

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

ALL ENQUIRIES CONCERNING THE RIGHTS ISSUE (AS HEREINAFTER DEFINED) AND OFFER FOR SALE (AS HEREINAFTER DEFINED) SHOULD BE ADDRESSED TO THE SHARE REGISTRAR, SIGNET SHARE REGISTRATION SERVICES SDN BHD (506293-D), 11TH FLOOR, TOWER BLOCK, KOMPLEKS ANTARABANGSA, JALAN SULTAN ISMAIL, 50250 KUALA LUMPUR AND THE ISSUING HOUSE, MALAYSIAN ISSUING HOUSE SDN BHD, 27TH FLOOR, MENARA MULTI-PURPOSE, CAPITAL SQUARE, NO. 8, JALAN MUNSHI ABDULLAH, 50100 KUALA LUMPUR RESPECTIVELY.

THIS PROSPECTUS IS NOT INTENDED TO BE ISSUED, CIRCULATED OR DISTRIBUTED IN COUNTRIES OR JURISDICTIONS OTHER THAN MALAYSIA AND NO ACTION HAS BEEN OR WILL BE TAKEN TO ENSURE THAT THE RIGHTS ISSUE AND OFFER FOR SALE TO ENTITLED SHAREHOLDERS (AS HEREINAFTER DEFINED) AND THE PUBLIC RESPECTIVELY COMPLY WITH THE LAWS OF ANY COUNTRIES OR JURISDICTIONS OTHER THAN THE LAWS OF MALAYSIA. ENTITLED SHAREHOLDERS AND PUBLIC INVESTORS RESIDING IN COUNTRIES OR JURISDICTION OTHER THAN MALAYSIA SHOULD THEREFORE IMMEDIATELY CONSULT THEIR LEGAL ADVISERS AS TO WHETHER THE ACCEPTANCE OF THE RIGHTS ISSUE AND OFFER FOR SALE TO THE ENTITLED SHAREHOLDERS AND PUBLIC INVESTORS RESPECTIVELY WOULD RESULT IN THE COUNTRAVENTION OF ANY LAWS OF SUCH COUNTRIES OR JURISDICTIONS. EQUINE CAPITAL BERHAD ("ECB") (543867-T) AND COMMERCE INTERNATIONAL MERCHANT BANKERS BERHAD ("CIMB") (18417-M) SHALL NOT ACCEPT ANY RESPONSIBILITY OR LIABILITY IN THE EVENT THAT ANY ACCEPTANCE OR RENUNCIATION MADE BY THE ENTITLED SHAREHOLDERS AND ACCEPTANCE BY THE PUBLIC INVESTORS ARE OR SHALL BECOME ILLEGAL, UNENFORCEABLE OR VOIDABLE IN SUCH COUNTRIES OR JURISDICTIONS.

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTER OF ECB AND THE OFFEROR (AS HEREINAFTER DEFINED) AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED HEREIN AND CONFIRM, HAVING MADE ALL REASONABLE ENQUIRIES, THAT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN FALSE OR MISLEADING. THE DIRECTORS OF ECB HEREBY ACCEPT FULL RESPONSIBILITY FOR THE CONSOLIDATED PROFIT FORECAST INCLUDED IN THIS PROSPECTUS AND CONFIRM THAT THE CONSOLIDATED PROFIT FORECAST HAS BEEN PREPARED BASED ON THE ASSUMPTIONS MADE.

CIMB, BEING THE ADVISER, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE RIGHTS ISSUE AND OFFER FOR SALE AND IS SATISFIED THAT THE CONSOLIDATED PROFIT FORECAST (FOR WHICH THE DIRECTORS OF ECB ARE FULLY RESPONSIBLE) PREPARED FOR INCLUSION IN THIS PROSPECTUS HAS BEEN STATED BY THE DIRECTORS AND PROMOTER OF ECB AFTER DUE AND CAREFUL ENQUIRY AND HAS BEEN DULY REVIEWED BY THE REPORTING ACCOUNTANTS.

THE SECURITIES COMMISSION ("SC") HAS APPROVED THIS RIGHTS ISSUE AND OFFER FOR SALE AND THAT THE APPROVAL SHALL NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE RIGHTS ISSUE AND OFFER FOR SALE, WHICH ARE THE SUBJECT OF THIS PROSPECTUS.

THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF ECB AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

THE VALUATIONS OF THE PROPERTIES APPROVED OR ACCEPTED BY THE SC SHALL ONLY BE UTILISED FOR THE PURPOSE OF THE CORPORATE PROPOSALS SUBMITTED TO AND APPROVED BY THE SC AND SHALL NOT BE CONSTRUED AS AN ENDORSEMENT BY THE SC ON THE VALUE OF THE SUBJECT ASSETS FOR ANY OTHER PURPOSES.

THE KUALA LUMPUR STOCK EXCHANGE ("KLSE") SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF ECB AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS CORRECTNESS OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. ADMISSION TO THE OFFICIAL LIST OF THE MAIN BOARD OF KLSE IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE INVITATION, ECB OR OF ITS SECURITIES.

A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SC. A COPY OF THIS PROSPECTUS, TOGETHER WITH THE FORM OF APPLICATION AND THE PROVISIONAL ALLOTMENT LETTER, HAS ALSO BEEN LODGED WITH THE REGISTRAR OF COMPANIES WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

SECURITIES LISTED ON THE KLSE ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE AND OFFER FOR SALE FOR WHICH THE PERSONS SET OUT IN SECTION 45 OF THE SC ACT, 1993 ARE RESPONSIBLE.

TENTATIVE TIMETABLES

The indicative timing of events leading up to the listing of and quotation for the entire issued and paid-up share capital of ECB on the Main Board of the KLSE is set out below:

RIGHTS ISSUE

Event	Tentative Date
Entitlement or record date	19 September 2003 at 5.00 p.m.
Last day and time for splitting	30 September 2003 at 5.00 p.m.
Last day and time for sale and transfer of provisional allotment of rights	9 October 2003 at 5.00 p.m.
Last day and time for acceptance and payment	9 October 2003 at 5.00 p.m.
Last day and time for excess shares application and payment	9 October 2003 at 5.00 p.m.
Allotment of the Rights Shares (as defined herein)	End October 2003
Listing	End October 2003

OFFER FOR SALE

Event	Tentative Date
Opening of application for the Offer Shares (as defined herein)	23 September 2003
Closing of application for the Offer Shares	9 October 2003 at 8.00 p.m.
Balloting for applications for the Offer Shares	Mid October 2003
Allotment of the Offer Shares	End October 2003
Listing	End October 2003

Note:

The above timetables are tentative and subject to changes which may be necessary to facilitate the implementation procedures. The application for the Rights Issue and Offer for Sale will close at the time and date as stated above or such other later date or dates as the Directors of ECB and the Offeror (in the case of the Offer for Sale) may in their absolute discretion mutually decide.

Where the closing date of the application for the Rights Issue and Offer for Sale is extended from the original closing date, the notice of such extension(s) will be advertised in a widely circulated newspaper.

DEFINITIONS

Unless where the context otherwise requires, the following abbreviations shall apply throughout this Prospectus:

Act	: Pengurusan Danaharta Nasional Berhad Act, 1998 as amended by the Pengurusan Danaharta Nasional Berhad (Amendment) Act, 2000
ADA	: Authorised Depository Agent
ADA Code	: ADA (Broker) Code
AKS	: Akademi Ekuestrian Selangor Sdn Bhd (362611-X)
AN	: Abad Naluri Sdn Bhd (495908-V)
Application Form	: Application form in respect of the Offer for Sale
AR	: Azim Raya Sdn Bhd (602843-U)
Articles	: Articles of Association
ATM	: Automated Teller Machine
BHH	: Bee Hin Holdings Sdn Bhd (SA appointed) (50699-P)
BHH Proposal	: Workout proposal of BHH prepared by the SA pursuant to Section 44 of the Act and approved by the secured creditors of BHH on 20 December 2001
BNM	: Bank Negara Malaysia
Board	: Board of Directors of ECB
CA	: Companies Act, 1965
Capital Reduction and Consolidation	: Capital reconstruction of 303,759,072 KLIH Shares, representing the entire issued and paid-up share capital of KLIH, involving the cancellation of RM0.99 of the par value of each existing KLIH Share and the subsequent consolidation of every 100 ordinary shares of RM0.01 each in KLIH into one (1) KLIH Share after which the share capital of KLIH comprises of 3,037,591 KLIH Shares, which was completed on 6 August 2003
CDS	: Central Depository System
Central Depositories Act	: The Security Industry (Central Depositories) Act, 1991
CIMB	: Commerce International Merchant Bankers Berhad (18417-M)
Code	: Malaysian Code on Take-Overs and Mergers, 1998
Danaharta	: Pengurusan Danaharta Nasional Berhad (464363-W)
Debt Restructuring	: Restructuring of the debts of KLIH comprising the Transfer, Repayment and Liquidation
DPLSK	: Datuk Patrick Lim Soo Kit
ECB or the Company	: Equine Capital Berhad (543867-T)

DEFINITIONS (CONT'D)

ECB Group	:	ECB and its subsidiaries namely, KLIH, KLIB, STS and the Equine Group
ECB ICULS	:	ICULS issued by ECB pursuant to the Equine Acquisition
ECB RCSLS A	:	Redeemable convertible secured loan stocks A issued by ECB pursuant to the Repayment
ECB RCSLS B	:	Redeemable convertible secured loan stocks B issued by ECB pursuant to the KLIB Acquisition
ECB Share(s)	:	Ordinary share(s) of RM1.00 each in ECB
Electronic Share Application	:	Application for the Offer Shares through the ATMs of Participating Financial Institutions
Entitled Shareholders	:	Shareholders of ECB (save for the Offeror and the Equine Vendors and/or their nominees) whose names appear in the Register of Members on the Entitlement Date
Entitlement Date	:	Date as at the close of business on which the names of the Entitled Shareholders must be entered in the Register of Members in order to participate in the Rights Issue, being 19 September 2003 at 5.00 p.m.
EPCR	:	Equine Park Country Resort Sdn Bhd (373225-U)
EPS	:	Earnings per share
Equine	:	Taman Equine (M) Sdn Bhd (240534-A)
Equine Acquisition	:	Acquisition by ECB of 100% of the equity interest of Equine comprising 12,002,150 ordinary shares of RM1.00 each from the Equine Vendors for a total purchase consideration of RM172,000,000 which was satisfied by the issuance of 94,600,000 new ECB Shares at an issue price of RM1.00 per ECB Share and RM77,400,000 nominal value ECB ICULS, which was completed on 26 August 2003
Equine Group	:	Equine and its subsidiaries
Equine PS	:	Equine Park Stud Sdn Bhd (224879-D)
Equine Share(s)	:	Ordinary share(s) of RM1.00 each in Equine
Equine Vendors	:	(i) Datin Wong Mun Yee; (ii) Lim Ah Yee; (iii) Lim Ah Chai; (iv) Long Bin Ngah Mat Unah; (v) Lim Ah Soo (Deceased. DPLSK is the representative); (vi) Muheji @ Mahyudin Bin Hj. Othman; (vii) DPLSK; (viii) Mei Shouting; (ix) Dato' Lai Lok Kun; and (x) 43 other shareholders holding 50 Equine Shares each
EV	:	Emville Sdn Bhd (In Members' Voluntary Liquidation) (235393-U)
EV Proposal	:	Workout proposal of EV prepared by the SA pursuant to Section 44 of the Act and approved by the secured creditor of EV on 29 January 2002

DEFINITIONS (CONT'D)

FIC	:	Foreign Investment Committee
Former Unsecured Creditors	:	Unsecured creditors of KLIH as at 6 August 2003
ICULS	:	Irredeemable convertible unsecured loan stocks
IM	:	Indera Muhibbah Sdn Bhd (608513-K)
Incorporation	:	Establishment of ECB and KDM to facilitate the implementation of the Proposals
Internal Reorganisation	:	Internal reorganisation undertaken by ECB after the Share Swap comprising the KLIB Acquisition and STS Acquisition, which was completed on 7 August 2003
KDM	:	KLIH Debt Management Sdn Bhd (602008-M), a special purpose vehicle established to facilitate the implementation of the Proposals
KLIB	:	Kuala Lumpur Industries Berhad (SA appointed) (5227-A)
KLIB Acquisition	:	Acquisition by ECB of 100% of the equity interest of KLIB comprising 65,538,000 ordinary shares of RM1.00 each from KLIH for a nominal sum of RM1.00 from KLIH which was completed on 7 August 2003 and the issuance of RM18,500,000 ECB RCSLS B to the secured creditor of KLIB as partial settlement of the amount owing by KLIB to the secured creditor
KLIB Proposal	:	Workout proposal of KLIB prepared by the SA pursuant to Section 44 of the Act and approved by the secured creditor of KLIB on 20 December 2001
KLIH	:	Kuala Lumpur Industries Holdings Berhad (SA appointed) (165126-M)
KLIH Group	:	KLIH and its subsidiaries
KLIH Share(s)	:	Ordinary share(s) of RM1.00 each in KLIH
KLSE	:	Kuala Lumpur Stock Exchange
KTE	:	Kelab Taman Equine Sdn Bhd (47728-W)
Liquidation	:	Liquidation of KDM by the creditors of KLIH
Listing	:	Admission to the Official List of the Main Board of the KLSE and the listing of and quotation on the Main Board of the KLSE for the entire issued and paid-up share capital of ECB comprising up to 149,938,321 ECB Shares and RM77,400,000 nominal value of ECB ICULS
Listing Requirements	:	Listing Requirements of KLSE
Listing Transfer	:	Transfer of the listing status of KLIH to ECB
LPD	:	26 August 2003, being the latest practicable date prior to the registration of this Prospectus
MCD	:	Malaysian Central Depository Sdn Bhd (165570-W), a subsidiary of the KLSE
MI	:	Minority interests
MIH	:	Malaysian Issuing House Sdn Bhd (258345-X)

DEFINITIONS (CONT'D)

Minimum Subscription	:	Minimum amount of RM25 million to be raised pursuant to the Rights Issue
MITI	:	Ministry of International Trade and Industry
NBV	:	Net book value
NTA	:	Net tangible assets
Offer for Sale	:	Offer for sale of up to 24,962,409 ECB Shares by the Offeror to the Malaysian public on a best effort basis at an offer price of RM1.00 per ECB Share
Offer Shares	:	Up to 24,962,409 ECB Shares to be offered for sale by the Offeror pursuant to the Offer for Sale
Offeror	:	Anuarul Azizan Chew Consulting Sdn Bhd (373601-V), the agent for the Former Unsecured Creditors
OFS Applicant	:	Applicant for the Offer Shares
OMV	:	Open market value
PAC	:	Persons acting in concert
PAL	:	Provisional allotment letter
Participating Financial Institutions	:	Participating financial institutions for Electronic Share Application as listed in Section 20.4(ii)(o) of this Prospectus
Perharap	:	Perharap Sdn Bhd (608510-T)
PICM	:	The People's Insurance Company (Malaysia) Berhad (27354-V)
PL	:	Pharmaniaga Logistics Sdn Bhd (260790-T)
Promoter	:	DPLSK
Proposals	:	Incorporation, Capital Reduction and Consolidation, Share Swap, Internal Reorganisation, Equine Acquisition, Debt Restructuring, Listing Transfer, Rights Issue and Offer for Sale collectively
PTE	:	Pertanian Taman Equine Sdn Bhd (231923-X)
Repayment	:	Partial settlement of the amounts owing to the Former Unsecured Creditors after the Transfer comprising: <ul style="list-style-type: none"> (i) RM6,038,000 cash; (ii) 24,962,409 new ECB Shares at an issue price of RM1.00 per ECB Share; (iii) RM30,000,000 nominal value ECB RCSLS A; and (iv) the proceeds expected to be realised from the sale of assets transferred to KDM arising from the Liquidation which is estimated at RM27,268,000

The ECB Shares and ECB RCSLS A have been issued on 26 August 2003 and 11 September 2003 respectively

DEFINITIONS (CONT'D)

Rights Issue	:	Renounceable rights issue of up to 27,338,319 new ECB Shares to the Entitled Shareholders at an issue price of RM1.00 per ECB Share on the basis of nine (9) ECB Shares for every one (1) ECB Share held in ECB on the Entitlement Date
Rights Shares	:	Up to 27,338,319 new ECB Shares to be issued pursuant to the Rights Issue
RM and sen	:	Ringgit Malaysia and sen respectively
ROC	:	Registrar of Companies
Rules	:	Rules of MCD
SA	:	Mr. Mok Yuen Lok and Mr. Onn Kien Hoe of Messrs. Horwath (<i>formerly known as Messrs. Horwath Mok & Poon</i>), the Special Administrators appointed by Danaharta to KLIH, KLIB, BHH, EV and SI
SC	:	Securities Commission
SC Guidelines	:	Policies and Guidelines on Issue/Offer of Securities issued by the SC
Scenario A	:	Assuming the Rights Issue is fully subscribed
Scenario B	:	Assuming the Minimum Subscription is subscribed by DPLSK only
Share Registrar	:	Signet Share Registration Services Sdn Bhd (506293-D)
Share Swap	:	Exchange of KLIH Shares with new ECB Shares on the basis of one (1) new ECB Share for every one (1) KLIH Share held after the Capital Reduction and Consolidation, which was completed on 6 August 2003
SI	:	Sistem Irama Sdn Bhd (SA appointed) (259097-A)
SI Proposal	:	Workout proposal of SI prepared by the SA pursuant to Section 44 of the Act and approved by the secured creditors of SI on 28 December 2001
SSA	:	Share sale agreement between ECB and the Equine Vendors dated 30 December 2002
STS	:	Syarikat Tenaga Sahabat Sdn Bhd (21930-D)
STS Acquisition	:	Acquisition by ECB of 100% of the equity interest in STS comprising 740,000 ordinary shares of RM1.00 each from BHH for a total cash consideration of RM3,027,000 which was completed on 7 August 2003
Substantial Shareholder	:	Person who has an interest or interests in one (1) or more voting shares in ECB and the nominal amount of the share or the aggregate nominal amounts of those shares, is not less than 5% of the aggregate of the nominal amounts of all the voting shares in ECB
Talasco	:	Talasco Insurance Berhad (16482-U)
TE	:	Tujuan Ehsan Sdn Bhd (445280-W)
TE Industrial	:	Taman Equine Industrial Sdn Bhd (209454-W)
TE Rekreasi	:	Taman Equine Rekreasi Sdn Bhd (292000-K)

DEFINITIONS (CONT'D)

TE Riding	:	Taman Equine Riding Sdn Bhd (213291-T)
TP	:	Temasya Permai Sdn Bhd (595194-W)
Transfer	:	Transfer of all assets (including subsidiaries and associated companies but excluding KLIH's 30% equity interest in PL) and liabilities of KLIH to KDM (subsequent to the Internal Reorganisation), which was completed on 7 August 2003
US	:	United States of America
USD	:	United States Dollars
Waiver	:	Waiver for the Waiver Applicants from the obligation to undertake a mandatory offer for the remaining ECB Shares not owned by them after the Equine Acquisition under Practice Note 2.9.3 of the Code
Waiver Applicants	:	Applicants for the Waiver namely: <ul style="list-style-type: none">(i) Datin Wong Mun Yee;(ii) Lim Ah Yee;(iii) Lim Ah Chai;(iv) Lim Ah Soo (Deceased. DPLSK is the representative);(v) Muheji @ Mahyudin Bin Hj. Othman;(vi) DPLSK;(vii) Mei Shouting;(viii) Perharap;(ix) IM;(x) TP; and(xi) Nikmat Tiasa Sdn Bhd (607571-W)
YAM Tengku	:	YAM Tengku Datuk Seri Ahmad Shah ibni Almarhum Sultan Salahuddin Abdul Aziz Shah

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1. CORPORATE DIRECTORY

Directors of ECB

Name	Address	Profession	Nationality
Datuk Patrick Lim Soo Kit (Executive Chairman)	37-16-1 Sri Penaga Jalan Medang Serai Bukit Bandaraya 59100 Kuala Lumpur	Company Director	Malaysian
Yap Kim Swee (Independent and Non- Executive Director)	12-7-5 (Block B), Robson Condominium Persiaran Syed Putra Dua 50460 Kuala Lumpur	Company Director	Malaysian
YAM Tengku Datuk Seri Ahmad Shah ibni Almarhum Sultan Salahuddin Abdul Aziz Shah (Independent and Non- Executive Director)	No. 2A, Lorong Duta 1 50480 Kuala Lumpur	Company Director	Malaysian
Datuk Ahmad Zabri bin Ibrahim (Non-Executive Director)	No. 16, Jalan SS3/80 Kelana Jaya 47300 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian
Lim Eu Keong (Non-Executive Director)	No. 59, Western Gardens 10450 Georgetown Penang	Company Director	Malaysian
Christopher Martin Boyd (Non-Executive Director)	No. 544, Jalan 17/15 46400 Petaling Jaya Selangor Darul Ehsan	Company Director	British/ Malaysian Permanent Resident

Audit Committee

Name	Designation	Directorship
Yap Kim Swee	Chairman of the committee	Independent and Non-Executive
YAM Tengku Datuk Seri Ahmad Shah ibni Almarhum Sultan Salahuddin Abdul Aziz Shah	Member of the committee	Independent and Non-Executive
Datuk Ahmad Zabri bin Ibrahim	Member of the committee	Non-Executive

1. **CORPORATE DIRECTORY (CONT'D)**

- Company Secretaries** : Mah Li Chen (MAICSA 7022751)
No. 33, Jalan BRP 4/6
Bukit Rahman Putra
Seksyen U20
40160 Shah Alam
Selangor Darul Ehsan
- Lee Ming Leong (MAICSA 7006926)
No. 101, Jalan 17/4
46400 Petaling Jaya
Selangor Darul Ehsan
- Registered Office** : C-15-1, Level 15
Tower C, Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
Tel : 03-2166 2000
- Head/Management Office** : No. 1, Jalan Putra Permai 1A
Taman Equine
43300 Seri Kembangan
Selangor Darul Ehsan
Tel : 03-8941 7878
Email : equine@equine.com.my
Website : www.equine.com.my
- Principal Banker** : AmFinance Berhad (8515-D)
Level 42, Bangunan AmFinance
No. 8, Jalan Yap Kwan Seng
50450 Kuala Lumpur
Tel : 03-2167 3000
- Auditors and Reporting Accountants** : Messrs. BDO Binder (AF: 0206)
15th Floor, Wisma Hamzah-Kwong Hing
No. 1, Leboh Ampang
50100 Kuala Lumpur
Tel : 03-2055 8888
- Solicitors** : Messrs. Albar & Partners
6th Floor, Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : 03-2078 5588
- Share Registrar** : Signet Share Registration Services Sdn Bhd
11th Floor, Tower Block
Kompleks Antarabangsa
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : 03-2142 1341
- Issuing House** : Malaysian Issuing House Sdn Bhd
27th Floor, Menara Multi-Purpose
Capital Square
8, Jalan Munshi Abdullah
50100 Kuala Lumpur
Tel : 03-2693 2175

1. **CORPORATE DIRECTORY (CONT'D)**

- Valuers** : Azmi & Co Sdn Bhd (77155-D)
B9, Jalan Ampang Utama 2/2
One Ampang Avenue
68000 Ampang
Selangor Darul Ehsan
Tel : 03-4256 6666
- Regroup Associates Sdn Bhd (333510-P)
Lot 9-1, Level 9
Menara Milenium
Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel : 03-2092 5955
- Adviser** : Commerce International Merchant Bankers Berhad
7th Floor, Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur
Tel : 03-2084 8888
- Listing Sought** : Main Board of the Kuala Lumpur Stock Exchange

2. INTRODUCTION

This Prospectus is dated 23 September 2003.

A copy of this Prospectus has been registered with the SC. A copy of this Prospectus, together with the Application Form and the PAL, has also been lodged with the ROC who takes no responsibility for its contents. Approvals have been obtained from the SC in respect of the Proposals on 20 September 2002 and 5 May 2003. The approval of the SC shall not be taken to indicate that the SC recommends the Rights Issue and Offer for Sale. Investors should rely on their own evaluation to assess the merits and risks of any investment in ECB.

Approval-in-principle has been obtained from the KLSE on 15 July 2003 for admission to the Official List of the Main Board of the KLSE and the listing of and quotation for the entire issued and fully paid-up ordinary shares of RM1.00 each in ECB, including the Rights Shares and Offer Shares, the admission to the Official List of the KLSE and listing of and quotation for the ECB ICULS and the listing of and quotation for the new ECB Shares arising from the conversion of the ECB ICULS, ECB RCSLS A and ECB RCSLS B. The ECB Shares will be admitted to the Official List of the Main Board of the KLSE and official quotation will commence after the receipt of confirmation from MCD that all CDS accounts of the successful applicants for the Rights Issue and Offer for Sale have been duly credited and notices of allotment have been despatched to all successful applicants for the Rights Issue and Offer for Sale. The ECB ICULS will be admitted to the Official List of the Main Board of the KLSE together with the ECB Shares.

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act 1991, the KLSE has prescribed ECB as a CDS counter. In consequence thereof, the Rights Shares and Offer Shares offered through this Prospectus will be deposited directly with MCD and any dealings in these shares will be carried out in accordance with the Securities Industry (Central Depositories) Act 1991 and the Rules.

Pursuant to the Listing Requirements, at least 25% of the enlarged issued and paid-up share capital of the Company are to be in the hands of public shareholders and a minimum number of 1,000 public shareholders holding not less than 100 shares each upon completion of the Rights Issue and Offer for Sale. The Company is expected to achieve this at the point of Listing. In the event that the above requirement is not met pursuant to the Rights Issue and Offer for Sale, the Company may not be allowed to proceed with the Listing. In the event thereof, monies paid in respect of all applications will be returned without interest if the said permission is not granted.

An OFS Applicant should state his CDS account number in the space provided in the Application Form if the OFS Applicant presently has such an account and he shall be deemed to have authorised MCD to disclose information pertaining to the CDS account to the MIH and the Company for the purpose of crediting the Offer Shares allotted to him to his CDS account. Where an OFS Applicant does not presently have a CDS account, he should state in the Application Form his preferred ADA Code. Where an OFS Applicant already has a CDS account, he should not complete the preferred ADA Code. For Electronic Share Applications, an OFS Applicant must have a CDS account.

No person is authorised to give any information or to make any representation not contained herein in connection with the Rights Issue and Offer for Sale and if given or made, such information or representation must not be relied upon as having been authorised by ECB and/or CIMB. Neither the delivery of this Prospectus nor any Rights Issue and Offer for Sale made in connection with this Prospectus shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Group since LPD.

The distribution of this Prospectus and the sale of the Rights Shares and Offer Shares are subject to Malaysian laws and the Company takes no responsibility for the distribution of this Prospectus and/or sale of the Rights Shares and Offer Shares outside Malaysia. Persons who may be in possession of this Prospectus are required to inform themselves of and to observe such restrictions. This Prospectus does not constitute and may not be used for the purpose of an offer to sell or invitation of an offer to buy any Rights Shares or Offer Shares in any jurisdiction in which such offer is not authorised or lawful or to any person to whom it is unlawful to make such offer.

3. INFORMATION SUMMARY

The following is only a summary of the salient information about the ECB Group and of the Rights Issue and Offer for Sale. Investors should read and understand the whole Prospectus prior to deciding whether to invest in the Rights Shares and/or Offer Shares.

The following information is derived from, and should be read in conjunction with, the full text of this Prospectus.

3.1 History and Business

ECB was incorporated in Malaysia on 4 April 2001 under the CA as a public limited company. ECB is an investment holding company.

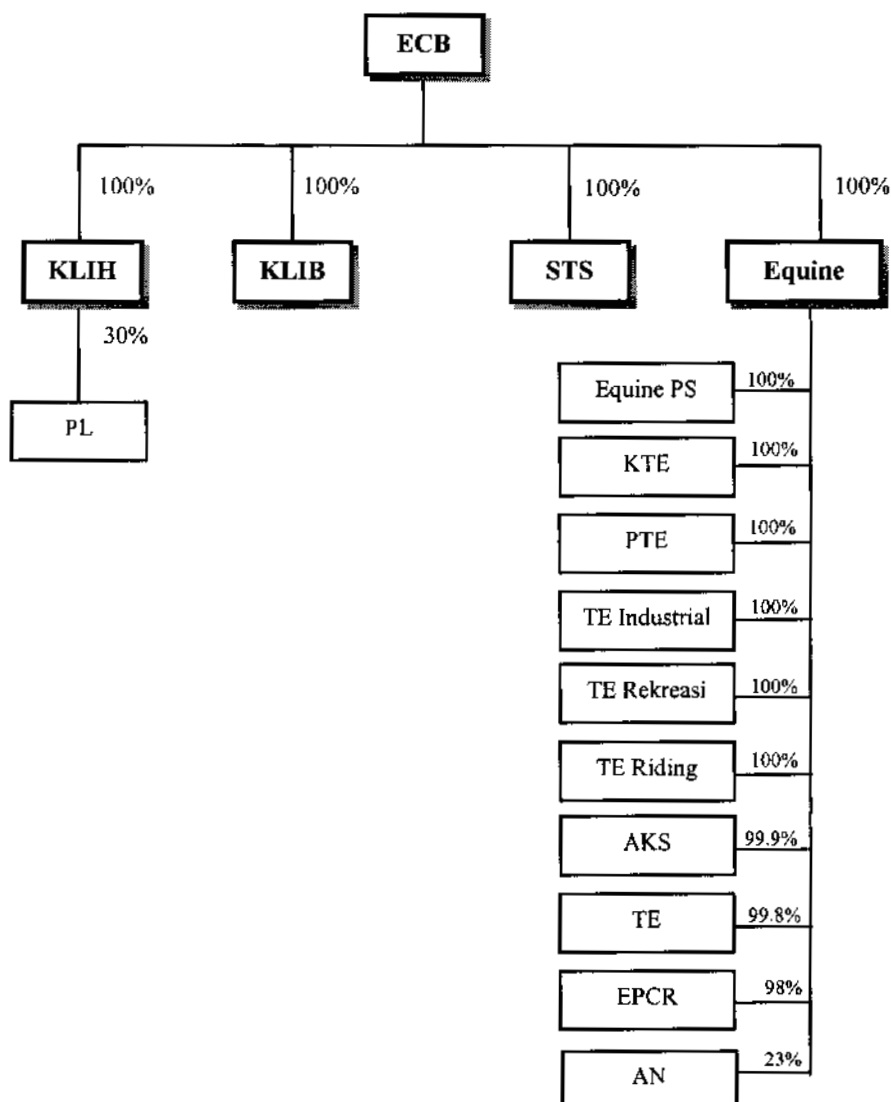
The ECB Group is an integrated group of companies principally involved in the property development industry. The core companies of the ECB Group are Equine and TE.

The principal activities of the companies comprising the ECB Group are as follows:

Subsidiaries	Effective interest held by ECB %	Principal activities
<i>Direct subsidiaries of ECB</i>		
Equine	100.0	Investment holding and property development
KLIB	100.0	Investment holding and rental of properties
KLIH	100.0	Investment holding
STS	100.0	Property development
<i>Subsidiaries of Equine</i>		
TE	99.8	Property development
KTE	100.0	Property development
AKS	99.9	Recreational and equestrian activities
Equine PS	100.0	Property development
TE Rekreasi	100.0	Recreational activities
TE Riding	100.0	Property development
TE Industrial	100.0	Dormant
PTE	100.0	Property development
EPCR	98.0	Dormant
<i>Associated company of Equine</i>		
AN	23.0	Property development
<i>Associated company of KLIH</i>		
PL	30.0	Distribution of approved pharmaceutical products to hospitals and medical institutions

3. INFORMATION SUMMARY (CONT'D)

The corporate structure of ECB is as follows:



Further information on the ECB Group is set out in Section 7 of this Prospectus.

3.2 Promoter, Substantial Shareholders, Directors and Key Management

The shareholdings of the Promoter, Substantial Shareholders, Directors and key management of ECB after the Rights Issue and Offer for Sale, based on their respective shareholdings in ECB as at LPD are as follows:

Name	Designation	After the Rights Issue and Offer for Sale ⁽¹⁾							
		Scenario A				Scenario B			
		Direct		Indirect		Direct		Indirect	
No. of shares 000	%	No. of shares 000	%	No. of shares 000	%	No. of shares 000	%		
IM	Substantial Shareholder	32,087	21.40	-	-	32,087	21.74	-	-
Perharap	Substantial Shareholder	29,104	19.41	-	-	29,104	19.72	-	-
TP	Substantial Shareholder	17,500	11.67	-	-	17,500	11.86	-	-

3. INFORMATION SUMMARY (CONT'D)

Name	Designation	←-----After the Rights Issue and Offer for Sale ⁽¹⁾ -----→							
		←-----Scenario A-----→				←-----Scenario B-----→			
		←---Direct---→		←---Indirect---→		←---Direct---→		←---Indirect---→	
No. of shares 000	%	No. of shares 000	%	No. of shares 000	%	No. of shares 000	%		
AR	Substantial Shareholder	10,089	6.73	-	-	10,089	6.84	-	-
DPLSK	Promoter, Substantial Shareholder and Executive Chairman	-	-	78,691 ⁽²⁾	52.48	25,000	16.94	78,691 ⁽²⁾	53.31
Datin Wong Mun Yee	Substantial Shareholder	-	-	78,691 ⁽²⁾	52.48	-	-	78,691 ⁽²⁾	53.31
Lim Ah Yee	Substantial Shareholder	-	-	78,691 ⁽²⁾	52.48	-	-	78,691 ⁽²⁾	53.31
Lim Ah Chai	Substantial Shareholder	-	-	78,691 ⁽²⁾	52.48	-	-	78,691 ⁽²⁾	53.31
Long Bin Ngah Mat Unah	Substantial Shareholder	-	-	10,089 ⁽³⁾	6.73	-	-	10,089 ⁽³⁾	6.84
Yap Kim Swee	Independent and Non-Executive Director	-	-	-	-	-	-	-	-
YAM Tengku	Independent and Non-Executive Director	-	-	-	-	-	-	-	-
Datuk Ahmad Zabri bin Ibrahim	Non-Executive Director	-	-	-	-	-	-	-	-
Lim Eu Keong	Non-Executive Director	-	-	-	-	-	-	-	-
Christopher Martin Boyd	Non-Executive Director	-	-	-	-	-	-	-	-
Fung Yik Fai	Senior Group General Manager	*	*	-	-	*	*	-	-
Kok Wai Sing	Group General Manager (Finance)	*	*	-	-	*	*	-	-
Lim Heng Yang	Group General Manager (Projects)	*	*	-	-	*	*	-	-
Oh Kang Kuang	Senior Project Manager	-	-	-	-	-	-	-	-
Wong Kim Cheong	Senior Government Liaison Manager	*	*	-	-	*	*	-	-

Notes:

* Negligible.

⁽¹⁾ Assuming the Offer Shares are fully taken up by Malaysian public investors.⁽²⁾ Deemed interest by virtue of his interest in Perharap, TP and IM pursuant to Section 6A of the CA.⁽³⁾ Deemed interest by virtue of his interest in AR pursuant to Section 6A of the CA.

Detailed information on the Promoter, Substantial Shareholders, Directors and key management of ECB is set out in Section 8 of this Prospectus.

3. INFORMATION SUMMARY (CONT'D)

3.3 Financial Highlights

3.3.1 Proforma Consolidated Income Statements

The following is a summary of the proforma consolidated results of ECB for the past five (5) financial years ended 31 March 2003 after such adjustments considered necessary based on the audited results of the companies comprising the ECB Group on the assumption that the structure of the ECB Group has been in existence throughout the years under review. The proforma consolidated results of ECB have been extracted from and should be read in conjunction with the accompanying notes and assumptions included in the Accountants' Report set out in Section 15 of this Prospectus.

	←-----Year ended 31 March----->				
	1999 RM 000	2000 RM 000	2001 RM 000	2002 RM 000	2003 RM 000
Revenue	44,796	72,752	71,513	82,183	88,676
Profit before interest, depreciation and taxation	8,907	12,288	7,972	8,592	28,967
Interest expense	(146)	(150)	(196)	(180)	(489)
Depreciation	(899)	(998)	(988)	(937)	(1,023)
Share of profit in an associated company	3,687	5,881	7,567	9,538	8,199
Profit before taxation	11,549	17,021	14,355	17,013	35,654
Taxation	(1,373)	(3,748)	(7,202)	(5,120)	(11,869)
Profit after taxation	10,176	13,273	7,153	11,893	23,785
MI	(169)	37	(107)	(272)	(202)
Profit for the year attributable to shareholders	10,007	13,310	7,046	11,621	23,583
No. of ECB Shares assumed in issue (000)	122,600	122,600	122,600	122,600	122,600
Net EPS (sen)	8.16	10.86	5.75	9.48	19.24
Gross dividend rate (%)	-	-	-	700	-

Detailed information on the Proforma Consolidated Income Statements is set out in Section 14.1 of this Prospectus.

3. INFORMATION SUMMARY (CONT'D)

3.3.2 Proforma Consolidated Balance Sheets of ECB as at 31 March 2003

The following is a summary of the proforma consolidated balance sheets of ECB as at 31 March 2003, prepared for illustrations purpose only, to show the effects of the Rights Issue and Offer for Sale and on the assumptions that these transactions were completed on 31 March 2003 and based on the following scenarios:

	Audited as at 31.03.03 RM 000	After the Share Swap, Internal Reorganisation, Equine Acquisition and Debt Restructuring RM 000		After the Rights Issue and Offer for Sale and utilisation of proceeds from the Rights Issue Scenario A Scenario B RM 000 RM 000		After the full conversion of the ECB ICULS, ECB RCSLS A and ECB RCSLS B Scenario A Scenario B RM 000 RM 000	
Assets employed							
Property, plant and equipment	-	23,747	23,747	23,747	23,747	23,747	23,747
Investment in an associated company	-	40,258	40,258	40,258	40,258	40,258	40,258
Other long term investments	-	1	1	1	1	1	1
Long term trade receivable	-	20,699	20,699	20,699	20,699	20,699	20,699
Land and development properties	-	209,190	209,190	209,190	209,190	209,190	209,190
Goodwill on consolidation	-	12,477	12,477	12,477	12,477	12,477	12,477
Current assets							
Land and development properties	-	56,587	56,587	56,587	56,587	56,587	56,587
Inventories	-	36,661	36,661	36,661	36,661	36,661	36,661
Trade receivables	-	36,469	36,469	36,469	36,469	36,469	36,469
Other receivables and deposits	-	14,954	14,954	14,954	14,954	14,954	14,954
Fixed deposits, cash and bank balances	-	3,773	15,155	12,817	15,155	12,817	15,155
	-	148,444	159,826	157,488	159,826	157,488	159,826
Current liabilities							
Trade payables	-	45,086	45,086	45,086	45,086	45,086	45,086
Other payables and accruals	15	31,496	23,751	23,751	23,751	23,751	23,751
Hire purchase and lease creditors	-	353	353	353	353	353	353
Short term borrowings	-	43,717	35,506	35,506	35,506	35,506	35,506
Taxation	-	17,843	17,843	17,843	17,843	17,843	17,843
	15	138,495	122,539	122,539	122,539	122,539	122,539
Net current (liabilities)/assets	(15)	9,949	37,287	34,949	37,287	34,949	37,287
	(15)	316,321	343,659	341,321	343,659	341,321	343,659
Financed by							
Share capital	⁽ⁱ⁾	122,600	149,938	147,600	275,838	273,500	273,500
ECB RCSLS A (Equity component)	-	727	727	727	-	-	-
ECB RCSLS B (Equity component)	-	448	448	448	-	-	-
ECB ICULS	-	77,400	77,400	77,400	-	-	-
Reserves	(15)	(15)	(15)	(15)	(15)	(15)	(15)
(Capital deficiency)/Shareholders' equity	(15)	201,160	228,498	226,160	275,823	273,485	273,485
Minority interests	-	9	9	9	9	9	9
ECB RCSLS A	-	28,991	28,991	28,991	-	-	-
ECB RCSLS B	-	17,878	17,878	17,878	-	-	-
Long term and deferred liabilities							
Long term borrowings	-	14,442	14,442	14,442	14,442	14,442	14,442
Hire purchase and lease creditors	-	513	513	513	513	513	513
Deferred taxation	-	53,328	53,328	53,328	52,872	52,872	52,872
	(15)	316,321	343,659	341,321	343,659	341,321	343,659
NTA (RM 000)	N/A	188,683	216,021	213,683	263,346	261,008	261,008
NTA per ordinary share (RM)	N/A	1.54	1.44	1.45	0.95	0.95	0.95

3. INFORMATION SUMMARY (CONT'D)

Notes:

N/A Not applicable

⁽ⁱ⁾ Consists of two (2) ordinary shares of RM1.00 each.

Detailed information on the Proforma Consolidated Balance Sheets is set out in Section 14.8 of this Prospectus.

3.3.3 Audit Qualifications

Save as disclosed in Section 15 of this Prospectus, the accounts of the ECB Group were not subject to any audit qualification for the financial year/period under review.

3.4 Principal Statistics Relating to the Rights Issue and Offer for Sale

3.4.1 Share Capital

	Scenario A RM	Scenario B RM
<i>Authorised</i>		
500,000,000 ordinary shares of RM1.00 each	500,000,000	500,000,000
<i>Issued and fully paid-up as at LPD</i>		
122,600,002 ordinary shares of RM1.00 each	122,600,002	122,600,002
<i>To be issued pursuant to the Rights Issue</i>		
27,338,319/25,000,000 new ordinary shares of RM1.00 each	27,338,319	25,000,000
	<u>149,938,321</u>	<u>147,600,002</u>
<i>To be issued pursuant to the full conversion of ECB ICULS</i>		
77,400,000 new ordinary shares of RM1.00 each	77,400,000	77,400,000
<i>To be issued pursuant to the full conversion of ECB RCSLS A and ECB RCSLS B</i>		
48,500,000 new ordinary shares of RM1.00 each	48,500,000	48,500,000
	<u>275,838,321</u>	<u>273,500,002</u>
<i>To be offered pursuant to the Offer for Sale</i>		
Up to 24,962,409 ordinary shares of RM1.00 each	<u>24,962,409</u>	<u>24,962,409</u>

Detailed information on the share capital is set out in Section 5.1 of this Prospectus.

3.4.2 Classes of Shares and Rights

There is currently only one (1) class of shares in ECB, namely ordinary shares of RM1.00 each. The Rights Shares and Offer Shares will rank *pari passu* in all respects with the other existing issued and paid-up ordinary shares of ECB including voting rights and will be entitled to all rights, dividends and distributions the entitlement date of which is subsequent to the date of allotment of the said Rights Shares and Offer Shares.

3.4.3 Rights Issue and Offer for Sale Price of RM1.00 per ECB Share

The factors taken into consideration in the pricing of the Rights Shares and Offer Shares are set out in Section 5.5 of this Prospectus.

3. INFORMATION SUMMARY (CONT'D)

3.4.4 Proforma Group NTA

	Scenario A	Scenario B
Proforma Group NTA as at 31 March 2003 (after the Proposals and the utilisation of proceeds from the Rights Issue) (RM 000)	216,021	213,683
Proforma Group NTA per ordinary share as at 31 March 2003, based on the enlarged share capital of 149,938,321 ECB Shares (Scenario A)/147,600,002 ECB Shares (Scenario B) (RM)	1.44	1.45
Proforma Group NTA per ordinary share (assuming full conversion of ECB ICULS, ECB RCSLS A and ECB RCSLS B) as at 31 March 2003, based on the enlarged share capital of 275,838,321 ECB Shares (Scenario A)/273,500,002 ECB Shares (Scenario B) (RM)	0.95	0.95

Detailed information on the proforma NTA of the ECB Group is set out in Sections 3.3.2 and 14.8 of this Prospectus.

3.4.5 Consolidated Profit Forecast

Financial year ending 31 March	Forecast 2004 RM 000
Consolidated profit before taxation and MI	21,475
Taxation	(7,493)
MI	(62)
Consolidated profit after taxation and MI	13,920
Pre-acquisition profit	(6,382)
Consolidated profit after taxation, MI and pre-acquisition profit	7,538
Scenario A	
Net EPS (sen)	
- Based on the weighted average number of ordinary shares in issue of 88,015,968 ECB Shares assuming completion of the Rights Issue and Offer for Sale by 31 October 2003 and the consolidated profit after taxation, MI and pre-acquisition profit of RM7,538,000	8.56
- Based on the enlarged share capital of 149,938,321 ECB Shares and consolidated profit after taxation and MI of RM13,920,000	9.28
Diluted Net EPS (sen)	
- Based on the weighted average number of ordinary shares in issue of 166,703,468 ECB Shares assuming completion of the Rights Issue and Offer for Sale by 31 October 2003, full conversion of ECB ICULS, ECB RCSLS A and ECB RCSLS B and the consolidated profit after taxation, MI and pre-acquisition profit of RM10,014,000 (after incorporating the interest savings of RM2,476,000 arising from the full conversion of ECB RCSLS A and ECB RCSLS B)	6.01
Net PE Multiple (times)	
- Based on the issue price of RM1.00 per ECB Share and net EPS of 8.56 sen (on weighted average number of ordinary shares)	11.68

3. INFORMATION SUMMARY (CONT'D)

- Based on the issue price of RM1.00 per ECB Share and the net EPS of 9.28 sen (on enlarged share capital) 10.78

Diluted Net PE Multiple (times)

- Based on the issue price of RM1.00 per ECB Share and the diluted net EPS of 6.01 sen 16.64

Scenario B

Net EPS (sen)

- Based on the weighted average number of ordinary shares in issue of 87,041,669 ECB Shares assuming the completion of the Rights Issue and Offer for Sale by 31 October 2003 and the consolidated profit after taxation, MI and pre-acquisition profit of RM7,538,000 8.66
- Based on the enlarged share capital of 147,600,002 ECB Shares and consolidated profit after taxation and MI of RM13,920,000 9.43

Diluted Net EPS (sen)

- Based on the weighted average number of ordinary shares in issue of 165,729,169 ECB Shares assuming completion of the Rights Issue and Offer for Sale by 31 October 2003, full conversion of ECB ICULS, ECB RCSLS A and ECB RCSLS B and the consolidated profit after taxation, MI and pre-acquisition profit of RM10,014,000 (after incorporating the interest savings of RM2,476,000 arising from the full conversion of ECB RCSLS A and ECB RCSLS B) 6.04

Net PE Multiple (times)

- Based on the issue price of RM1.00 per ECB Share and the net EPS of 8.66 sen (on weighted average number of ordinary shares) 11.55
- Based on the issue price of RM1.00 per ECB Share and the net EPS of 9.43 sen (on enlarged share capital) 10.60

Diluted Net PE Multiple (times)

- Based on the issue price of RM1.00 per ECB Share and the diluted net EPS of 6.04 sen 16.56

Detailed information on the consolidated profit forecast of the ECB is set out in Section 14.3 of this Prospectus.

3.4.6 Dividend Forecast

It is the policy of the Directors of ECB in recommending dividends to allow shareholders to participate in the profit of the Company while leaving sufficient reserves for the future growth of the Company.

The Directors of ECB are of the opinion that it would be more beneficial for ECB to conserve any excess cash flow for the future expansion of the Group. Accordingly, the Directors of ECB do not expect to declare any dividends for the financial year ending 31 March 2004.

Detailed information on the dividend forecast of the ECB Group is set out in Section 14.7 of this Prospectus.

3. INFORMATION SUMMARY (CONT'D)

3.5 Risk Factors

Applicants for the Rights Issue and/or Offer for Sale should carefully consider the following investment considerations (which are not exhaustive), as extracted from Section 4 of this Prospectus, in addition to the other information contained elsewhere in this Prospectus, before applying to subscribe for the Rights Issue and/or Offer for Sale:

3.5.1 No Prior Market for ECB Shares

Prior to the Listing, there was no public market for ECB Shares. There can be no assurance that an active market for ECB Shares will develop upon the Listing or if developed that such market will sustain.

3.5.2 Increase in Capital Base

ECB has issued convertible securities which can be converted to ECB Shares. Upon conversion of these convertible securities, the capital base of the Company will increase substantially which may result in potential dilution in the earnings per share of the Company.

3.5.3 Delay in or Abortion of the Listing

The occurrence of certain events may cause a delay in or abortion of the Listing. Although the Directors of ECB will endeavour to secure the Listing, there can be no assurance that events will not occur which would cause a delay in or abortion of the Listing.

3.5.4 Business Risks

The ECB Group is subject to certain business risks inherent in the property development industry.

3.5.5 Competition

The ECB Group faces intense competition in the property industry and this is expected to continue in the future.

3.5.6 Delay in Completion of Development Projects

Property development projects of the ECB Group are subject to various regulatory approvals and other external factors which may delay the completion of development projects and result in possible claims against the ECB Group.

3.5.7 Size and Quality of Land Bank

The ability and strategy of the ECB Group to maintain a sizeable land bank in strategic locations will be important to sustain its future profitability.

3.5.8 Dependence on Contractors and Suppliers

The ECB Group has in the past appointed certain contractors and purchased construction materials from certain suppliers for the development of its projects. No assurance can be given that the contractors would be able to continue to provide the same quality of work and the suppliers would be able to continue to supply the ECB Group at competitive prices for future works to be carried out.

3. INFORMATION SUMMARY (CONT'D)

3.5.9 Dependence on Key Personnel

The ECB Group believes that its continued success will depend, to a significant extent, upon the abilities and continued effort of its existing key management. Any material changes of the members of its key management may adversely affect the Group's performance.

3.5.10 Consolidated Profit Forecast

The consolidated profit forecast in this Prospectus is based on reasonable assumptions that are nevertheless subject to uncertainties and contingencies. Accordingly, as events and circumstances may not occur as expected, there can be no assurance that the consolidated profit forecast contained herein will indeed be realised.

3.5.11 Forward-looking Statements

This Prospectus contains several forward-looking statements which may not be reflective of future results and subject to uncertainties and contingencies. Although the Directors of ECB believe that the expectations reflected in such statements are reasonable, there can be no assurance that such expectations will prove to be correct.

3.5.12 Changes in General Economic and Political Conditions

As with any other companies, the performance of the ECB Group is also subject to the overall economic and political conditions domestically and internationally which may affect the financial and business prospects of the Group.

3.5.13 Control by Substantial Shareholders

DPLSK will hold, directly and indirectly, between 52.48% and 70.25% of the enlarged issued and paid-up share capital of ECB depending on the subscription rate of the Rights Issue. As such, DPLSK is likely to be able to effectively control the outcome of certain matters requiring the vote of ECB's shareholders unless he is required to abstain from voting by law and/or the relevant authorities.

3.5.14 Covenants on Borrowings

The covenants in the ECB Group's credit facility agreements and the ECB ICULS, ECB RCSLS A and ECB RCSLS B may limit its future operating and financial flexibility.

3.5.15 Financial Risk

An increase in interest rates could materially affect the financial position of the ECB Group and increase the interest expenses on outstanding borrowings.

3.5.16 Regulatory Framework

The ECB Group's operations are subject to the jurisdiction of several governmental agencies and are governed by various legislation. No assurance can be given that any change to the present legal and regulatory framework in which the ECB Group operates will not have a material impact on the ECB Group's businesses.

3.5.17 Other General Risks

The business of the ECB Group is also subject to other general risks which may affect the operation and financial performance of the ECB Group.

Detailed commentary on the risk factors is set out in Section 4 of this Prospectus.

3. INFORMATION SUMMARY (CONT'D)

3.6 Future Plans, Strategies and Prospects of the ECB Group

The vision of the ECB Group is to establish itself as one of the key players in the property development industry. The ECB Group's plans and strategies to sustain its present growth are as follows:

- (i) Continue developing Taman Equine and Pusat Bandar Putra Permai projects;
- (ii) Develop quality and affordable homes for owner occupation purchasers;
- (iii) Increase its land bank in strategic locations for future development;
- (iv) Enhance the value of its properties and the Group's reputation by incorporating innovative ideas into projects; and
- (v) Launch the Taman Mestika Project.

Detailed discussion on the future prospects of the ECB Group is set out in Section 7.7 of this Prospectus.

3.7 Utilisation of Proceeds from the Rights Issue and Offer for Sale

3.7.1 Rights Issue

The proceeds of between RM25,000,000 to RM27,338,319 to be raised from the Rights Issue are to be utilised as follows:

	Scenario A	Scenario B
	RM 000	RM 000
Purchase consideration for the STS Acquisition	3,027	3,027
Settlement of amount owing by STS to KLIH pursuant to the STS Acquisition	8,972	8,972
Working capital for the ECB Group	11,339	9,001
Estimated expenses for the Proposals	4,000	4,000
	27,338	25,000

The Rights Issue is subject to a minimum subscription amount of RM25,000,000 or 25,000,000 ECB Shares after taking into consideration the minimum funding requirements stated above. The amount in excess of the Minimum Subscription is not required to be underwritten. DPLSK has undertaken to subscribe for the Minimum Subscription in the event of any undersubscription for the Minimum Subscription.

3.7.2 Offer for Sale

All proceeds of the Offer for Sale amounting up to RM24,962,409 shall accrue to the Offeror and no part of the proceeds is receivable by ECB.

Detailed information on the utilisation of proceeds is set out in Section 5.7 of this Prospectus.

3. INFORMATION SUMMARY (CONT'D)

3.8 Material Litigation and Arbitration, Borrowings, Contingent Liabilities and Material Commitments

3.8.1 Material Litigation and Arbitration

As at LPD, the Company and its subsidiaries are not engaged in any material litigation and arbitration, either as plaintiff or defendant and the Directors of the Company do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the ECB Group.

3.8.2 Borrowings

As at 11 September 2003, the total borrowings of the ECB Group amount to RM107.9 million, all of which are interest bearing debts including lease and hire purchase obligations.

Outstanding borrowings	Payable within 12 months RM 000	Payable after 12 months RM 000	Total RM 000
ECB RCSLS A	-	28,991	28,991
ECB RCSLS B	-	17,878	17,878
Term loans	35,570	21,203	56,773
Overdraft	3,228	-	3,228
Hire purchase	371	663	1,034
Total	39,169	68,735	107,904

3.8.3 Material Contingent Liabilities

Save as disclosed in Section 14.10.3 of this Prospectus, as at LPD, there are no material contingent liabilities incurred by the ECB Group. The Directors of ECB are of the opinion that the ECB Group has no material contingent liabilities that upon materialisation would have a substantial impact on the profit or net assets of the ECB Group.

3.8.4 Material Commitments

As at LPD, there are no material commitments for capital expenditure contracted or known to be contracted by the ECB Group which may have a material impact on the financial position of the ECB Group.