

PRINCIPAL TERMS AND CONDITIONS OF THE PROPOSED ISSUANCE OF UP TO RM11,034,536 OF REDEEMABLE CONVERTIBLE SECURED LOAN STOCK ("RCSLS") BY ARK RESOURCES BERHAD ("ARK" OR THE "COMPANY") PURSUANT TO ARK'S DEBT RESTRUCTURING

1. BACKGROUND INFORMATION

(a) Issuer

(i) Name

ARK

(ii) Address

Registered Office / Business Address

Suite 3A.02, Level 3A
Wisma E&C
No. 2, Lorong Dungun Kiri
Damansara Heights
50490 Kuala Lumpur

(iii) Business registration no.

393342-X

(iv) Date/Place of incorporation

8 July 1996 / Kuala Lumpur, Malaysia

(v) Date of listing

29 July 1997

(vi) Status : **Resident/Non-Resident controlled company**
Resident controlled company

 : **Bumiputera/Non-Bumiputera controlled company**
Bumiputera controlled company

(vii) Principal activities

The principal activities of ARK are investment holding and provision of management services. Its subsidiaries are principally involved in activities related to civil and geotechnical engineering, which include soil improvement works, building and infrastructure construction works, property development, quarry operations, water services project, waste water treatment, rehabilitation, mechanical and electrical contractor and trading of construction materials.

(viii) Board of directors

The directors of ARK as at 15 May 2011 are as follows

Name	Nationality	Designation	←No. Of Ordinary Shares Held→			
			Direct	%	Indirect	%
Dato' Mohd Salleh bin Yeop Abd Rahman	Malaysian	Chairman, Independent Non- Executive Director	-	-	-	-
Rashidi Aly bin Abdul Rais	Malaysian	Group Managing Director	30,000	0.07	10,000,000 [^]	24.23
Rosthman bin Ibrahim	Malaysian	Independent Non- Executive Director	-	-	-	-
Gary Wong Wai Choong	Malaysian	Independent Non- Executive Director	-	-	-	-
Tunku Azlan bin Tunku Aziz	Malaysian	Non- Independent Non- Executive Director	-	-	-	-
Datuk Nasir bin Safar	Malaysian	Independent Non- Executive Director	-	-	-	-

[^] Deemed interested by virtue of his direct interest in Larutmas Sdn Bhd ("Larutmas") pursuant to Section 6A of the Companies Act, 1965

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(ix) **Structure of shareholdings and names of substantial shareholders**

(a) **Structure of Shareholdings**

The shareholding structure of ARK (based on direct shareholding) according to the Record of Depositors as at 1 June 2011 is as follows:

Categories	As at 1 June 2011 No. of shares held	%
Malaysian		
- Bumiputera	15,177,800	73.55
- Non-Bumiputera	5,226,500	25.32
Total Malaysian	20,404,300	98.88
Foreigners	230,000	1.11
Total	20,634,300	100.00

(b) **Substantial Shareholders**

The substantial shareholders of ARK and their respective shareholdings according to the Register of Substantial Shareholders of the Company as at 15 May 2011, are as follows:

Name	Nationality / country of incorporation	Direct		Indirect	
		No. of shares	%	No. of shares	%
Rashidi Aly Abdul Rais	Malaysian	30,000	0.07	*10,000,000	24.23
Larutmas Sdn Bhd	Malaysia	10,000,000	24.23	-	-
Perbadanan Nasional Berhad	Malaysia	10,112,000	24.50	-	-
Cabaran Cendawan Sdn Bhd	Malaysia	4,265,500	10.34	-	-

* *Deemed interested by virtue of his direct interest in Larutmas pursuant to Section 6A of the Act.*

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(x) Share capital as at 26 May 2011

The authorised and issued and fully paid-up share capital of ARK as at 26 May 2011 are as follows:

	No. of Shares	Par value (RM)	Total (RM)
Authorised share capital			
Ordinary Shares	100,000,000	1.00	100,000,000
Issued and fully paid-up share capital			
Ordinary Shares	41,268,600	1.00	41,268,600

(b) Originator (in the case of asset-backed securities)

(i) Name

Not applicable

(ii) Address

Not applicable

(iii) Business registration no.

Not applicable

(iv) Date/place of incorporation

Not applicable

(v) Date of listing (in case of a public-listed company)

Not applicable

**(vi) Status : Resident/non-resident controlled company
: Bumiputera/non-Bumiputera controlled company**

Not applicable

(vii) Principal activities

Not applicable

(viii) Board of directors

Not applicable

(ix) Structure of shareholdings and names of shareholders or, in the case of a public company, names of all substantial shareholders

Not applicable

(x) Authorised and paid-up capital

Not applicable

2. BACKGROUND INFORMATION

(a) Name of parties involved in the proposed transactions (where applicable)

(i) Principal adviser(s) / lead arranger(s)

ECM Libra Investment Bank Berhad (682-X)

(ii) Arranger(s)

Not applicable

(iii) Valuers

Not applicable

(iv) Solicitors

Chellam Wong Advocates & Solicitors

(v) Financial adviser

BDO Capital Consultants Sdn Bhd (405309-T)

(vi) Technical adviser

Not applicable

(vii) Guarantor

Not applicable

(viii) Trustee

Pacific Trustees Berhad (317001-A)

(ix) Facility agent

ECM Libra Investment Bank Berhad (682-X)

(x) Primary subscriber(s) and amount subscribed (where applicable)

Not applicable

(xi) Underwriter(s) and amount underwritten

Not applicable

(xii) Central depository

Bank Negara Malaysia

(xiii) Paying agent

Bank Negara Malaysia

(xiv) Reporting accountant

Messrs Adam & Co. (AF1250)

(xv) Others (please specify)

Placees/Subscribers: The RCSLS are to be fully issued to the creditors (hereinafter referred to as "Scheme Creditors") of the following companies (hereinafter referred to as "Scheme Companies") as part settlement of their indebtedness pursuant to a proposed debt restructuring under a scheme of arrangement pursuant to Section 176 of the Companies Act, 1965:-

- (i) ARK;
- (ii) ARK Development Sdn Bhd (282459-P);
- (iii) ARK Hartanah Sdn Bhd (395093-K); and
- (iv) ARK M&E Sdn Bhd(369317-W).

List of the Scheme Creditors are attached as Attachment of this principal terms and conditions of the RCSLS.

(b) Facility description

Issuance of up to RM11,034,536 nominal value 5-year 5% RCSLS at 100% nominal value.

(c) Issue size (RM)

Up to RM11,034,536 nominal value of RCSLS.

(d) Issue price (RM)

The RCSLS shall be issued at their nominal value of RM1.00 per RCSLS.

(e) Tenure of the facility/issue

The RCSLS has a tenure of five (5) years from and including the date of issuance of the RCSLS and shall mature on the fifth (5th) anniversary of the date of issue of the RCSLS.

(f) Interest/Coupon (%)

5.0% per annum

(g) Interest/Coupon payment frequency

Payable annually in arrears.

(h) Interest coupon payment basis

Actual number of days over 365-day basis.

The coupon shall start accruing from the date of issue ("Coupon Start Date") until the RCSLS are redeemed or converted into shares.

All coupon accrued are to be paid at the end of each anniversary year or on the redemption ("Coupon Payment Date"). The last coupon payment shall be on the maturity date ("Last Coupon Payment Date").

All coupon payable shall be paid in cash to the registered holder(s) of the RCSLS on the Coupon Payment Date or the Last Coupon Payment Date.

(i) Yield to maturity (%)

5.0% per annum

(j) Security/collateral (if any)

The RCSLS shall be secured by a third party charge over part of a piece of land located at Kuala Kubu Baru (hereinafter referred to as the "KKB Land") for which the land premium has been paid and consent of state authority for charge has been obtained.

The KKB Land has been earmarked for residential and commercial development where such development is commercially known as Taman Desa Bukit Bujang.

(k) Details on utilisation of proceeds

No proceeds will be raised as the RCSLS are issued to Scheme Creditors pursuant to the proposed debt restructuring.

(l) Sinking fund (if any)

Not applicable

(m) Rating

The RCSLS are not rated, non-transferable and non-tradable

(n) Form and denomination

The RCSLS shall be issued in registered form and in denominations of RM1.00 each.

The RCSLS shall at all times be represented by a global certificate in bearer form (exchangeable for definitive certificates only in limited circumstances) in accordance with Fully Automated System for Tendering ("FAST") and/or any other procedures or guidelines issued by the relevant authorities.

The global certificate shall be deposited with the Central Depository.

(o) Mode of issue

Non-tender. The RCSLS will be issued under the Real Time Electronic Transfer of Funds and Securities ("RENTAS") and be reported under Fully Automated System for Tendering ("FAST"). The RCSLS shall at all times comply with the rules and requirements of FAST and the RENTAS.

(p) Selling restriction

The RCSLS are non-tradable and non-transferable, where the RCSLS are issued to the Scheme Creditors pursuant to a proposed debt restructuring of the ARK group.

(q) Listing status

The RCSLS will not be listed on any stock exchange.

(r) Minimum level of subscription (RM or %)

The RCSLS will be 100% subscribed as all the RCSLS will be issued to Scheme Creditors pursuant to the proposed debt restructuring.

(s) Other regulatory approvals required in relation to the issue, offer or invitation and whether or not obtained (please specify)

Approval from the Securities Issued Department ("SID") of the Securities Commission ("SC") under the Policies and Guidelines on Issue/Offer of Securities and Equity Compliance Unit ("ECU") of the SC under Foreign Investment Committee ("FIC") Guidelines on the Acquisition of Interests, Mergers and Takeovers by Local and Foreign Interests was obtained on 30 April 2007.

(t) Conditions precedent

All necessary approvals for the issuance of the RCSLS have been obtained.

(u) Representations and warranties

The Company represents and warrants as follows: -

- (a) that the financial statements and other financial information (both audited and unaudited) of ARK and its subsidiaries and associated companies (hereinafter referred to as the "ARK Group") delivered to the Trustee prior to the date of the Trust Deed were prepared in accordance with the accounting principles described therein consistently applied, that they present fairly the financial position of the ARK Group and the results of the operations of the ARK Group, and the changes in the financial position of the ARK Group for the periods and as at the dates in respect of which they have been prepared and that there has been no adverse change in the financial position of the ARK Group, which is material in the context of the issue of the RCSLS since the respective dates of such financial statements;
- (b) that since the respective dates of such financial statements, no ARK Group company has entered into any contract or commitment of an unusual or onerous nature (other than in the ordinary course of business), which, in the context of the issue of the RCSLS may be material for disclosure and each ARK Group company has carried on its business in the ordinary and usual course;
- (c) that each ARK Group company is a company duly incorporated under the laws of the country in which it is incorporated and has full power authority to conduct its business and in the case of the Issuer, to execute and deliver and comply with the provisions of the Trust Deed;
- (d) that the creation and issue of the RCSLS and the execution and delivery of the Trust Deed, and the performance of the terms herein has been duly authorised by the Issuer and approved by the relevant authorities and that the same constitute or will constitute legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms;

- (e) that the execution and delivery by the Issuer of the Trust Deed and the issue of the RCSLS does not and will not infringe any applicable law or regulation and are not and will not be contrary to the provisions of the Memorandum and Articles of Association of the Issuer and will not infringe any terms of, or constitute a default under, any instrument or agreement to which the Issuer is a party or by which it or its property is bound;
- (f) that no ARK Group company is involved in, nor has the Issuer has knowledge of any threat or circumstances likely to lead to, any litigation or arbitration or administrative proceedings which might, individually or in the aggregate, be material in the context of the issue of the RCSLS;
- (g) that all consents, clearances, approvals, authorisations and orders of any court, government department or other regulatory body in Malaysia or elsewhere and all corporate consents, approvals and authorisations required by the Issuer for or in connection with the execution and delivery of the Trust Deed and the issue of the RCSLS and the performance of the terms thereof have been obtained and will remain in full force and effect;
- (h) that no event has occurred in relation to any ARK Group company which, had the RCSLS already been issued, would (or, upon the giving of notice and/or lapse of time and/or the issue of a certificate, could) constitute an Event of Default under the RCSLS;
- (i) all necessary returns have been delivered by or on behalf of each ARK Group company to the relevant taxation authorities and no ARK Group company is in default in the payment of any taxes, and no claim is being asserted with respect to taxes which is not disclosed in the relevant financial statements;
- (j) the Issuer has fully disclosed in writing all facts relating to each ARK Group company which the Issuer knows or should reasonably know and which are material for disclosure to the Trustee or the RCSLS Holders (or any of them) in the context of the Trust Deed;
- (k) unless otherwise disclosed by the Issuer prior to the date of the Trust Deed, that the Issuer is the legal and beneficial owner of their respective assets;
- (l) the information furnished by each ARK Group company in connection with the issue of the RCSLS does not contain any untrue statement or omit to state any fact the omission of which makes the statements therein, in the light of the circumstances under which they were made, misleading, and all expressions of expectation, intention, belief and opinion contained therein were honestly made on reasonable grounds after due and careful enquiry by the company; and

- (m) in any proceeding taken in Malaysia or elsewhere in relation to the Trust Deed, no ARK Group company will be entitled to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process.

Each of the representations and warranties above shall survive and continue to have full force and effect after the execution of this Trust Deed and the Company after making due and careful enquiries, hereby warrants that to the best of its knowledge the above representations and warranties will be true and correct and fully observed as though made on each demand under this Trust Deed for so long as any of the RCSLS remains outstanding.

Each of the Company's aforesaid representations, warranties and agreements are separate and distinct from one another and shall not be affected or limited by reference to or the existence of the other representations, warranties and agreements or any other provisions in this Agreement.

(v) Events of default

The issuer will only be in default upon the occurrence of the following events:

- a) Winding up, etc.: ARK or any Scheme Companies convenes a meeting of its creditors or proposes or makes an arrangement or composition with, or any assignment for the benefit of, its creditors or a petition is presented or a meeting is convened for the purposes of considering a resolution or other steps are taken for making an administration order against or for winding up, dissolution or liquidation of ARK or any of its Scheme Companies as the case may be, and such petition for winding-up has not been withdrawn nor set aside within thirty (30) days of its presentation.
- b) Arrangement and Reconstruction by the Issuer: the Issuer or a creditor or member applies for an order under Section 176 (1) and/or (10) of the Companies Act ("CA"), 1965, in respect of the issuer, wherein the Scheme Creditors will be affected by the order.
- c) Appointment of Receiver: an encumbrancer takes possession of, or other receiver or similar officer is appointed in respect of, debts, properties or assets of ARK or any Scheme Companies to values in excess of five percent (5%) of the consolidated net tangible asset of ARK or distress or any form of execution is levied or enforced upon or taken out against any such assets and is not discharged within 30 days after being levied, enforced or taken out, or any security interest which may for the time being affect any of its assets becomes enforceable.
- d) Cessation of business: the Issuer or any Scheme Companies changes the nature and scope of its/their business, suspends a substantial part of the present business operations which it/they now conduct directly or indirectly or any government authority expropriates or threatens to expropriate all or part of its/their assets.

- e) **Material Adverse Charge:** any event or series of events occur(s) which might have a material and adverse effect on the financial condition or operations of the Issuer or any of the Scheme Companies.
- f) Default being made by the Issuer for a period of thirty (30) days in the payment of interest or any moneys due in respect of any of the RCSLS as and when the same ought to be paid in accordance with the terms and conditions of the Trust Deed;
- g) The Issuer failing to perform or observe any of its other obligations under the RCSLS or the Trust Deed and (except where the Trustee in its reasonable opinion believes such default is incapable of remedy, in which case no such written notice shall be required) such failure continuing for a period longer than the period as the Trustee may permit following the day of service by the Trustee on the Issuer of a written notice of such failure and requiring the same to be remedied;
- h) Any indebtedness of the Issuer for borrowed moneys being accelerated prior to its stated maturity or any security therefore being forced or any such indebtedness of the Issuer not being paid at its stated maturity (or expiry of any applicable grace period as originally provided);
- i) Any default by the Issuer in making any payment due under any guarantee or any indemnity given by the Issuer in respect of any obligation or indebtedness for borrowed moneys.

Upon the occurrence of an Event of Default, the Trustee may at its discretion or upon the RCSLS holders' instruction, after giving the Issuer written notice to remedy such Event of Default within thirty (30) days from the date of the notice or such extended period as may be agreeable by the parties and the Issuer failing to remedy the same, declare that an Event of Default has occurred and that the RCSLS and any interest accrued thereon shall become immediately due and payable.

(w) Principal terms and conditions for warrants (where applicable)

Not applicable as no warrants will be issued with the RCSLS.

(x) Other principal terms and conditions for the issue

(i) Status

The RCSLS shall constitute a direct unsubordinated and secured obligation of ARK.

(ii) Redeemability

The RCSLS shall be redeemable at nominal value of RM1.00 each beginning from the 2nd anniversary date of issuance of the RCSLS as set out below:

Redemption Period	Maximum Redemption Limit (%)[*]
Within 30 days from the 2 nd anniversary date of issuance of the RCSLS	20%
Within 30 days from the 3 rd anniversary date of issuance of the RCSLS	20%
Within 30 days from the 4 th anniversary date of issuance of the RCSLS	30%
Within 30 days from the 5 th anniversary date of issuance of the RCSLS	30%

^{*} *As a percentage of the original total sum of RCSLS issued.*

Redemption will be on a pro-rated basis to all RCSLS holders i.e. no RCSLS holders shall take priority over the other.

In the event that the actual yearly amount redeemed by the issuer for that particular year is less than the amount set out in the redemption schedule above, the shortfall amount shall be converted into new ARK shares.

(iii) Convertibility / Conversion Period

Unless otherwise redeemed, the RCSLS will be compulsorily converted into new ARK Shares ("ARK Shares" is defined as ordinary shares of ARK at the par value of RM1.00 each) after the expiry of each redemption period subject to the following limits:-

2nd Anniversary	3rd Anniversary	4th Anniversary	5th Anniversary
*20%	*20%	*30%	*30%

^{*} *As a percentage of the original sum of RCSLS issued.*

(iv) Conversion Price

The conversion price for the RCSLS is set at the par value of ARK's Shares on the basis of one (1) new ARK Share for every RM1.00 nominal value of the RCSLS by tendering the RCSLS for cancellation.

(v) Ranking of New Shares

The new ARK Shares to be issued upon conversion of the RCSLS shall rank pari passu in all respects with the existing ordinary shares except that it will not rank for dividends in respect of a particular financial year if the RCSLS are converted after the close of the financial year irrespective of the date when such dividend is declared, made or paid nor will it rank for any rights,

allotments or other distributions if the RCSLS are converted after the entitlement date for such rights, allotments or distributions.

(vi) Profit Sharing

Unless otherwise redeemed or converted, all RCSLS holders shall be entitled to share up to 50% of the "Super Profits" to be prorated based on the following:

$$\text{Profit Sharing} = \frac{\text{No. of RCSLS outstanding}}{(\text{No. of RCSLS outstanding} + \text{Issued and paid-up share capital of ARK})} \times 50\% \text{ of Super Profits}$$

Super Profits is defined as the audited aggregate profit after tax ("PAT") in excess of the forecast/projected aggregate PAT for the period from the date of issuance of the RCSLS to the date of full redemption/repayment of the RCSLS.

(vii) Trust Deed

The RCSLS shall be constituted by a trust deed to be executed between ARK and the Trustee, who acts for the benefit of the holders of the RCSLS.

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DETAILS OF SCHEME CREDITORS AND THEIR SETTLEMENT

Inter Scheme Companies Debts

	Outstanding Liabilities Owning By Inter-Scheme Companies as at Cut-Off Date				
	ARK	ARKD	ARKM	ARKH	Total
	RM	RM	RM	RM	RM
ARK	-	24,076	81,084	9,276,857	9,382,017
ARKD	-	-	-	-	-
ARKM	-	-	-	-	-
ARKH	-	1,532,700	-	-	1,532,700
Total Inter Scheme Companies Debts	-	1,556,776	81,084	9,276,857	10,914,717

SCHEME COMPANIES CREDITORS

Secured Scheme Creditors

Secured Scheme creditors	Security	Outstanding Liabilities as at Cut-Off Date (RM)	Settlement pursuant to the Proposed Debt Restructuring via cash (RM)	Estimated Returns (RM)
ARKD Affin Finance Berhad	KKB Leasehold Land#	1,815,247	1,815,247	100%
TOTAL SECURED CREDITORS		1,815,247	1,815,247	

the FSV were arrived based on management's representation and shall be subjected to a valuation exercise to be conducted

Unsecured Creditors Class 1

Unsecured Scheme Creditors Class 1	Outstanding Liabilities as at Cut-off Date (RM)	Estimated Returns Under Proposed Debt Restructuring				Estimated Return in Liquidation Scenario (RM)
		Cash (RM)	Cash (%)	RCCLS (RM)	RCCLS (%)	
ARK						
<u>Unsecured Scheme Creditors – Corporate Guarantee Creditors</u>						
CIMB Bank Berhad	64,600,093.34	2,584,004	4%	5,814,008	9%	1,938,003
Malayan Banking Berhad	15,632,230.70	625,289	4%	1,406,901	9%	468,967
Casmet Sdn Bhd	6,000,000.00	240,000	4%	540,000	9%	180,000
Bauer (M) Sdn Bhd	1,728,991.32	69,160	4%	155,609	9%	51,870
Prokhas Sdn Bhd	526,156.79	21,046	4%	47,354	9%	15,785
<u>Trade & Non-trade Creditors</u>						
Artscript Sdn Bhd	16,810.19	672	4%	1,513	9%	504
Lee Wee Hon & Chong Kim Seng	15,938	638	4%	1,434	9%	478
SMAS Travels Sdn Bhd	27,954	1,118	4%	2,516	9%	839
Khairudin	7,000.00	280	4%	630	9%	210
Hafsyudeen & Co						
Tenaga Korperat Sdn Bhd	201,030.75	8,041	4%	18,093	9%	6,031
Total Trade & Non-trade Creditors	268,733	10,749	4%	24,186	9%	8,062
Sub –total [ARK]	88,756,206	3,550,248	4%	7,988,058	9%	2,662,686
ARKD						
<u>Trade & Non-trade Creditors</u>						
Ahmad Daud Electric	8,400.00	336.00	4%	1,008.00	12%	504.00
Alam Hijau Ent.	8,910.00	356.40	4%	1,069.20	12%	534.60
Ann Ho Timber-Supply Kolah	6,996.00	279.84	4%	839.52	12%	419.76
Darul Fatri (M) SB - Electrical & Telephone	18,266.83	730.67	4%	2,192.02	12%	1,096.01
Delta Spec Technology Sdn	25,289.56	1,011.58	4%	3,034.75	12%	1,517.37

DETAILS OF SCHEME CREDITORS AND THEIR SETTLEMENT

Unsecured Scheme Creditors Class 1	Outstanding Liabilities as at Cut-off Date (RM)	Estimated Returns Under Proposed Debt Restructuring				Estimated Return in Liquidation Scenario (RM)
		Cash (RM)	Cash (%)	RCCLS (RM)	RCCLS (%)	
Bhd - Water Rec (2)						
Jamian B Damin - Drainage 2	77,233.22	3,089.33	4%	9,267.99	12%	4,633.99
Jamian B Damin - VO Road Works	64,017.12	2,560.68	4%	7,682.05	12%	3,841.03
Kemuncak Teknik - Water Rectification	27,923.30	1,116.93	4%	3,350.80	12%	1,675.40
Keng Sing Iron Works - Water Tank & Suction Tank	64,130.50	2,565.22	4%	7,695.66	12%	3,847.83
Keng Sing Iron Works-27 Units	458,607.47	18,344.30	4%	55,032.90	12%	27,516.45
Kitapadu Resources - Drainage 2	9,577.19	383.09	4%	1,149.26	12%	574.63
Pembinaan Misron - Drainage Works	27,002.36	1,080.09	4%	3,240.28	12%	1,620.14
Pembinaan S.P.Chai Sdn Bhd - Drainage 3	319,281.90	12,771.28	4%	38,313.83	12%	19,156.91
Pembinaan S.P.Chai Sdn Bhd - Road Works	211,707.20	8,468.29	4%	25,404.86	12%	12,702.43
Perunding Zaaba	48,968.33	1,958.73	4%	5,876.20	12%	2,938.10
Prisma Alam SB - Drainage 4	6,329.01	253.16	4%	759.48	12%	379.74
Wanpro	149,084.57	5,963.38	4%	17,890.15	12%	8,945.07
Audit Fees - KHR	10,000.00	400.00	4%	1,200.00	12%	600.00
Elfeez Sdn Bhd	39,600.00	1,584.00	4%	4,752.00	12%	2,376.00
Am Jaya Enterprise Directors	8,062.00	322.48	4%	967.44	12%	483.72
	289,080.00	11,563.20	4%	34,689.60	12%	17,344.80
Total Trade & Non-trade Creditors	1,878,466.56	75,138.65	4%	225,415.99	12%	112,707.98
Trade & Non-trade Creditors (whose settlement amounts are less than RM1,000)						
Keng Sing Iron Works - Pump House	3,136.40	501.82	16%			188.18

DETAILS OF SCHEME CREDITORS AND THEIR SETTLEMENT

Unsecured Scheme Creditors Class 1	Outstanding Liabilities as at Cut-off Date (RM)	Estimated Returns Under Proposed Debt Restructuring				Estimated Return in Liquidation Scenario (RM)
		Cash	Cash	RCSLS	RCSLS	
		(RM)	(%)	(RM)	(%)	
Daya Angsana Sdn Bhd - Road Works	1,873.20	299.71	16%			112.39
Mahmud Saman - Remial Works	400.00	64.00	16%			24.00
Mahmud Saman - IST & Entrance Slab	776.69	124.27	16%			46.60
Delta Spec Technology Sdn Bhd - Road Crossing	650.20	104.03	16%			39.01
Mahmud Saman-Complete Remaining Works at Package C	190.75	30.52	16%			11.45
Se Tuju Enterprise-Landscape Works TBB1	1,050.00	168.00	16%			63.00
A.R.Intelek Enterprise	960.00	153.60	16%			57.60
Armada Harmony Ent.-Rectification Works Drain Pac 3	280.00	44.80	16%			16.80
Ahmad Daud Electric - Street Lighting	428.50	68.56	16%			25.71
Vital Potential SB-Road Works	404.76	64.76	16%			24.29
Sukarjo Sampuri - Rectify Works for Sump	110.00	17.60	16%			6.60
Ahmad Daud Elec-Overhead Street Lighting	275.50	44.08	16%			16.53
Armada Harmony Ent-Sundries	230.50	36.88	16%			13.83
Worksal						
Tan Chin Keck-Renovation	45.00	7.20	16%			2.70
PT1204						
Total Trade & Non-trade Creditors (whose settlement amounts are less	10,811.50	1,729.83				649.00

DETAILS OF SCHEME CREDITORS AND THEIR SETTLEMENT

Unsecured Scheme Creditors Class 1	Outstanding Liabilities as at Cut-off Date (RM)	Estimated Returns Under Proposed Debt Restructuring				Estimated Return in Liquidation Scenario (RM)
		Cash (RM)	Cash (%)	RCSLS (RM)	RCSLS (%)	
<i>than RM1,000)</i>						
<u>Sub-total[ARKD]</u>	1,889,278	76,868		225,416		113,357
<u>ARKM</u>						
<u>Trade & Non-trade Creditors</u>						
Amount Due To Directors	12,000.00	480.00	4%	1,560.00	13%	840.00
Achieve Vision Sdn Bhd	35,575.00	1,423.00	4%	4,624.75	13%	2,490.25
Acumen Marketing Sdn Bhd	415,662.00	16,626.48	4%	54,036.06	13%	29,096.34
Ajnz Engineering Sdn Bhd	53,621.39	2,144.86	4%	6,970.78	13%	3,753.50
Aras Bayu Sdn Bhd	13,360.50	534.42	4%	1,736.87	13%	935.24
Asaii Engineering Sdn Bhd	25,098.90	1,003.96	4%	3,262.86	13%	1,756.92
Behr Reka Resources	17,846.44	713.86	4%	2,320.04	13%	1,249.25
Chew Kam Yong Air-Cond & Eng. Sdn Bhd	322,866.33	12,914.65	4%	41,972.62	13%	22,600.64
Comfort Lite Design Enterprise	45,722.08	1,828.88	4%	5,943.87	13%	3,200.55
Deltric Sdn Bhd	12,956.40	518.26	4%	1,684.33	13%	906.95
Erif Electronic Sdn Bhd	8,930.00	357.20	4%	1,160.90	13%	625.10
Fitters Building Services Sdn Bhd	36,348.93	1,453.96	4%	4,725.36	13%	2,544.43
Fore-Sight Trading Sdn Bhd	58,353.95	2,334.16	4%	7,586.01	13%	4,084.78
Fortune Electric Engineering	10,037.00	401.48	4%	1,304.81	13%	702.59
Gae Kwong Engineering (Kl) Sdn Bhd	1,680,540.40	67,221.62	4%	218,470.25	13%	117,637.83
Giffful Sdn Bhd	13,471.27	538.85	4%	1,751.27	13%	942.99
Grand Oriental Enterprise	6,814.80	272.59	4%	885.92	13%	477.04
Group Associated (C&L) Sdn Bhd	6,946.92	277.88	4%	903.10	13%	486.28
Havell Electrical Sdn Bhd	43,943.77	1,757.75	4%	5,712.69	13%	3,076.06
Jd Power (M) Sdn Bhd	226,153.65	9,046.15	4%	29,399.98	13%	15,830.76

DETAILS OF SCHEME CREDITORS AND THEIR SETTLEMENT

Unsecured Scheme Creditors Class 1	Outstanding Liabilities as at Cut-off Date (RM)	Estimated Returns Under Proposed Debt Restructuring				Estimated Return in Liquidation Scenario (RM)
		Cash	Cash	RCSLS	RCSLS	
		(RM)	(%)	(RM)	(%)	
Kejuruteraan Astra Sdn Bhd	1,836,082.39	73,443.30	4%	238,690.71	13%	128,525.77
Kejuruteraan Jayagas Sdn Bhd	36,586.13	1,463.45	4%	4,756.20	13%	2,561.03
Kejuruteraan Trolka Sdn Bhd	573,752.47	22,950.10	4%	74,587.82	13%	40,162.67
Kimi Air Cond Ductwork System	33,510.15	1,340.41	4%	4,356.32	13%	2,345.71
Lim Kim Hai Sales & Services Sdn Bhd	247,032.50	9,881.30	4%	32,114.23	13%	17,292.28
Masico Engineering Sdn Bhd	13,582.65	543.31	4%	1,765.74	13%	950.1
Medan System (M) Sdn Bhd	30,878.48	1,235.14	4%	4,014.20	13%	2,161.49
Mie Industrial Sdn Bhd	112,732.62	4,509.30	4%	14,655.24	13%	7,891.28
Nam Foong (M) Sdn Bhd	179,111.97	7,164.48	4%	23,284.56	13%	12,537.84
Nelton Engineering Sdn Bhd	193,651.58	7,746.06	4%	25,174.71	13%	13,555.61
One D Aircond Services	6,300.00	252.00	4%	819.00	13%	441.00
Pne Systems Sdn Bhd	86,499.00	3,459.96	4%	11,244.87	13%	6,054.93
Powerwell Marketing S/B	375,483.80	15,019.35	4%	48,812.89	13%	26,283.87
Proact Electrical & Trading	21,000.00	840.00	4%	2,730.00	13%	1,470.00
Program Hi-Tech Sdn Bhd	66,126.07	2,645.04	4%	8,596.39	13%	4,628.82
Richmentech (M) Sdn Bhd	11,272.12	450.88	4%	1,465.38	13%	789.05
Sing Hing Electric	21,630.00	865.20	4%	2,811.90	13%	1,514.10
Space Star Enterprise	36,892.15	1,475.69	4%	4,795.98	13%	2,582.45
Tamco Electrical & Electronics (M) Sb	55,785.80	2,231.43	4%	7,252.15	13%	3,905.01
Tan Brothers Air-Cond Trading (P)	159,785.09	6,391.40	4%	20,772.06	13%	11,184.96
Technic Brite Sdn Bhd	598,524.59	23,940.98	4%	77,808.20	13%	41,896.72
Telekomunikasi Potansi Sdn Bhd	14,136.09	565.44	4%	1,837.69	13%	989.53
Tenaga Jalgas	334,473.18	13,378.93	4%	43,481.51	13%	23,413.12

DETAILS OF SCHEME CREDITORS AND THEIR SETTLEMENT

Unsecured Scheme Creditors Class 1	Outstanding Liabilities as at Cut-off Date (RM)	Estimated Returns Under Proposed Debt Restructuring				Estimated Return in Liquidation Scenario (RM)
		Cash	Cash	RCSLS	RCSLS	
		(RM)	(%)	(RM)	(%)	
Sdn Bhd						
Tj Tenaga Sdn Bhd	256,769.72	10,270.79	4%	33,380.06	13%	17,973.88
Top Seal Engineering & Trading	15,400.00	616.00	4%	2002.00	13%	1,078.00
Topgroup M&E Sdn Bhd	18,490.00	739.60	4%	2,403.70	13%	1,294.30
Truelight Electrical Engineering	44,482.98	1,779.32	4%	5,782.79	13%	3,113.81
Vibran Engineering (M) Sdn Bhd	12,462.00	498.48	4%	1,620.06	13%	872.34
Yakin Electrical Engineering	36,280.48	1,451.22	4%	4,716.46	13%	2,539.63
YSE Electric (KL) Sdn Bhd	18,770.40	750.82	4%	2,440.15	13%	1,313.93
Total Trade & Non-trade Creditors	8,493,734.14	339,749.39	4%	1,104,185.44	13%	594,561.42
Trade & Non-Trade Creditors (whose settlement amounts are less than RM1,000)						
Alico Parts Supply	2,605.50	442.94	17%			182.39
Central Air Filters Sdn Bhd	900.00	153.00	17%			63.00
Cheng Hoon Air-Con Services	2,860.00	486.20	17%			200.20
E Base Technology	1,985.80	337.59	17%			139.01
Elta Power System Sdn Bhd	4,256.00	723.52	17%			297.92
Flame Project Sdn Bhd	5,000.00	850.00	17%			350.00
Gr Master Electrical	4,500.00	765.00	17%			315.00
Haltonair Technologies	5,031.00	855.27	17%			352.17
Hi-Poh Engineering	3,998.42	679.73	17%			279.89
Kamal	2,217.50	376.98	17%			155.23
Kejuruteraan Mekanikal L&L	858.40	145.93	17%			60.09
Mind Eng	5,500.00	935.00	17%			385.00

DETAILS OF SCHEME CREDITORS AND THEIR SETTLEMENT

Unsecured Scheme Creditors Class 1	Outstanding Liabilities as at Cut-off Date (RM)	Estimated Returns Under Proposed Debt Restructuring				Estimated Return in Liquidation Scenario (RM)
		Cash	Cash	RCSLS	RCSLS	
		(RM)	(%)	(RM)	(%)	
Ms Technic Engineering Mutiara Hijau Services	2,900.00	493.00	17%			203.00
Ntb A/Con Engineering Sdn Bhd	912.50	155.13	17%			63.88
Osram (M) Sdn Bhd	2,000.00	340.00	17%			140.00
Pen Winston Electrical	1,567.20	266.42	17%			109.70
Petaling Jaya Motor Supply Sdn Bhd	232.00	39.44	17%			16.24
Rosma Medical & Services Sdn Bhd	2,180.25	370.64	17%			152.1
Sesalur Indah Enterprise	2,802.50	476.43	17%			196.18
Setia Ulung Sdn Bhd	600.00	102.00	17%			42.00
Topaire Sales & Services Sdn Bhd (Np)	3,450.00	586.50	17%			241.50
Win Hin Machinery (Sabah) Sdn Bhd	1,168.69	198.68	17%			81.81
Wintrad Industries Sdn Bhd	3,000.00	510.00	17%			210.00
	2,548.00	433.16	17%			178.36
Total Trade & Non-Trade Creditors (Less Than RM1,000 After Proposed Settlement)	63,073.76	10,722.56				4,415.19
Sub-total [ARKM]	8,556,808	350,472	4%	1,104,185	13%	598,977
ARKH Trade & Non-trade Creditors						
Intext Design Team	96,174.90	3,847.00	4%	5,770.49	6%	-
Seri Sabco (M) Sdn Bhd	66,736.54	2,669.46	4%	4,004.19	6%	-
Audit Fees Provisions	18,164.00	726.56	4%	1,089.84	6%	-
Kumpulan Muara	1,645,974.53	65,838.98	4%	98,758.47	6%	-

DETAILS OF SCHEME CREDITORS AND THEIR SETTLEMENT

Unsecured Scheme Creditors Class 1	Outstanding Liabilities as at Cut-off Date (RM)	Estimated Returns Under Proposed Debt Restructuring				Estimated Return in Liquidation Scenario (RM)
		Cash	Cash	RCSLS	RCSLS	
		(RM)	(%)	(RM)	(%)	
Sdn Bhd						
<i>Trade & Non-trade Creditors (whose settlement amounts are less than RM1,000)</i>						
Advances from Octofirst	5,150.00	515.00	10%			
Reality Consult	2,765.00	276.50	10%			
Advances from purchasers	3,050.00	305.00	10%			
Sub-total [ARKH]	1,838,015	74,179	4%	109,623	6%	-
TOTAL UNSECURED SCHEME CREDITORS CLASS 1	101,040,306	4,051,769		9,427,282		3,375,020

Unsecured Creditors Class 2

Unsecured Scheme Creditors Class 2	Outstanding Liabilities as at Cut-off Date (RM)	Estimated returns to Under Proposed Debt Restructuring				Estimated Return in Liquidation Scenario (RM)
		Cash (RM)	Cash (%)	RCSLS (RM)	RCSLS (%)	
ARKD <u>Inter-Co Creditors</u> Lankhorst Pancabumi Contractors Sdn Bhd	13,166,780	526,671	4%	1,580,014	12%	790,007
ARKH <u>Inter-Co Creditors</u> Lankhorst Track Construction Sdn Bhd	454,000	18,160	4%	27,240	6%	-
TOTAL UNSECURED SCHEME CREDITORS CLASS 2	13,620,780	544,831		1,607,254		790,007