



General Announcement

Reference No MM-020731-38498

From: Lay Peng (AmMerchant Bank)

no of pgs : 21

Submitting Merchant Bank (if applicable) : AmMerchant Bank Berhad (formerly known as Arab-Malaysian Merchant Bank Berhad)
Submitting Secretarial Firm Name (if applicable) :
* Company name : Trans Capital Holding Berhad
* Stock name : TRANCAP
* Stock code : 7579
* Contact person : Tan Wei Han/Ewe Lay Peng
* Designation : Associate Director/Executive

KLSE
(CO. NO. 30632-P)
LISTING DEPARTMENT
31 JUL 2002

* Type : ● Announcement () Reply to query

* Subject :
Trans Capital Holding Berhad ("TCHB" or "the Company")
- Requisite Announcement in Accordance with Paragraph 5.1(A) of Practice Note No. 4/2001 ("PN4/2001") Pursuant to Paragraph 8.14 of the Kuala Lumpur Stock Exchange ("KLSE") Listing Requirements

* Contents :-

1. INTRODUCTION

Further to the announcements dated 23 February 2001, 24 October 2001, 26 October 2001, 8 February 2002, 26 April 2002, 2 May 2002, 15 May 2002, 17 May 2002, 3 June 2002, 25 June 2002, 1 July 2002 and 2 July 2002 made by TCHB to the Kuala Lumpur Stock Exchange ("KLSE"), AmMerchant Bank Berhad ("AmMerchant Bank") wish to announce on behalf of TCHB that the Directors of TCHB are proposing a Corporate and Debt Restructuring Scheme for TCHB ("Proposed Corporate and Debt Restructuring Scheme") comprising inter-alia:-

- Proposed exchange of shares pursuant to a scheme of arrangement under Section 176 of the Companies Act, 1965 ("the Act") between TCHB, all its shareholders and AWC Facility Solutions Berhad ("AWC"), whereby all the existing shareholders of TCHB will exchange all their shares in TCHB for new ordinary shares of RM0.50 each ("Shares") in AWC on the basis of one (1) AWC Share for every twelve(12) TCHB shares of RM1.00 each in TCHB at an issue price of RM0.60 per AWC Share ("Proposed Share Exchange");
- Proposed settlement, pursuant to section 176 of the Companies Act, of
 - (i) the debts owing by the Company to its unsecured creditors ("Unsecured Creditors") 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%;
 - (ii) the debts owing by the Company and its subsidiary companies, Trans Capital Sdn Bhd (In Receivership) ("TCSB"), Trans Capital Electronics Sdn Bhd ("TCESB") and Trans Capital Technology Sdn Bhd ("TCTSB") (collectively "Subsidiary Companies") to their respective preferential creditors, in cash, from the proceeds of a restricted issue, public issue and placement of shares to be undertaken by AWC.(Collectively known as "Proposed Debt Settlement Scheme");

- the proposed acquisitions of the following acquiree companies ("Acquiree Companies") from the vendors (as listed in Table 1) ("Vendors") by AWC;
 - o Proposed acquisition of the entire issued and paid-up share capital of Ambang Wira Sdn Bhd ("AWSB") comprising 3,000,000 ordinary shares of RM1.00 each for a purchase consideration of RM40,365,250 to be wholly satisfied by an issue of 67,275,417 new Shares in AWC, at an issue price of RM0.60 per Share;
 - o Proposed acquisition of the entire issued and paid-up share capital of AW Facility Management Sdn Bhd ("AWFM") comprising 600,000 shares of RM1.00 each for a purchase consideration of RM8,500,000 to be wholly satisfied by an issue of 14,166,667 new Shares in AWC, at an issue price of RM0.60 per Share;
 - o Proposed acquisition of 85% of the issued and paid-up share capital of M&C Engineering and Trading Sdn Bhd ("M&C(M)") comprising 1,700,000 shares of RM1.00 each for a purchase consideration of RM25,359,750 to be wholly satisfied by an issue of 42,266,250 new Shares in AWC, at an issue price of RM0.60 per Share;
 - o Proposed acquisition of 49% of the issued and paid-up share capital of M&C Engineering and Trading (S) Pte Ltd ("M&C(S)") comprising 245,000 shares of RM1.00 each for a purchase consideration of RM4,165,000 to be wholly satisfied by an issue of 6,941,667 new Shares in AWC, at an issue price of RM0.60 per one(1) new Share;
 - o Proposed acquisition of the entire issued and paid-up share capital of Kejuruteraan Putrajaya Sdn Bhd ("KPSB") comprising 300,000 shares of RM1.00 each for a purchase consideration of RM13,520,000 to be wholly satisfied by an issue of 22,533,333 new Shares in AWC, at an issue price of RM0.60 per Share; and
 - o Proposed acquisition of the entire issued and paid-up share capital of Gold Green Landscape & Nursery Sdn Bhd ("GGLN") comprising 100,000 shares of RM1.00 each for a purchase consideration of RM12,750,000 to be wholly satisfied by an issue of 21,250,000 new Shares in AWC, at an issue price of RM0.60 per Share.

(collectively known as "Proposed Acquisitions of Acquiree Companies")
- Proposed restricted issue of 5,000,000 AWC Shares at an issue price of RM0.60 per Share of AWC to certain Vendors ("Proposed Restricted Issue");
- Proposed placement and proposed public issue totaling 17,100,000 AWC Shares at an issue price of RM0.60 per Share to public places to be identified by the vendors, to the existing shareholders of TCHB and to public investors. ("Proposed Placement and Public Issue");
- the de-listing of the Company from the Second Board of the Kuala Lumpur Stock Exchange ("KLSE") and the transfer of the listing status of the Company to AWC and the listing and quotation for the entire enlarged issued and paid up capital of AWC ("Proposed Transfer of Listing Status") on the Second Board of the KLSE; and
- Proposed waiver for certain of the Vendors from undertaking a mandatory general offer for the remaining Shares in AWC.

A Master Agreement detailing the Proposed Corporate and Restructuring Scheme was executed between the Vendors of the Acquiree Companies, AWC, TCHB, TCSB, TCTSB and TCESB on 31 July 2002.

2. DETAILS OF THE PROPOSED SCHEME OF ARRANGEMENT

2.1 Proposed Share Exchange

2.1.1 Details of the Proposed Share Exchange

The Proposed Share Exchange is to be implemented pursuant to a scheme of arrangement under Section 176 of the Act, between AWC, TCHB and the existing shareholders of TCHB, whereby the existing shareholders of TCHB will exchange 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.

After the Proposed Share Exchange, TCHB will become a wholly-owned subsidiary of AWC. It is the intention of AWC to hold TCHB exclusively for the implementation of the Proposed Corporate and Debt Restructuring Scheme with a view to the subsequent liquidation of the Company and its subsidiary companies.

Pursuant to the Proposed Share Exchange, the shareholders of TCHB will receive 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.

2.1.2 Ranking of the Share Exchange

The new AWC Shares to be issued pursuant to the Proposed Share Exchange shall, upon allotment and issue, rank *pari passu* in all respect with the existing issued and paid-up shares of AWC, save and except that they will not be entitled to any dividends or other distribution which may be declared prior to the date of allotment of the new Shares.

2.2 Proposed Debt Settlement Scheme

The Proposed Debt Settlement Scheme for TCHB and Its Subsidiary Companies is to be implemented pursuant to Section 176 of the Act, involving the debt owed to the following Scheme Creditors of the TCHB group:-

- (i) the Corporate Guarantee Lenders and Unsecured General Creditors of TCHB;
- (ii) the Preferential Creditors of TCHB and its Subsidiary Companies.

2.2.1 Treatment of Scheme Creditors

The proposed terms of settlement and compromised repayment for the debt owing to Scheme Creditors are as follows:-

- (i) Corporate Guarantee Lenders and Unsecured General Creditors of TCHB

The Corporate Guarantee Lenders comprise financial institutions with credit facilities extended to the subsidiary companies of TCHB, which are guaranteed by TCHB.

The Unsecured General Creditors comprise unsecured non-financial Institution lenders of TCHB. The total indebtedness to the Corporate Guarantee Lenders and Unsecured General Creditors are to be settled and compromised in accordance with the terms as set out below:-

- (a) Any interest, penalties accrued and other charges from 1 July 2001 ("the Cut-Off Date") to the implementation date shall be waived;
- (b) There shall be a waiver of 92% of total debt outstanding as at the Cut-Off Date;

- (c) The remaining total outstanding debt after the waiver shall be settled by way of issuance of AWC Shares at an issue price of RM0.60 on the basis of 1 AWC Share for every RM0.60 of outstanding debt;
- (d) The issuance of AWC Shares to the Corporate Guarantee Lenders shall constitute full and final settlement by TCHB in respect of the liabilities of TCHB under the corporate guarantees issued by TCHB and TCHB shall be released from all its obligations under the corporate guarantees;
- (e) The issuance of AWC Shares to the Unsecured General Creditors shall constitute full and final settlement by TCHB in respect of the liabilities of TCHB to the Unsecured General Creditors; and
- (f) The Corporate Guarantee Lenders shall retain their rights to pursue and recover any remaining sum outstanding to them from the distribution of TCSB's liquidation proceeds (if any), which are to be distributed in accordance with Section 292 of the Act.
- (ii) Preferential Creditors of TCHB and the Subsidiary Companies,

The total indebtedness of TCHB and the Subsidiary Companies to their Preferential Creditors of up to an aggregate amount of RM10 million shall be settled by AWC. The Preferential Creditors comprise employees of TCHB group and statutory bodies. Pursuant to the Proposed Debt Settlement Scheme with their respective Preferential Creditors under Section 176 of the Act, the indebtedness to the Preferential Creditors shall be settled by way of cash payment of up to RM10 million from the proceeds to be raised from the Proposed Restricted Issue, Proposed Placement and Proposed Public Issue. The payment shall be made to the respective Preferential Creditors by applying the general principles under Section 292 of the Act.

The total indebtedness of TCHB and the Subsidiary Companies to their Scheme Creditors as at 30 June 2001 to be settled under the Proposed Debt Settlement Scheme is summarized in Table 8. The amount to be settled by AWC is subject to adjustments as may be required subsequent to a proof of debt exercise to be undertaken by the Company.

2.2.2 Put Option Agreement

The shareholders of AWC after the Proposed Acquisition of the Acquiree Companies, comprising mainly AKN Capital Sdn Bhd, Ahmad Kabeer bin Mohamed Nagoor and Linear Corporation Berhad (collectively "Major Shareholders") propose to grant an option ("the Put Option") to the Corporate Guarantee Lenders the right to require the Major Shareholders to purchase the AWC Shares issued to the Corporate Guarantee Lenders pursuant to the Proposed Debt Settlement Scheme ("the Option Shares"). The salient terms of the Put Option are as follows:-

- (i) The exercise period is for a period of 30 months commencing from the date of listing of AWC shares on the KLSE ("Listing Date"); and
- (ii) The put option shall be exercisable in the following order:-
 - (a) In respect of 50% of the Option Shares (not already sold by the Corporate Guarantee Lenders), the Put Option is exercisable after the 1st anniversary of the Listing Date at an exercise price of RM0.65 per Option Share; and

- (b) In respect of the balance 50% of the Option Shares, the Put Option is exercisable at an exercise price of RM0.70 per Option Share after the 2nd anniversary of the Listing Date.

The Corporate Guarantee Lenders have the sole discretion to enter into the Put Option agreement with the Major Shareholders.

2.3 Proposed Acquisitions of Acquiree Companies

2.3.1 Details of the Proposed Acquisitions of Acquiree Companies

On 31 July 2002, AWC entered into six(6) conditional Share Sale Agreements with the Vendors (herein defined) 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. Other details of the Proposed Acquisitions have been set out in Section 1 above.

2.3.2 Basis of Arriving at the Purchase Consideration

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.

2.3.3 Ranking of the Consideration Shares

The AWC Shares to be issued pursuant to the Proposed Acquisitions of the Acquiree Companies shall be free from liens, claims, equities, charges, encumbrances or third party rights of whatsoever nature and with all rights now or hereafter becoming attached thereto, including the right to receive all dividends and distributions declared, made or paid on or after the date of completion of the shares sale agreement entered into by the Vendors and the AWC pursuant to the Proposed Acquisitions of the Acquiree Companies.

2.3.4 Details of the Vendors, their respective shareholdings in the Acquiree Companies and the number of AWC new Shares to be issued to them in relation to the Proposed Acquisitions are set out in Table 1.

2.3.5 Information on AWC and the Acquiree Companies

(a) Information on AWC

AWC was incorporated under its present name on 13 June 2001 in Malaysia as a public company under the Companies Act, 1965. AWC's present authorised share capital is RM1,000,000 comprising 2,000,000 Shares whilst its issued and paid-up share capital is RM2.00 comprising 4 ordinary shares of RM0.50 each. The authorised share capital will be increased for the implementation of the Proposed Corporate and Debt Restructuring Scheme.

AWC is principally an investment holding company, duly incorporated to acquire the Acquiree Companies and to assume the listing status of TCHB.

(b) Information on AWSB

AWSB was incorporated on 2 April 1993 in Malaysia as a private limited company under the Companies Act, 1965 under its present name. AWSB's present authorised share capital is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each whilst its issued and paid-up share capital is RM3,000,000 comprising 3,000,000 ordinary shares of RM1.00 each.

AWSB is the concession company principally involved in the privatization of the comprehensive facility management of federal common-user government buildings in the Southern Zone and Sarawak.

AWSB does not have any subsidiary or associated company. However, it holds 15% equity interest in M&C(M).

A summary of the key financial information on AWSB for the past five (5) financial years ended 31 January 1998 to 2002 is set out in Table 2.

(c) Information on AWFM

AWFM was incorporated on 19 September 1998 in Malaysia as a private limited company under the Companies Act, 1965. AWFM's authorised and issued share capital is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each whilst its paid-up share capital is RM600,000 comprising 600,000 ordinary shares of RM1.00 each.

AWFM is principally involved in the facility management of commercial, residential and industrial buildings.

AWFM does not have any subsidiary or associated company.

A summary of the key financial information on AWFM for the past three(3) financial years ended 31 December 1999 to 2001 is set out in Table 3.

(d) Information on M&C(M)

M&C(M) was incorporated on 23 November 1981 in Malaysia as a private limited company under the Companies Act, 1965. M&C(M)'s authorised share capital is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each whilst its issued and paid-up share capital is RM2,000,000 comprising 2,000,000 ordinary shares of RM1.00 each.

M&C(M) is principally involved in building and home automation with core competencies in the control and monitoring of HVAC systems. The HVAC system is an integral part of the climate control systems. M&C(M) specialises in the building automation and management systems, air-conditioning controls system, industrial cooling system, hydronic balancing system and system service and maintenance. M&C(M) has a subsidiary namely M&C(S) and holds 51% interest in M&C(S).

Apart from its 51% equity interest in M&C(S), M&C(M) does not have any other subsidiary or associated company.

A summary of the key financial information on M&C(M) for the past five(5) financial years ended 31 December 1997 to 2001 is set out in Table 4.

(e) Information on M&C(S)

M&C(S) was incorporated on 4 October 1996 in Singapore as a private limited company under the Laws of Singapore. M&C(S)'s authorised share capital is SGD1,000,000 comprising 1,000,000 ordinary shares of SGD1.00 each whilst its issued and paid-up share capital is SGD500,000 comprising 500,000 ordinary shares of SGD1.00 each.

M&C(S) is principally involved in building and home automation with core competencies in the control and monitoring of HVAC systems. The HVAC system is an integral part of the climate control system. M&C(S) specialises in the building automation and management systems, air-conditioning controls system, industrial cooling system, hydronic balancing system and system service and maintenance.

M&C(S) does not have any subsidiary or associated company.

A summary of the key financial information on M&C(S) for the past five (5) financial years ended 31 December 1997 to 2001 is set out in Table 5.

(f) Information on KPSB

KPSB was incorporated on 14 April 1997 in Malaysia as a private limited company under the Companies Act, 1965. KPSB's authorised share capital is RM500,000 comprising 500,000 ordinary shares of RM1.00 each whilst its issued and paid-up share capital is RM300,000 comprising 300,000 ordinary shares of RM1.00 each.

KPSB is a specialist in electrical and mechanical engineering services for highway street lighting, infrastructure works, telecommunication, factories and building industries. KPSB offers its electrical and mechanical engineering services in HT Switchgear & transformer installation, generator set complete with acoustic system, low voltage electrical installation works, telephone system, audio visual services, building automation, plumbing and sanitary services, fire fighting services, air-conditioning and ventilation systems and infrastructure mechanical and electrical engineering maintenance works.

KPSB does not have any subsidiary or associated company.

A summary of the key financial information on KPSB for the past four(4) financial years ended 30 June 1998 to 2001 is set out in Table 6.

(g) Information on GGLN

GGLN was incorporated on 22 August 1994 in Malaysia as a private limited company under the Companies Act, 1965. GGLN's authorised share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each whilst its issued and paid-up share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

GGLN is principally involved in landscape architecture, implementation and maintenance, interior landscape services and its related businesses.

GGLN does not have any subsidiary or associated company.

A summary of the key financial information on GGLN for the past five (5) financial years ended 31 December 1997 to 2001 is set out in Table 7.

2.3.6 Prospect of the Acquiree Companies

The proposed AWC group has two major divisions in its operation, the Integrated Facilities Management Division and the Engineering and Automation Division. Both divisions have good prospects to grow in Malaysia and regionally in the near future.

The facilities management industry in Malaysia is in its infancy stage and is therefore poised for growth in the long run. Building owners and corporations are looking towards outsourcing the function of facilities management to specialists like AWC Group, whose value propositions include higher defined standards of management, economies of scale and one stop solutions provider.

Additionally, with Malaysia having approximately 5.0 million sq. meters of commercial space and 11.0 million sq. meters of office space the potential market opportunities for AWC Group are good.

This provides the platform of growth for the proposed AWC Group which already holds a 10+5 years concession to provide facilities management services to the federal government common users buildings in the Southern Zone (Negeri Sembilan, Melaka and Johor) and Sarawak. In addition, the inclusion of GGLN in the group provides greater breadth in terms of diversity of its services as a facility manager.

The engineering and automation division of the proposed AWC group has a track record of more than 20 years and currently one of the leaders in building automation systems and HVAC controls. The engineering and automation works span through not only the major buildings in Malaysia, but in Singapore as well as in Brunei. Besides its track record, it will also be ably complemented by mechanical and electrical specialist in the proposed AWC group, i.e. KPSB.

2.4 Proposed Restricted Issue

2.4.1 Details of the Proposed Restricted Issue

As an integral part of the Proposed Corporate and Debt Restructuring Scheme, AWC proposes to undertake a restricted issue of 5,000,000 new Shares at an issue price of RM0.60 each ("Restricted Issue Share") to certain of the Vendors as set out in Table 9.

2.4.2 Ranking of shares

The new shares arising from the Proposed Restricted Issue shall, upon allotment and issue, rank pari passu in all respects with the existing Shares of the AWC except that they shall not be entitled to any dividends, rights, allotments and/or any other distributions which may be declared for any record date that is prior to the allotment date of the Restricted Issue Shares.

2.5 Proposed Placement and Proposed Public Issue

2.5.1 Details of the Proposed Placement and Public Issue

As an integral part of the Proposed Corporate and Debt Restructuring Scheme, AWC proposes to undertake a placement issue and public issue of 17,100,000 new Shares at an issue price of RM0.60 each ("Placement Shares and Public Shares") to placees to be identified by the Vendors, to the existing shareholders of TCHB and to the public investors.

2.5.2 Ranking of shares

The new shares arising from the Proposed Private Placement and Public Issue shall, upon allotment and issue, rank *pari passu* in all respects with the existing Shares of the AWC except that they shall not be entitled to any dividends, rights, allotments and/or any other distributions which may be declared for any record date that is prior to the allotment date of the Placement Shares and Public Shares.

2.6 Proposed Transfer of Listing Status

The Proposed Transfer of Listing Status involves the transfer of the listing status of TCHB to AWC and the listing of the entire enlarged issued and paid-up capital of AWC ("Proposed Listing") on the Second Board of the Official List of the KLSE. Consequently, TCHB will be de-listed from the Second Board of the Official List of the KLSE.

3. Utilisation of Proceeds

The gross proceeds from the Proposed Restricted Issue, Proposed Placement and Proposed Public Issue totaling RM13,260,000 (assuming an indicative issue price of RM0.60 per new Share) shall be utilised as follows:-

- (i) repayment to the Preferential Creditors of TCHB, TCSB, TCTSB and TCESB pursuant to the Debt Settlement Scheme subject to the maximum amount of RM10 million; and
- (ii) the remaining balance for the listing expenses incurred in respect of the Proposed Corporate and Debt Restructuring Scheme and as well as for working capital for AWC group.

4. THE SALIENT TERMS OF THE MASTER AGREEMENT

The Master Agreement set out, *inter-alia*, the terms and conditions upon which the parties thereto agree to participate in the Proposed Corporate and Debt Restructuring Scheme of TCHB. The key features of the Master Agreement are set out in Section 2 of this announcement. The other salient terms of the Master Agreement are set out in Table 10.

5. RATIONALE FOR THE PROPOSED CORPORATE AND DEBT RESTRUCTURING SCHEME

The TCHB Group has been suffering from huge losses since 1999. Based on TCHB's latest audited accounts for the financial year ended 31 December 2001, TCHB's accumulated losses stood at RM272.99 million. It had deficit shareholders' funds of RM201.37 million.

On 23 February 2001, TCHB announced to the Kuala Lumpur Stock Exchange that it has been deemed as an "Affected Listed Issuer" under the Practice Note 4 of the Listing Requirements in view that it has a deficit in its shareholders' equity. As an Affected Listed Issuer, TCHB is required to regularise its financial condition by 31 December 2002. Failing which, TCHB may be de-listed.

In order to meet the requirement, TCHB had proposed a Proposed Corporate and Debt Restructuring Scheme which would enable TCHB to restructure via AWC the current debt burden of TCHB, and discharge its outstanding liabilities by alleviating the current debt burden of TCHB through the debt waiver and debt conversion into Shares of AWC.

The Proposed Debt Settlement Scheme with the Scheme Creditors, which is integral part of the Proposed Corporate and Debt Restructuring Scheme will also allow TCHB's creditors to receive a higher return than they would otherwise receive if TCHB were to be liquidated.

The existing shareholders of TCHB will be able to continue to participate in the restructured group under AWC through the Proposed Share Exchange and Proposed Public Issue.

The Proposed Acquisitions of the Acquiree Companies are to provide AWC group with new viable businesses with better prospects and potential that will generate sufficient income and profit to sustain the newly restructured group's viability as a going concern.

Upon completion of the Proposed Corporate and Debt Restructuring Scheme, AWC group is expected to be profitable from the contribution of the Acquiree Companies. The consolidated proforma NTA of the AWC group will be approximately RM37.44 million or RM0.1637 per AWC Share.

6. EFFECTS OF THE PROPOSED CORPORATE AND DEBT RESTRUCTURING SCHEME

The expected effects of the Proposed Corporate and Debt Restructuring Scheme on the group structure, issued and paid-up share capital, NTA, earnings, substantial shareholders' shareholdings and gearing of TCHB and/or AWC, where relevant, are illustrated below:-

6.1 On the Group Structure

The Group Structure before and after the Proposed Corporate and Debt Restructuring Scheme is set out in Table 11.

6.2 On the Issued and Paid-up Share Capital

6.2.1 On TCHB

The Proposed Corporate and Debt Restructuring Scheme has no effect on the issued and paid-up share capital of TCHB Group.

6.2.2 On AWC

The proforma effects of the Proposed Corporate and Debt Restructuring Scheme on the issued and paid-up share capital of AWC are set out in Table 12.

6.3 On NTA

The proforma effects of the Proposed Corporate and Debt Restructuring Scheme on the NTA of AWC Group are set out in Table 13.

6.4 On Earnings

Barring any unforeseen circumstances, the Acquiree Companies are expected to contribute positively to the earnings of AWC after the completion of the Proposed Corporate and Debt Restructuring Scheme.

6.5 On the Substantial Shareholders' Shareholdings in AWC

The proforma effects of the Proposed Corporate and Debt Restructuring Scheme on the shareholdings of AWC are set out in Table 14.

6.6 On Gearing

The effects of the Proposed Corporate and Debt Restructuring Scheme on AWC are set out in Table 16.

7. PROPOSED WAIVER FROM UNDERTAKING A GENERAL OFFER

Upon completion of the Proposed Corporate and Debt Restructuring Scheme, certain shareholders of AWC namely, K Capital Sdn Bhd (which is incorporated to hold the shareholdings of certain Vendors) and AKN Capital Sdn Bhd will collectively hold approximately 46.89% equity interest in AWC. Further, in the event that the Corporate Guarantee Lenders exercise their rights under the Put Option Agreement and K Capital Sdn Bhd and AKN Capital Sdn Bhd take up the entire Option Shares, they will collectively hold more than 59.44% equity interest in AWC after the exercise of the Put Option.

Pursuant to Part II, Section 6 of the Malaysian Code on Take-Overs and Merger 1998 ("Code"), K Capital Sdn Bhd and AKN Capital Sdn Bhd will be required to extend a mandatory general offer ("GO") to the remaining shareholders of AWC to acquire all the remaining shares not already owned by them.

In this connection, K Capital Sdn Bhd and AKN Capital Sdn Bhd will apply for a waiver from the Securities Commission under Practice Note 2.9.3 of the Code (relating to rescue operation) on the obligation to make a mandatory GO for the remaining AWC Shares not already owned by them.

8. APPROVALS REQUIRED

The Proposed Corporate and Debt Restructuring Scheme shall be inter alia conditional upon the following:-

- (i) the approvals of the Securities Commission ("SC");
- (ii) the approvals of the Foreign Investment Committee ("FIC");
- (iii) the Court sanction pursuant to Section 176 of the Act in relation to the Proposed Share Exchange and the Proposed Debt Settlement Scheme with the Scheme Creditors;
- (iv) the approval of the Shareholders of TCHB at an extraordinary general meeting ("EGM") to be convened; and
- (v) the approvals of any other relevant authorities, if applicable.

In addition, K Capital Sdn Bhd and AKN Capital Sdn Bhd will be seeking an exemption from the SC under Practice Note 2.9.3 of the Code (relating to rescue operations) from the obligation under Part II of the Code to extend the Mandatory Offer.

9. DIRECTORS AND SUBSTANTIAL SHAREHOLDERS' INTEREST

None of the Directors and substantial shareholders of TCHB and persons connected to Directors and substantial shareholders of TCHB has any interest, direct or indirect in the Proposed Corporate and Debt Restructuring Scheme.

10. ESTIMATED TIME FRAME FOR THE COMPLETION OF THE PROPOSED CORPORATE AND DEBT RESTRUCTURING SCHEME

Barring any unforeseen circumstance and subject to all the required approvals, the Proposed Corporate and Debt Restructuring Scheme is expected to complete in the first half of year 2003.

11. SUBMISSION TO THE AUTHORITIES

The submission to the relevant authorities seeking approval for the Proposed Corporate and Debt Restructuring Scheme is expected to be made by end of August 2002.

12. ADVISER

AmMerchant Bank has been appointed as the adviser to TCHB for the Proposed Corporate and Debt Restructuring Scheme.

13. DOCUMENTS FOR INSPECTION

The Master Agreement and the restraining orders granted by the Court shall be made available for inspection at the registered address of TCHB at Suite 504, Komplek Mutiara, 125 Jalan Anson, 10400 Penang during business hours from Monday to Fridays (except public holidays) from the date of this announcement up to and including the date of the said EGM and Court convened meetings.

This announcement is dated 31 July 2002.

Tables Section - This section is to be used to create and insert tables. Please make the appropriate reference to the table(s) in the Contents of the Announcement:



Tables-RA.doc

AmMerchant Bank Berhad (23742-V)
21st-25th Floors, Bangunan AmBank Group,
Jalan Raja Chulan, P.O. Box 11023B
50708 Kuala Lumpur.

Table 1
Details of Vendors, their respective shareholdings in the Acquiree Companies and the number of AWC Shares to be issued to the respective Vendor in relation to the Proposed Acquisitions

Vendors	No. of shares held	% of shares held	Purchase Consideration RM	No of new AWC Shares to be issued and allotted
AWSB				
Musa bin Zainuddin	900,000	30.00	12,109,575	20,182,625
Abdul Razak bin Abdul Rahman	900,000	30.00	12,709,575	20,182,625
Ahmad Kabeer Nagoor	1,200,000	40.00	16,146,100	26,910,167
	3,000,000	100.00	40,965,250	67,275,417
AWFM				
Dato' Haji Mat Yasir bin Jull	540,000	90.00	7,650,000	12,750,000
Abdul Samad bin Mat Taib	30,000	5.00	425,000	708,333
Ahmad Bustaman bin Sharif	30,000	5.00	425,000	708,333
	600,000	100.00	8,500,000	14,166,667
M&C(M)				
AKN Capital Sdn Bhd	900,000	45.00	13,425,750	22,376,250
Linear Corporation Berhad	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				
P.J. Indah Sdn Bhd	183,000	61.00	8,247,200	13,745,333
Lim Kian Seng	57,000	19.00	2,568,800	4,281,333
Knights Technology Sdn Bhd	60,000	20.00	2,704,000	4,506,667
	300,000	100.00	13,520,000	22,533,333
GGLN				
Hew Tze Kwon	35,000	35.00	4,462,500	7,437,500
Ljanti 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

Table 2
Summary of Key Financial Information on AWSB

	Financial Year Ended 31 January				
	*1998 RM'000	1999 RM'000	2000 RM'000	2001 RM'000	2002 RM'000
Turnover	-	9,778	15,684	23,443	24,341
EBIDTA	-	3,749	2,481	5,895	6,486
Interest expense	-	(18)	(42)	(205)	(452)
Depreciation	-	(20)	(108)	(1,101)	(1,431)
PBT	-	3,711	2,331	4,590	4,603
Tax expense	-	(9)	(726)	(1,312)	(1,279)
Net profit	-	3,702	1,605	3,278	3,324
Weighted average number of ordinary shares in issued of RM1.00 each ('000)	3,000	3,000	3,000	3,000	3,000
Gross EPS (RM)	-	1.24	0.78	1.53	1.53
Net EPS (RM)	-	1.23	0.54	1.09	1.11

* AWSB only commenced its operation during the financial year ended 31 January 1999

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Table 3
Summary of Key Financial Information on AWMF

	Financial Year Ended 31 December		
	*1999 RM'000	2000 RM'000	2001 RM'000
Turnover	2,696	6,702	7,391
EBIDTA	994	1,164	1,313
Interest expense	-	(6)	(8)
Depreciation	(1)	(67)	(94)
Profit before tax	993	1,091	1,201
Tax expense	(1)	(316)	(338)
Net profit	992	775	863
Weighted average number of ordinary shares in issued of RM1.00 each ('000)	300	450	600
Gross EPS (RM)	^2.58	2.43	2.00
Net EPS (RM)	^2.57	1.72	1.44

Notes:-

- * These figures are for the period from the date of incorporation, i.e. 19 September 1998 to 31 December 1999
- ^ Annualised

Table 4
Summary of Key Financial Information on M&C(M) (on consolidation basis, including 51% equity interest in M&C(S))

	Financial Year Ended 31 December				
	1997 RM'000	1998 RM'000	1999 RM'000	2000 RM'000	2001 RM'000
Turnover	29,572	23,018	21,699	27,577	21,732
EBIDTA	4,516	4,755	3,866	6,358	2,406
Interest expense	(21)	(21)	(34)	(10)	(7)
Depreciation	(310)	(328)	(380)	(405)	(425)
Profit before tax	4,185	4,406	3,452	5,943	1,974
Tax expense	(1,318)	(1,184)	(258)	(1,687)	(531)
Profit after taxation	2,867	3,222	3,194	4,256	1,443
Minority Interest ("MI")	(255)	(317)	(361)	(582)	(243)
Profit after Taxation and MI	2,612	2,905	2,833	3,673	1,200
Weighted average number of ordinary shares in issued of RM1.00 each ('000)	2,000	2,000	2,000	2,000	2,000
Gross EPS (RM)	2.09	2.20	1.73	2.97	0.99
Net EPS (RM)	1.31	1.45	1.42	1.64	0.60

Table 5
Summary of Key Financial Information on M&C(S)

	Financial Year Ended 31 December				
	1997* SGD'000	1998 SGD'000	1999 SGD'000	2000 SGD'000	2001 SGD'000
Turnover	3,463	3,110	3,535	4,810	4,587
EBIDTA	436	457	502	794	322
Interest expense	(3)	(4)	(9)	(3)	(2)
Depreciation	(83)	(59)	(60)	(55)	(49)
Profit before tax	370	394	433	736	271
Tax expense	(110)	(113)	(113)	(196)	(34)
Net profit	260	281	320	540	237
Weighted average number of ordinary shares in issued of SGD1.00 each ('000)	200	200	375	500	500
Gross EPS (SGD)	1.85	1.97	1.15	1.47	0.54
Net EPS (SGD)	1.30	1.41	0.85	1.08	0.47

Table 6
Summary of Key Financial Information on KPSB

	Financial Year Ended 30 June			
	1998 RM'000	1999 RM'000	2000 RM'000	2001 RM'000
Turnover	2,667	8,512	10,422	8,375
EBIDTA	(106)	820	478	563
Interest expense	(4)	(9)	(2)	(3)
Depreciation	(46)	(54)	(61)	(30)
(Loss)/Profit before tax	(156)	757	415	530
Tax expense	(7)	(4)	(115)	(152)
Net (loss)/profit	(163)	754	300	378
Weighted average number of ordinary shares in issued of RM1.00 each ('000)	300	300	300	300
Gross EPS (RM)	^(0.43)	2.52	1.38	1.77
Net EPS (RM)	^(0.45)	2.51	1.00	1.26

Notes:-

* These figures are for the period from the date of incorporation, i.e. 14 April 1997, to 30 June 1998
^ Annualised

Table 7
Summary of Key Financial Information on GGLN

	Financial Year Ended 31 December				
	1997 RM'000	1998 RM'000	1999 RM'000	2000 RM'000	2001 RM'000
Turnover	1,211	1,104	1,497	3,009	1,384
EBIDTA	119	98	78	92	218
Interest expense	(17)	(17)	(17)	(17)	(10)
Depreciation	(75)	(78)	(77)	(66)	(50)
(Loss)/Profit before tax	27	3	(16)	9	158
Tax expense	(13)	(13)	(8)	(7)	(51)
(Loss)/Profit after Taxation	14	(10)	(24)	2	107
Weighted average number of ordinary shares in issued of RM1.00 each ('000)	30	30	30	48	100
Gross EPS (RM)	0.90	(0.10)	(0.53)	0.09	1.58
Net EPS (RM)	0.47	(0.33)	(0.80)	0.03	1.07

Table 8
Summary of Total Debts to be settled and restructured:-

Scheme Creditors	#Total Debts RM	Waiver of Debts RM	Net debt amount to be Settled RM	##Cash Settlement RM	No. of new AWC shares to be issued as settlement based on the issue price of RM0.60
Unsecured Creditors					
- Corporate Guarantee Lenders	210,645,653	(193,794,000)	16,851,652	-	28,086,087
- Unsecured General Creditors	4,587,928	(4,220,894)	367,034	-	611,724
Preferential Creditors of TCHB and its Subsidiary Companies	(10,000,000)			(10,000,000)	
Total	225,233,581	(198,014,894)	17,218,686	(10,000,000)	28,697,811

Notes:-

The cut-off dates used by TCHB in arriving at the total debt is 30 June 2001 for all scheme creditors and is subject to a proof of debt to be carried out by TCHB. As such, the figures above are not exhaustive
• The figure shown above is after the crystallization of security in the form of fixed and floating charges on the assets of TCSB.
Subject to a maximum of RM10 million.

Table 9
Details of the Proposed Restricted Issue

	No. of shares to be issued pursuant to the Proposed Restricted Issue	Amount from the Proposed Restricted Issue RM
K Capital Sdn Bhd	2,334,476	1,400,686
Hew Tze Kwon	128,000	76,800
Liantl Rahardja	128,000	76,800
Hew Tze Ken	110,000	66,000
AKN Capital Sdn Bhd	1,081,524	646,915
Linear Corporation Berhad	571,000	342,600
P.J. Indah Sdn Bhd	394,000	236,400
Lim Kian Seng	123,000	73,800
Knights Technology Sdn Bhd	130,000	78,000
	5,000,000	3,000,000

Note:

^A K Capital Sdn Bhd is incorporated to hold the shareholdings of Dato' Mat Yasir bin Jull, Abdul Samad bin Mat Talb, Ahmad Bustaman bin Sharif, Musa bin Zeinudin, Abdul Razek bin Abdul Rahman and Ahmad Kabeer bin Mohamed Nagoor.

Table 10
The Extract of Other Salient Terms of the Master Agreement

CONDITIONS

The Vendors' and AWC's undertakings and obligations herein shall not become operative unless and until the conditions set out in Clause 3.2 ("Conditions") are satisfied or fulfilled to the extent and in the manner stated therein on or before 31st December 2002 ("Conditions Cut-Off Date") or such other date as the Vendors may agree to in writing ("Extended Conditions Cut-Off Date").

The performance of the terms of this Agreement by the Parties in relation to the Proposals shall be subject to the following Conditions being fulfilled:-

	<u>Conditions</u>	<u>Party(ies) Responsible</u>
1	the approvals of the Securities Commission ("SC"), Ministry of International Trade and Industry ("MITI") and Foreign Investment Committee of the Prime Minister's Department ("FIC") respectively to the Proposals or such relevant parts thereof;	AWC / Company / Vendors
2	the approval of each class of Scheme Creditors of the Company to the Proposed Debt Settlement and the approval of each class of Preferential Creditors of the Subsidiaries to the Proposed Preferential Debt Settlement, at the meetings convened by the order of the High Court of Malaya pursuant to Section 176 of the Companies Act;	Company / Subsidiaries
3	the approval of the shareholders of the Company to the Proposed Share Exchange, at an Extraordinary General Meeting and at the meeting convened by the order of the High Court of Malaya pursuant to Section 176 of the Companies Act;	Company
4	court sanction being obtained pursuant to Section 176 of the Companies Act for the Proposed Debt Settlement, the Proposed Preferential Debt Settlement and the Proposed Share Exchange;	Company / Subsidiaries
5	the Share Sale Agreements becoming unconditional in accordance with the terms therein contained;	AWC / Vendors
6	the granting of an exemption by the SC to some of the Vendors and/or the SPV from the obligations of a mandatory general offer under the provisions of the Code for the remaining shares in AWC not already owned by the Vendors after the Proposals and following the exercise of the Put Option by the Banks (where applicable) ("Exemption") and the Exemption remaining in full force and effect;	AWC / Vendors
7	in the event the Proposals are not implemented and the financial	Company

condition of the Company is not regularised by 31st December 2002 to the satisfaction of the KLSE in accordance with Practice Note No. 4 issued by the KLSE pursuant to paragraph 8.14 of the Listing Requirements of the KLSE, the extension of time by KLSE beyond 31st December 2002 for the Company to regularise its financial condition; and

- 8 such other approvals, consents, authorizations, permits or waivers of any regulatory agency or authority necessary or appropriate to permit completion of the transactions contemplated hereby and the Proposals.

Each Party hereto shall keep the other Party fully informed of the progress of the application for the Approvals and shall inform the other Party in writing within seven (7) days of receipt of written notice from the regulatory authorities when any of the approvals is obtained or refused, as the case may be, and enclose copies of the letters of approval or refusal as the case may be, for the perusal and record of the other Party hereto.

- (a) If conditions or terms are imposed in connection with the granting of any of the approvals referred to in Clauses 3.2.1, 3.2.5, 3.2.7 and 3.2.9 hereof and any of the said conditions or terms affect any of the Parties hereto and are unacceptable to such affected Party(ies), such Party(ies) ("the Objecting Party") shall give notice to that effect in writing, within seven (7) days of receipt of notice by the Objecting Party of the said conditions or terms to the other party hereto and shall appeal to the relevant Authorities within the timeframe allowed by the relevant regulatory authorities for such appeal to be made. In the absence of such notice, the Objecting Party(ies) shall be deemed to have accepted the conditions or terms imposed.
- (b) If required by the Objecting Party(ies), the other party hereto shall forthwith upon receipt of a written request furnish or cause to be furnished to the Objecting Party(ies) such documents or information as shall be reasonably required from the other party hereto to facilitate the making of an appeal to the relevant regulatory authorities by the Objecting Party(ies) in accordance with Clause 3.5(a) above.
- (c) If the steps to modify the said terms and conditions in connection with the granting of the approvals of the regulatory authorities or any of them in accordance with Clause 3.5 hereof are not successful upon the expiration of four (4) months from receiving notice from the Objecting Party in the manner provided in Clause 3.5 hereof, then, in the case of (a) any party hereto may, or in the case of (b) above, the Objecting Party may, thereupon by giving notice in writing of its intention to terminate this Agreement to the other party hereto, summarily terminate this Agreement and this Agreement shall be at an end and of no further effect and neither Party hereto shall have any further claim against the other pursuant to the terms of this Agreement or arising therefrom.

If the Conditions set out in Clause 3.2 shall not have been fulfilled upon the expiry of the Conditions Cut-Off Date or the Extended Conditions Cut-Off Date, as the case may be, or waived, then this Agreement shall lapse and be of no effect whatsoever and none of the Parties hereto shall have any rights or claims against each other save for any antecedent breach. Upon occurrence of such event, AWC and the Vendors agree that the Share Sale Agreements shall also lapse and be of no further effect whatsoever and neither AWC nor the Vendors respectively shall have any rights or claims against each other save for any antecedent breach.

Although it is intended that the transactions within the Proposals will only be implemented upon all the relevant Conditions being satisfied, the Company or AWC may, with the written consent of the Vendors and to the extent permissible by law, proceed with any one or more of such transactions and waive any of the Conditions not satisfied.

In addition, in so far as the condition in Clause 3.2.6 hereof is concerned, the Parties agree that if on the Conditions Cut-Off Date or the Extended Conditions Cut-Off Date, as the case may be, the conditions contained in the Share Sale Agreements in respect of Kejuruteraan Putrajaya Sdn Bhd and/or Gold Green Landscape & Nursery Sdn Bhd cannot be fulfilled in accordance with its respective terms but all the other Share Sale Agreements shall have become unconditional, the condition in Clause 3.2.6 shall be deemed to have been fulfilled for the purpose of this Agreement. In such event, AWC shall have the sole discretion to exclude Kejuruteraan Putrajaya Sdn Bhd and/or Gold Green Landscape & Nursery Sdn Bhd, as the case may be, from the Proposed Acquisitions. Upon exclusion from the Proposed Acquisitions as aforesaid, none of the vendors of Kejuruteraan Putrajaya Sdn Bhd and/or Gold Green Landscape & Nursery Sdn Bhd, as the case may be, shall have any claims or cause of action of whatsoever nature against the other Parties or vice versa, save and except for any antecedent breach and the vendors of Kejuruteraan Putrajaya Sdn Bhd and/or Gold Green Landscape & Nursery Sdn Bhd, as the case may be, shall cease to be a party to this Agreement.

Subject to Clause 3.5 above, in the event that SC imposes a different valuation on the new AWC Shares to be issued pursuant to the Proposals from the valuation of RM0.60 per share stipulated herein and PROVIDED ALWAYS that such valuation imposed by SC is acceptable to AWC and the Vendors, the number of new AWC Shares to be issued pursuant to the Proposals and the basis of allocation thereof shall be varied accordingly so that the total value of the AWC Shares issued corresponds to the original value agreed under the relevant Proposals.

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SETTLEMENT OF CLAIMS

The maximum number of new AWC Shares to be issued towards settlement of the Compromised Bank Indebtedness and the Compromised General Creditors Indebtedness in accordance with the value disclosed by the Company is intended not to exceed **Twenty Eight Million Seven Hundred Thousand (28,700,000) shares**. Notwithstanding the aforesaid and the provisions in relation to the amount of the Compromised Bank Indebtedness and the Compromised General Creditors Indebtedness to be settled by AWC is subject to adjustments as may be required subsequent to a proof of debt exercise to be undertaken by the Company. In the event that adjustments as aforesaid result in the actual amount of Compromised Bank Indebtedness and the Compromised General Creditors Indebtedness exceeding the amounts disclosed herein, AWC agrees to issue such additional number of new AWC Shares towards settlement of such excess amount **SUBJECT ALWAYS** that the additional new AWC Shares to be issued pursuant to this Clause shall not be more than **One Million Three Hundred Thousand (1,300,000) shares**. For the avoidance of doubt, the actual maximum number of new AWC Shares to be issued towards settlement of the Compromised Bank Indebtedness and the Compromised General Creditors Indebtedness shall not exceed **Thirty Million (30,000,000) shares**.

LIMIT OF AWC'S AND PROMOTERS' LIABILITY

The Parties hereby acknowledge and agree that AWC's obligations to settle the debts of the Scheme Creditors and the Preferential Creditors in accordance with the terms hereof shall be limited to such debts or claims that are valid and enforceable and not barred by the provisions of the Limitation Act, 1953 of Malaysia. Such debts or claims shall be deemed to be valid and enforceable if such claims or debts:

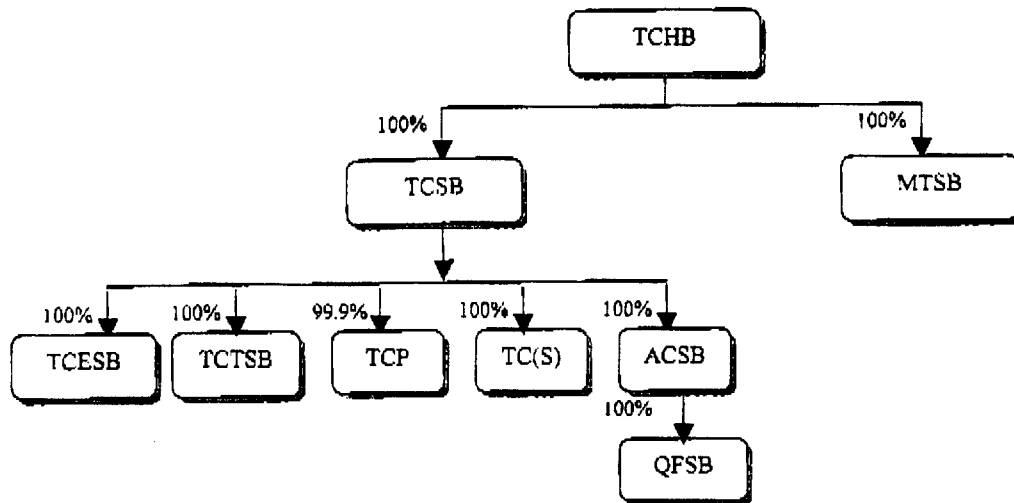
- (a) are the subject of proofs of debt that have been made by Scheme Creditors and/or the Preferential Creditors and accepted by the Company, TCSB, TCTSB and/or TECSB, as the case may be, pursuant to a proof of debt exercise; or
- (b) are the subject of proofs of debt that have been made by Scheme Creditors and/or the Preferential Creditors and rejected by the Company, TCSB, TCTSB and/or TECSB, as the case may be, and thereafter, such debts have been adjudicated upon and for which a final judgment has been awarded in favour of the Scheme Creditor and/or the Preferential Creditors by any Court within Malaysia upon the final disposal of the action in which such judgment was so awarded.

Notwithstanding anything to the contrary herein, AWC's liability to make payment to the Preferential Creditors in cash and settle the claims and debts of the Scheme Creditors by the issuance of Creditors AWC Shares or with respect to any other obligation in accordance with the terms of the Proposed Debt Settlement and the Proposed Preferential Debt Settlement, shall be limited to the amount of cash or Creditors AWC Shares expressly stated or quantified herein and neither AWC nor the Vendors shall be liable to make payment or give any AWC Shares, as the case may be, in excess of such amounts so stated or quantified in Clauses of the Master Agreement.

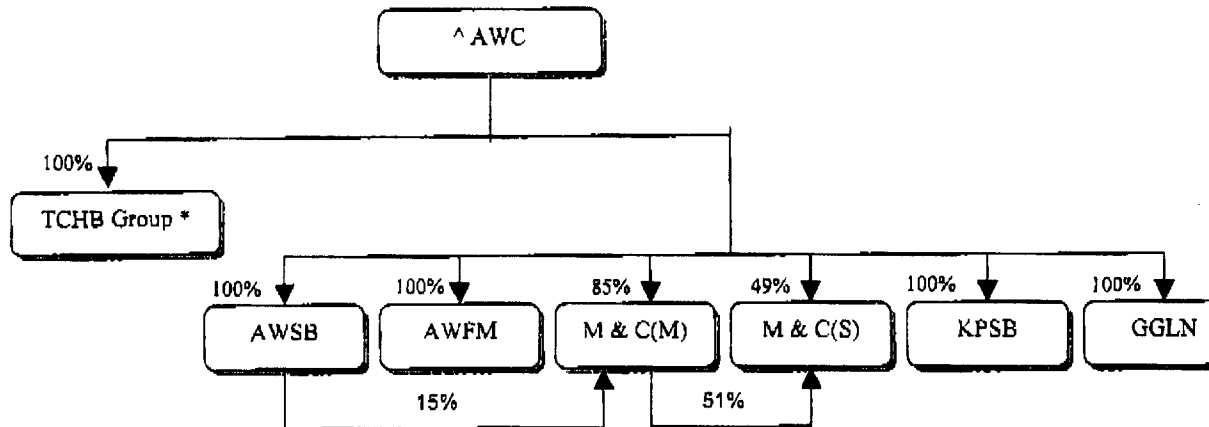
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Table 11
Effects of the Proposed Corporate and Debt Restructuring Scheme on the Group Structure

Before the Proposed Corporate and Debt restructuring Scheme



After the Proposed Corporate and Debt Restructuring Scheme



Notes:

- * The entire TCHB Group will be liquidated upon completion of the Proposed Corporate and Debt Restructuring Scheme
- ^ 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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Table 12

Effects of the Proposed Corporate and Debt Restructuring Scheme on the issued and paid-up share capital of AWC

	Newco No. of Ordinary Shares	RM
Existing shareholders of AWC	4	2
Existing shareholders of TCHB	3,466,063	1,733,042
Proposed Debt Restructuring	28,697,811	14,348,905
Proposed Acquisitions	174,433,333	87,216,667
Proposed Restricted Issue	5,000,000	2,500,000
Proposed Placement & Public Issue	17,100,000	8,550,000
	228,697,231	114,348,616

Table 13

Effects of the Proposed Corporate and Debt Restructuring Scheme on the NTA of AWC Group

	After Proposed Share Swap (I) RM'000	After (I) and Proposed Debt Restructuring (II) RM'000	After (II) and Proposed Acquisitions (III) RM'000	After (III) and Proposed Restricted Issue (IV) RM'000	After (IV) and Proposed Placement / Public Issue (V) RM'000
Share Capital	1,733	16,082	103,299	105,799	114,349
Retained Losses	(2,080)	(19,298)	(19,299)	(22,299)	(29,299)
Share Premium	347	3,216	20,660	21,160	22,870
Shareholders' (deficit)/funds	-	-	104,660	104,660	107,920
Intangibles Assets	-	-	(70,478)	(70,478)	(70,478)
NTA/Net Liabilities	-	-	34,182	34,182	37,442
No. of ordinary shares of RM0.50 ('000)	3,466	32,164	206,597	211,597	228,697
Net liabilities/NTA per share (RM)	-	-	0.1655	0.1615	0.1637

Notes:

* The shareholders' fund and NTA is RM2.

The above proforma on the NTA of AWC Group excludes the results of AWC as it is immaterial and has not taken into account the listing expenses of the issued and paid-up share capital of AWC.

Table 14

Effects of the Proposed Corporate and Debt Restructuring Scheme on Substantial Shareholders' Shareholdings in AWC

	After Proposed Share Swap (I)		After (I) and Proposed Debt Restructuring (II)		After (II) and Proposed Acquisitions (III)		After (III) and Proposed Restricted Issue (IV)		After (IV) and Proposed Placement / Public Issue (V)	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
K Capital Sdn Bhd [^]	-	-	-	-	81,442,086	39.42	83,776,559	39.59	83,776,559	36.63
AKN Capital Sdn Bhd	-	-	-	-	22,376,250	10.83	23,457,774	11.09	23,457,774	10.28
Linear Corporation Berhad	-	-	-	-	19,890,000	9.63	20,461,000	9.67	20,461,000	8.95
P.J.Indah Sdn Bhd	-	-	-	-	13,745,333	6.65	14,139,333	6.68	14,139,333	6.18

Notes:

[^] K Capital Sdn Bhd is incorporated to hold the shareholdings of Dato' Met Yasir bin Jull, Abdul Samad bin Met Taib, Ahmad Bustaman bin Sharif, Musa bin Zalnudin, Abdul Rezak bin Abdul Rahman and Ahmed Kabeer bin Mohamed Nagoor.

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Table 15
Effects of the Proposed Corporate and Debt Restructuring Scheme on Gearing of AWC

	After Proposed Share Swap (I) RM'000	After (I) and Proposed Debt Restructuring (II) RM'000	After (II) and Proposed Acquisitions (III) RM'000	After (III) and Proposed Restricted Issue (IV) RM'000	After (IV) and Proposed Placement / Public Issue (V) RM'000
Borrowings	-	-	4,373	4,373	4,373
Shareholders' funds	*	*	104,660	104,660	107,920
Gearing ratio (times)	-	-	0.04	0.04	0.04

Notes:

* The shareholders' fund is RM2.

The above proforma on the NTA of AWC Group excludes the results of AWC as it is immaterial.

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