV to purchase from the CG Lenders the Put Shares free from all liens, charges, pledges and encumbrances on the terms and conditions as follows:-

- (i) The Put Option is for a period of 30 months commencing from the Listing Date; and
- (ii) The Put Option shall be exercisable in the following order:-

(a) First Tranche

In respect of 50% of the Put Shares (not already sold by the CG Lenders), the Put Option is exercisable after the 1st anniversary of the Listing Date at an exercise price of RM0.65 per Put Share with a RM0.05 premium per Put Share based on the issued price of the Put Share; and

(b) Second Tranche

In respect of the balance 50% of the Put Shares (not already sold by the CG Lenders), the Put Option is exercisable at an exercise price of RM0.70 per Put Share with a RM0.10 premium based on the issued price of the Put Share after the 2nd anniversary of the Listing Date.

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5. CORPORATE AND DEBT RESTRUCTURING SCHEME (Cont'd)

A summary of the exercise price of the Put Shares is as follow:-

| Exercise Period | % of Put Shares Exercisable | Exercise Price (RM) |
|--|-----------------------------|---------------------|
| From 1 st anniversary of the Listing Date up to the expiry of 30 months from the Listing Date | 50 | 0.65 |
| From 2 nd anniversary of the Listing Date up to the expiry of 30 months from the Listing Date | 50 | 0.70 |

For the avoidance of doubt, the CG Lenders shall be entitled to exercise the Put Option under the Second Tranche notwithstanding the CG Lenders have not or have not fully exercised the Put Option under the First Tranche, subject always to the schedule for exercise of the Put Option stipulated above and the limit on the number of Put Shares exercisable under each tranche.

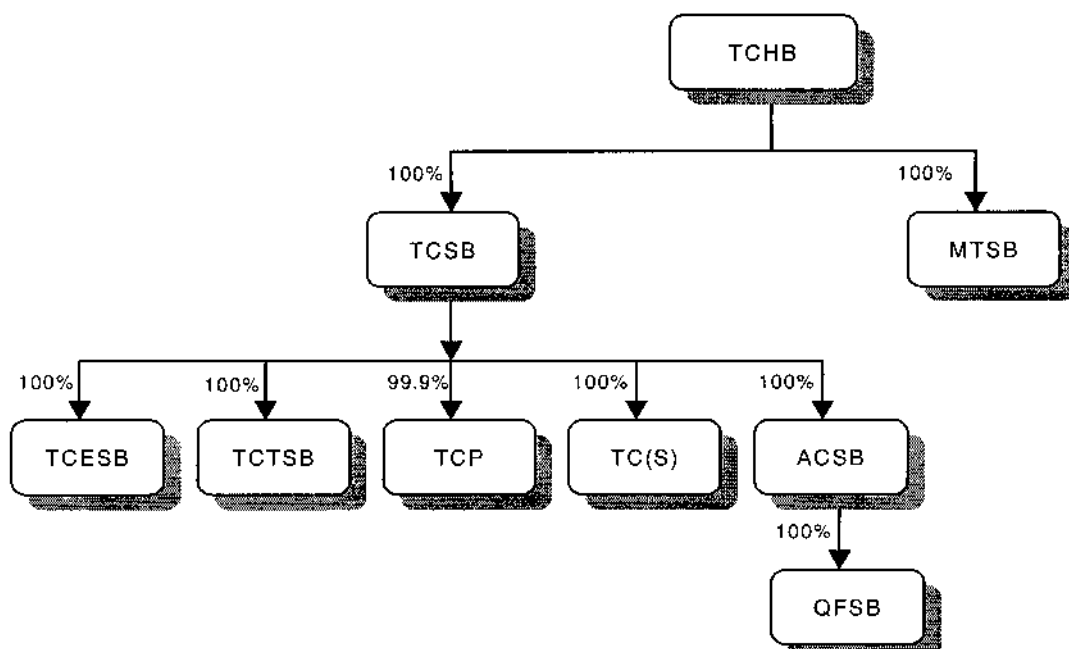
The CG Lenders were given the sole discretion to decide whether to enter into the Put Option Agreement with the SPV.

5.4 Completion Of The Corporate And Debt Restructuring Scheme

Upon completion of the Corporate and Debt Restructuring Scheme, TCHB Group would be restructured via AWC. The debt burden of TCHB have been discharged through the debt waiver and conversion of debt into Shares of AWC and settlement to Preferential Creditors from the proceeds of the Restricted Offer for Subscription and Offer for Subscription pursuant to the Debt Settlement Scheme. AWC will resume the listing status of TCHB and operates with new viable businesses in provision of integrated facilities and buildings solutions with better prospects and potential improvement in its earnings and cash flow from the contribution of its Subsidiaries.

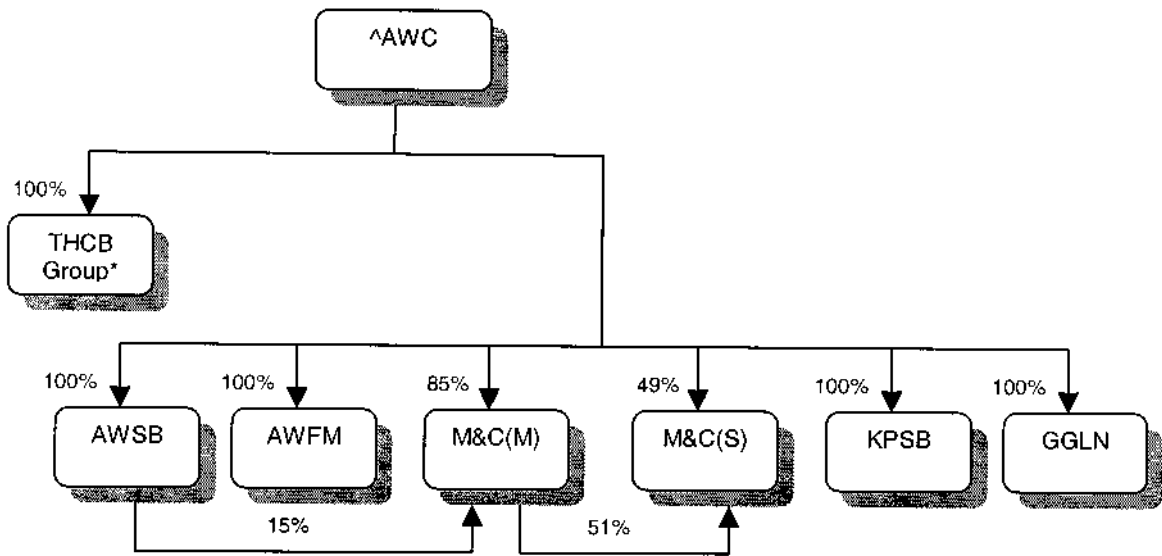
5.4.1 The structure of the AWC Group before and after the Corporate and Debt Restructuring Scheme are set out below:-

Before the Corporate and Debt restructuring Scheme



5. CORPORATE AND DEBT RESTRUCTURING SCHEME (Cont'd)

After the Corporate and Debt Restructuring Scheme



Notes:

- * The entire TCHB Group will be liquidated upon completion of the Corporate and Debt Restructuring Scheme
- ^ AWC to take over the listing status of TCHB

Abbreviations:

- MTSB – Mediahomes Tech Sdn Bhd
- TCP – Trans Cap Philippines, Inc.
- TC(S) – Trans Capital (Sarawak) Sdn Bhd
- ACSB – Allied Courts (M) Sdn Bhd
- QFSB – Quantum Factors Sdn Bhd

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6. PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT TEAM

The AWC Group is led by strong and committed promoters, directors and management with extensive experience in both the facility management and HVAC systems and control engineering services industry.

6.1 Promoters and Major shareholders

The promoters of AWC are Dato' Ahmad Kabeer bin Mohamed Nagoor, AKN Capital, LCB and PJISB. Information on the promoters is set out as follow:-

Dato' Ahmad Kabeer bin Mohamed Nagoor

Aged 46, was appointed as Director of AWSB on 10th October 1998. He is also the Executive Director of AWSB since 10 October 1998. He graduated with a Masters Degree in Finance from the University of St. Louis, Missouri, United States of America in 1986. He started his career with the Bank of Nova Scotia in 1986 in the foreign exchange division and later became a Lecturer in the School of Management, University Sains Malaysia from 1988 to 1994. Since 1994 till now, he has invested in various businesses and established himself as a reputable Bumiputra businessman with wide ranging interest in manufacturing, facility management, HVAC engineering, automobile distribution and general investments. Amongst his more sizeable and established investment includes AKN Technology Berhad, a company that is listed on the Main Board of the KLSE, which is involved in leadframes manufacturing for the semiconductor industry, contract manufacturing and design of programmable logic devices and distribution of semiconductor chips particularly for the telecommunication industry and AKN Messaging Technologies Berhad, a company listed on the MESDAQ Market of KLSE providing mobile messaging solutions. He is instrumental in guiding and directing the businesses of AWSB to its current status and was the person who is crystallising the merger of AWSB, AWF, M&C(M), M&C(S), KPSB and GGLN after recognising the potential synergies that can be harnessed from the merger exercise.

AKN Capital

AKN Capital was incorporated in Malaysia on 22 October 1994 under the Companies Act as a private limited company. The principal activity of AKN Capital is investment holding. Its issued and paid up share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

The changes in the issued and paid-up ordinary share capital of AKN Capital since incorporation are as follows:-

| Date Issued | No. of shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Ordinary Share Capital RM |
|-------------|------------------------|--------------|---------------------|---|
| 22.12.94 | 2 | 1.00 | Subscribers' shares | 2.00 |
| 17.02.96 | 8 | 1.00 | Cash | 10.00 |
| 03.02.00 | 99,990 | 1.00 | Cash | 100,000.00 |

Particulars of the directors of AKN Capital and their respective shareholdings as at 27 July 2003 are as follows:-

| Name | Nationality | Direct | No. of shares held | | |
|---------------------------------------|-------------|--------|--------------------|----------|---|
| | | | % | Indirect | % |
| Dato' Ahmad Kabeer bin Mohamed Nagoor | Malaysian | 75,000 | 75.00 | - | - |
| Datin Dr Wahida binti Abdul Rahman | Malaysian | 10,000 | 10.00 | - | - |

6. PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT TEAM (Cont'd)

The major shareholders (5% or more) of AKN Capital as at 27 July 2003 and their respective shareholdings are as follows:-

| Name of shareholders | Direct | No. of shares held | | |
|---------------------------------------|--------|--------------------|----------|---|
| | | % | Indirect | % |
| Dato' Ahmad Kabeer bin Mohamed Nagoor | 75,000 | 75.00 | - | - |
| Datin Dr Wahida binti Abdul Rahman | 10,000 | 10.00 | - | - |
| Ooi Boon Leong | 15,000 | 15.00 | - | - |

LCB

LCB was incorporated as a private limited company under the name of Linear Corporation Sdn Bhd on 29 January 1994. It was converted to a public limited company and assumed its present name on 17 February 1994. The ordinary shares of LCB were listed on the KLSE Second Board on 18 November 1994. It was later transferred to the KLSE Main Board on 16 November 1999.

LCB is principally involved in investment holding and provision of management services. The principal activities of its subsidiaries are manufacturing, marketing and provision of HVAC equipment and solutions. LCB is a regional leader in the aforementioned fields.

Particulars of the directors of LCB and their respective shareholdings as at 27 July 2003 are as follows:-

| Name | Nationality | Direct | No. of shares held | | |
|----------------------------------|-------------|--------|--------------------|---------------------------|-------|
| | | | % | Indirect | % |
| Lum Weng Loy | Malaysian | 5,000 | 0.01 | 10,008,000 ⁽¹⁾ | 19.34 |
| Chin Kuet Lee | Malaysian | - | - | 10,008,000 ⁽²⁾ | 19.34 |
| Soh Yew Aun | Malaysian | 25,001 | 0.05 | - | - |
| Datuk Abdul Malek Bin Abdul Aziz | Malaysian | 10,000 | 0.02 | - | - |
| Ahmad Shalimin bin Ahmad | Malaysian | - | - | - | - |

The major shareholders (5% or more) of LCB as at 27 July 2003 and their respective shareholdings are as follows:-

| Name of shareholders | Direct | No. of shares held | | |
|--------------------------|------------|--------------------|---------------------------|-------|
| | | % | Indirect | % |
| Cytech Strategic Sdn Bhd | 10,008,000 | 19.34 | - | - |
| Lum Weng Loy | 5,000 | 0.01 | 10,008,000 ⁽¹⁾ | 19.34 |
| Chin Kuet Lee | - | - | 10,008,000 ⁽²⁾ | 19.34 |

Notes:

- (1) Deemed to be interested by virtue of his 60.0% interest in Cytech Strategic Sdn Bhd
(2) Deemed to be interested by virtue of his 40.0% interest in Cytech Strategic Sdn Bhd

PJISB

PJISB was incorporated as a private limited company under the name of Perunding Balem Sdn Bhd on 14 June 1985. Subsequently, it changed its name to Consortium Consultant Project Sdn Bhd on 24 November 1990. On 11 May 1994, the Company changed its name to P.J. Indah Sdn Bhd.

PJISB is principally involved in providing service in the form of electrical and mechanical engineering services and maintenance works.

6. PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT TEAM (Cont'd)

Particulars of the directors of PJISB and their respective shareholdings in the Company as at 27 July 2003 are as follows:-

| Name | Nationality | No. of shares held | | | |
|------------------------------|-------------|--------------------|---|-------------|--------|
| | | Direct | % | Indirect | % |
| Dato' Abdul Rashid Bin Ahmad | Malaysian | - | - | ^10,000,000 | 100.00 |
| Dato' Ir. Lee Peng Joo | Malaysian | - | - | #10,000,000 | 100.00 |
| Rezal Zain Bin Abdul Rashid | Malaysian | - | - | @10,000,000 | 100.00 |
| Lim Chong Ling | Malaysian | - | - | | |
| Choy Ping Keong | Malaysian | - | - | | |

^ Deemed interest by virtue of his, his spouse's, Datin Rohani binti Romly and his son's, Rezal Zain bin Abdul Rashid, direct shareholding in PJI Holdings Berhad.

Deemed interest by virtue of his, his spouse's, Yap Mei Leng, interest of more than 15% in Aplink Enterprise Sdn Bhd and his brothers', Lee Peng Seng and Lee Peng Kuan, direct shareholdings in PJI Holdings Berhad.

@ Deemed interest by virtue of his, his father's, Dato' Abdul Rashid bin Ahmad and his mother's, Datin Rohani binti Romly, direct shareholding in PJI Holdings Berhad.

The major shareholders (5% or more) of PJISB as at 27 July 2003 and their respective shareholdings are as follows:-

| Name of shareholders | No. of shares held | | | |
|------------------------------|--------------------|--------|--------------|--------|
| | Direct | % | Indirect | % |
| PJI Holdings Berhad | 10,000,000 | 100.00 | - | - |
| Dato' Abdul Rashid bin Ahmad | - | - | ^a10,000,000 | 100.00 |
| Datin Rohani binti Romly | - | - | ^b10,000,000 | 100.00 |
| Rezal Zain bin Abdul Rashid | - | - | ^c10,000,000 | 100.00 |
| Dato' Ir. Lee Peng Joo | - | - | #a10,000,000 | 100.00 |
| Yap Mei Leng | - | - | #b10,000,000 | 100.00 |
| Lee Peng Seng | - | - | #c10,000,000 | 100.00 |
| Lee Peng Kuan | - | - | #d10,000,000 | 100.00 |
| Geh Yean Chang | - | - | @a10,000,000 | 100.00 |
| Geh Yean Hor | - | - | @b10,000,000 | 100.00 |
| Apex Term Sdn Bhd | - | - | ##10,000,000 | 100.00 |
| Aplink Enterprise Sdn Bhd | - | - | ##10,000,000 | 100.00 |

^a Deemed interest by virtue of his, his spouse's, Datin Rohani binti Romly and his son's, Rezal Zain bin Abdul Rashid, direct shareholding in PJI Holdings Berhad.

^b Deemed interest by virtue of her, her spouse's, Dato' Abdul Rashid bin Ahmad and her son's, Rezal Zain bin Abdul Rashid, direct shareholding in PJI Holdings Berhad.

^c Deemed interest by virtue of his, his father's, Dato' Abdul Rashid bin Ahmad and his mother's, Datin Rohani binti Romly, direct shareholding in PJI Holdings Berhad.

#a Deemed interest by virtue of his, his spouse's, Yap Mei Leng, interest of more than 15% in Aplink Enterprise Sdn Bhd and his brothers', Lee Peng Seng and Lee Peng Kuan, direct shareholdings in PJI Holdings Berhad.

#b Deemed interest by virtue of her shareholding of more than 15% in Aplink Enterprise Sdn Bhd and her spouse's, Dato' Ir. Lee Peng Joo, direct interest and also his indirect interest through his brothers', Lee Peng Seng and Lee Peng Kuan, direct shareholdings in PJI Holdings Berhad.

#c Deemed interest by virtue of his brothers' Dato' Ir. Lee Peng Joo and Lee Peng Kuan, direct shareholding and Dato' Ir. Lee Peng Joo's indirect interest through his spouse's interest of more than 15% in Aplink Enterprise Sdn Bhd, in PJI Holdings Berhad.

#d Deemed interest by virtue of his brothers' Dato' Ir. Lee Peng Joo and Lee Peng Seng, direct shareholding and Dato' Ir. Lee Peng Joo's indirect interest through his spouse's interest of more than 15% in Aplink Enterprise Sdn Bhd, in PJI Holdings Berhad.

@a Deemed interest by virtue of his and his brothers', Geh Yean Hor and Geh Yean Kuan, direct shareholdings and indirect shareholdings through his interest of more than 15% in Apex Term Sdn Bhd, in PJI Holdings Berhad.

@b Deemed interest by virtue of his and his brothers', Geh Yean Chang and Geh Yean Kuan, direct shareholdings and indirect shareholdings through Geh Yean Chang's interest of more than 15% in Apex Term Sdn Bhd, in PJI Holdings Berhad.

Deemed interest by virtue of its direct shareholdings in PJI Holdings Berhad.

6. PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT TEAM (Cont'd)**6.2 Board of Directors**

- **Dato' Kalimullah bin Masheerul Hassan** aged 45, was appointed as the Independent Non-Executive Chairman of AWC on 7 July 2003. Dato' Kalimullah started off as a Cadet Journalist with Penang based National Echo in 1979, before joining The Star newspaper as the Chief Reporter in its headquarters in Kuala Lumpur. Later, he joined Reuters news agency and the New Straits Times before serving as Press Secretary to the former Deputy Prime Minister, Tun Abdul Ghafar Baba. In 1990, he rejoined the media as an Editorial Consultant for the Singapore Press Holdings and in 1995, he left journalism to become the General Manager of FACB Berhad. He left FACB Berhad in 1997 to join Samudra Baru Darul Aman as an Executive Director and in February 1999, he became a Consultant in TA Enterprise Berhad. He held directorships in MBF Holdings Berhad, FACB Resort Berhad, FACB Industries Berhad, TA Enterprise Berhad, TA Securities Berhad, Botly Securities Sdn Bhd, TA Unit Trust Sdn Bhd, TA Futures Sdn Bhd and TA-OUB Asset Management Sdn Bhd. He resigned from the boards of these companies to focus on his own investments in ECM Libra. Dato' Kalimullah currently retains his position as Chairman of MBF Capital Berhad and as Director of Taylors Education Berhad. He was appointed as Chairman of National News Agency Bemama by His Majesty The Yang Di Pertuan Agong for a two-year term beginning September 2002. Dato' Kalimullah is now the Managing Director of financial services group, ECM Capital Sdn Bhd which owns an offshore investment bank, ECM Libra Investment Bank (Labuan).
- **Krishnan Menon**, aged 53, was appointed as the Executive Director of AWC on 7 July 2003. He was also appointed as Director of M&C(M) on 10 July 2002. He qualified as a Chartered Accountant in 1975. He is a Fellow of the Institute of Chartered Accountants in England & Wales and also a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants. Krishnan Menon started his career in 1975 with Hanafiah Raslan & Mohamad/ Touche Ross where he became an Audit/Insolvency Partner till April 1987 after which he left to become the Head of Corporate Finance Group of Touche Ross, Leicester from August 1987 to December 1988. Thereafter, he joined Public Bank Berhad rising to the position of Executive Vice President where he served from January 1989 to December 1994. After a stint in the corporate sector, Krishnan Menon then became the Chief Operating Officer for Putrajaya Holdings Sdn Bhd until October 2000. Krishnan Menon brings with him extensive experience in audit, corporate finance, insolvency, banking and property management. His experience in management and operation will be integral to the enlarged AWC Group's principal activities.
- **Nordin Bin Abu Bakar**, aged 52, was appointed as the Executive Director of AWC on 7 July 2003. He has also held the position of Chief Executive Officer of AWSB since 1998. He graduated from the University of Malaya with a Honours Degree in Economics and a Post-Graduate Diploma in Business Administration. He started his career in 1974 as a Bank Officer and held various management positions in the bank, last holding the post of branch manager when he left the bank in 1990. He later joined Pensera Sdn Bhd ("Pensera"), a facility management company as General Manager where he was responsible for the overall facility management operations of several major buildings that was contracted to Pensera. He left Pensera in 1998 to joined AWSB as CEO when he took charge of AWSB's facility management operations. He has many years of relevant industry experience and is instrumental in bringing AWSB to its current state.
- **Dato' Ir. Lee Peng Joo**, aged 48, was appointed as the Non-Independent Non-Executive Director of AWC on 7 July 2003. He has been the Group Managing Director/ Chief Executive Officer of PJI Holdings Berhad since 29 August 2001. He obtained his Bachelor of Science in Electrical Engineering and Electronics from University of Dundee, Scotland, UK in 1980. He is a Fellow Member of the Institution of Engineers, Malaysia; a Member of the Institute of Electrical Engineers, UK; a Member of the Malaysian Institution of Management; a member of the Malaysian Institute of Corporate Governance (MICG) and a member of Lembaga Yayasan Tuanku Syed Putra Perlis. He is also a Professional Engineer registered with the Board of Engineers, Malaysia and a Chartered Engineer registered with the Council of Engineer, UK. With more than 22 years of experience in project implementation and management, he has successfully established PJISB as one of the leading electrical and mechanical engineering services company in Malaysia. He is also currently the Managing Director of PJISB. He has introduced new techniques in project

6. PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT TEAM (Cont'd)

management control and implementation and has successfully completed many projects for PJISB in a relatively short period. He has wide experience in high-rise building, military camp, underground bunker, tunnel, university, airport, hospital, oil and gas, LRT and stadium projects. He has led PJISB to win the coveted Enterprise 50 Award, Best Electrical Project of the Construction Industry Award 2002 and Best Lower Medium Scale Project Award of the Construction Industry Award 2001 by Construction Industry Development Board Malaysia., AFEEC (ASEAN Federation of Electrical Engineering Contractors) Award for 'The Best Engineering Contractor in Malaysia'. He sits on the board of a number of other private limited companies. He is currently the Deputy President of the Electrical and Electronic Association of Malaysia (TEEAM), the Chairman of the AFEEC Joint-Venture Task Force and an External Examiner for Jabatan Bekalan Elektrik (JBE) Wiremen/Chargemen Examination.

- **Datuk Nasir bin Safar**, aged 54, was appointed as an Independent Non-Executive Director of AWC on 7 July 2003. Datuk Nasir has been actively involved in social works in Malaysia. He was the former youth leader of UMNO Pontian branch, former youth leader of UMNO Negeri Johor, former vice-leader of UMNO Pontian branch and former director of Bank Rakyat. Since 1998, he has been the chairman of Malaysian Association of Youth Club ("MAYC") Negeri Johor. Datuk Nasir is the head of UMNO branch for the Kg. Parit Selangor, Pontian since 1976 and in 2001, he was appointed as the deputy UMNO Leader for Pontian Division.
- **Lee Peng Kuan**, aged 41, was appointed as an Alternate Director to Dato' Ir. Lee Peng Joo on 7 July 2003. He is presently the Corporate Operations Director and the alternate director in PJI Holdings Berhad. He obtained a Bachelor of Commerce Degree from Memorial University of Newfoundland, Canada in 1984 and a Masters in Business Administration (Finance) from International Islamic University Malaysia in 1998. A member of the Malaysian Institute of Management, Malaysian National Computer Confederation and Malaysian Institute of Corporate Governance (MICG), He has 18 years of experience in the Business Operations and Information and Communications Technology (ICT) field. He had held various positions ranging from Research Assistant to General Manager with responsibilities that included work assignments in Canada and listed companies in countries in the Asia Pacific region. He had successfully led his team to win the National PIKOM IT Award twice for the innovative use of IT for competitive advantage in two Malaysian public listed companies that he had worked for in 1990 and 1998, projects that entails implementation of major projects that involve the review of existing business process/models (reengineering and change management) and the introduction of new leading ICT technologies. Apart from being a senior member of management team of PJI Holdings Berhad that oversees the management of business as well as defining its overall business directions, finance and operations, his portfolio also covers Corporate Growth Plans and Strategies, Investment and Investor Relations.

6.2.1 Directors' Shareholdings in AWC

The shareholdings of the Directors after the Offer for Subscription are as follows:-

| Names | Direct | | Indirect | |
|---------------------------------------|--------------------|---|--------------------|------|
| | No. of Shares Held | % | No. of Shares Held | % |
| Krishnan Menon | - | - | - | - |
| Nordin bin Abu Bakar | - | - | - | - |
| Dato' Ir. Lee Peng Joo | - | - | *14,139,333 | 6.18 |
| Dato' Kalimullah bin Masheerul Hassan | - | - | - | - |
| Datuk Nasir bin Safar | - | - | - | - |
| Lee Peng Kuan | - | - | *14,139,333 | 6.18 |

* Deemed interested by virtue of his substantial interest in PJI Holdings Berhad, which in turn has 100% shareholding in PJISB

6. PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT TEAM (Cont'd)**6.2.2 Other Directorships and substantial shareholdings in other Public Listed Companies of the Directors of AWC for the past two(2) years**

Save as disclosed below, none of the directors holds or has held any directorships and five percent (5%) or more of the issue and paid-up share capital in other public listed companies for the past two (2) years as at 15 July 2003.

| Name of Directors | Name of Company | Directorship | | Shareholding | | | |
|---------------------------------------|-----------------------------------|----------------|---------------|---------------|-------|---------------|-------|
| | | Date Appointed | Date Resigned | Direct | | Indirect | |
| | | | | No. of shares | % | No. of shares | % |
| Krishnan Menon | SPK Sentosa Berhad | 26.03.2002 | - | - | - | - | - |
| | MISC Berhad | 30.08.2001 | - | - | - | - | - |
| | MESB Berhad | 29.06.2002 | 21.05.2003 | - | - | - | - |
| | Symphony House Berhad | 25.11.2002 | - | 50,000 | 0.18 | - | - |
| | AKN Messaging Technologies Berhad | 21.06.2002 | - | 250,000 | 0.28 | - | - |
| Dato' Ir. Lee Peng Joo | PJI Holdings Berhad | 29.08.2001 | - | 7,129,000 | 11.27 | **7,931,000 | 12.53 |
| Dato' Kalimullah bin Masheerul Hassan | MBf Capital Berhad | 05.09.2000 | - | - | - | - | - |
| | MBf Holdings Berhad | 01.08.2000 | 30.06.2003 | - | - | - | - |
| | TA Enterprise Berhad | 20.12.2000 | 22.05.2003 | - | - | - | - |
| | FACB Resorts Berhad | 02.07.2001 | 01.07.2002 | - | - | - | - |
| | FACB Industries Berhad | 02.07.2001 | 01.07.2002 | - | - | - | - |
| Lee Peng Kuan | PJI Holdings Berhad | 29.08.2001 | - | 998,200 | 1.58 | **14,061,800 | 22.22 |

* Deemed interest by virtue of his spouse's, Yap Mei Leng, interest of more than 15% in Aplink Enterprise Sdn Bhd and his brothers', Lee Peng Seng and Lee Peng Kuan, direct shareholdings in PJI Holdings Berhad

** Deemed interest by virtue of his brothers' Dato' Ir. Lee Peng Joo and Lee Peng Seng, direct shareholding and Dato' Ir. Lee Peng Joo's indirect interest through his spouse's interest of more than 15% in Aplink Enterprise Sdn Bhd, in PJI Holdings Berhad.

6.2.3 Directors' Remuneration and Benefits

The remuneration paid to the Directors of AWC for services rendered in all capacities to AWC and its subsidiary companies in respect of the proforma consolidated financial year ended 31 December 2002 amounted to RM130,000. For the financial year ended 30 June 2003, the remuneration payable to the Directors is estimated at RM60,000. The details of the aggregate remuneration are as follow:-

| Directors' emoluments (RM) | -----No. of Directors----- | |
|----------------------------|----------------------------|---------------------|
| | Year ended 31.12.02 | Year ended 30.06.03 |
| 0 – 50,000 | - | - |
| 50,001 – 100,000 | - | 1 |
| Above 100,000 | 1 | - |
| | <u>1</u> | <u>1</u> |

6. PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT TEAM (Cont'd)**6.3 Key Management Team****(i) Profiles of the key management of AWC Group**

- **Nordin Bin Abu Bakar**, aged 52, was appointed as the Executive Director of AWC on 7 July 2003. He has also held the position of Chief Executive Officer of AWSB since 1998. He graduated from the University of Malaya with a Honours Degree in Economics and a Post-Graduate Diploma in Business Administration. He started his career in 1974 as a Bank Officer and held various management positions in the bank, last holding the post of branch manager when he left the bank in 1990. He later joined Pensera Sdn Bhd ("**Pensera**"), a facility management company as General Manager where he was responsible for the overall facility management operations of several major buildings that was contracted to Pensera. He left Pensera in 1998 to joined AWSB as CEO when he took charge of AWSB's facility management operations. He has many years of relevant industry experience and is instrumental in bringing AWSB to its current state.
- **Dato' Haji Mat Yasir bin Juli**, aged 60, was appointed as Director of AWF on 22 December 1999. He has been the Chairman of AWF since November 1998. He graduated with a Bachelor of Arts in Pengajian Melayu from Universiti Malaya in 1968. Dato' Yasir pursued his post graduate studies in 1977 and graduated with a Master in Public Administration from the Pennsylvania State University, Pennsylvania, United States of America in 1979. He started his career as an Administrative Officer with FELDA in 1968 and from thereon has held many positions which amongst others include senior position like Secretary in the Service Division of the Ministry of Health, Head Assistant Director in the (Development) Public Services Department, Deputy Secretary General of the Ministry of Public Works, Deputy Director I in the Ministry of Finance, a post he held till 1993 when he was transfer to the Ministry of Works as Deputy Head Secretary of the Ministry of Works in 1993.
- **Mohd Atrash Azali**, aged 37 is the Executive Director of AWF. He graduated with a Bachelor of Engineering (Mechanical) from the University of Newcastle, Australia in 1991 and in 1999, he obtained a Master of Business Administration from the Malaysian Graduate School of Management, Universiti Pertanian Malaysia. He started his career as a Production Engineer in Ban Ngai Components in 1992. During the same year, he joined Jabatan Pengairan dan Saliran as a Mechanical Engineer in federal workshop. He entered the field of integrated facility management in 1996 when he joined the Commercial Division of Propel-Johnson Controls (M) Sdn Bhd as the Technical Manger in 1996. During his tenure there, he was responsible for the operations and maintenance of the HVAC, electrical, BAS and etc. He was later transferred to Building Services Propel Berhad as the Operations Manager in 2000 In 2000, he joined Peransang Jati Sdn Bhd as its Senior Operations Manager. He subsequently joined AWF as its Chief Executive Officer in 2002.
- **Hwang Hong Yuan**, aged 64 is the Operations Manager since July 1998. He has a Post-Graduate Diploma (Distinction) in Business Administration from the University of Lancashire (UK) and a Diploma in Mechanical Engineering from the Technical College, Kuala Lumpur. He started his career with the Department of Works, Penang from 1963 and later became the Plant Superintendent. His responsibilities include being in charge of service maintenance and overhaul of HVAC equipment, vehicles, machinery and buildings facilities projects, which include the installation of lifts, HVAC system, pumps and hospital equipment. He left in 1994 and later joined IJM in 1995 where he was the Safety Officer for their Bukit Jambul Project till 1998. He then joined Jiran Teguh Sdn Bhd as a Safety Officer and subsequently left to join AWSB in July 1998. He is also a member of the Institution of Plant Engineers (UK) and the Society of Operations Engineers (UK).

6. PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT TEAM (Cont'd)

- **Khathir Sulaiman bin Abdullah**, aged 32 is the Finance and Administration Manager of AWSB since 2000. He is an ACCA (Finalist) and started his career with Shamsir Jasani & Co as an auditor from 1990 to 1995. In 1995, he left that company to join Daya Urus Sdn Bhd as the Head of Finance till 2000 when he joined AWSB. He has completed the British Institute of Cleaning Science and Phillips Lighting Awareness courses and is also a member of the British Institute of Cleaning Science, Persatuan Penjaga Jentera Elektrik Malaysia, Malaysian Institute of Insurance and the Malaysia Association of Productivity.
- **Yeong Ah Lek**, aged 39 is the Facility Manager of AWSB for the Sarawak Zone. He has obtained a Diploma in Civil Engineering in 1989 from the Bedford Technical College. His previous work experiences include being a Building Supervisor for the Treasury Department of Sarawak and Malaysia and his duties includes the management of the operation of the federal common-user buildings and residential buildings, processing the leasing of office space and application of residence for the living quarters, assisting in the preparation of operating budget and planning for the building and quarters. He has also undergone several related courses such as introduction to the basis and order of the income and government asset management, micro-accounting, high rise fire safety, financial management, store operation and shelter safety.
- **Ahmad Bustamam bin Sharif**, aged 37, was appointed as Director of AWF on 22 December 1999. He graduated from the University of Alabama, USA in 1988 with a Bachelor of Science in Electrical Engineering. He started his career in 1989 as an Assistant Area Manager with Telekom Malaysia Bhd, where he was involved in infrastructure and telephone design for distribution network. Subsequent he joined Sime Sembawang Engineering Sdn Bhd from 1990-1994 as an Electrical Instrument Engineer. Between 1995-1996 Encik Ahmad was employed by Protek Engineers Sdn Bhd as an Electrical Engineer and was assigned to Seligi-F Satellite Platform for the designing and electrical loan analysis for Esso Production Malaysia Inc. In 1996-1998, Encik Ahmad was the Construction Manager of CH2MHILL Communication Johor Bahru, Johor where he carried out detailed infrastructure and telephone design for the proposed trunk route, overbuilt and green field project. Later the same year, he joined GTIE (M) Sdn Bhd as an electrical engineer and was assigned to design the electrical system for Sungai Selangor Water Treatment Plant. He joined AWF in 1999 and is in charged of the overall facility management operations for AWF at the CIQ complex.
- **Lim See Boon**, aged 45, was appointed as Director of M&C(M) and M&C(S) on 10 March 1997 and 12 July 2001, respectively. He has more than twenty (20) years of experience in hydronic balancing, building automation and air-conditioning control business. In 1981, he joined M&C(M) and was subsequently promoted to General Manager in 1994 and is responsible for the sales and marketing, coordination, planning, scheduling, executing of projects, procurement and trouble-shooting, product development and management. With his vast experience, he has helped M&C(M) to successfully obtain contracts for the supply and commissioning of some prominent projects in relation to hydronic balancing system, namely Kuala Lumpur International Airport, Putrajaya, Menara Maybank, Menara Public Bank, Renaissance and New World Hotels and various projects in KLCC.
- **Chong Yee Kan**, aged 51, is a General Manager for the BAS division of M&C(M). He graduated from the University Malaya, Malaysia with a Bachelor of Science (Honours) in 1976. Prior to joining M&C in December 1982, he was a Process Engineer with RCA Semiconductor (M) Sdn Bhd since 1977, last holding the post of Section Manager. He is currently responsible for the complete operation of the BAS department which is responsible for the design, specification and commissioning of projects/contracts in relation to building automation. He is also responsible for the marketing activities and providing technical support to the service and maintenance team.

6. PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT TEAM (Cont'd)

- **Ooi Chee Wah**, aged 44, is a General Manager of the Control and Valves division of M&C(M). He holds an Upper Class Grade 1 Diploma in Electronic Engineering from the Federal Institute of Technology, Kuala Lumpur. He started his career with the Technical Training Institute and Bedford College as an Instructor in 1981 and later joined Texas Instruments, Malaysia as its Technical Specialist in October 1981. Subsequently in 1983, he joined M&C(M) as a Sales Executive and was promoted to Manager in 1992. He was then promoted to General Manager of the Control and Valves Division in 1997. He is responsible for setting and achieving monthly and yearly sales budget, negotiation with suppliers and conducting market research of new products. He is also responsible for the overview of the full spectrum of activities of the General Sales and Service Department and all in-house training requirements.
- **Choo Har Thong**, aged 46, was appointed as Director of M&C(S) on 4 October 1996. He holds a Diploma in Electronic Engineering from the Tunku Abdul Rahman College, Kuala Lumpur in 1982 and a Graduate Diploma in Marketing Management from the Singapore Institute of Management in 1991. He has more than eighteen (18) years of experience in the BAS and the HVAC control industry. He began his career in 1982 by joining Mesiniaga in Kuala Lumpur as a Customer Representative and later joined Enctech Engineering Sdn Bhd in 1983 as its Project Engineer before joining Honeywell Engineering in 1985. Subsequently, he was transferred to Honeywell Singapore as a Sales Engineer in 1988. Prior to joining M&C(S) in 1996, he was a Division Manager with the then Tour & Andersson Controls Pte Ltd.
- **Lim Kian Seng**, aged 39, was appointed as Director of KPSB on 15 March 1999. He is also the Managing Director of KPSB. He graduated from the Queen's University of Belfast, United Kingdom with Master of Science in Electronics. He started his career as a process Engineer in the telecommunication industry in Singapore. In 1990, he moved to the construction industry and joined Kejuruteraan Bintai Kindenko, an established Japanese Mechanical & Electrical contractor. He was very much involved with the design, installation and implementation as well as supervision for the complete project management of mechanical & electrical services. He was also involved in setting-up the sales & marketing, technical support of the power quality and energy saving products during his service in Kejuruteraan Bintai Kindenko. He subsequently moved to UEM Genisys Sdn Bhd, a subsidiary of United Engineers (M) Berhad as the Overall Head of the LRT2 project for the mechanical & electrical services. His last appointment was with PJISB as a Senior General Manager of overall project management in the company.
- **Hew Tze Kwon**, aged 38, was appointed as Director of GGLN on 22 August 1994. He is also the Managing Director and the founder of GGLN. He graduated with a Diploma in Hotel Management in Switzerland in 1987. He has over twelve(12) years of experience in the landscape and agricultural industries and is responsible for the overall management and implementation of all the projects undertaken by GGLN.
- **Chee Yoon Choon**, aged 38, was appointed as an alternate director to Hew Tze Kwon on 2 July 2003. He is also the Finance Director of GGLN. He is a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants. He started his career with Hanafiah Raslan & Mohamad in 1985 and thereafter, in 1991, he joined Ernst & Young. He left Ernst & Young in 1994 as an Audit Manager to join Chase Perdana Berhad. In 1995, he left Chase Perdana Berhad as the Assistant General Manager of the Group Finance and Accounts Department to join BCB Berhad. He left BCB Berhad as the Group General Manager in 1997 to become a corporate consultant before taking up his current appointment in GGLN.

6. PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT TEAM (Cont'd)

(ii) Key Management Staff Shareholdings in AWC

Save from the key management personnel described below, the above management team has no shareholding in AWC, direct and indirect as at 27 July 2003:-

| Name | Designation | Direct No. of Shares Held | % | Indirect No. of Shares Held | % |
|-------------------------------|-----------------------------|---------------------------------|------|-----------------------------------|-------|
| Dato' Haji Mat Yasir bin Juli | Chairman of AWFMM | - | - | ^83,776,559 | 36.63 |
| Hew Tze Kwon | Managing Director of GGLN | 7,565,500 | 3.31 | - | - |
| Choo Har Thong | Managing Director of M&C(S) | 2,550,000 | 1.12 | - | - |
| Lim Kian Seng | Managing Director of KPSB | 4,404,333 | 1.93 | - | - |

^ Deemed interested by virtue of his substantial interest in K-Capital

(iii) None of the key management personnel is or was involved in the following events:-

- (a) A petition under any bankruptcy or insolvency law filed (and not struck out) against such person or any partnership in which he was a partner or any corporation of which he was an executive officer;
- (b) Convicted in a criminal proceedings or is a named subject of pending criminal proceeding(s);
- (c) The subject of any order, judgement or ruling or any court of competent jurisdiction temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

(iv) None of the key management personnel have entered or propose to enter into any service agreements with the Company and/or its subsidiaries.

6.4 Family Relationship

Save as disclose below, there are no family relationships among the other directors, major shareholders, promoters and senior management personnel of AWC Group:-

- (i) Dato' Ir. Lee Peng Joo and Lee Peng Kuan, both major shareholders and directors of AWC, and Lee Peng Seng, a major shareholder of AWC are brothers;
- (ii) Yap Mei Ling, a major shareholder of AWC, is the spouse of Dato' Ir. Lee Peng Joo and she has more than 15% interest in Aplink Enterprise Sdn Bhd;
- (iii) Dato' Abdul Rashid bin Ahmad, Datin Rohani binti Romly and Rezal Zain bin Abdul Rashid, the major shareholders of AWC, are family members, wherein Datin Rohani binti Romly is the spouse of Dato' Abdul Rashid bin Ahmad, whereas Rezal Zain bin Abdul Rashid is the son of Dato' Abdul Rashid bin Ahmad and Datin Rohani binti Romly; and
- (iv) Geh Yean Chang and Geh Yean Hor, both major shareholders of AWC, are brothers and have more than 15% interest in Apex Term Sdn Bhd.

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6. PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT TEAM (Cont'd)**6.5 Audit Committee**

AWC has set up an Audit Committee on 27 July 2003 which comprises the following members:-

| Name | Designation | Directorship |
|---------------------------------------|--------------------|------------------------------------|
| Dato' Kalimullah bin Masheerul Hassan | Chairman | Independent Non-Executive Chairman |
| Krishnan Menon | Member | Executive Director |
| Datuk Nasir bin Safar | Member | Independent Non-Executive Director |

The main functions of the Audit Committee shall include the review of audit plan and audit report with the Auditors, review of Auditors' evaluation of internal accounting controls, review of the scope of internal audit procedures, review of balance sheets and income statements and nomination of Auditors.

6.6 Changes in Shareholders and Shareholdings for the Past Three (3) Years

Save as disclosed in Section 4.2, Section 5.2(b) and 5.2(c) of this prospectus, there are no changes to the shareholders and shareholdings of AWC since its date of incorporation.

6.7 Continuity in Management

As in any other business, the Board of Directors believes that the continued success of AWC will depend on the ability and dedication of the Directors and management. The loss of any key members of the AWC Group could adversely affect the AWC Group's continued ability to compete. However, the AWC Group has made efforts to train its staff has the support of long serving management staff. The AWC Group's future success will also depend upon its ability to attract and retain skilled personnel.

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7. INFORMATION ON AWC**7.1 Approvals, Major Licenses and Permits**

Approvals, major licenses and permits under the possession of AWC Group are as follows:-

| No. | Authority | License | Date of Issuance | Date of Expiry | Held by |
|-----|--|--|-------------------------------|-------------------------------|---------|
| 1. | Ministry of Finance | Lesen Kementerian Kewangan Registration No: 357-02001894 | 06.02.2003 | 05.02.2006 | AWSB |
| 2. | Ministry of Finance | Lesen Kementerian Kewangan Registration No: 357-00047577 | 10.11.2001 & 21.06.2001 | 10.11.2003 & 27.06.2003 | AWFM |
| 3. | Kementerian Pembangunan Usahawan | Lesen Pusat Khidmat Kontraktor ("PKK") Registration No: 1006 A 2000 0536 | 10.04.2002 & 05.09.2000 | 11.04.2004 & 04.09.2002 | AWFM |
| 4. | Lembaga Pembangunan Industri Pembinaan Malaysia | CIDB-Grade G6 Registration No: 1990507-PP052117 | 17.08.2002 | 16.06.2005 | AWFM |
| 5. | Construction Industry Development Board Malaysia | CIDB-Grade G4 Registration No: 1970626-SL037709 | 20.07.2001 | 19.07.2004 | M&C(M) |
| 6. | Kementerian Pembangunan Usahawan | Lesen Pusat Khidmat Kontraktor ("PKK") Registration No: 1405 A 2003 0415 | 26.04.2003 | 25.04.2005 | M&C(M) |
| 7. | Building and Construction Authority | Certificate of Registration under the Registry of Contractors Registration No. 15225 | 03.03.2000 | 01.11.2005 | M&C(S) |
| 8. | Construction Industry Development Board Malaysia | CIDB-Grade G5 Registration No: 01200010308 WP062608 | 08.03.2001 | 04.03.2004 | KPSB |
| 9. | Construction Industry Development Board Malaysia | CIDB-Grade G1 Registration No: 1970615-WP035437 | 15.08.2000 | 14.08.2003 | GGLN |

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7. INFORMATION ON AWC (Cont'd)**7.2 Related Party Transactions****7.2.1 Material Interest of Contracts or Arrangement**

Save as disclosed below, there are no other related party transactions which involve the Directors or major shareholders of the Company:-

- (i) ongoing arrangements to perform facility management services with a company in which a Promoter and major shareholder has interest in. Dato' Ahmad Kabeer bin Mohamed Nagoor who is a major shareholder of AWC (through his shareholdings in K-Capital and AKN Capital), is also a director and major shareholder of AKN Technology Berhad which has interests in AKN Industries Sdn Bhd. AKN Industries Sdn Bhd currently has an on-going contract with AWFM for AWFM to provide comprehensive facility management services for its premises.
- (ii) a sub-contract letter of award to KPSB dated 30 August 2002 from its major shareholder, PJISB. to supply, deliver, install, test and commission low voltage installation for the Ambulatory Care Centre at Tengku Ampuan Rahimah Hospital for a consideration of RM4,370,000. There is also a defect liability period of 24 months from the date of handing over of site. Dato' Ir. Lee Peng Joo, who is a Director of AWC, is also a director and major shareholder of PJISB's ultimate shareholder, PJ Holdings Berhad.
- (v) a tenancy agreement entered into between GGLN and Hew Tze Kwon for the tenancy of office space at 3rd Floor, No. 7 Jalan Mendaling, 43000 Kajang, Selangor for a monthly rental of RM1,200. The tenancy is for the period from 1 May 2002 to 30 May 2006.
- (vi) on-going arrangements to provide landscape works to Antap Nusantara Sdn Bhd pursuant to sub-contracts with GGLN. The director of GGLN, Hew Tze Kwon is also a director and major shareholder of Antap Nusantara Sdn Bhd

Details of the aforesaid transactions are as follows:-

| Name of Contractual Party | Nature of contract | Contract amount RM | Contract period (months) |
|----------------------------------|--|---------------------------|---------------------------------|
| AKN Industries Sdn Bhd | Maintenance contract to perform facility management services of factory building | *220,056 | 12 |
| PJISB | Electrical services | 4,370,000 | 16 |
| Hew Tze Kwon | Tenancy of office space | 43,200 | 36 |
| Antap Nusantara Sdn Bhd | Landscape works at mixed development project in Bandar Baru Bangi | 592,189 | 5 |
| | Landscape works at housing development project in Semenyih | 153,999 | 17 |

* This amount is based on monthly contractual sum

7. INFORMATION ON AWC (Cont'd)

7.2.2 Declaration of Advisers

AmMerchant Bank hereby confirms that, as at the date of Prospectus, there are no existing or potential conflicts of interest in its capacity as the Adviser for the Restricted Offer for Subscription and Offer for Subscription.

Messrs Raslan Loong has given its confirmation that there are no existing or potential conflict of interest in its capacity as the Solicitor for the Restricted Offer for Subscription and Offer for Subscription.

Messrs Ernst & Young has given its confirmation that there are no existing or potential conflict of interest in its capacity as the Reporting Accountants for the Restricted Offer for Subscription and Offer for Subscription.

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7. INFORMATION ON AWC (Cont'd)

7.3 Summary of Properties

The properties owned by the AWC Group are set out below:-

| No. | Owner | Location | Description | Existing Use | Land area (sq. ft.) | Built-up area (sq. ft.) | Tenure | Approximate Age of Building | Audited Net Book Value RM |
|-----|--------|---|--------------------------|--------------|---------------------|-------------------------|----------|-----------------------------|---------------------------------|
| 1. | AWSB | An intermediate shop lot and seven intermediate office lots known as parcel Nos. S23A-1, Level 1, S23A-2, Level 2, S23A-3, Level 3, S23A-3A, Level 3A, S23A-5, Level 5, S23A-6, Level 6 and S23A-7, Level 7, respectively all in Block S23A in Subang Business Centre erected on part of the land held under Grant 54290, Lot No. 50530, Pekan Subang Jaya, Daerah Petaling, Selangor Darul Ehsan | Shop lot and office lots | Office | - | 11,737 | Freehold | 7 years | 3,429,632 (as at 31.1.2003) |
| 2. | AWSB | An intermediate shop lot and seven intermediate office lots known as parcel Nos. S25-1, Level 1, S25-2, Level 2, S25-3, Level 3, S25-3A, Level 3A, S25-5, Level 5, S25-6, Level 6 and S25-7, level 7, respectively all in Block S25 in Subang Business Centre erected on part of the land held under Grant 54290, Lot No. 50530, Pekan Subang Jaya, Daerah Petaling, Selangor Darul Ehsan | Shop lot and office lots | Office | - | 11,737 | Freehold | 7 years | *2,178,900 |
| 3. | M&C(M) | One-unit of 4-storey shop lot known as 79, Jalan 25/2, Taman Bukit Emas, 47301, Petaling Jaya erected on HS (D) 31948, PT 6685 Mukim Sungai Buloh, Daerah Petaling, Selangor Darul Ehsan | Office Building | Office | 1,650 | 6,401 | Freehold | 8 years | 1,150,500 (as at 31.03.2003) |
| 4. | M&C(M) | One unit of Apartment known as Sub/Lot No. 4-29, City Height, Apartments, Taman Sri Sungai Chua, Kajang, Selangor erected on part of the land held under HSM 22288, PT 50453, Section 1, Tempat Batu 18½, Mukim Kajang, District of Ulu Langat, Selangor Darul Ehsan | Apartment | Vacant | - | 860 | Freehold | 1 year | 94,720 (as at 31.03.2003) |

7. INFORMATION ON AWC (Cont'd)

| No. | Registered Owner | Owner/ Location | Description | Existing Use | Land area (sq. ft) | Built-up area (sq. ft.) | Tenure | Approximate Age of Building | Audited Net Book Value RM |
|-----|------------------|--|-----------------|---------------------------------|--------------------|-------------------------|---|-----------------------------|-------------------------------|
| 5. | M&C(M) | One unit of office known as parcel Nos. S-23-A, Level 23, Menara Northam erected on part of the land held under Grant 62181, Lot 1242, Town of Georgetown, Section 13, North East District, Penang | Office Building | Vacant | - | 2,183 | Freehold | 2 years | 475,758 (as at 31.03.2003) |
| 6. | M&C(M) | One unit of condominium known as Parcel No. B-02-04, Lorong PJS 11/26, Sunway Lagoon View, Resort Condominium, Phase 5E, Mukim Damansara erected on part of the land held under HS(D) 184215 PT 163, Mukim of Bandar Sunway, District of Petaling | Condominium | Rented for residential purposes | - | 1,390 | Leasehold 99 years expiring on 1 April 2097 | 3 years | 350,496 (as at 31.03.2003) |
| 7. | M&C(M) | One unit of condominium known as Parcel No. B-22-03, Lorong PJS 11/26, Sunway Lagoon View, Resort Condominium, Phase 5E, Mukim Damansara erected on part of the land held under HS(D) 184215 PT 163,, Mukim of Bandar Sunway, District of Petaling | Condominium | Rented for residential purposes | - | 1,390 | Leasehold 99 years expiring on 1 April 2097 | 3 years | 393,643 (as at 31.03.2003) |

* The net book value of the said property is based on the purchase consideration. The property was acquired on 29 November 2002.

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