

7. INFORMATION ON THE ECB GROUP

7.1 Incorporation

ECB was incorporated in Malaysia on 4 April 2001 under the CA as a public limited company to assume the listing status of KLIH pursuant to the Proposals.

7.2 Share Capital

The present authorised share capital of ECB is RM500,000,000 comprising 500,000,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM122,600,002 comprising 122,600,002 ordinary shares of RM1.00 each.

The changes in the issued and paid-up share capital of the Company since its incorporation are as follows:

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/ Type of issue	Total issued and paid-up capital RM
04.04.01	2	Subscribers' shares	2
06.08.03	3,037,591	Issued pursuant to Share Swap	3,037,593
26.08.03	94,600,000	Issued pursuant to Equine Acquisition	97,637,593
26.08.03	24,962,409	Issued pursuant to Repayment	122,600,002

7.3 History and Business Overview

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.

7.3.1 Property Development

The property development activities of the ECB Group are mainly undertaken by the Equine Group.

Since 1992, the Equine Group has been developing its three (3) flagship projects, namely Taman Equine, Putra Permai and Pusat Bandar Putra Permai, which are expected to be completed by 2008. These projects span over 789 acres of leasehold land located near Seri Kembangan, Selangor Darul Ehsan, which is within the Multimedia Super Corridor.

Equine Group's first project, Taman Equine, was launched in January 1996. This was followed by the launching of Putra Permai in 1998 and Pusat Bandar Putra Permai in 2001. As at LPD, all the properties in Putra Permai are fully sold while Taman Equine and Pusat Bandar Putra Permai are still being developed into integrated self-contained townships.

As at LPD, the Equine Group has completed projects worth approximately RM364.7 million comprising 2,711 units of residential and commercial properties and has ongoing projects worth approximately RM301.3 million comprising 1,720 units of residential and commercial properties.

The Equine Group has also established a reputation for innovation in technology and facilities, including information technology centres for low-cost apartments and state-of-the-art security systems. The Equine Group is believed to be one of the few property development companies to introduce a biometrics security system for low-cost apartments. In addition, Pusat Bandar Putra Permai, is believed to be the first property development to have security cameras on roads and intersections linked directly to the police via the internet.

7. INFORMATION ON THE ECB GROUP (CONT'D)

The location map of Taman Equine, Putra Permai and Pusat Bandar Putra Permai is as follows:



7. INFORMATION ON THE ECB GROUP (CONT'D)

7.3.2 Property Investment

The ECB Group owns Wisma KLIH through KLIB, a 13-storey office building located at 126 Jalan Bukit Bintang, 55100 Kuala Lumpur that has a total lettable area of 5,128 square metres. The building is 28 years old and has a land area of 484 square metres. As at LPD, Wisma KLIH has an occupancy rate of 82% (including the space currently occupied by KLIH). Subsequent to the Listing, KLIH will be relocated to the management office of ECB in Seri Kembangan, Selangor Darul Ehsan. Accordingly, the space vacated is proposed to be rented out. The rental income of Wisma KLIH is expected to enhance the income of the ECB Group.

7.3.3 Pharmaceutical and Medical Products

ECB Group owns 30% of PL, a company which holds the exclusive rights to manufacture, purchase, store and distribute pharmaceutical and medical products to the Ministry of Health. The profit after taxation for PL for the financial years ended 2002, 2001 and 2000 were RM21.4 million, RM21.9 million and RM16.6 million respectively.

7.4 Property Development Projects of ECB

7.4.1 Completed Projects

As at LPD, the ECB Group has completed 2,711 units of residential and commercial units with a gross development value of approximately RM364.7 million, out of which approximately 94% of the units developed have been sold.

Set out below is a summary of the completed development projects of the ECB Group as at LPD:

Name/ location of project	Developer	Type of development	Total units	Total units sold	Commencement/ completion date	Gross development value RM million
Taman Mestika, Cheras	STS	Low cost flats	160	160	Sep 87/Jul 94	3.2
		Shops	40	40	Sep 87/Jul 94	2.6
Putra Permai, Seri Kembangan	Equine	Apartments	1,560	1,537	Apr 98/Apr 01	94.9
		2-storey terrace houses	260	258	Dec 98/Nov 00	40.7
		2½-storey terrace houses	235	234	Nov 99/May 02	45.3
		3-storey shop offices	60	59	Jul 99/Jul 02	27.3
Taman Equine, Seri Kembangan	Equine	Bungalow plots	86	79	May 96/Dec 98	20.0
		Bungalow plots	120	73	May 96/Dec 98	49.7
		Bungalow plots	141	52	Aug 96/Aug 99	67.2
		Bungalow plots	49	49	Feb 00/Jan 02	13.8
			2,711	2,541		364.7

7. INFORMATION ON THE ECB GROUP (CONT'D)

7.4.2 On-going Projects

As at LPD, the ECB Group has secured total sales of approximately RM256.4 million which represents approximately 85% of the total gross development value estimated at approximately RM301.3 million for all its on-going projects which have been launched. The details of the on-going projects by the ECB Group are as follows:

Taman Equine

The Taman Equine development, located at Seri Kembangan, Selangor Darul Ehsan, is undertaken by Equine, a wholly-owned subsidiary of ECB. The project is developed on leasehold land with 99 years expiring in the year 2093. Taman Equine is a mixed commercial and residential township comprising bungalow plots, townhouses and commercial area. Taman Equine is situated approximately 600 metres off the north-western side of the Seri Kembangan-Puchong main road whilst the Kuala Lumpur City Centre lies approximately 25.6 kilometres to the north-east of the development. Furthermore, it is bounded by the existing prominent developments such as Puncak Jalil and Lestari Perdana and is part of the growth region within the Multimedia Super Corridor.

The land bank of the planned township is on 17 parcels of leasehold land over a total land area of approximately 550 acres, of which 255 acres has been developed as at LPD. The whole project will span over a period of approximately 12 years and is expected to generate a total gross sales value of RM1.07 billion. The development of Taman Equine commenced in 1996 and is expected to be completed in 2008.

A summary of Taman Equine's on-going projects are as follows:

Name/ location of project	Developer	Type of development	Total units	Total units sold	Commencement/ expected completion date	% of completion	Gross development value RM million
Taman Equine, Seri Kembangan	Equine	Shops	75	74	Sep 02/Sep 05	23	28.6
		Townhouses	112	102	Apr 01/Apr 04	80	22.4
			<u>187</u>	<u>176</u>			<u>51.0</u>

As at LPD, the ECB Group has secured total sales of approximately RM48.1 million for the abovementioned shops and townhouses which represents approximately 94% of the number of units for the phases being developed.

The planned township is presently surrounded by amenities such as primary and secondary schools, petrol stations, service roads to neighbouring housing estates, a clubhouse, a business park, a wildlife sanctuary, the Alice Smith International School and the Royal Selangor Equestrian Academy making the planned township a convenient place to live in.

7. INFORMATION ON THE ECB GROUP (CONT'D)

Pusat Bandar Putra Permai

Pusat Bandar Putra Permai is a joint development project by TE, a subsidiary of Equine and Perbadanan Kemajuan Pertanian Selangor. The project, an extension of the Putra Permai project, is a mixed commercial and residential development project located in Seri Kembangan, Selangor Darul Ehsan. The project is developed on leasehold land with 99 years expiring in the year 2098. The project is located within the Multimedia Super Corridor and only ten (10) kilometres from the administrative centre of the Malaysian Government at Putrajaya and the Information Technology City of Cyberjaya. Pusat Bandar Putra Permai is only about half a kilometre east of Taman Equine.

The land bank of the planned township is on ten (10) parcels of leasehold land over a total land area of approximately 239 acres, of which 123 acres are being developed as at LPD. The project will span over a period of approximately eight (8) years and is expected to generate a total gross sales value of approximately RM555 million. The development of Pusat Bandar Putra Permai commenced in 2000 and is expected to be completed in 2008.

A summary of Pusat Bandar Putra Permai's on-going projects are as follows:

Name/ location of project	Developer	Type of development	Total units	Total units sold	Commencement/ expected completion date	% of completion	Gross development value RM million
Pusat Bandar Putra Permai, Seri Kembangan	TE	2-storey terrace houses	295	290	Aug 01/Sept 03	78	60.0
		2-storey terrace houses	280	266	Feb 02/Feb 04	27	58.0
		2-storey terrace houses	135	129	Nov 02/Nov 04	12	29.4
		2-storey terrace houses	155	141	Feb 03/Feb 05	13	33.4
		Low cost apartments	544	490	Feb 02/Feb 05	28	24.1
		Semi-detached houses	124	34	July 03/July 05	5	45.4
			<u>1,533</u>	<u>1,350</u>			<u>250.3</u>

As at LPD, the ECB Group has secured total sales of approximately RM208.3 million for the abovementioned on-going projects. This represents approximately 88% of the units launched for the phases being developed.

Similar to Taman Equine, this planned township is also surrounded by amenities such as primary and secondary schools, petrol stations, service roads to neighbouring housing estates and Pasar Borong Selangor, one of the largest wholesale markets in Selangor Darul Ehsan.

7.4.3 Future Projects

The ECB Group plans to continue developing Taman Equine and Pusat Bandar Putra Permai into integrated self-contained townships that offer a mix of residential and commercial units.

7. INFORMATION ON THE ECB GROUP (CONT'D)

Set out below are the details of the future development projects in Taman Equine and Pusat Bandar Putra Permai which the ECB Group plans to undertake in the next two (2) years:

Name/ location of project	Developer	Type of proposed development	Total units	Expected commencement/ completion date	Gross development value RM million
Pusat Bandar Putra Permai, Seri Kembangan	TE	Medium cost apartments	299	Jan 04/Jan 07	20.5
		Semi-detached houses	102	Apr 04/Apr 06	37.9
		2½-storey terrace houses	216	Sept 03/Sept 05	48.5
		2-storey shop houses	148	Jul 05/Jul 08	46.4
		Low and medium cost apartments	399	Oct 03/Oct 06	20.4
		3-storey shop houses	54	Oct 03/Oct 06	23.8
		Bazaar	1	Aug 03/Aug 06	10.9
		Condominiums	467	Jan 05/Jan 08	70.4
		Transport terminal	1	Apr 05/Apr 08	21.5
Taman Equine, Seri Kembangan	Equine	Petrol station	1	Jan 04/Mar 04	3.7
		Shops	117	Sept 03/Sept 06	43.5
			<u>1,805</u>		<u>347.5</u>

The total development value of the ECB Group's on-going and targeted future projects in Taman Equine and Pusat Bandar Putra Permai as at LPD is approximately RM648.8 million. Out of the total amount of approximately RM648.8 million, approximately 72.5% and 27.5% of the gross development value is attributable to residential development and commercial development respectively.

In addition, the ECB Group plans to revive the Taman Mestika project, which consists of shops, shop offices and apartments, in the near future depending on the property market condition. The gross development value of the Taman Mestika project is expected to be approximately RM106.2 million.

7.5 Business Operations

7.5.1 Marketing, Distribution and Sales

To increase the marketability of its property developments, the ECB Group takes a customer focused approach in developing its products and services. During the product/property planning and development stage, the specific needs of the targeted market segment is taken into consideration. Thereafter, it puts together specially designed houses that meet the requirements and lifestyle of its targeted market segments.

In addition, the ECB Group offers tailor made plans at point of purchase. Purchasers have the option of extending the kitchen and bedroom right from the time of purchase. The price of the extension and renovation package can be included into the price of the unit. Furthermore, as much as 95% end financing is available to the purchasers.

7. INFORMATION ON THE ECB GROUP (CONT'D)

To market its properties, the ECB Group aggressively promotes its new launches via the following media:

- (i) press (pre-launch and official launch advertisements);
- (ii) brochures/leaflets;
- (iii) project models and show apartments;
- (iv) signboard and billboard;
- (v) exhibitions at leading hotels and shopping malls;
- (vi) real estate firms;
- (vii) e-marketing; and
- (viii) write-ups of its projects in local newspapers and magazines.

The ECB Group has participated in the month-long nationwide Home Ownership Campaign organised by the Malaysian government since 1998. During the said campaign, a 10% discount on the purchase price was given on all properties with the exception of the low cost houses, 2-storey terrace houses and townhouses.

In addition, the ECB Group also practices the provision of “early bird discounts” in respect of new launches in order to encourage quicker take-up rates. Under such promotions, purchasers who reserve their properties and pay a percentage of the total purchase consideration within one (1) to two (2) weeks of the launching of a new phase will be entitled to a discount on the purchase consideration.

Such promotions have proven to be successful as 50% of the Phase 1 2-storey terrace houses at Pusat Bandar Putra Permai was sold within the promotion period in order to take advantage of the “early bird discount”.

7.5.2 Quality Control

In order to maintain the quality of all projects, the ECB Group employs qualified and experienced professional external consultants for its projects. Every phase of the development process is reviewed on a timely basis by the ECB Group’s in-house team of qualified engineers and professionals to ensure that all legal, engineering, local government requirements and quality benchmarks are strictly adhered to.

After delivery of properties, the ECB Group provides a warranty period of 18 months to purchasers. As a responsible developer, it has a policy to respond to complaints promptly.

7.5.3 Major Customers

As the ECB Group is principally involved in residential and commercial property development, its customers are mainly retail purchasers in respect of which their respective purchases are small and, therefore the ECB Group is not dependent on certain customers for business.

7. INFORMATION ON THE ECB GROUP (CONT'D)

7.5.4 Major Suppliers

The ECB Group's main suppliers are its contractors. The following contractors are the ECB Group's largest contractors (individually contributing more than 10% of the total contract sum):

Contractors	Nature of Business	Years of Relationship	% of ECB Group's total contract sum for the year ended 31.03.03 %
Niaga Sari Sdn Bhd	Building and civil construction	4	59
Kempas Sentosa Sdn Bhd	Site clearing, earthworks and ancillary works	6	12
Wong Brothers' Building Construction	Building and civil construction	7	15
Kindah Construction Sdn Bhd	Building and civil construction	2	14

The ECB Group is not dependent on its major contractors as most of the contracts are selected by way of tender and can be easily changed.

In addition, the ECB Group's stage by stage basis of awarding contracts would minimise the risk of being over dependent on certain contractors. The basis of selection in awarding contracts is based on price competitiveness, experience, track record and financial qualification.

7.5.5 Employees

As at LPD, the ECB Group employs a total work force of 84 employees and they enjoy a cordial working relationship with the management. None of the employees of the ECB Group is a member of any union.

The breakdown of employees by categories is as follows:

Category of employee	No. of staff	Average number of years of service
Management/Professional	18	2
Technical/Supervisory	43	2
Clerical/General	22	2
Contract workers	1	1
	84	

The Group actively promotes the upgrading of its junior staff's skills through on-the-job training under close supervision and guidance of the key management team.

7.5.6 Interruptions in the Business during the Past 12 months

The ECB Group's business has not experienced any major interruptions in its business activities. Nevertheless, the ECB Group had faced common problems in the property development industry such as the increase in cost of raw materials and shortage of labour.

7. INFORMATION ON THE ECB GROUP (CONT'D)

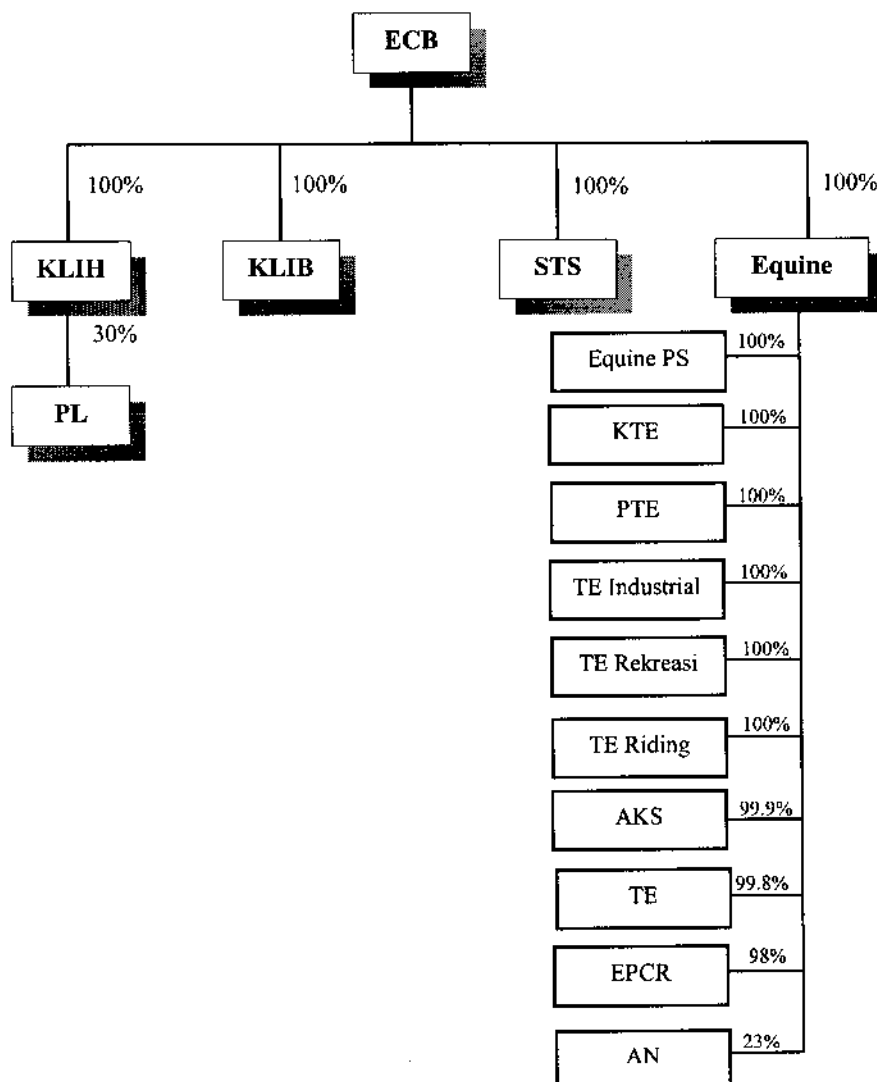
7.6 Subsidiaries and Associated Companies of the ECB Group

The subsidiaries and associated companies of the ECB Group as at LPD are as follows:

Company	Date and place of incorporation	Issued and paid-up share capital RM	Effective shareholding %	Principal activities
<i>Direct subsidiaries of ECB</i>				
Equine	20.5.1992 Malaysia	12,002,150	100.0	Investment holding and property development
KLIB	25.10.1963 Malaysia	65,538,000	100.0	Investment holding and rental of properties
KLIH	09.10.1987 Malaysia	3,037,591	100.0	Investment holding
STS	03.03.1975 Malaysia	740,000	100.0	Property development
<i>Subsidiaries of Equine</i>				
TE	29.08.1997 Malaysia	2,000,000	99.8	Property development
KTE	28.05.1979 Malaysia	153,947	100.0	Property development
AKS	07.10.1995 Malaysia	150,002	99.9	Recreational and equestrian activities
Equine PS	12.09.1991 Malaysia	100,000	100.0	Property development
TE Rekreasi	10.03.1994 Malaysia	80,000	100.0	Recreational activities
TE Riding	05.03.1991 Malaysia	3	100.0	Property development
TE Industrial	13.12.1990 Malaysia	3	100.0	Dormant
PTE	07.01.1992 Malaysia	2	100.0	Property development
EPCR	09.01.1996 Malaysia	100	98.0	Dormant
<i>Associated company of Equine</i>				
AN	09.10.1999 Malaysia	500,000	23.0	Property development
<i>Associated company of KLIH</i>				
PL	08.04.1993 Malaysia	40,000,000	30.0	Distribution of approved pharmaceutical products to hospitals and medical institutions

7. INFORMATION ON THE ECB GROUP (CONT'D)

The structure of the ECB Group is as follows:



7.6.1 Equine

Equine was incorporated in Malaysia as a private limited company under the CA on 20 May 1992. The principal activities of Equine are investment holding and property development whilst the principal activities of its subsidiaries are property development and recreational activities. Equine commenced its operations in 1995.

Equine currently has a property development project named Taman Equine. The project is a mixed commercial and residential development project located in Seri Kembangan, Selangor Darul Ehsan. The development site is situated on a total of 17 parcels of leasehold land with a total land area of approximately 550 acres. The project spans a period of approximately 12 years and is expected to generate a total gross sales value of RM1.07 billion. Development of Taman Equine has commenced in 1996 and is expected to be completed in 2008.

As at LPD, Equine has 47 employees.

Substantial Shareholders

Equine is a wholly-owned subsidiary of ECB.

7. INFORMATION ON THE ECB GROUP (CONT'D)

Share Capital

The authorised capital of Equine is RM25,000,000 comprising 25,000,000 ordinary shares of RM1.00 each, of which 12,002,150 have been issued and fully paid-up.

The changes in the issued and paid-up share capital of Equine since its incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration/ Type of issue	Total issued and paid-up capital RM
20.05.92	2	1.00	Subscribers' shares	2
07.12.92	49,998	1.00	Cash	50,000
28.10.94	1,020	1.00	Cash	51,020
18.11.94	448,980	1.00	Cash	500,000
28.09.95	300,000	1.00	Cash	800,000
28.07.98	200,000	1.00	Cash	1,000,000
27.01.99	200,000	1.00	Cash	1,200,000
12.02.99	170,000	1.00	Cash	1,370,000
19.03.99	130,000	1.00	Cash	1,500,000
30.03.01	2,150	1.00	Cash	1,502,150
24.05.01	10,500,000	1.00	Cash	12,002,150

Subsidiaries and Associated Companies

The details of Equine's subsidiaries are shown from Sections 7.6.2 to 7.6.10 of this Prospectus. The details of Equine's associated company are shown in Section 7.6.11 of this Prospectus.

7.6.2 TE

TE was incorporated in Malaysia as a private limited company under the CA on 29 August 1997 under the name of Tujuan Ehsan Sdn Bhd. The principal activity of TE is property development. TE commenced its operations in 1999.

TE has a property development project named Pusat Bandar Putra Permai. The project is undertaken between TE and Perbadanan Kemajuan Pertanian Selangor. Pusat Bandar Putra Permai is a mixed commercial and residential development project. The development site is situated in Seri Kembangan, Selangor Darul Ehsan on a total of ten (10) parcels of leasehold land and with a total land area of approximately 239 acres. The project is expected to span a period of approximately eight (8) years and is expected to generate a total gross sales value of RM555 million. Development of Pusat Bandar Putra Permai commenced in 2000 and is expected to be completed in 2008.

As at LPD, TE has 23 employees.

Substantial Shareholders

TE is a 99.8% subsidiary of Equine.

7. INFORMATION ON THE ECB GROUP (CONT'D)

Share Capital

The authorised capital of TE is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each, of which 2,000,000 have been issued and fully paid-up.

The changes in the issued and paid-up share capital of TE since its incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration/ Type of issue	Total issued and paid-up capital RM
29.08.97	2	1.00	Subscribers' shares	2
15.12.99	11,000	1.00	Cash	11,002
12.06.00	238,998	1.00	Cash	250,000
20.06.00	1,750,000	1.00	Cash	2,000,000

Subsidiaries and Associated Companies

As at LPD, TE does not have any subsidiaries or associated companies.

7.6.3 KTE

KTE was incorporated in Malaysia as a private limited company under the CA on 28 May 1979 under the name of L.C.W. Hardware Sdn Bhd. On 25 April 1994, it assumed the name of Kelab Taman Equine Sdn Bhd. The principal activity of KTE is property development. The development site is situated at Seri Kembangan, Selangor Darul Ehsan. KTE commenced its operations in 1995.

As at LPD, KTE does not have any employees.

Substantial Shareholders

KTE is a wholly-owned subsidiary of Equine.

Share Capital

The authorised capital of KTE is RM250,000 comprising 250,000 ordinary shares of RM1.00 each, of which 153,947 have been issued and fully paid-up.

The changes in the issued and paid-up share capital of KTE since its incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration/ Type of issue	Total issued and paid-up capital RM
28.05.79	4	1.00	Subscribers' shares	4
03.12.79	120,000	1.00	Acquisition of Syarikat Far East Hardware Trading	120,004
16.01.90	33,943	1.00	Cash	153,947

Subsidiaries and Associated Companies

As at LPD, KTE does not have any subsidiaries or associated companies.

7. INFORMATION ON THE ECB GROUP (CONT'D)**7.6.4 AKS**

AKS was incorporated in Malaysia as a private limited company under the CA on 7 October 1995. The principal activities of AKS are recreational and equestrian activities. Currently, AKS has an indoor riding arena, outdoor arena, a polo field, 5.5 kilometres of riding trails, classrooms, dormitories and a stable, all of which are located at Taman Equine. AKS commenced its operations in 1998.

As at LPD, AKS has 13 employees.

Substantial Shareholders

AKS is a 99.9% subsidiary of Equine.

Share Capital

The authorised capital of AKS is RM500,000 comprising 500,000 ordinary shares of RM1.00 each, of which 150,002 have been issued and fully paid-up.

The changes in the issued and paid-up share capital of AKS since its incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration/ Type of issue	Total issued and paid-up capital RM
07.10.95	2	1.00	Subscribers' shares	2
22.12.99	150,000	1.00	Cash	150,002

Subsidiaries and Associated Companies

As at LPD, AKS does not have any subsidiaries or associated companies.

7.6.5 Equine PS

Equine PS was incorporated in Malaysia as a private limited company under the CA on 12 September 1991 under the name of Pelancungan Cerah Edar Sdn Bhd. On 25 April 1994, it assumed the name of Equine Park Stud Sdn Bhd. The principal activity of Equine PS is property development. The development site is situated at Seri Kembangan, Selangor Darul Ehsan. Equine PS commenced its operations in 1995.

As at LPD, Equine PS does not have any employees.

Substantial Shareholders

Equine PS is a wholly-owned subsidiary of Equine.

Share capital

The authorised capital of Equine PS is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which 100,000 have been issued and fully paid-up.

7. INFORMATION ON THE ECB GROUP (CONT'D)

The changes in the issued and paid-up share capital of Equine PS since its incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration/ Type of issue	Total issued and paid-up capital RM
12.09.91	6	1.00	Subscribers' shares	6
16.09.96	99,994	1.00	Cash	100,000

Subsidiaries and Associated Companies

As at LPD, Equine PS does not have any subsidiaries or associated companies.

7.6.6 TE Rekreasi

TE Rekreasi was incorporated in Malaysia as a private limited company under the CA on 10 March 1994 under the name of Valentia Industry Sdn Bhd. On 18 May 1994, it assumed the name of Taman Equine Rekreasi Sdn Bhd. The principal activity of TE Rekreasi is recreational activities. TE Rekreasi commenced its operations in 1994 and subsequently ceased operations in 1996.

As at LPD, TE Rekreasi does not have any employees.

Substantial Shareholders

TE Rekreasi is a wholly-owned subsidiary of Equine.

Share Capital

The authorised capital of TE Rekreasi is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which 80,000 have been issued and fully paid-up.

The changes in the issued and paid-up share capital of TE Rekreasi since its incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration/ Type of issue	Total issued and paid-up capital RM
10.03.94	2	1.00	Subscribers' shares	2
18.07.94	79,998	1.00	Cash	80,000

Subsidiaries and Associated Companies

As at LPD, TE Rekreasi does not have any subsidiaries or associated companies.

7.6.7 TE Riding

TE Riding was incorporated in Malaysia as a private limited company under the CA on 5 March 1991 under the name of Low Cheok Holdings Sdn Bhd. On 25 April 1994, it assumed the name of Taman Equine Riding Sdn Bhd. The principal activity of TE Riding is property development. The development site is situated at Seri Kembangan, Selangor Darul Ehsan. TE Riding commenced its operations in 1996.

As at LPD, TE Riding does not have employees.

7. INFORMATION ON THE ECB GROUP (CONT'D)

Substantial Shareholders

TE Riding is a wholly-owned subsidiary of Equine.

Share Capital

The authorised capital of TE Riding is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which three (3) have been issued and fully paid-up.

The changes in the issued and paid-up share capital of TE Riding since its incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration/ Type of issue	Total issued and paid-up capital RM
05.03.91	3	1.00	Subscribers' shares	3

Subsidiaries and Associated Companies

As at LPD, TE Riding does not have any subsidiaries or associated companies.

7.6.8 TE Industrial

TE Industrial was incorporated in Malaysia as a private limited company under the CA on 13 December 1990 under the name of Patken Trading Sdn Bhd. On 25 April 1994, it assumed the name of Taman Equine Industrial Sdn Bhd. TE Industrial has not commenced operations and is presently dormant.

As at LPD, TE Industrial does not have any employees.

Substantial Shareholders

TE Industrial is a wholly-owned subsidiary of Equine.

Share Capital

The authorised capital of TE Industrial is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which three (3) have been issued and fully paid-up.

The changes in the issued and paid-up share capital of TE Industrial since its incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration/ Type of issue	Total issued and paid-up capital RM
13.12.90	3	1.00	Subscribers' shares	3

Subsidiaries and Associated Companies

As at LPD, TE Industrial does not have any subsidiaries or associated companies.

7. INFORMATION ON THE ECB GROUP (CONT'D)

7.6.9 PTE

PTE was incorporated in Malaysia as a private limited company under the CA on 7 January 1992 under the name of Winair (M) Sdn Bhd. On 25 April 1994, it assumed the name of Pertanian Taman Equine Sdn Bhd. The principal activity of PTE is property development. The development site is situated at Seri Kembangan, Selangor Darul Ehsan. PTE commenced its operations in 1999.

As at LPD, PTE does not have any employees.

Substantial Shareholders

PTE is a wholly-owned subsidiary of Equine.

Share Capital

The authorised capital of PTE is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which two (2) have been issued and fully paid-up.

The changes in the issued and paid-up share capital of PTE since its incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration/ Type of issue	Total issued and paid-up capital RM
07.01.92	2	1.00	Subscribers' shares	2

Subsidiaries and Associated Companies

As at LPD, PTE does not have any subsidiaries or associated companies.

7.6.10 EPCR

EPCR was incorporated in Malaysia as a private limited company under the CA on 9 January 1996. EPCR has not commenced operations and is presently dormant.

As at LPD, EPCR does not have any employees.

Substantial Shareholders

EPCR is a 98% subsidiary of Equine.

Share Capital

The authorised capital of EPCR is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which 100 have been issued and fully paid-up.

The changes in the issued and paid-up share capital of EPCR since its incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration/ Type of issue	Total issued and paid-up capital RM
09.01.96	100	1.00	Subscribers' shares	100

Subsidiaries and Associated Companies

As at LPD, EPCR does not have any subsidiaries or associated companies.

7. INFORMATION ON THE ECB GROUP (CONT'D)

7.6.11 AN

AN was incorporated in Malaysia as a private limited company under the CA on 9 October 1999.

The principal activity of AN is property development. The development site is situated in Penang. AN commenced its operations in 2003.

As at LPD, AN has three (3) employees.

Substantial Shareholders

The Substantial Shareholders of AN and their respective shareholdings are as follows:

Name	No. of ordinary shares held	%
Aneka Mayang Sdn Bhd	240,000	48.0
Yayasan Bumiputra Pulau Pinang	125,000	25.0
Equinc	115,000	23.0

Share Capital

The authorised capital of AN is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each, of which 500,000 have been issued and fully paid-up.

The changes in the issued and paid-up share capital of AN since its incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration/ Type of issue	Total issued and paid-up capital RM
09.10.99	2	1.00	Subscribers' shares	2
12.11.02	499,998	1.00	Cash	500,000

Subsidiaries and Associated Companies

As at LPD, AN does not have any subsidiaries or associated companies.

7.6.12 KLIH

KLIH was incorporated in Malaysia as a private limited company under the CA on 9 October 1987 under the name of Segamedia Sdn Bhd. It changed its name on 3 December 1990 to Kuala Lumpur Industries Holdings Sdn Bhd. It was subsequently converted into a public limited company on 4 December 1990 and was listed on the Main Board of the KLSE on 5 April 1991. KLIH commenced its operations in 1991.

KLIH shares were suspended from trading on the KLSE on 3 June 1998. On 30 June 2000, Special Administrators were appointed by Danaharta to assist with the formulation and implementation of the Proposals. On 6 August 2003, ECB acquired 100% of KLIH by way of Share Swap. The existing principal activity of KLIH is investment holding.

As at LPD, KLIH has one (1) employee.

7. INFORMATION ON THE ECB GROUP (CONT'D)

Substantial Shareholders

KLIH is a wholly-owned subsidiary of ECB.

Share Capital

The authorised capital of KLIH is RM1,000,000,000 comprising 1,000,000,000 ordinary shares of RM1.00 each, of which 3,037,591 have been issued and fully paid-up.

The changes in the issued and paid-up share capital of KLIH since its incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration/ Type of issue	Total issued and paid-up capital RM
09.10.87	2	1.00	Subscribers' shares	2
29.03.91	18,725,140	1.00	Issued at par for the acquisition of KLIB	18,725,142
29.03.91	30,515,597	1.00	Issued at par for the settlement of debts to secured creditors and secured guarantee holders of KLIB	49,240,739
29.03.91	105,738,000	1.00	Issued at par for the acquisition of BHH	154,978,739
29.05.91	9,362,571	1.00	Rights issue of 1:2 at par to KLIB shareholders	164,341,310
30.03.93	23,402,200	1.00	Special Bumiputera issue at RM1.25 per KLIH Share	187,743,510
01.04.93	100,000	1.00	Special Bumiputera issue at RM1.25 per KLIH Share	187,843,510
07.04.93	26,120,800	1.00	Special Bumiputera issue at RM1.25 per KLIH Share	213,964,310
22.04.93	1,276,000	1.00	Special Bumiputera issue at RM1.25 per KLIH Share	215,240,310
13.06.94	22,333,333	1.00	Issued for the acquisition of Primerose Crescent Sdn Bhd at RM3.00 per KLIH Share	237,573,643
09.11.94	30,000,000	1.00	Issued for the acquisition of SI at RM3.00 per KLIH Share	267,573,643
18.10.95	8,571,429	1.00	Issued for the acquisition of Crystal Mist Sdn Bhd at RM3.50 per KLIH Share	276,145,072
11.12.96	27,614,000	1.00	Private placement to places at RM2.80 per KLIH Share	303,759,072
06.08.03	3,037,591	1.00	Capital Reduction and Consolidation	3,037,591

7. INFORMATION ON THE ECB GROUP (CONT'D)

Subsidiaries and Associated Companies

As at LPD, KLIH does not have any subsidiaries.

The details of the associated company of KLIH are shown in Section 7.6.13 of this Prospectus.

7.6.13 PL

PL was incorporated in Malaysia as a private limited company under the CA on 8 April 1993 under the name of Remedi Pharmaceuticals (M) Sdn Bhd. On 23 August 2002, it assumed the name of Pharmaniaga Logistics Sdn Bhd. PL is a subsidiary of Pharmaniaga Berhad which is listed on the Main Board of the Kuala Lumpur Stock Exchange. PL commenced its operations in 1994.

It is principally engaged in the distribution of approved pharmaceutical and medical products to hospitals and medical institutions under the jurisdiction of the Ministry of Health and some semi-government institutions as well as private hospitals and doctors.

As at LPD, PL has 327 employees.

Substantial Shareholders

The Substantial Shareholders of PL and their respective shareholdings are as follows:

Name	No. of ordinary shares held	%
Pharmaniaga Berhad	28,000,000	70.0
KLIH	12,000,000	30.0
	<u>40,000,000</u>	<u>100.0</u>

Share Capital

The authorised capital of PL is RM50,000,000 comprising 50,000,000 ordinary shares of RM1.00 each, of which 40,000,000 have been issued and fully paid-up.

The changes in the issued and paid-up share capital of PL since its incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration/ Type of issue	Total issued and paid-up capital RM
08.04.93	2	1.00	Subscribers' shares	2
03.06.96	19,999,998	1.00	Cash	20,000,000
16.08.96	20,000,000	1.00	Cash	40,000,000

7. INFORMATION ON THE ECB GROUP (CONT'D)

Subsidiaries and Associated Companies

As at LPD, the subsidiaries and associated companies of PL are as follows:

Company	Date and place of incorporation	Issued and paid-up share capital RM	Effective shareholding %	Principal activities
Subsidiaries				
Pharmaniaga Biomedical Sdn Bhd (formerly known as Speciality Medical Laboratories Sdn Bhd)	26.08.96 Malaysia	8,000,000	100	Purchasing, storage and distribution of medical products to all governmental hospitals and private institutions
Pharmaniaga Diagnostics Sdn Bhd (formerly known as Remedi Diagnostics Sdn Bhd)	18.11.97 Malaysia	2	100	Trading and manufacturing of clinical diagnostics products
Pharmaniaga Medisystem Sdn Bhd (formerly known as Pharmacy Automated Systems Incorporated Sdn Bhd)	18.05.96 Malaysia	1,000,000	65	Temporarily ceased operation during the financial year
Associated companies				
Rumpun Lagenda Sdn Bhd	08.03.96 Malaysia	250,000	50	Inactive

Note:

Held through Pharmaniaga Biomedical Sdn Bhd (formerly known as Speciality Medical Laboratories Sdn Bhd).

7.6.14 KLIB

KLIB was incorporated in Malaysia on 25 October 1963 pursuant to the Companies Ordinances, 1940-1946 as a private company limited by shares under the name of Kuala Lumpur Properties Limited. On 23 January 1964, KLIB converted its status from a private limited company to a public limited company and obtained listing and quotation on the Stock Exchange of Malaysia and Singapore on 7 February 1964.

On 7 September 1970, it changed its name to Kuala Lumpur Industries Berhad.

KLIB was delisted from the Stock Exchange of Singapore on 31 December 1989 in compliance with the Malaysian Government policy and the requirements of the KLSE.

In 1991, KLIB was acquired by KLIH pursuant to a restructuring exercise. The listing status was at the same time taken over by KLIH. On 7 August 2003, KLIB was acquired by ECB pursuant to the Proposals.

KLIB only holds a single asset, namely Wisma KLIH, a 13-storey office building located at 126 Jalan Bukit Bintang, 55100 Kuala Lumpur. The gross floor area of the building is 6,662 square metres and the total lettable area is 5,128 square metres. As at LPD, Wisma KLIH has an occupancy rate of 82% (including approximately 1,764 square metres of office space occupied by KLIH). Subsequent to the Listing, KLIH will be relocated to the management office of ECB in Seri Kembangan, Selangor Darul Ehsan. Accordingly, the space vacated is proposed to be rented out. KLIB commenced its operations in 1963.

7. INFORMATION ON THE ECB GROUP (CONT'D)

As at LPD, KLIB does not have any employees.

Substantial Shareholders

KLIB is a wholly-owned subsidiary of ECB.

Share Capital

The authorised capital of KLIB is RM200,000,000 comprising 200,000,000 ordinary shares of RM1.00 each, of which 65,538,000 have been issued and fully paid-up.

The changes in the issued and paid-up share capital of KLIB since its incorporation are as follows:

Date of allotment	No. of ordinary shares allotted/(cancelled)	Par value RM	Consideration/ Type of issue	Total issued and paid-up capital RM
25.10.63	2	1.00	Subscribers' share	2
15.01.64	2,646,054	1.00	Properties acquired	2,646,056
22.01.64	853,944	1.00	Cash	3,500,000
1964	1,500,000	1.00	Public issue	5,000,000
1969	2,000,000	1.00	Right issue	7,000,000
1972	3,000,000	1.00	Right issue	10,000,000
24.04.84	10,476,000	0.50	Acquisition of Wisma KLIH	15,238,000
1984	15,238,000	0.50	Right issue	22,857,000
08.09.84	6,000,000	0.50	Special issue	25,857,000
16.01.85	51,714,000	0.50	Bonus issue	51,714,000
01.04.86	8,295,000	0.50	Acquisition of PICM	55,861,500
27.10.86	19,353,000	0.50	Acquisition of PICM	65,538,000
28.03.91	(131,076,000)	0.50	Cancellation of all shares	-
29.03.91	65,538,000	1.00	Restructuring scheme	65,538,000

Subsidiaries and Associated Companies

As at LPD, KLIB does not have any subsidiaries or associated companies.

7.6.15 STS

STS was incorporated in Malaysia as a private limited company under the CA on 3 March 1975. The principal activity of STS is property development. STS commenced its operations in 1986.

STS currently has one (1) property development project, namely Taman Mestika. Taman Mestika is a mixed commercial and residential development project located in Ampang, Selangor Darul Ehsan on approximately 4.2 acres of 99-year leasehold land. The total gross development value of this project is expected to be approximately RM106.2 million. The Taman Mestika project consists of shops, shop offices and apartments and the date of launching of the Taman Mestika project will depend on the property market condition.

As at LPD, STS does not have any employees.

Substantial Shareholders

STS is a wholly-owned subsidiary of ECB.

7. INFORMATION ON THE ECB GROUP (CONT'D)**Share Capital**

The authorised capital of STS is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each, of which 740,000 have been issued and fully paid-up.

The changes in the issued and paid-up share capital of STS since its incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration/ Type of issue	Total issued and paid-up capital RM
03.03.75	3	1.00	Subscribers' shares	3
21.10.79	3,500	1.00	Capitalisation of accounts	3,503
05.04.80	10,000	1.00	Cash	13,503
23.03.83	486,497	1.00	Revaluation of property	500,000
03.08.83	236,497	1.00	Cash	736,497
19.08.83	3,503	1.00	Cash	740,000

Subsidiaries and Associated Companies

As at LPD, STS does not have any subsidiaries or associated companies.

7.7 Future Plans, Strategies and Prospects

The vision of the ECB Group is to establish itself as one of the key players in the property development industry in the Klang Valley. The business model that has been successfully implemented by the Group will be repeated and imbued with the same philosophies and innovative approaches to management, production and marketing to ensure the continued success of the Group.

In view of the prevailing low interest rates and the expected continued growth of the Malaysian economy, the ECB Group believes that demand for houses in good locations will continue to be relatively strong and therefore it plans to continue to focus on developing quality residential properties.

In addition, the demand for commercial properties within the ECB Group's existing developments is growing in tandem with the population in the area. This is a captive market as it is within the townships of the ECB Group.

The ECB Group's plans and strategies to ensure its continued prominence in the industry and growth are as follows:

(i) Continue Developing Taman Equine and Pusat Bandar Putra Permai Projects

Having completed the development of Putra Permai, the ECB Group will continue to develop Taman Equine and Pusat Bandar Putra Permai into premier residential and commercial development projects in Selangor Darul Ehsan. Towards this end, the ECB Group will develop the balance of residential and commercial units in Taman Equine and Pusat Bandar Putra Permai as disclosed in Sections 7.4.2 and 7.4.3 of this Prospectus over the next five (5) years.

7. INFORMATION ON THE ECB GROUP (CONT'D)

(ii) *Develop Quality and Affordable Homes for Owner Occupation Purchasers*

To ensure its continued growth, the ECB Group's strategy is to target house buyers for owner occupation rather than investment purposes because demand from this target market is more stable and predictable. The ECB Group will also continue to lay emphasis on the competitive pricing of its properties. This approach has been effective in encouraging quick take-up rates as was evident in the previous launches of the ECB Group. The low and medium cost houses offered by the ECB Group are mostly below RM200,000 which are within the range of the mass market hence the houses have widespread appeal.

(iii) *Increase its Land Bank in Strategic Locations for Future Development*

The Directors of ECB are constantly looking at ways to expand its property development business by either acquiring new land banks at strategic locations at a reasonable cost or setting up joint ventures with landowners to develop property development projects. Presently, the ECB Group plans to acquire new land banks in the west coast of Malaysia only.

(iv) *Enhance the Value of its Properties and the Group's Reputation by Incorporating Innovative Ideas into Projects*

The ECB Group is committed to develop townships that exceed the expectations and demand of its homebuyers. This entails incorporating into property developments a comprehensive array of amenities and innovations that will enhance the quality of life of its homebuyers. An example is the forming of information technology infused townships.

The Pusat Bandar Putra Permai project is being crafted as an information technology infused township that prioritises the homebuyers' safety and security. The neighbourhood surveillance supplements in the township will link the district police station directly to street surveillance cameras via the internet. In addition, Pusat Bandar Putra Permai units are also equipped with smart technologies whereby energy consumption, residence and family security, web cameras, alarm systems, air conditioning and entertainment systems can be controlled by a touch of a button. The area is also connected via wireless local area network technology.

The ECB Group is also committing resources to develop estates that possess extensive landscaping where the main entrance into the project, the trunk road, roadsides and open spaces are surrounded by landscaped gardens that create a scenic, serene and healthy environment throughout the housing estate. Playgrounds will also be constructed to cater for the leisure activities of the residents.

In order to preserve the ambience of its projects, the ECB Group has a sustained replanting program where a nursery centre, named 'Shetland Park', with multiple species of local plants, flowers and ground covers was set up. Established as the horticultural resource centre, Shetland Park will provide the plants and tree species for planting on bungalow plots as well as street landscapes. In April 2000, the 30-acre Nature Reserve Land and Wildlife Sanctuary was launched to provide many attractions like its 'nature path' jungle trails, camping sites and suspended bridges amidst thousand years old jungle to its residents.

The ECB Group also plans to leverage its experience gained from developing Taman Equine to embark into more property development projects with emphasis in equestrian activities. Towards this end, Equine had on 8 May 2003 acquired 23% equity interest in AN which will be constructing an international standard modern racecourse for the Penang Turf Club.

7. INFORMATION ON THE ECB GROUP (CONT'D)

(v) *Launch the Taman Mestika Project*

The ECB Group is looking to launch the Taman Mestika project in the near future depending upon the property market condition. The Taman Mestika project, which consists of shops, shop offices and apartments, is expected to generate a gross development value of RM106.2 million.

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