

5. INFORMATION ON THE HYB GROUP

5.1 History And Principal Activities

HYB was incorporated in Malaysia on 28 December 1978 under the Companies Act, 1965 as a private limited company under the name of Heng Po Sdn Bhd. It changed its name to Hua Yang Development Sdn Berhad on 10 March 1979. The Company then changed its name to Hua Yang Sdn Berhad on 4 September 2001 and subsequently converted into a public limited company on 12 September 2001 and assumed its present name.

HYB's principal activities consist of investment holding, property development, provision of management and secretarial services. Its subsidiary companies currently are involved in investment holding, provision of management services, property development and building construction.

5.2 Changes In Share Capital

The present authorised share capital of HYB is RM500,000,000 divided into 500,000,000 ordinary shares of RM1.00 each.

The present issued and paid-up share capital is RM77,129,000 comprising 77,129,000 ordinary shares of RM1.00 each. Details of 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 Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital
				RM
28.12.1978	2	1.00	Cash	2
22.03.1979	199,998	1.00	Cash	200,000
03.07.1979	300,000	1.00	Cash	500,000
09.02.1981	300,000	1.00	Cash	800,000
01.03.1983	200,000	1.00	Cash	1,000,000
21.12.1987	700,000	1.00	Rights Issue	1,700,000
29.02.1988	300,000	1.00	Cash	2,000,000
29.10.1988	400,000	1.00	Bonus Issue	2,400,000
03.01.1989	1,299,000	1.00	Rights Issue	3,699,000
16.03.1989	160,400	1.00	Cash	3,859,400
30.03.1989	540,600	1.00	Cash	4,400,000
01.08.1989	600,000	1.00	Cash	5,000,000
30.10.1990	3,000,000	1.00	Cash	8,000,000
30.09.1991	1,000,000	1.00	Bonus Issue	9,000,000
24.10.1991	1,000,000	1.00	Rights Issue	10,000,000
29.03.1997	1,000,000	1.00	Cash	11,000,000
09.10.1997	630,000	1.00	Shares issued as consideration pursuant to an acquisition of 60,000 ordinary shares of DNSB held by Ab. Zarim Bin Hj. Ishak	11,630,000
09.10.1997	600,000	1.00	Cash	12,230,000
31.01.2002	64,899,000	1.00	Bonus Issue	77,129,000

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Date of Allotment	No. of Preference Shares Allotted/(Redeemed)	Par Value RM	Consideration	Resultant Issued And Paid-Up Preference Share Capital RM
29.03.1995	5,000,000	0.10	Cash	500,000
26.01.1996	(5,000,000)	0.10	Cash	-

5.3 Listing Scheme

In conjunction with the listing of HYB's shares on the Main Board of the KLSE, the Company undertook the following exercises, which was approved by the FIC on 25 October 2001, MITI on 4 January 2002 and SC on 14 January 2002, 3 April 2002 and 5 August 2002. The details of the listing exercise are as follows:

5.3.1 Declaration Of Dividends

Dividend 1

For the purpose of the Bonus Issue, on 31 January 2002, certain subsidiaries of HYB declared net dividends amounting to RM27,635,400 from their reserves for the financial year ended 31 March 2001. Details on Dividend 1 are as follows:

Company	(A) Retained Earnings / Reserves As At 31.03.2001 RM'000	(B) Dividend 1 RM'000	(C) Balance (A)-(B) RM'000
AMISB	2,370	-	2,370
BESB	445	432	13
BHSB	343	-	343
BSSB	731	720	11
DNSB	6,006	-	6,006
DNDSB	-	-	-
FSB	135	119	16
GPSB	-	-	-
HYMSSB	-	-	-
HYTSB	-	-	-
PHYSB	1,442	1,431	11
PPSB	495	475	20
Prop Park	6,472	6,444	28
SSB	2,375	2,318	57
TDSB	-	-	-
YLRSB	15,709	15,696	13
Total	36,523	27,635	8,888

None of the above is attributable to minority shareholders.

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Dividend 2

In addition, the subsidiaries of HYB also declared Dividend 2 of RM11,512,080 to HYB in respect of their audited PAT for the nine (9) month financial period ended 31 December 2001. HYB in turn declared and paid dividends up to RM11,106,576 to its shareholders in the year ended 31 March 2002. The SC had, on 3 April 2002, approved the above proposals in respect of Dividend 2.

Company	(A) Retained Earnings / Reserves As At 31.12.2001 RM'000	(B) Dividend 2 RM'000	(C) Dividend 2 Payable to Minority Shareholders RM'000	(D) Balance (A)-(B)-(C) RM'000
AMISB	8,166	4,410	-	3,756
GPSB	4,800	4,769	199	(168)
PHYSB	1,726	270	-	1,456
PPSB	685	173	-	512
YLRSB	17,532	1,890	-	15,642
Total	32,909	11,512	199	21,198

5.3.2 Bonus Issue

On 31 January 2002, HYB had undertaken a bonus issue of 64,899,000 new ordinary shares of RM1.00 each on the basis of approximately 5,306 new ordinary shares for every 1,000 existing HYB ordinary shares held by partly capitalising RM56,289,000 from the audited HYB's retained earnings after incorporating the receipt of Dividend 1 and RM8,610,000 from HYB's share premium account.

5.3.3 Public Issue/Offer For Sale

Pursuant to this Prospectus, the Company will undertake an issue of 4,871,000 new ordinary shares of RM1.00 each at an issue price of RM1.75 each to Directors, eligible employees and the Malaysian public, a placement of 8,000,000 new ordinary shares of RM1.00 each at an issue price of RM1.75 each and the Offerors will offer for sale 27,000,000 ordinary shares of RM1.00 each of which the entire 27,000,000 ordinary shares of RM1.00 each are to be allocated by MITI to approved Bumiputera investors, at an offer price of RM1.75 each.

5.3.4 Offerors

The details of the Offerors of the HYB Group are as follows:

Shareholders Of HYB	No. Of Offer Shares	% Of Enlarged Share Capital
Goh Swee Boh @ Goh Cheng Kin	1,876,092	2.08%
Siew Kam Poh	105,969	0.12%
Ting Kok Bin @ Tce Kok Bin	66,231	0.07%
Lim Boon Tiam	44,154	0.05%
HHSB	16,557,645	18.40%
Lee Ah Har @ Lee Kong Yip	331,153	0.37%
HJSB	827,882	0.92%
Ng Sim Tang @ Wong Seng Tong	41,946	0.05%

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Shareholders Of HYB	No. Of Offer Shares	% Of Enlarged Share Capital
Tay Boon Ling	41,946	0.05%
Phang See Wang @ Phang Kau	14,350	0.02%
Loo Hooi Eng	248,365	0.28%
Chong Sing Shee @ Tjong Sin Se	604,906	0.67%
Lee Tock Loe	386,345	0.43%
Chung Cheng Yuen @ Chung Kah Leng	103,761	0.12%
Yeap Kar On	165,576	0.18%
Teoh Pek Chuan	147,915	0.16%
Tjong Tjhoen Mit @ Chong Choen Mit	97,579	0.11%
Hoo Kiew @ Ho Khoon Dai	248,365	0.28%
Hoo Ah Kar @ Ho Khoon Tai	331,153	0.37%
Ho Khon Yok	1,813,614	2.01%
Ho Mook Sing	1,147,262	1.27%
Ho Mook Leong	595,340	0.66%
Yau Kam Foong	110,384	0.12%
Ng Keat Siew	1,036,875	1.15%
Tan Sri Dato' Seri Prof. Dr. Yom Ahmad Bin Ngah Ahmad	55,192	0.06%
	27,000,000	30.00%

5.4 History And Business Overview

With its inception in Ipoh, Perak, HYB began its small scale mixed development of housing, commercial and industrial projects in Ipoh City and the surrounding towns of Simpang Pulai, Tasek, Bercham, Ampang Baru, Menglembu and Lahat, contributing to development in Perak. These development projects comprised mainly of low to medium cost houses and factories catering to small and medium scale industries in keeping with the Government's move towards industrialisation.

Since the successful development of these projects, HYB has established a name in Ipoh as one of the reputable developers in developing affordable and quality properties. In addition, the success of these development schemes created the resources and experience for HYB to expand its operations to Selangor, Negeri Sembilan and Johor.

Thus in March 1997, SB Jaya Industrial Park in Sungai Buloh, Selangor was launched and this project was successfully completed in February 2000.

In line with the Group's expansion to Selangor, new frontiers were sought and explored for viability. One such project is Seremban Country Heights/Bukit Desa Seremban, a 100-acre joint venture development project consisting of homestead lots and residential houses, which commenced in 1995.

In 1997, spurred on by the confidence in the Malaysian property market for affordable and quality homes, the Group acquired 371 acres of freehold land situated in the vicinity of Pulau Springs Golf Resort and Universiti Teknologi Malaysia in Skudai, Johor Bahru for a township development project, known as "Taman Pulau Indah". HYB launched its first phase of the 521 units of low medium cost terrace houses in March 2001.

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The Group is also upbeat about the 728-acre township of "Bandar Universiti" situated within the academic precinct of Seri Iskandar, Perak, due to its close proximity to Universiti Teknologi Petronas and Universiti Teknologi MARA. The Group launched the first phase of the project in June 2001.

For the past five (5) financial years the Group's accumulated turnover has exceeded RM255.860 million.

5.4.1 Property Development

The HYB Group has established itself as a reputable developer of residential, commercial and industrial units. The current and future development thrust of the Group is geared towards what the Group considers to be low to medium cost residential units with the intention of selling more up-market products such as semi detached and bungalow houses in tandem with an improving economy as and when its two flagship townships become more populated and matured.

Completed Projects Of The Group

The HYB Group's completed projects mainly comprise of the development in Perak of approximately 2,041 units of a range of terrace and semi detached houses, shops and bungalow lots under the subsidiary company YLRSB. Also in Perak are the completed projects that were undertaken by Sri Tinubau Properties Sdn Bhd, Cempaka Baiduri Sdn Bhd, Habaziah Sdn Bhd and Pembinaan Silih Kasih Sdn Bhd, companies which were previously subsidiary or associated companies of HYB comprising a total of 1,338 units. SSB in a development jointly undertaken with Chandan Raya Sdn Bhd and Negara Jaya Holdings Sdn Bhd (companies formerly part of the HYB Group), had also completed a project in Perak consisting of 469 units.

In respect of HYB, the development of 99 units of double storey terrace houses in Bukit Desa Seremban, Negeri Sembilan was completed in January 2002.

HYB had also in September 1981 completed 8 units of four storey shops in Ipoh, Perak and in February 2000 a further 137 units of factories in Sungai Buloh, Selangor.

In May 1993, under the subsidiary company TDSB, the development of double storey terrace houses, apartments, shops and factories totalling 276 units in Serdang, Selangor had been fully completed. In September 1997 a development undertaken by Prop Park, another subsidiary company, of 35 units of its double storey terrace and semi detached houses and bungalow lot in Klang were completed. Prop Park also completed 76 units of double storey terrace houses in August 1992 of its project in Taman Setapak Jaya, Kuala Lumpur.

For subsidiary company BSSB, the development of 94 units of single storey terrace houses in Batu Gajah, Perak had been completed in February 2000. In January 2001, BSSB completed 14 units of double storey shop offices in Batu Gajah, all of which have been sold. BSSB further completed 64 units of single storey terrace houses in Batu Gajah in September 2001.

AMISB, a subsidiary of HYB, has completed 148 units of single storey low medium cost terrace houses, 148 units of single storey medium cost terrace houses, 148 units of single storey low cost terrace houses and 14 units of double storey shop houses.

These completed development projects contributed sales revenue of approximately RM471 million to the Group. Over the years, HYB Group's projects were well received due to its strategic location and pricing strategy.

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On-Going Projects of the Group

The first phases of what will represent HYB's largest projects thus far, namely Taman Pulai Indah in Johor and Bandar Universiti Seri Iskandar in Perak which are currently on-going are as follows:

- Development of 521 units of double storey low medium cost terrace houses, 811 units of double storey terrace houses, 327 units of single storey terrace houses, 104 units of 1½ storey terrace houses, 312 units of three storey service apartments and 52 shops in Taman Pulai Indah, Johor under the subsidiary GPSB.
- Development of 194 units of double storey shop houses, 144 units of single storey terrace houses and 150 units double storey terrace houses in Bandar University Seri Iskandar, Perak under the subsidiary AMISB.

In addition, other on-going projects currently being undertaken are as follows:

- Development of 37 units of 2½ storey terrace houses in Anjung Bercham Megah, Ipoh, Perak being carried out by YLRSB.
- Development of 13 units of double storey shop houses in Taman Pinggiran Saujana, Batu Gajah, Perak being carried out by BSSB.
- Development of 120 units of shop offices in Medan Selayang, Batu Caves, Selangor being carried out by DNSB. The said project was launched in August 2002.

These on-going development projects have contributed and will contribute sales revenue of approximately RM372 million to the Group.

The take up rate of the on-going projects of HYB Group is tabulated below:

Projects	Expected Year Of Completion	Month/Year Launch	No. Of Units Developed	% Of Units Sold As At 16 September 2002
<i>Taman Pulai Indah, Johor Bahru developed by GPSB</i>				
Double Storey Low Medium Cost Terrace Houses (16'x55')	2002	Mar-2001	219	95.9
Double Storey Low Medium Cost Terrace Houses (16'x60')	2002	Mar-2001	302	88.1
Double Storey Terrace Houses (20'x70')	2002	May-2001	249	94.8
Single Storey Terrace Houses (20'x70')	2003	Aug-2001 ¹	327	86.5
1½ Storey Terrace Houses (20'x70')	2003	Aug-2001 ¹	104	70.2
Double Storey Terrace Houses (20'x70')	2003	Jan-2002	151	55.6
Double Storey Terrace Houses (22'x75')	2003	Jan-2002	165	52.7

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Projects	Expected Year Of Completion	Month/Year Launch	No. Of Units Developed	% Of Units Sold As At 16 September 2002
Double Storey Terrace Houses (20'x70')	2004	Jul-2002	246	13.4
3 Storey Service Apartments	2004	Jul-2002	312	13.5
Ground-floor shops	2004	Jul-2002	52	13.5
<i>Bandar Universiti Seri Iskandar, Perak developed by AMISB</i>				
Double Storey Shop Houses (20'x75')	2002	Jun-2001	16	75.0
Single Storey Terrace Houses (22'x75')	2003	Dec-2001	144	83.3
Double Storey Terrace Houses (20'x75')	2003	Dec-2001	150	60.7
Double Storey Shop Houses (20'x70')	2004	Jul-2002	178	9.5
<i>Anjung Bercham Megah Ipoh, Perak developed by YLRSB</i>				
2½ Storey Terrace Houses (20'x80')	2004	Jul-2002	37	18.9
<i>Taman Pinggiran Saujana, Batu Gajah, Perak developed by BSSB</i>				
Double Storey Shop Houses (20' x 70')	2003	Jan-2002	13	38.5
<i>Medan Selayang, Batu Caves, Selangor developed by DNSB</i>				
3 And 6 Storey Shop Offices (22' x 75')	2004	Aug-2002	120	20.8

Note:

¹ These are dates of the first sale and purchase agreement as there were no actual launch dates

The HYB Group has been known for quality and affordable homes and has proven capability of providing low cost housing. Its layout plans and designs are flexible and can be easily adapted to meet changing trends.

Future Projects Of The Group

The Group has amassed land banks well spread out in strategic locations. This will enable it to offer products according to the market situation in each location. With its current land bank, HYB's future projects have an estimated sales value of RM1.35 billion, which is expected to provide the Group with sustainable income for its next five (5) financial years. These future projects are in line with HYB's aspirations to provide affordable quality homes in strategic locations. Currently, these future projects include the following :

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- (i) HYB plan to develop Taman Pulau Indah, a 371-acre freehold land, into an integrated self-contained township that offers a mix of residential and commercial units.

This proposed township is considered easily accessible via the North-South Highway, Senai Highway, Johor Bahru Parkway and the Singapore Second Link Expressway. It is located within the vicinity of Bandar Baru Kangkar Pulai and is nearby to University Teknologi Malaysia and the premier Pulau Springs Golf Resort.

A sizeable township development near Skudai, within the district of Johor Bahru, Taman Pulau Indah, it is planned to provide a comprehensive range of public amenities such as shops, hypermarket/shopping complex, police station, fire station, surau, polyclinic and schools.

With 56% of the land parcel being earmarked for recreational and public amenities, Taman Pulau Indah is expected to offer a more balanced and healthy lifestyle with plenty of natural recreational venues, including a 16-acre park with a 7-acre lake.

Encouraged by the high take-up rate of its Phase 1 to Phase 4 products, the Group is in the process of acquiring a 106-acre land adjacent to Taman Pulau Indah as part of its strategy to expand its operations in Johor Bahru.

- (ii) HYB plan to develop the 728-acre Bandar Universiti Seri Iskandar into an integrated self-contained township that offers a mix of residential, commercial, educational and recreational units.

This proposed township is considered easily accessible via the North-South Highway, Ipoh-Lumut Highway and the proposed Ipoh-Lumut Expressway. It is located within the Ipoh-Lumut Growth Corridor and in the vicinity of Universiti Teknologi Petronas and Universiti Teknologi MARA. It is only minutes away from the Technology Park and the Pharmaceutical Park at Seri Iskandar.

A sizeable township development in Seri Iskandar, Bandar Universiti, it is planned to provide a comprehensive range of public amenities such as a central market, a college, a bus terminal, lakeside promenade and a commercial park, a 96-acre recreational lake, medical facilities and schools. It is expected by the Group to compliment the prevailing position of Seri Iskandar as an education hub of Perak, provides an active resort-living dimension to this thriving district, serve as a catalyst to the Ipoh-Lumut development and encourage development in other industrial areas, as well as contributing to Perak's economic growth.

The Group expects to offer a more balanced and healthy lifestyle with plenty of natural recreational venues in Bandar Universiti and it is envisaged that it will become the Garden City of the region.

Bandar Universiti is planned to be a functional township where 58% of the total land development is delineated for infrastructure and public amenity development.

In response to the Government's call to provide affordable housing, 100 acres of the land with more than 1,050 units of low cost terrace houses priced at RM35,000 are planned to be built in the township (of which 148 such units have already been completed) and 20% of the other residential units are expected to be priced at not more than RM50,000.

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To date, Phase 1 of Bandar Universiti has been substantially completed and 444 units of residential houses and 14 units of shop houses were handed over to the respective buyers.

- (iii) *Anjung Bercham Megah* – the remaining products for this project consist of residential units of 145 units to be undertaken by YLR SB with an estimated sales revenue of RM7.6 million.
- (iv) *Taman Pinggiran Saujana* – the sale of the 37 units of double storey shops with an estimated sales value of RM5.6 million will mark the successful end to this mixed development undertaken by BSSB.
- (v) *Bukit Desa* – the Group expects to derive RM44 million from its future launches of homestead lots and residential units of this project.
- (vi) *Medan Selayang* – the Group expects to develop 16 units of shop offices to be held for property investment purposes.

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Details of the completed, current and future projects under the HYB Group are summarised in tabular form as below:

Completed Projects As At 16 September 2002

Name/Location Of Project	Type Of Development	No. Of Units Completed	Net Sales Value (RM'000)	Completion Month/ Period ¹
SSB²				
Chandan Raya Industrial Park, Menglembu, Perak	1½ Storey Terrace Factory	54	} 63,184	Completed in stages between Oct-1993 to Mar-1997
	Industrial Lots	65		
	1½ Storey Semi Detached Factory	338		
	1½ Storey Detached Factory	12		
	Sub-total	469	63,184	
HYB				
Jalan Gopeng, Ipoh, Perak	Four Storey Shop	8	2,440	Sep-1981
S B Jaya Industrial Park, Sungai Buloh, Selangor	Double Storey Light Industrial Factory	137	58,447	Feb-2000
Bukit Desa Seremban, Seremban	Double Storey Terrace House	99	18,254	Jan-2002
	Sub-total	244	79,141	
BSSB				
Taman Pinggiran Saujana, Batu Gajah, Perak	Single Storey Terrace House	94	} 8,276	Feb-2000
	Double Storey Shop Office	14		Jan-2001
	Single Storey Terrace House	64	3,414	Sep-2001
	Sub-total	172	11,690	
Prop Park				
Taman Setapak Jaya, Kuala Lumpur	Double Storey Terrace House	76	6,202	Aug-1992
Jalan Connaught Bridge, Off Jalan Kg. Jawa, Klang, Selangor	Double Storey Terrace House	16	} 15,222	Sep-1997
	Double Storey Semi Detached House	18		
	Bungalow Lot	1		
	Sub-total	111	21,424	

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Name/Location Of Project	Type Of Development	No. Of Units Completed	Net Sales Value (RM'000)	Completion Month/ Period ¹
YLRSB				
Taman Indah, Batu Gajah, Perak	Double Storey Terrace House	40	4,782	Completed in stages between Nov-1982 and Oct-1985
	Single Storey Detached House	2		
	Single Storey Semi Detached House	12		
	Double Storey Terrace House	11		Nov-1992
Kuala Kangsar, Perak	Three Storey Shop	13	1,680	Aug-1984
Taman Mewah, Tambun, Ipoh, Perak	Single Storey Low Cost Terrace House	34	12,521	Completed in stages between Jul-1987 and Jun-1990
	Single Storey Terrace House	61		
	Double Storey Terrace House	263		
	Double Storey Shop House	5		
Taman Tasek Mewah, Kampung Tawas, Perak	Single Storey Terrace House	601	16,067	Completed in stages between Sep-1992 and Oct-1994
Halaman Ampang Mewah, Ampang, Ipoh, Perak	Double Storey Terrace House	292	23,690	Completed in stages between Apr-1997 and Jan-1998
	Double Storey Shop	21		
Anjung Bercham Megah, Bercham, Ipoh, Perak	Double Storey Terrace House	271	38,668	Completed in stages between Dec-1999 and Oct-2000
	Single Storey Semi Detached House	30		
	Bungalow Lot	2		
	Double Storey Terrace House	40	3,785	Jan-2002
	Double Storey Terrace House	13	1,680	Feb-2002
	Double Storey Low Cost Terrace House	143	7,382	Feb-2002
	Double Storey Terrace House	94	1,680	Completed in stages between Jan-2002 and Jun-2002

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Name/Location Of Project	Type Of Development	No. Of Units Completed	Net Sales Value (RM'000)	Completion Month/ Period ¹
YLRSB (cont'd)				
Anjung Bercham Elit, Bercham, Ipoh, Perak	Single Storey Low Cost House	30	6,176	Completed in stages between Mar-2000 and Jul-2001
	Single Storey Terrace House	48		
	Single Storey Semi Detached House	6		
	Bungalow Lot	2		
	Single Storey Shop ³	7	-	
	Sub-total	2,041	118,111	
AMISB				
Bandar Universiti, Seri Iskandar, Perak	Single Storey Medium Cost Terrace House	148	26,224	Jun-2002
	Single Storey Low Medium Cost Terrace House	148		
	Single Storey Low Cost House	148		
	Double Storey Shop House	14		
	Sub-total	458	26,224	

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Name/Location Of Project	Type Of Development	No. Of Units Completed	Net Sales Value (RM'000)	Completion Month/ Period ¹	
TDSB					
Taman Serdang Raya, Serdang, Mukim Petaling, Selangor	Double Storey Terrace House	45	25,410	May-1993	
	Four Storey Apartment	118			
	1½ Storey Factory	18			
	Shop	19			
	Apartment	76			
	Sub-total	276	25,410		
Sri Tinubau Properties Sdn Bhd⁴					
Chandan Desa, Simpang Pulai, Perak	Single Storey Terrace House	521	36,222	Completed in stages between Feb-1991 and Dec-1993	
	Double Storey Shop House	85			
	Sub-total	606			36,222
Cempaka Baiduri Sdn Bhd⁴					
Rima Industrial Park, Lahat, Perak	Double Storey Shop	24	49,669	Completed in stages between Jul-1996 and Dec-1996	
	Industrial Lot	9			
	Single Storey Detached Factory	453			
	Sub-total	486			49,669
Habaziah Sdn Bhd⁴					
Taman Pinji Wani, Ipoh, Perak	Double Storey Terrace House	104	16,448	Aug-1997	
	Sub-total	104	16,448		
Pembinaan Silih Kasih Sdn Bhd⁴					
Taman Pinji Seni, Ipoh, Perak	Double Storey Terrace House	108	24,370	Feb-1999	
	Double Storey Shop	29			
	Bungalow Lot	5			
	Sub-total	142			24,370
	TOTAL	5,109			471,893

Notes:

¹ Date of obtaining Certificate of Fitness² Jointly undertaken with Chandan Raya Sdn Bhd and Negara Jaya Holdings Sdn Bhd (formerly part of the HYB Group)³ 7 units all held for investment purposes⁴ Formerly subsidiary or associated companies of HYB

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On-Going Projects

Name/Location Of Project	Phase	Type Of Development	Total Units	Expected Sales Value RM'000	Units Sold As At 16 September 2002	Commencement ¹	Expected Completion ²
GPSB							
Taman Pulai Indah Pulai Johor Bahru Johor	Phase 1	Double Storey Low Medium Cost Terrace House (16' x 55')	219	11,052	210	Mar-2001	Dec-2002
	Phase 1	Double Storey Low Medium Cost Terrace House (16' x 60')	302	24,307	268	Mar-2001	Dec-2002
	Phase 2	Double Storey Terrace House (20' x 70')	249	38,884	236	May-2001	Dec-2002
	Phase 3	Single Storey Terrace House (20' x 70')	327	38,108	283	Aug-2001	Mar-2003
	Phase 3	1½ Storey Terrace House (20' x 70')	104	14,273	73	Aug-2001	Mar-2003
	Phase 3	Double Storey Terrace House (20' x 70')	151	23,047	84	Jan-2002	Sep-2003
	Phase 4	Double Storey Terrace House (22' x 75')	165	29,878	87	Jan-2002	Sep-2003
	Phase 5A	Double Storey Terrace House (20' x 70')	246	40,311	33	Jul-2002	Apr-2004
	Phase 6	Three Storey Service Apartment	312	19,589	42	Jul-2002	Apr-2004
	Phase 6	Ground Floor Shop	52	9,149	7	Jul-2002	Apr-2004
		Sub-total	2,127	248,598	1,323		
YLRBSB							
Anjung Bercham Megah, Bercham, Ipoh, Perak	Phase 5	2½ Storey Terrace House (20' x 80')	37	6,956	7	Jul-2002	Apr-2004
		Sub-total	37	6,956	7		

5. INFORMATION ON THE HYB GROUP (Cont'd)

Name/Location Of Project	Phase	Type Of Development	Total Units	Expected Sales Value RM'000	Units Sold As At 16 September 2002	Commencement ¹	Expected Completion ²
AMISB							
Bandar Universiti, Seri Iskandar, Perak	Phase 1	Double Storey Shop House (20' x 75')	16	5,367	12	Jun-2001	Dec-2002
	Phase 2	Single Storey Terrace House (22'x75')	144	11,494	120	Dec-2001	Aug-2003
		Double Storey Terrace House (20'x75')	150	15,548	91	Dec-2001	Aug-2003
	Phase 3	Double Storey Shop House (20' x 70')	178	36,271	17	Jul-2002	Apr-2004
		Sub-total	488	68,680	240		
BSSB							
Taman Pinggiran Saujana, Batu Gajah, Perak	-	Double Storey Shop House (20'x70')	13	2,107	5	Jan-2002	Sep-2003
		Sub-total	13	2,107	5		
DNSB							
Medan Selayang, Batu Caves, Selangor	-	Three and Six Storey Shop Office	120	46,000	25	Aug-2002	Dec-2004
		TOTAL	2,785	372,341	1,600		

*Notes:*¹ Date of launching or signing of first Sale & Purchase Agreement² Expected date of obtaining Certificate of Fitness

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5. INFORMATION ON THE HYB GROUP (Cont'd)

Future Projects

Name/Location Of Project	Type Of Proposed Development	Total Units	Estimated Total Sales Value RM'000	Expected Commencement	Expected Completion
GPSB					
Taman Pulai Indah	Double Storey Terrace House (20'x70')	191	30,522	Dec-2002	Sep-2004
Pulai	Single Storey Low Cost Shop (20'x65')	77	11,550	Jun-2003	Dec-2004
Johor Bahru	Single Storey Low Cost Shop (20'x65')	23	3,450	**	**
Johor	Double Storey Shop House (22'x70')	72	18,138	**	**
	Double Storey Terrace House (18'x65')	105	13,621	Dec-2002	Sep-2004
	Double Storey Terrace House (20'x70')	57	8,198	Dec-2002	Sep-2004
	Single Storey Terrace House (20'x75')	70	8,422	Dec-2002	Sep-2004
	Single Storey Terrace House (20'x70')	35	4,047	Dec-2002	Sep-2004
	Town House	98	16,542	**	**
	Double Storey Terrace House (24'x65')	367	77,070	Apr-2003	Dec-2004
	Condominium/Apartment	481	81,193	**	**
	Condominium/Apartment	400	67,520	**	**
	Low Medium Cost Apartment (RM80k)	625	50,000	Sep-2003	Jun-2005
	Low Medium Cost Apartment (RM50k)	576	28,800	**	**
	Low Cost Apartment	795	19,875	**	**
	Single Storey Low Cost Shop (20'x65')	33	4,950	**	**
	Two Storey Apartment	392	25,057	**	**
	Ground Floor Shop	98	18,240	**	**
	Commercial Complex Lot	1	9,627	**	**
	Petrol Station Lot	2	4,092	**	**

5. INFORMATION ON THE HYB GROUP (Cont'd)

Name/Location Of Project	Type Of Proposed Development	Total Units	Estimated Total Sales Value RM'000	Expected Commencement	Expected Completion
GPSB (cont'd)					
	Pusat Pelancongan Land	1	4,007	**	**
	Bungalow House (60'x80')	94	36,472	**	**
	Semi Detached House (45'x80')	118	35,164	**	**
	Semi Linked House (32'x60')	211	52,328	**	**
	Super Linked House (30'x60')	248	56,544	**	**
	Double-Storey Terrace Houses (22'x80')	9	1,962	**	**
	Double Storey Terrace House (22'x70')	46	9,108	**	**
	Double Storey Low Medium Cost Terrace House (16'x55')	144	11,520	**	**
	Low Medium Cost Apartment (RM50k)	140	7,000	**	**
	Low Cost Apartment	140	3,500	**	**
	Single Storey Low Cost Shop (20'x60')	45	6,750	**	**
	Double Storey Shop House (22'x70')	39	11,232	**	**
	Kindergarten Land	1	218	**	**
	Sub-Total	5,734	736,719		
AMISB					
Bandar Universiti, Sri Iskandar , Perak	Single Storey Low Medium Cost Terrace House (20'x60')	202	10,100	Dec-2002	Jul-2004
	Double Storey Terrace House (24'x65')	322	26,726	Dec-2002	Jul-2004
	Double Storey Shop House (20'x70')	39	6,747	**	**
	Double Storey Terrace House (24'x70')	252	27,216	Dec-2002	Jul-2004
	Single Storey Low Cost Shop (20'x60')	61	6,100	June-2003	Dec-2004
	Double Storey Low Cost Terrace House (16'x55')	299	11,960	Dec-2002	Jul-2004
	Single Storey Low Cost Terrace House (20'x60')	605	24,200	Dec-2002	Jul-2004

5. INFORMATION ON THE HYB GROUP (Cont'd)

Name/Location Of Project	Type Of Proposed Development	Total Units	Estimated Total Sales Value RM'000	Expected Commencement	Expected Completion
AMISB (cont'd)					
	Single Storey Low Cost Shop (20'x60')	30	3,000	**	**
	Petrol Station Lot	2	2,108	**	**
	Petrol Station Lot	2	1,763	**	**
	Double Storey Shop House (22'x75')	124	24,552	**	**
	Single Storey Low Medium Cost Terrace House (20'x60')	390	19,500	**	**
	Super Linked House (28'x65')	84	10,080	**	**
	Clustered House (32'x65')	168	21,840	**	**
	Semi Detached House (40'x85')	54	7,830	**	**
	Semi Detached House (50'x80')	80	12,000	**	**
	Bungalow House (10,400 sq. ft)	94	21,432	**	**
	Bungalow House (6,000 sq. ft)	266	47,880	**	**
	Bungalow House (4,250 sq. ft)	30	4,800	**	**
	Single Storey Low Cost Shop (20'x70')	28	4,200	**	**
	Future Residential Development	687	46,716	**	**
	Future Commercial Development	364	75,712	**	**
	Future Residential Development – Lakehomes	1,794	143,520	**	**
	Private Institution Land (Acres)	1	4,165	**	**
	Sub-Total	5,978	564,147		
Anjung Bercham Megah, Bercham, Ipoh, Perak	2½ Storey House (20' x 80')	9	1,710	Oct -2002	Mar-2004
	Medium Low Cost Flat	76	3,800	**	**
	Low Cost Flat	60	2,100	**	**
	Sub-Total	145	7,610		

5. INFORMATION ON THE HYB GROUP (Cont'd)

Name/Location Of Project	Type Of Proposed Development	Total Units	Estimated Total Sales Value RM'000	Expected Commencement	Expected Completion
BSSB					
Taman Pinggiran Saujana, Batu Gajah, Perak	Double Storey Shop (20'x70')	37	5,594	**	**
	Sub-Total	37	5,594		
HYB					
Bukit Desa, Seremban, Negeri Sembilan	Double Storey Terrace House (22'x70')	108	17,604	**	**
	2½ Storey Terrace House (22'x70')	59	10,502	**	**
	Low Cost Apartment	114	3,990	**	**
	Homestead Lot	29	12,632	**	**
	Sub-Total	310	44,728		
DNSB					
Medan Selayang, Batu Caves, Selangor.	8 Storey Shop Office ¹	16	-	Aug-2002	Aug-2004
	Commercial Land ¹	-	-	**	**
	Sub-Total	16	-		
	Total	12,204²	1,358,798		

Notes:

¹ To be held for property investment purposes² Excluding 16 units of shop offices to be held for investment purposes

** Date of commencement and completion yet to be determined

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5. INFORMATION ON THE HYB GROUP (Cont'd)

5.4.2 Construction And Other Related Activities

The construction work were mainly undertaken by PHYSB (a company registered with CIDB) as contractors with Grade G7 whose main clients were companies within the HYB Group. They had over the years, undertaken mainly earthworks, road and drainage, sewerage and building construction works.

Currently, PHYSB has no new contracts after the completion of contracts at Anjung Bercham Megah.

To date, PHYSB has completed more than RM58 million worth of projects over the period between 1997 and 2001 as disclosed below:

Completed Contracts

Type	Value Of Contract (RM)	Client/ Developer
1 Halaman Ampang Mewah		YLRSB
a Building and construction of 21 units of double storey shops	1,295,425	
b Sewerage, drainage, road, water reticulation and telecommunication	174,500	
	1,469,925	
2 Anjung Bercham Megah Phases 1A & 1B		YLRSB
a Sewerage	272,266	
b Earthwork	320,000	
c Piling	210,000	
	802,266	
3 SB Jaya Industrial Park		HYB
Building and construction of 137 units Double Storey light industrial factories	22,644,204	
4 Anjung Bercham Megah Phases 1A, 1B & 1C		YLRSB
Building and construction of 244 units Double Storey Terrace Houses:		
a 220 units	11,814,355	
b 24 units	1,289,410	
c Additional work for Phase 1C	33,676	
d Infrastructure works for Phases 1A, 1B & 1C	2,145,127	
	15,282,568	
5 Anjung Bercham Elit		YLRSB
a Building and construction of 48 units Single Storey Terrace Houses	1,488,000	
b Building and construction of 6 units Single Storey Semi Detached Houses	318,000	
	1,806,000	

5. INFORMATION ON THE HYB GROUP (Cont'd)

Type	Value Of Contract (RM)	Client/ Developer
6 Anjung Bercham Elit		YLRSB
a Building and construction of 30 units Single Storey Low Cost Terrace Houses	420,000	
b Additional works	447,350	
	867,350	
7 Anjung Bercham Elit		
Infrastructure Works	1,115,977	
8 Taman Pinggiran Saujana (TPS)		BSSB
a Building and construction of 94 units Single Storey Terrace Houses	3,199,000	
b Infrastructure Works for TPS	2,435,619	
	5,634,619	
9 Construction of sales office for AMISB	76,000	AMISB
10 Anjung Bercham Megah Phase 2		YLRSB
Building and construction of 25 units Double Storey Terrace Houses		
a 6 units	337,200	
b 6 units	337,200	
c 6 units	337,200	
d 7 units	393,400	
e Additional works	139,500	
	1,544,500	
11 Anjung Bercham Megah Phase 2		YLRSB
Piling, sewerage drainage, earthwork	346,895	
12 Taman Pinggiran Saujana		BSSB
Building and construction of:	384,000	
a 24 units Single Storey Low Cost Terrace Houses		
b 18 units Single Storey Low Cost Terrace Houses	288,000	
c 22 units Single Storey Low Cost Terrace Houses	352,000	
d Infrastructure Works for: 64 units of Single Storey Low Cost Terrace Houses	322,200	
	1,346,200	
13 Taman Pinggiran Saujana		House Purchasers
(64 units Single Storey Low Cost Terrace Houses)		
Additional works at RM14,900 per unit	953,600	

5. INFORMATION ON THE HYB GROUP (Cont'd)

Type	Value Of Contract (RM)	Client/ Developer
14 Anjung Bercham Megah, Phase 3		YLRSB
Building and construction of :		
27 units Double Storey Low Cost Terrace Houses	472,500	
16 units Double Storey Low Cost Terrace Houses	280,000	
26 units Double Storey Low Cost Terrace Houses	455,000	
26 units Double Storey Low Cost Terrace Houses	455,000	
16 units Double Storey Low Cost Terrace Houses	280,000	
15 units Double Storey Low Cost Terrace Houses	262,500	
17 units Double Storey Low Cost Terrace Houses	297,500	
	2,502,500	
15 Anjung Bercham Megah, Phase 3		YLRSB
Additional works for 143 units of Single Storey Low Cost Terrace House	2,130,700	
Total	58,523,304	

5.4.3 Management And Secretarial Services

HYB is involved in the provision of management and secretarial services for companies within the Group. In addition, YLRSB also provides management services for companies within the Group.

5.4.4 Property Investment

The following properties are held for investment purposes:

- (i) 1.44 acres of homestead agricultural lot at Mukim of Teras, District of Raub, Pahang held by BHSB;
- (ii) 7 units of single storey shops at Bercham, Ipoh, Perak held by YLRSB which are rented out; and
- (iii) 6.76 acres of land at Selayang, Selangor held by DNSB which is pending transfer of title of which, 3.63 acres is held as vacant commercial land. The Directors of HYB are in the midst of considering and exploring the possibility of developing this land into service apartments subject to favourable market conditions. The remaining 3.13 acres is currently being developed into 136 units of shop offices of which 16 units of the said shop offices will be retained by HYB for investment purposes. The project was launched in August 2002.

5. INFORMATION ON THE HYB GROUP (Cont'd)

5.5 Promoters

The details of the promoters of the HYB Group and their shareholdings after the Public Issue and Offer For Sale are as follows:

Name	Nationality / Place Of Incorporation	No. Of HYB Ordinary Shares Held After The Public Issue/Offer For Sale			
		Direct No. Of Shares	%	Indirect No. Of Shares	%
HHSB	Malaysia	27,588,144	30.65	1,537,071 ⁽¹⁾	1.71
HJSB	Malaysia	1,537,071	1.71	27,588,144 ⁽¹⁾	30.65
Ho Mook Leong	Malaysian	1,190,326*	1.32	-	-
Ho Khon Yok	Malaysian	3,552,210*	3.95	-	-

Notes:

⁽¹⁾ Deemed interest by virtue of common substantial shareholders of HHSB and HJSB as disclosed in Section 7.1.3 herein

* Inclusive of pink form shares allocation

5.6 Subsidiaries And Associated Companies

Name	Date/Place Of Incorporation	Issued & Paid-Up Share Capital RM	Percentage Of Equity Held	Principal Activities
<u>Subsidiaries</u>				
AMISB	06.09.1985 Malaysia	2,500,000	100%	Property development
BHSB	14.02.1980 Malaysia	50,000	100%	Property investment holding
DNSB	27.05.1985 Malaysia	300,000	100%	Property development
GPSB	01.08.1990 Malaysia	300,000	96%	Property development
HYBMSSB	13.08.1988 Malaysia	2	100%	Dormant
HYBTSB	30.08.1984 Malaysia	100,000	100%	Inactive
PHYSB	09.09.1980 Malaysia	750,000	100%	Building contractor
PPSB	04.11.1991 Malaysia	300,000	100%	Property development
Prop Park	23.05.1981 Malaysia	1,000,000	100%	Inactive
SSB	13.12.1980 Malaysia	230,000	100%	Inactive
TDSB	14.03.1981 Malaysia	337,800	100%	Provision of property management services

5. INFORMATION ON THE HYB GROUP (Cont'd)

Name	Date/Place Of Incorporation	Issued & Paid-Up Share Capital RM	Percentage Of Equity Held	Principal Activities
YLRSB	21.12.1976 Malaysia	2,000,000	100%	Property development, investment holding and provision of management services
<i><u>Subsidiary</u></i>				
<i><u>Company of DNSB</u></i>				
DNDSB	06.07.1992 Malaysia	10,000	100%	Dormant
<i><u>Subsidiary</u></i>				
<i><u>Company of YLRSB</u></i>				
BESB	06.10.1983 Malaysia	3	100%	Property development
BSSB	15.07.1992 Malaysia	250,000	100%	Property development
FSB	01.10.1980 Malaysia	30,000	100%	Property development

As at 16 September 2002, HYB has no associated companies.

Further details of the subsidiaries of HYB are as follows:

5.6.1 AMISB

History And Business

AMISB (144430-W) was incorporated in Malaysia on 6 September 1985 as a private limited company under the Companies Act, 1965. The company is involved principally in property development. AMISB is a wholly owned subsidiary of HYB.

As at 16 September 2002, AMISB has 13 employees.

Share Capital

The authorised share capital of AMISB is RM5,000,000 divided into 5,000,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM2,500,000 comprising 2,500,000 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of AMISB since its incorporation are as follows:

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
06.09.1985	2	1.00	Cash	2
25.01.1988	54,999	1.00	Cash	55,001
24.05.1990	244,999	1.00	Cash	300,000
02.02.1993	200,000	1.00	Cash	500,000
06.10.1997	2,000,000	1.00	Cash	2,500,000

5. INFORMATION ON THE HYB GROUP (Cont'd)

Subsidiary And Associated Companies

As at 16 September 2002, AMISB has no subsidiary or associated company.

5.6.2 BHSB

History And Business

BHSB (55225-M) was incorporated in Malaysia on 14 February 1980 as a private limited company under the Companies Act, 1965. The company is involved principally in property investment holding. BHSB is a wholly owned subsidiary of HYB.

As at 16 September 2002, there are no employees on the payroll of BHSB.

Share Capital

The authorised share capital of BHSB is RM500,000 divided into 500,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM50,000 comprising 50,000 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of BHSB since its incorporation are as follows:

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
14.02.1980	2	1.00	Cash	2
10.12.1987	9,998	1.00	Cash	10,000
03.05.1991	40,000	1.00	Cash	50,000

Subsidiary And Associated Companies

As at 16 September 2002, BHSB has no subsidiary or associated company.

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5. INFORMATION ON THE HYB GROUP (Cont'd)

5.6.3 DNSB

History And Business

DNSB (140341-M) was incorporated in Malaysia on 27 May 1985 as a private limited company under the Companies Act, 1965. DNSB is principally involved in property development. DNSB is a wholly owned subsidiary of HYB.

As at 16 September 2002, there are no employees on the payroll of DNSB.

Share Capital

The authorised share capital of DNSB is RM1,000,000 divided into 1,000,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM300,000 comprising 300,000 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of DNSB since its incorporation are as follows:

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
27.05.1985	3	1.00	Cash	3
11.05.1988	7,997	1.00	Capitalisation of Directors' Advance	8,000
09.06.1988	10,000	1.00	Cash	18,000
29.03.1989	90,000	1.00	Cash	108,000
09.09.1992	192,000	1.00	Cash	300,000

Subsidiary And Associated Companies

As at 16 September 2002, DNSB has one (1) wholly owned subsidiary company, namely DNDSB, and does not have any associated company.

5.6.4 GPSB

History And Business

GPSB (201863-A) was incorporated in Malaysia on 1 August 1990 as a private limited company under the Companies Act, 1965. GPSB is principally involved in property development. GPSB is a 96%-owned subsidiary of HYB.

As at 16 September 2002, GPSB has 21 employees.

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5. INFORMATION ON THE HYB GROUP (Cont'd)

Share Capital

The authorised share capital of GPSB is RM2,000,000 divided into 2,000,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM300,000 comprising 300,000 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of GPSB since its incorporation are as follows:

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
01.08.1990	2	1.00	Cash	2
06.05.1995	19,998	1.00	Cash	20,000
06.10.1997	280,000	1.00	Rights Issue	300,000

Subsidiary And Associated Companies

As at 16 September 2002, GPSB does not have any subsidiary or associated company.

5.6.5 HYBMSSB

History And Business

HYBMSSB (172939-K) was incorporated in Malaysia on 13 August 1988 as a private limited company under the Companies Act, 1965 under the name Hua Yang Management Services Sendirian Berhad. On 26 September 2001 it changed its name to HYB Management Services Sendirian Berhad. HYBMSSB is a dormant company. HYBMSSB is a wholly owned subsidiary of HYB.

As at 16 September 2002, there are no employees on the payroll of HYBMSSB.

Share Capital

The authorised share capital of HYBMSSB is RM100,000 divided into 100,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM2 comprising 2 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of HYMSSB since its incorporation are as follows:

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
13.08.1988	2	1.00	Cash	2

Subsidiary And Associated Companies

As at 16 September 2002, HYBMSSB does not have any subsidiary or associated company.

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5. INFORMATION ON THE HYB GROUP (Cont'd)

5.6.6 HYBTSB

History And Business

HYBTSB (126154-W) was incorporated in Malaysia on 30 August 1984 as a private limited company under the Companies Act, 1965 under the name Hua Yang Trading Sendirian Berhad. On 26 September 2001 it changed its name to HYB Trading Sendirian Berhad. HYBTSB was involved in trading of building materials and agricultural products, however, it had ceased its operations since 2000. HYBTSB is currently inactive and is a wholly owned subsidiary of HYB.

As at 16 September 2002, there are no employees on the payroll of HYBTSB.

Share Capital

The authorised share capital of HYBTSB is RM250,000 divided into 250,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of HYBTSB since its incorporation are as follows :

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
15.09.1984	2	1.00	Cash	2
07.03.1985	9,998	1.00	Cash	10,000
15.03.1991	90,000	1.00	Cash	100,000

Subsidiary And Associated Companies

As at 16 September 2002, HYTSB does not have any subsidiary or associated company.

5.6.7 PHYSB

History And Business

PHYSB (62205-A) was incorporated in Malaysia on 9 September 1980 as a private limited company under the Companies Act, 1965. PHYSB is principally involved in building construction. PHYSB is a wholly owned subsidiary of HYB.

As at 16 September 2002, there are no employees on the payroll of PHYSB.

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5. INFORMATION ON THE HYB GROUP (Cont'd)

Share Capital

The authorised share capital of PHYSB is RM1,000,000 divided into 1,000,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM750,000 comprising 750,000 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of PHYSB since its incorporation are as follows:

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
09.09.1980	2	1.00	Cash	2
04.04.1983	9,998	1.00	Cash	10,000
07.09.1992	296,700	1.00	Satisfaction of Debts	306,700
13.05.1997	193,300	1.00	Cash	500,000
28.05.1997	250,000	1.00	Cash	750,000

Subsidiary And Associated Companies

As at 16 September 2002, PHYSB does not have any subsidiary or associated company.

5.6.8 PPSB

History And Business

PPSB (228268-A) was incorporated in Malaysia on 4 November 1991 as a private limited company under the Companies Act, 1965. PPSB is principally involved in property development.

As at 16 September 2002, there are no employees on the payroll of PPSB.

Share Capital

The authorised share capital of PPSB is RM2,000,000 divided into 2,000,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM300,000 comprising 300,000 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of PPSB since its incorporation are as follows :

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
04.11.1991	2	1.00	Cash	2
06.05.1995	19,998	1.00	Cash	20,000
06.10.1997	280,000	1.00	Rights Issue	300,000

Subsidiary And Associated Companies

As at 16 September 2002, PPSB does not have any subsidiary or associated company.

5. INFORMATION ON THE HYB GROUP (Cont'd)

5.6.9 Prop Park

History And Business

Prop Park (70874-H) was incorporated in Malaysia on 23 May 1981 as a private limited company under the Companies Act, 1965. Prop Park is currently inactive and is a wholly owned subsidiary of HYB.

As at 16 September 2002, there are no employees on the payroll of Prop Park.

Share Capital

The authorised share capital of Prop Park is RM5,000,000 divided into 5,000,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of Prop Park since its incorporation are as follows :

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
23.05.1981	2	1.00	Cash	2
30.10.1985	599,998	1.00	Cash	600,000
06.01.1995	400,000	1.00	Cash	1,000,000

Subsidiary And Associated Companies

As at 16 September 2002, Prop Park does not have any subsidiary or associated company.

5.6.10 SSB

History And Business

SSB (65517-W) was incorporated in Malaysia on 13 December 1980 as a private limited company under the Companies Act, 1965. SSB was involved in property development, however, it had ceased operation since 1998. SSB is currently inactive and is a wholly owned subsidiary of HYB.

As at 16 September 2002, there are no employees on the payroll of SSB.

Share Capital

The authorised share capital of SSB is RM500,000 divided into 500,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM230,000 comprising 230,000 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of SSB since its incorporation are as follows :

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
13.12.1980	2	1.00	Cash	2
15.08.1989	1	1.00	Cash	3
09.07.1992	9,997	1.00	Cash	10,000

5. INFORMATION ON THE HYB GROUP (Cont'd)

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
05.01.1994	220,000	1.00	Cash	230,000

Subsidiary And Associated Companies

As at 16 September 2002, SSB does not have any subsidiary or associated company.

5.6.11 TDSB

History And Business

TDSB (68398-W) was incorporated in Malaysia on 14 March 1981 as a private limited company under the Companies Act, 1965. TDSB is principally involved in the provision of property management services. TDSB is a wholly owned subsidiary of HYB.

As at 16 September 2002, there are no employees on the payroll of TDSB.

Share Capital

The authorised share capital of TDSB is RM1,000,000 divided into 1,000,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM337,800 comprising 337,800 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of TDSB since its incorporation are as follows:

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
14.03.1981	2	1.00	Cash	2
26.05.1981	1	1.00	Cash	3
31.05.1983	10,000	1.00	Cash	10,003
19.06.1986	1	1.00	Cash	10,004
20.10.1986	46,993	1.00	Cash	56,997
09.12.1986	2,504	1.00	Cash	59,501
20.05.1988	40,499	1.00	Cash	100,000
01.07.1989	237,800	1.00	Cash	337,800

Subsidiary And Associated Companies

As at 16 September 2002, TDSB does not have any subsidiary or associated company.

5. INFORMATION ON THE HYB GROUP (Cont'd)

5.6.12 YLRSB

History And Business

YLRSB (30704-W) was incorporated in Malaysia on 21 December 1976 as a private limited company under the Companies Act, 1965. YLRSB is principally involved in property development, investment holding and provision of management services. YLRSB is a wholly owned subsidiary of HYB.

As at 16 September 2002, YLRSB has 11 employees.

Share Capital

The authorised share capital of YLRSB is RM2,000,000 divided into 2,000,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM2,000,000 comprising 2,000,000 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of YLRSB since its incorporation are as follows :

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
21.12.1976	2	1.00	Cash	2
17.01.1977	199,998	1.00	Cash	200,000
01.09.1978	50,000	1.00	Cash	250,000
16.03.1979	80,000	1.00	Cash	330,000
23.04.1979	170,000	1.00	Cash	500,000
26.03.1980	100,000	1.00	Cash	600,000
02.05.1984	120,000	1.00	Cash	720,000
16.05.1984	280,000	1.00	Cash	1,000,000
14.04.1990	500,000	1.00	Cash	1,500,000
13.10.1994	500,000	1.00	Cash	2,000,000

Subsidiary And Associated Companies

As at 16 September 2002, YLRSB has three (3) wholly owned subsidiary companies, namely FSB, BSSB and BESB and does not have any associated company.

5.6.13 DNDSB

History And Business

DNDSB (243782-W) was incorporated in Malaysia on 6 July 1992 as a private limited company under the Companies Act, 1965. DNDSB is a dormant company. DNDSB is a wholly owned subsidiary of DNSB.

As at 16 September 2002, there are no employees on the payroll of DNDSB.

5. INFORMATION ON THE HYB GROUP (Cont'd)

Share Capital

The authorised share capital of DNDSB is RM250,000 divided into 250,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM10,000 comprising 10,000 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of DNDSB since its incorporation are as follows :

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
06.07.1992	2	1.00	Cash	2
07.10.1992	9,998	1.00	Cash	10,000

Subsidiary And Associated Companies

As at 16 September 2002, DNDSB does not have any subsidiary or associated company.

5.6.14 FSB

History And Business

FSB (62975-U) was incorporated in Malaysia on 1 October 1980 as a private limited company under the Companies Act, 1965. FSB is principally involved in property development. FSB is a wholly owned subsidiary of YLRSB.

As at 16 September 2002, there are no employees on the payroll of FSB.

Share Capital

The authorised share capital of FSB is RM1,000,000 divided into 1,000,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM30,000 comprising 30,000 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of FSB since its incorporation are as follows :

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
01.10.1980	5	1.00	Cash	5
23.10.1980	95	1.00	Cash	100
18.02.1995	29,900	1.00	Cash	30,000

Subsidiary And Associated Companies

As at 16 September 2002, FSB does not have any subsidiary or associated company.

5.6.15 BSSB

History And Business

BSSB (244524-H) was incorporated in Malaysia on 15 July 1992 as a private limited company under the Companies Act, 1965. BSSB is principally involved in property development. BSSB is a wholly owned subsidiary of YLRSB.

As at 16 September 2002, there are no employees on the payroll of BSSB.

5. INFORMATION ON THE HYB GROUP (Cont'd)

Share Capital

The authorised share capital of BSSB is RM250,000 divided into 250,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM250,000 comprising 250,000 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of BSSB since its incorporation are as follows :

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
15.07.1992	2	1.00	Cash	2
31.07.1992	2,998	1.00	Cash	3,000
02.09.1992	7,000	1.00	Cash	10,000
29.06.1998	240,000	1.00	Cash	250,000

Subsidiary And Associated Companies

As at 16 September 2002, BSSB does not have any subsidiary or associated company.

5.6.16 BESB

History And Business

BESB (107643-D) was incorporated in Malaysia on 6 October 1983 as a private limited company under the Companies Act, 1965. BESB is principally involved in property development. BESB is a wholly owned subsidiary of YLRBSB.

As at 16 September 2002, there are no employees on the payroll of BESB.

Share Capital

The authorised share capital of BESB is RM300,000 divided into 300,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM3 comprising 3 ordinary shares of RM1.00 each. The changes in the issued and paid-up share capital of BESB since its incorporation are as follows :

Date Of Allotment	No. Of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Issued And Paid-Up Share Capital RM
06.10.1983	3	1.00	Cash	3

Subsidiary And Associated Companies

As at 16 September 2002, BESB does not have any subsidiary or associated company.

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5. INFORMATION ON THE HYB GROUP (Cont'd)

5.7 Employees

As at 16 September 2002, the HYB Group has 67 employees under permanent employment. The employees of the HYB Group do not belong to any union and the employees' relationship with the management of the Group is amicable.

The average number of years of service is 3 years. The average number of years of service by category are as follows :

Category	Average Year Of Service
1. Management and Professional	5
2. Technical and Supervision	2
3. Clerical	2
4. General workers	5

Employees structure as at 16 September 2002:

Category	Bumiputera	Chinese	Indian	Other Malaysian	Foreigner	Total
1. Management and Professional	-	11	-	-	-	11
2. Technical and Supervision	10	24	1	-	-	35
3. Clerical	5	7	4	-	-	16
4. General workers	4	-	1	-	-	5
Total	19	42	6	-	-	67

HYB always believes that continuous development and education of staff to a major extent enhances the knowledge and quality of staff and as such the employees are encouraged to attend seminars and conferences organised by professional bodies relevant to their work.

The seminars/courses attended by certain key management staff were as follows:

Description of Seminars/Courses

1. Seminar on "Comprehensive Tax Planning For Property Developers"
Organised by Asia Pacific Diligence Sdn Bhd on 11 Jan 2002
2. Seminar on each year's Budget conducted by Ernst & Young, the Company's Tax Agent
3. Seminar on "The Housing Developers (Control & Licensing) (Amendment) Bill 2001"
Organised by Real Estate and Housing Developers' Association Malaysia
4. Seminar on "One-Stop Knowledge Interchange for Property Practitioners"
Organised by Uni-Link Smart Venture Sdn Bhd

5. INFORMATION ON THE HYB GROUP (Cont'd)

5.8 Strategies And Prospects Of The Group**(i) Meeting Varied Market Demands With A Multi-Location Portfolio**

As part of its growth strategy, HYB had identified various viable regions in the country that would maintain a steady demand for housing and commercial properties. Land banks in these regions were acquired at relatively low-cost over the years such as the Bandar Universiti Seri Iskandar in Perak and Taman Pulai Indah in Johor Bahru.

Phase 1 of Bandar Universiti has been substantially completed and 444 units of residential houses and 14 units of shop houses were handed over to the respective buyers. Taman Pulai Indah, on its part, has had 79% of its Phase 1 to Phase 4 offerings taken up since it was launched in March 2001. These are evident signs of good commercial judgment and effective strategic marketing by the management of HYB.

(ii) Acquisitions, Pricing and Product Mix

The Group's pricing strategy is focused on affordability and reasonable profitability. With the Group's low holding cost for its land bank coupled with its comparatively low gearing position, HYB is able to enjoy a competitive edge in terms of product pricing. This enables the Group to target at the broad base of lower income earners, keeping in tandem with current market demands.

Owing to its low holding cost and large land size, the Group has been able to build value-added integrated townships that allow for sizeable low medium cost development within carefully themed townships, adding value to purchasers and creating catchment for subsequent phase developments.

As an example, at the 728-acre Bandar Universiti, 100 acres have been allocated for low cost development and a further 20% of the remaining residential units for low medium cost properties. A 96-acre lake is meant to add a resort dimension to the project. Further, in line with the theme of the project, more than 25 acres have been donated to the Peoples' Progressive Party ("PPP") to develop a tertiary education institution on the condition that it is to be completed within 2 years of the approvals of the relevant authorities for sub-division and for the use of land for the purpose of education.

(iii) Quality & Production Control

In order to maintain a high standard and quality in all its project undertakings, HYB works closely with qualified and professional external consultants. Numerous dialogues and consultation sessions are carried out prior to every phase of the development process with a view to ensuring all legal, engineering and local government requirements are strictly adhered to.

The construction of property for the Group is mainly carried out by independent contractors. These contractors work under professional supervision from the in-house team of qualified engineers and technicians who constantly monitor building quality and standards with a view to ensuring that quality and production control are carried out independently and without any compromise.

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5. INFORMATION ON THE HYB GROUP (Cont'd)

(iv) Acquisition Strategy

The Group has always practiced a development strategy that can be summarised as “buy quality land at reasonable price, add value without extensive development cost, package and sell to appreciate eventual value”. Based on this premise, both the Group’s flagship projects were acquired.

Bandar Universiti Seri Iskandar is located along the Ipoh-Lumut Growth Corridor and is the present education hub of Perak. Universiti Teknologi Petronas and Universiti Teknologi MARA are located within 3km radius of Bandar Universiti, which is also minutes away from the Technology Park and the Pharmaceutical Park at Seri Iskandar.

For Taman Pulai Indah, housing development in the outskirts of Johor Bahru has spilled over from the main Skudai and Senai areas to Pulai. As it is situated nearby the Second Link and Jalan Skudai which leads to the Causeway, this area is considered convenient and strategic for Malaysians working in Singapore. There are also a number of industrial sites in the vicinity such as those in Senai. The Universiti Teknologi Malaysia campus is located not far from Pulai which also sits midway between the Sultan Ismail International Airport in Senai and Tanjung Pelepas Port in the Southern Growth Corridor of Johor.

These townships, based on strong demand in terms of high take up rates for the Group’s low to medium cost housing units launched thus far, seem to enjoy a readily available catchment of low and medium income earners as potential purchasers or investors. This will remain the ongoing practice of the Group in its future acquisitions and development as it has proven to be a successful strategy.

(v) Marketing Strategy

The strategy for the Group is to target the broad-base low and medium income group. To appeal to this group, HYB blends the concept of affordability with quality finishing in packaging its products via a more than value-for-money approach. The added value that these purchasers derive is that their ownership comes with resort-style living, with extensive landscaping and other features.

Apart from affordability the Group also finds ways to make the purchase easy and accessible via financial schemes and fee waivers. This has proven very effective judging by the take-up rates of Phase 3 of Taman Pulai Indah.

All these integral activities are carried out after market surveys in terms of supply and demand, local preferences, geographical requirement and other considerations. The product composition unique to individual townships are derived from these studies.

The Group also believes in providing for physical show units at the respective sites. These ‘visual aids’ help in clinching sales effectively.

Apart from extensive media advertising campaign and launches, the Group also proactively employs other marketing medium like distribution of leaflets or flyers to potential buyers.

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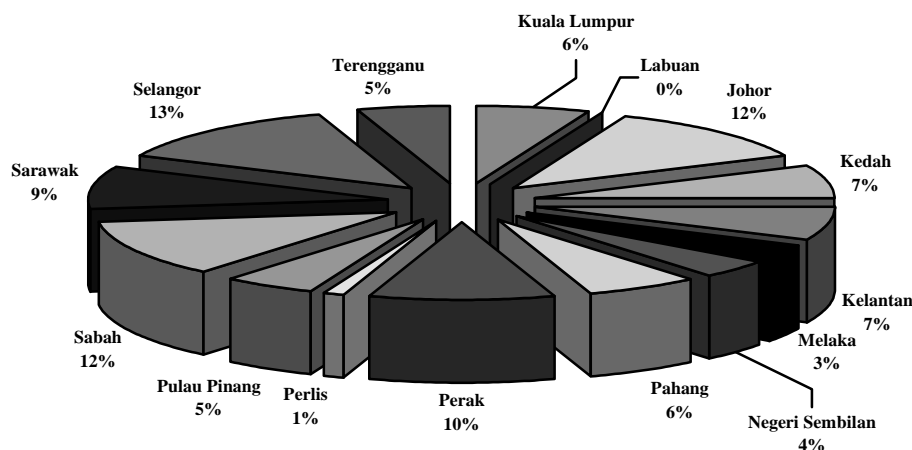
5. INFORMATION ON THE HYB GROUP (Cont'd)

5.9 Future Plans Of The Group

The future prospects of the Group as a property developer remains bright. HYB echoes the Government's sentiment that the economy is recovering and will achieve a respectable GDP growth rate in 2002 following the improved global economy. The property industry will follow on the heels of the country's economic recovery.

In addition, the Government has taken numerous initiatives to improve the property and construction sector via the expansionary fiscal and monetary policies such as the lowering of interest rates, the waiver of stamp duties as well as more flexible and higher margin for financing. These measures are to ensure the economic growth of our country for the next few years and to spur property transactions within the country. As such, the prospects for the property market are favourable in the years ahead.

(Source: 8th Malaysia Plan 2001 – 2005)



There is potential growth for the Group that focuses on the development of lower-cost and affordable housing in its property portfolio in Johor and Perak. As set out above, the majority of the housing needed for year 2001 to 2005 will be in Selangor with 13%, followed by Sabah with 12%, Johor 12% and Perak 10%. Moreover, according to the Eight Malaysia Plan, 2001-2005, priority will continue to be given to the development of low and low medium cost houses.

In the next five years, the HYB Group plans to establish itself as one of the major players in the property industry in Malaysia and to become the property developer of choice.

Its current and future planned projects provide the Group with the potential and scope for continued expansion in the property sector. However, the Group will not just bank on its current projects but seek to exploit further opportunities in more strategic locations. Some of its future plans are as follows:

(i) Property Development Division

To Fully Develop Taman Pulai Indah and Bandar Universiti Townships

Encouraged by the positive response to its properties in Taman Pulai Indah and Bandar Universiti, since the official launch earlier in 2001, HYB is now more determined to fully develop these two flagship townships within the next 5 to 8 years. More affordable housing units will be launched in order to add population to the townships whilst recreational lake park projects will be implemented to add value to the land and to also maintain the momentum of demand for the properties.

5. INFORMATION ON THE HYB GROUP (Cont'd)

When the townships become more mature and the various infrastructure and facilities are in place, HYB will target potential purchasers in higher income brackets focusing on exclusivity.

Expansion of Land Bank

HYB views the current economic situation as an opportunity to increase its land banks at reasonable costs. It is the Group's plan to re-activate and to diversify its property development activities geographically in Selangor such as the growth areas within the Klang Valley Southern Corridor.

Building More Affordable and Low and Medium Cost Houses

As at 16 September 2002, the Group has completed about 3,774 units of residential units and all of which are considered as low cost, low medium cost and medium cost housing. For the next 3 years, the Group plans to sell another 4,000 units of such houses. This would be in line with the Government's policy to encourage private developers to build more affordable and value-added houses to cater for the low-income group. This is the Group's commitment to be a responsible corporate citizen.

(ii) Property Investment Division

Establishing Property Investment Business

As an established property developer, it is a natural progression for the HYB Group to diversify part of its income base into property investment and holding. Rental income from property held is able to provide the Group with a steady stream of revenue. The Group intends to explore holding investment assets located in strategic areas with innovative and unique concepts to attract occupants. Whilst currently HYB Group has no project which is geared towards property investment, the Group is currently looking into opportunities in this area.

One of HYB's subsidiaries, DNSB holds an attractive parcel of land situated in Bandar Selayang with the Middle Ring Road 2 fronting it. This piece of land is slated for commercial development.

In addition, HYB has tenanted out 7 units of completed shops at Anjung Bercham Elit to a private college.

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5. INFORMATION ON THE HYB GROUP (Cont'd)

5.10 Major Suppliers

The HYB Group's major suppliers are essentially its contractors. The following contractors are the Group's largest contractors (above RM10 million of the aggregate total contract sum) :

Contractors	Nature Of Business	Years Of Relationship	Aggregate Total Contract Sum From 1996 To 16 September 2002 (RM'000)	% Of Each Of The Group's Total Contract Sum
Sunshine Construction Sdn Bhd	Building and Civil Construction	8	18,214	8.43
Malpakat Construction Sdn Bhd	Building and Civil Construction	1	17,679	8.19
TKB Construction Sdn Bhd	Building and Civil Construction	1	24,139	11.18
Golden Overseas Enterprise Sdn Bhd	Building and Civil Construction	1	14,648	6.78
Soon Huat Tractor & Construction Works Sdn Bhd	Building and Civil Construction	2	12,147	5.62
Woon Brothers Construction Sdn Bhd	Building and Civil Construction	1	12,693	5.88
Rentas Jaya Sdn Bhd	Building and Civil Construction	1	20,124	9.32

There is no dependency on one main contractor due to the following:

- i. Contracts are awarded to more than one qualified and reputable contractor on parcel to parcel basis. This will enable the Project Site Department to check their work progress and the quality of performance, and to decide on the continuance of their service for the following parcel / project.
- ii. All tenders are awarded based on open system.
- iii. Tenders are invited based on price competitiveness vis-à-vis experience, track record and qualification basis.

5.11 Major Customers

As the HYB Group is principally involved in property development, its customers are mainly retail purchasers in respect of which their respective purchases account for less than 10% of the Group's turnover.

5.12 Interruptions In The Business During The Past 12 Months

There have been no interruptions in the HYB Group's business during the past twelve (12) months prior to the date of this Prospectus.

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6. INDUSTRY OVERVIEW

The HYB Group is predominantly involved in the property sector. Accordingly, the industry assessment below essentially concentrates on the property development industry.

6.1 The Property Market In 2001

(1) Residential Subsector

During the year, 97,673 units of residential houses of various types were approved by the Ministry of Housing and Local Government to be built. Out of these, 37.3% constitute medium cost houses, 16.4% low cost houses, while the remainder, higher-end houses. The number of units launched continued to increase by 22.2% as compared to the same period in 2001. The largest number of units launched was for terrace houses which accounted for 43.5% of the total.

The Government continued to place priority in the construction of low and medium cost houses in line with the objective of providing affordable houses to all Malaysians. A total of 192,000 low cost units are targeted to be built during the Eight Malaysia Plan, of which 175,000 units will be implemented through the Public Low-Cost Housing Programme (“PLHP”). To cater to the housing needs of squatter settlements within Kuala Lumpur and other major cities, 5,936 units are being constructed under the Integrated Housing Programme .

(Source: Economic Report 2001/2002)

After the encouraging 8.8% and 18.3% rise in volume and value respectively last year, the transaction activity in the residential sector moderated to 3.1% and 1.2% respectively this year. The lower increase followed smaller growth in transaction volume in Selangor, Pulau Pinang, Melaka and Pahang and reduced transactions in Perak, Kuala Lumpur, Terengganu, Kelantan and Sabah. On the other hand, Johor rebounded with a 3.7% gain in transaction volume after a decline of 1.2% last year. Kedah, the fourth ranked state in terms of transaction volume, also made a turnaround from a 20.9% drop last year to an increase of 8.7% this year. Selangor remained the state with the largest volume of transactions followed by Perak and Johor. To underscore its growing significance, the residential sector enlarged its share of the property market transactions to 72.6% this year from 71.2% last year.

By price range, properties priced at RM150,000 and below were the focus of demand, accounting for 75.5% of total residential transactions. The most actively transacted properties in Selangor, Johor, Pulau Pinang and Sabah were priced within the range of RM100,001 – RM150,000. In Pahang, properties priced between RM75,001 – RM100,000 dominated the market. In Perak, Melaka and Kedah, lower priced properties within the range of RM50,001 – RM75,000 were more popular. Conversely, higher priced properties of RM250,001 – RM500,000 were more saleable in Kuala Lumpur.

The national total residential stock at the end of the year stood at 2,761,242 units, which was an increase of 4.5% compared to 2,642,228 units at the end of last year. Big increases were seen in Selangor and Johor, which together contributed 47.3% of the total increase. Among the units completed this year, the terraced units made up 42.7% while flats and condominiums/apartments made up 30.6% of the total completed. Low cost houses and low cost flats represented 20.2% of the total completed units.

(Source: Property Market Report 2001 – Valuation and Property Services Department, Ministry of Finance Malaysia)

6. INDUSTRY OVERVIEW (Cont'd)

(2) Non-Residential Sub-sectors

The commercial sector maintained its 6.5% share of the number of transactions in the property market. The nationwide volume of commercial transactions decreased by 3.9% compared to an increase of 3.8% last year while transaction value dipped by 0.2% compared to an increase of 3.8%. There were improvements in transaction volume in Pulau Pinang, Negeri Sembilan, Kedah, Terengganu and Sabah, but the greater combined drops in transaction volume in the other states resulted in a decrease in transaction volume in this sector.

Commercial properties priced between RM250,001 – RM500,000 continued to be the most sought after, recording an even higher share of total commercial transactions of 27.7% compared to 25.7% in 2000. In Selangor, Johor and Pulau Pinang, demand was still focused on properties priced within this range. On the other hand, Kuala Lumpur saw a marginal shift in demand to properties in this price range from the higher priced properties within the range of RM500,001 – RM1,000,000. In Perak, commercial properties which were most actively transacted were properties in the range of RM150,001 – RM200,000. The double storey shop remained the most preferred type in all states.

The nationwide stock of shops as at the end of 2001 was 253,542 units. This included 6,158 units completed throughout the whole year. Starts during the same period was 5,636 units. Perak and Johor contributed 45.19% to the total starts with 1,463 units and 1,084 units respectively. Incoming supply at the national level by year-end comprised 27,680 units compared to 22,443 units in 2000. The bulk of the increase in incoming supply came from Selangor and Perak. The number of units under incoming supply rose to 6,752 units this year from 4,909 units last year in Selangor while such units increased to 3,662 units from 2,439 units in Perak. Planned supply is made up of 27,543 units of which a substantial 9,102 units were from Johor. The most popular shop types planned for were the 2 – 2½ terraced shops and 3 – 3½ terraced shops.

Demand for industrial properties in the price range of RM500,000 and below predominate with 76.4% of the total number of industrial transactions. Properties priced between RM250,001 – RM500,000 were more saleable in the west coast states including Pulau Pinang while properties priced between RM150,001 – RM200,000 were more popular in Pahang.

The national industrial stock was 81,671 units by the end of the year compared to 80,271 units in the previous year. Completions of 1,400 throughout the year contributed to 1.7% of existing stock. Of the total completed, Selangor, Johor, Pulau Pinang and Pahang each accounted for 311, 316, 237 and 237 units respectively. Most of these units were terraced units. Industrial starts throughout the year was 1,099 with the bulk of 590 and 365 respectively located in Perak and Johor. Incoming supply in various stages of construction by year-end was 8,717 units compared to 8,316 units last year. Most of the incoming supply was in Selangor, Negeri Sembilan and Perak and together made up 77.8% of total incoming supply. The terraced factory continued to be the most favoured type, accounting for 79.6% of the total incoming supply. Planned supply by year-end decreased slightly by 3.8% to 22,950 units. A substantial number of units representing 69.7% of planned supply are in Melaka, Kedah, Negeri Sembilan and Selangor. The detached industrial factory continue to be the most popular planned type representing 49.0% of the total planned supply.

(Source: Property Market Report 2001 – Valuation and Property Services Department, Ministry of Finance Malaysia)

6. INDUSTRY OVERVIEW (*Cont'd*)

6.2 Industry Life-Cycle

The property sector is dependent on the country's economic performance and political stability. The Malaysian economy recovered in 1999 after a downturn in 1998 due to the Asian crisis. Recovery continued into the subsequent years with consumer sentiment improving and income levels rising.

In the 2003 Budget Speech, the Ministry Of Finance expects pro-growth measures to raise domestic demand and lead drive the economy to a stronger growth of 6.0-6.5% in 2003, from 4.0-5.0% estimated for 2002. The government's gradual shift in emphasis from fiscal pump-priming and reliance on foreign trade and Foreign Direct Investment to promote domestic sources of growth is commendable and more sustainable over the longer term. This will be encouraging to the property sector, especially in the residential segment of the market.

However, the over-development during the economic boom era of the early and mid-90s has been carried over to the next millennium, resulting in a large property overhang in the commercial and retail segments of the property market. Fortunately, home ownership remained a priority for consumers with low and medium cost houses being selectively snapped up in selected areas due to the low interest rate environment, low inflation and the flexible financing options available.

Based on the year 2000's census, Malaysian population amounted to 23.3 million. Compared to the previous census done in 1991, the average annual population growth rate was 2.6% over the 1991 to 2000 period. With continuous growth in the nation's population coupled with the increase of purchasing power, this would lead to a continuous demand for residential developments.

In terms of population distribution by state, Selangor was the most populous state (4.17 million). Johor ranked second with total population of 2.72 million, followed by Sabah, Perak and Sarawak with 2.66 million, 2.11 million and 2.07 million, respectively. With the large number of population in Selangor, Johor, Sabah, Perak and Sarawak, there are expected to be an on going demand for property development in these states.

(Extracted from ResearchLink Sdn Bhd Market Report)

6.3 Industry Players And Competition

Among the key players in property development in Malaysia are Bandar Raya Development Berhad, IOI Properties Berhad, MK Land Holdings Berhad, Sime UEP Properties Berhad and SP Setia Berhad. However, none of these players have significant activities in the same markets that HYB is primarily active in namely Pulau, Johor and Seri Iskandar, Perak.

HYB is one of the five residential developers that are primarily active within the vicinity of Pulau, Johor. The other four players are BCB Berhad, Cygal Berhad, Keck Seng (Malaysia) Berhad and Mah Sing Group Berhad. HYB's land bank is the second largest among the players after Keck Seng (Malaysia) Berhad.

In Seri Iskandar, Perak, HYB is the second largest residential developer after Malaysian Resources Corporation Berhad. Other developers within the vicinity are small players.

The land owned by HYB in Perak and Johor were purchased at a low price. This will enhance the profit margin of HYB. The low cost of land also allows HYB to designate certain areas in its projects for lakes and recreational parks. This will not only be expected to give HYB an edge over its competitors in terms of the attractiveness of its projects to house-buyers but it will also encourage critical mass to HYB's townships.

(Extracted from ResearchLink Sdn Bhd Market Report)

6. INDUSTRY OVERVIEW (*Cont'd*)

6.4 Government Legislation, Policies And Incentives

The legislation, policies and incentives that govern and regulate the property sector include:

- the Malaysian Construction Industry Development Board Act 1994;
- the Housing Developers (Control and Licensing) Act 1966;
- Housing Developers (Control and Licensing) Regulations 1989; and
- Housing Developers (Housing Development Account) Regulations 1991.

Property overhang in the country remains substantial as supply far outstripped demand. In view of the current property overhang, the Government has reinstated various incentives, such as the waiver for stamp duties as well as more flexible and higher margin for financing, to spur property transactions within the country. Some of the added incentives are:

- Foreigners would now be able to own all types of properties, old or soon-to-be completed costing more than RM250,000;
- Foreign buyers can source for funds locally for property purchases;
- Companies or individuals selling properties costing less than RM10 million (previously RM5 million) to foreigners are also exempted from FIC approval; and
- The local equity requirements for the purchase of properties are removed.

(Extracted from ResearchLink Sdn Bhd Market Report)

6.5 Outlook And Growth For The Industry

Affordable houses will continue to be in demand with the current low mortgage rate environment. The young demographic profile of the country indicates that the demand for affordable residential houses will remain firm in the next few years. The population with the age above 20 and below 40 is close to 8 million or 33% of the population. This age group is likely to buy the first house for its own household. Therefore, the demand for affordable residential properties is expected to remain strong particularly in the developed town areas.

The residential property segment has shown some signs of improvement. Compared to the statistics in December 2000, property overhang in the residential sector has reduced by 31.4%. This sub-segment is competitive with many players. However, many have not been able to sustain during the economic turmoil in the past 3 years and some have been eliminated from the industry. The key success factor is having strategically located land banks and good property management expertise.

The Malaysian government has come out with fiscal stimulus package to help boost economic development. It has approved 9 toll road projects at a total cost of RM12.0 billion and to restart the Bakun project at RM7 billion. There is also a stimulus package totalling RM3 billion to help stimulate economic development. To help things move faster, the Prime Minister has attempted to cut some bureaucratic red tape by giving the ministries the power to approve capital expenditure, which was previously regulated by the Ministry of Finance.

The government also realises that structural changes such as government policies and incentives may play a part in lifting the buying interests. One such incentive is the removal of stamp duty for the purchase of residential property build by developers registered with the Real Estate and Housing Developers' Association of Malaysia, the Sabah Housing Developers' Association or the Sarawak Housing Developers' Association between Jan 1 and June 30, 2002. This is likely to have an impact on the low to medium end of the market segment of the residential market, namely those with prices averaging below RM200,000 per unit.

6. INDUSTRY OVERVIEW (*Cont'd*)

On 27th November 2001, Bank Negara removed the restriction on the banking system for the provision of bridging finance for the development of residential properties above RM250,000 per unit as well as for the development of shop houses exceeding RM250,000 located within residential areas. This is expected to contribute positively towards premium residential properties and shop houses in suburban locations. This is also likely to boost the overall domestic economic activities.

Mortgage rates are likely to remain low for the next two years. Being cautious to lending to corporate sectors, banks have focused their loan provision to the consumer sector as the latter is considered to have lower risk during the downturn of an economic cycle. The excess liquidity in the banking sector is likely to help the rates to stay low at least for the next two years. This augurs well for the residential property market.

Mortgage Rate Offered For Residential Property As At 16 September 2002

Bank	First year	Subsequent years
Malayan Banking Berhad	2.88%	2 nd year: BLR + 0% Subsequent years: BLR + 0.60%
Public Bank Berhad	2.80%	2 nd year: BLR + 0% Subsequent years: BLR + 0.60%
RHB Bank Berhad	2.80%	2 nd year: BLR + 0.25% Subsequent years: BLR + 0.60%
Hong Leong Bank Berhad	2.38%	2 nd year: BLR + 0% Subsequent years: BLR + 0.60%
Affin Bank Berhad	4.75%	2 nd year: 4.75% Subsequent years: BLR + 1.00%

(Extracted from ResearchLink Sdn Bhd Market Report)

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7. INFORMATION ON SHAREHOLDERS/DIRECTORS/KEY MANAGEMENT

7.1 Substantial Shareholders As At 16 September 2002

7.1.1 Particulars of Shareholdings

The substantial shareholders (with 5% or more shareholding, directly and indirectly) of the Company before the Public Issue/Offer For Sale (based on the Register of Members as at 16 September 2002, being the latest practicable date prior to the printing of this Prospectus) and after the Public Issue/Offer For Sale are as follows:

Name	Nationality/ Place Of Incorporation	<---Before Public Issue/Offer For Sale--->				<----After Public Issue/Offer For Sale --->			
		Direct		Indirect		Direct		Indirect	
		No. Of Shares	%	No. Of Shares	%	No. Of Shares	%	No. Of Shares	%
HHSB	Malaysia	44,145,789	57.24	2,364,953 ⁽¹⁾	3.07	27,588,144	30.65	1,537,071 ⁽¹⁾	1.71
HJSB	Malaysia	2,364,953	3.07	44,145,789 ⁽¹⁾	57.24	1,537,071	1.71	27,588,144 ⁽¹⁾	30.65
The estate of Ho Mok Heng	Malaysian	3,153,271	4.09	46,510,742 ⁽²⁾	60.31	3,153,271	3.50	29,125,215 ⁽²⁾	32.36
Goh Swee Boh @ Goh Cheng Kin	Malaysian	5,359,299	6.95	-	-	3,483,207	3.87	-	-
Ho Khon Yok	Malaysian	5,180,824	6.72	-	-	3,552,210*	3.95	-	-
Chew Po Sim	Malaysian	-	-	46,510,742 ⁽²⁾	60.31	-	-	29,125,215 ⁽²⁾	32.36
Ho Min Yi	Malaysian	-	-	46,510,742 ⁽²⁾	60.31	-	-	29,125,215 ⁽²⁾	32.36
Ho Wen Yan	Malaysian	-	-	46,510,742 ⁽²⁾	60.31	-	-	29,125,215 ⁽²⁾	32.36
Ho Wen Fan	Malaysian	-	-	46,510,742 ⁽²⁾	60.31	-	-	29,125,215 ⁽²⁾	32.36
Ho Wen Han	Malaysian	-	-	46,510,742 ⁽³⁾	60.31	-	-	29,125,215 ⁽³⁾	32.36

Notes:

* Inclusive of pink form shares allocation

⁽¹⁾ Deemed interest by virtue of common substantial shareholders of HHSB and HJSB as disclosed in Section 7.1.3 herein

⁽²⁾ Deemed interested by virtue of his/her substantial shareholdings in HHSB and HJSB

⁽³⁾ Deemed interested by virtue of his substantial shareholdings in HHSB and HJSB held in trust by the late Ho Mok Heng for him

After the Public Issue/Offer For Sale, the spouse of Goh Swee Boh @ Goh Cheng Kin will hold 181,170 ordinary shares in HYB.

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7. INFORMATION ON SHAREHOLDERS/DIRECTORS/KEY MANAGEMENT (Cont'd)

7.1.2 Changes In Major Shareholders/Promoters Shareholdings For The Past 3 Years

Major Shareholders / Promoters	Date Of Change	<-----Direct----->				<-----Indirect----->			
		Direct Shareholdings In HYB Before Changes	Addition / (Disposal)	Direct Shareholdings After Changes		Shareholdings In HYB Before Changes	Addition / (Disposal)	Indirect Shareholdings After Changes	
		No. Of Ordinary Shares	No. Of Ordinary Shares	No. Of Ordinary Shares	%	No. Of Ordinary Shares	No. Of Ordinary Shares	No. Of Ordinary Shares	%
HHSB	01.04.1999	6,600,000	-	6,600,000	53.96	363,000 ⁽¹⁾	-	363,000	2.97
	15.08.2001	6,600,000	400,000	7,000,000	57.24	363,000	12,000	375,000	3.07
	31.01.2002	7,000,000	37,145,789	44,145,789	57.24	375,000	1,989,953	2,364,953	3.07
HJSB	01.04.1999	363,000	-	363,000	2.97	6,600,000 ⁽¹⁾	-	6,600,000	53.96
	15.08.2001	363,000	12,000	375,000	3.07	6,600,000	400,000	7,000,000	57.24
	31.01.2002	375,000	1,989,953	2,364,953	3.07	7,000,000	37,145,789	44,145,789	57.24
The late Ho Mok Heng	01.04.1999	27,000	-	27,000	0.22	6,963,000 ⁽²⁾	-	6,963,000	56.93
	02.01.2001	27,000	362,000	389,000	3.18	6,963,000	-	6,963,000	56.93
	16.08.2001	389,000	111,000	500,000	4.09	6,963,000	412,000	7,375,000	60.31
	31.01.2002	500,000	2,653,271	3,153,271	4.09	7,375,000	39,135,742	46,510,742	60.31
Goh Swee Boh @ Goh Cheng Kin	01.04.1999	737,300	-	737,300	6.03	-	-	-	-
	26.02.2001	737,300	112,500	849,800	6.95	-	-	-	-
	31.01.2002	849,800	4,509,499	5,359,299	6.95	-	-	-	-

7. INFORMATION ON SHAREHOLDERS/DIRECTORS/KEY MANAGEMENT (Cont'd)

Major Shareholders / Promoters	Date Of Change	<-----Direct----->		<-----Indirect----->		Indirect Shareholdings After Changes	%
		Direct Shareholdings In HYB Before Changes	Addition / (Disposal)	Shareholdings In HYB Before Changes	Addition / (Disposal)		
		No. Of Ordinary Shares	No. Of Ordinary Shares	No. Of Ordinary Shares	No. Of Ordinary Shares	No. Of Ordinary Shares	%
Ho Khon Yok	01.04.1999	350,000	-	350,000	-	-	2.86
	02.01.2001	350,000	359,000	709,000	-	-	5.80
	26.02.2001	709,000	112,500	821,500	-	-	6.72
	31.01.2002	821,500	4,359,324	5,180,824	-	-	6.72
Ho Mook Leong	01.04.1999	150,000	-	150,000	-	-	1.23
	02.01.2001	150,000	(50,000)	100,000	-	-	0.82
	02.01.2001	100,000	169,667	269,667	-	-	2.20
	31.01.2001	269,667	1,430,999	1,700,666	-	-	2.20

Notes:

(1) Deemed interest by virtue of common substantial shareholders of HHSB and HJSB as disclosed in Section 7.1.3 herein

(2) Deemed interest by virtue of his substantial shareholdings in HHSB and HJSB

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7. INFORMATION ON SHAREHOLDERS/DIRECTORS/KEY MANAGEMENT (Cont'd)

7.1.3 Profile Of Substantial Shareholders

HHSB, is a private limited company incorporated in Malaysia under the Companies Act, 1965 on 29 March 1980, having an authorised share capital of RM3,000,000 divided into 3,000,000 ordinary shares of RM1.00 each and an issued and paid-up capital of RM2,500,000 divided into 2,500,000 ordinary shares of RM1.00 each. It is principally an investment holding company.

Directors and their shareholdings in HHSB as at 16 September 2002 are:

Name Of Director	Nationality	No. Of Shares Held			
		Direct	%	Indirect	%
Chew Po Sim	Malaysian	200,000	8.00	-	-
Ho Min Yi	Malaysian	200,000	8.00	-	-

Substantial shareholders as at 16 September 2002 are:

Substantial Shareholders	Nationality	No. Of Shares Held			
		Direct	%	Indirect	%
The estate of Ho Mok Heng	Malaysian	1,700,000 ⁽¹⁾	68.00	-	-
Chew Po Sim	Malaysian	200,000	8.00	-	-
Ho Min Yi	Malaysian	200,000	8.00	-	-
Ho Wen Yan	Malaysian	200,000	8.00	-	-
Ho Wen Fan	Malaysian	200,000	8.00	-	-
Ho Wen Han	Malaysian	200,000 ⁽²⁾	8.00	-	-

Note:

⁽¹⁾ Includes 200,000 shares held by the late Ho Mok Heng in trust for Ho Wen Han

⁽²⁾ Held in trust by the the late Ho Mok Heng for him

HJSB, is a private limited company incorporated in Malaysia under the Companies Act, 1965 on 17 March 1981, having an authorised share capital of RM2,000,000 divided into 2,000,000 ordinary shares of RM1.00 each and an issued and paid-up capital of RM1,500,000 divided into 1,500,000 ordinary shares of RM1.00 each. It is principally an investment holding company.

Directors and their shareholdings in HJSB as at 16 September 2002 are:

Name Of Director	Nationality	Number Of Shares Held			
		Direct	%	Indirect	%
Chew Po Sim	Malaysian	100,000	6.67	-	-
Ho Min Yi	Malaysian	100,000	6.67	-	-

Substantial shareholders as at 16 September 2002 are :

Substantial Shareholders	Nationality	No. Of Shares Held			
		Direct	%	Indirect	%
The estate of Ho Mok Heng	Malaysian	1,100,000 ⁽¹⁾	73.33	-	-
Chew Po Sim	Malaysian	100,000	6.67	-	-
Ho Min Yi	Malaysian	100,000	6.67	-	-
Ho Wen Yan	Malaysian	100,000	6.67	-	-

7. INFORMATION ON SHAREHOLDERS/DIRECTORS/KEY MANAGEMENT (Cont'd)

Substantial Shareholders	Nationality	No. Of Shares Held			
		Direct	%	Indirect	%
Ho Wen Fan	Malaysian	100,000	6.67	-	-
Ho Wen Han	Malaysian	100,000 ⁽²⁾	6.67	-	-

Notes:

⁽¹⁾ Includes 100,000 shares held by the late Ho Mok Heng in trust for Ho Wen Han

⁽²⁾ Held in trust by the late Ho Mok Heng for him

GOH SWEE BOH @ GOH CHENG KIN, aged 66, was appointed to the Board of HYB on 3 January 1979. He graduated with a degree in Economics from the University of Malaya, Kuala Lumpur. He worked with Asiatic Navigation Ltd & Seaservices Pte. Ltd. as a financial controller from 1972 to 1975. Since then, he started his business in importation and distribution of construction equipment and machineries in Malaysia and Singapore, in Land & Marine Pte. Ltd. Currently he is a Director of Land & Marine Pte. Ltd. and Cornweld Sdn Bhd.

HO KHON YOK, aged 48, holds a Diploma in Commerce from Tunku Abdul Rahman College and is a member of the Malaysian Association of Institute of Chartered Secretaries and Administrators ("MAICSA"). Prior to joining HYB, she was attached to Excelsior Services Sdn Bhd as a Secretarial Manager between 1978 and 1981. She joined the HYB Group on 1 April 1981 as the Company Secretary cum Branch Manager of HYB's Ipoh branch and is currently in charge of office administration and managing the sales and marketing of the projects in Perak. She was appointed to the Board on 31 January 2002.

CHEW PO SIM, aged 59, is deemed a substantial shareholder of HYB by virtue of her substantial shareholdings in HHSB and HJSB.

HO MIN YI, aged 29, is deemed a substantial shareholder of HYB by virtue of her substantial shareholdings in HHSB and HJSB.

HO WEN YAN, aged 28, is deemed a substantial shareholder of HYB by virtue of his substantial shareholdings in HHSB and HJSB.

HO WEN HAN, aged 26, is deemed a substantial shareholder of HYB by virtue of his substantial shareholdings held in trust by the late Ho Mok Heng in HHSB and HJSB.

HO WEN FAN, aged 24, is deemed a substantial shareholder of HYB by virtue of his substantial shareholdings in HHSB and HJSB.

7.1.4 Directorships And Major Shareholdings In All Other Public Companies For The Past Two Years

None of the substantial shareholders have any directorship and major shareholding in any public companies for the past two years.

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7. INFORMATION ON SHAREHOLDERS/DIRECTORS/KEY MANAGEMENT (Cont'd)

7.2 Promoters

7.2.1 Particulars And Shareholdings

The shareholdings of the promoters before and after the Public Issue and Offer For Sale are as follows:-

Name	Nationality /Place Of Incorporation	<---Before Public Issue/Offer For Sale -->				<---After Public Issue/Offer For Sale----->			
		Direct		Indirect		Direct		Indirect	
		No. Of Shares	%	No. Of Shares	%	No. Of Shares	%	No. Of Shares	%
HHSB	Malaysia	44,145,789	57.24	2,364,953 ⁽¹⁾	3.07	27,588,144	30.65	1,537,071 ⁽¹⁾	1.71
HJSB	Malaysia	2,364,953	3.07	44,145,789 ⁽¹⁾	57.24	1,537,071	1.71	27,588,144 ⁽¹⁾	30.65
Ho Mook Leong	Malaysian	1,700,666	2.20	-	-	1,190,326*	1.32	-	-
Ho Khon Yok	Malaysian	5,180,824	6.72	-	-	3,552,210*	3.95	-	-

Notes :

⁽¹⁾ Deemed interest by virtue of common substantial shareholders of HHSB and HJSB as disclosed in Section 7.1.3 herein

* Inclusive of pink form shares allocation

7.2.2 Profile Of Promoters

The profile of HHSB, HJSB and Ho Khon Yok are provided in Section 7.1.3 above.

HO MOOK LEONG, aged 42, was appointed to the Board of HYB on 31 January 2002. He graduated with a degree in Civil Engineering from Ohio State University, United States of America. After graduation, he worked as a site engineer with Lam Soon Huat Development Sdn Bhd (now known as IOI Properties Bhd) from 1984 to 1988. He then joined HYB as project manager from 1988 to 1990. Thereafter, he was attached to a development company, Trans-M Bina Sdn Bhd as a project manager from 1991 to 1997. He then rejoined HYB as General Manager from 1997 to 1999. Between 2000 and 2001, he was self-employed as a consultant on a free-lance basis. He is a shareholder of HYB and has more than 10 years experience in the property development sector. He is currently responsible in overseeing the overall development project within the Group.

7.2.3 Directorships And Major Shareholdings In All Other Public Companies For The Past Two Years

None of the promoters have any directorship and major shareholding in any public companies for the past two years.

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7. INFORMATION ON SHAREHOLDERS/DIRECTORS/KEY MANAGEMENT (Cont'd)

7.3 Directors

7.3.1 Particulars and Shareholdings

As at 16 September 2002, the shareholdings of the Directors before and after the Public Issue and Offer For Sale are as follows:

Name	Nationality	<---Before Public Issue/Offer For Sale--->				<---After Public Issue/Offer For Sale--->			
		Direct		Indirect		Direct		Indirect	
		No. Of Shares	%	No. Of Shares	%	No. Of Shares	%	No. Of Shares	%
Dato' Seri Dr. Ting Chew Peh	Malaysian	-	-	-	-	110,000*	0.12	-	-
Chor Eng Choon	Malaysian	-	-	-	-	99,000*	0.11	-	-
Ho Khon Yok	Malaysian	5,180,824	6.72	-	-	3,552,210*	3.95	-	-
Ho Mook Leong	Malaysian	1,700,666	2.20	-	-	1,190,326*	1.32	-	-
Goh Swee Boh @ Goh Cheng Kin	Malaysian	5,359,299	6.95	-	-	3,483,207	3.87	-	-
Tan Sri Dato' Seri Prof. Dr. Yom Ahmad Bin Ngah Ahmad	Malaysian	157,664	0.20	-	-	2,102,471 ⁽¹⁾	2.34	-	-
Lee Ah Har @ Lee Kong Yip	Malaysian	945,981	1.23	-	-	639,828*	0.71	-	-

Notes:

* Inclusive of pink form shares allocation

⁽¹⁾ Pursuant to the allocation of 2,000,000 ordinary shares under Offer For Sale as approved by MITI

After the Public Issue/Offer For Sale, the respective spouses of Dato' Seri Dr. Ting Chew Peh and Goh Swee Boh @ Goh Cheng Kin will hold 77,878 and 181,170 ordinary shares in HYB respectively.

7.3.2 Profile of Directors

The profiles of Goh Swee Boh @ Goh Cheng Kin and Ho Khon Yok are provided in section 7.1.3 above and the profile of Ho Mook Leong is provided in Section 7.2.2 above.

DATO' SERI DR. TING CHEW PEH, aged 59, was appointed to the Board of HYB on 1 June 2000. He graduated with a degree in Malay Studies from University of Malaya, Kuala Lumpur in 1970 and then obtained his masters from University of London, England in Sociology in 1972. Subsequently he obtained his doctorate in Sociology from University of Warwick, England in 1976.

He was a lecturer at the Faculty of Humanities and Social Science at Universiti Kebangsaan Malaysia between 1974 and 1980 before becoming Associate Professor between 1981 and 1987. He has been a Member of Parliament for Gopeng since 1987 and the Secretary General of the Malaysian Chinese Association ("MCA") since 1990. He was the Deputy Minister in the Prime Minister's Department between 1989 and 1990 before being made Minister for Housing and Local Government, a post he held between 1990 and 1999. He was awarded Dato' Paduka Mahkota Perak ("DPMP") in 1992 and Dato' Paduka Mahkota Selangor ("DPMS") in 1996 and subsequently Seri Paduka Mahkota Perak ("SPMP") in 2001.

7. INFORMATION ON SHAREHOLDERS/DIRECTORS/KEY MANAGEMENT (Cont'd)

He currently sits on the Board of Directors of several public companies namely Pan Malaysia Holdings Bhd, Pan Malaysian Capital Bhd and Puncak Niaga Holdings Bhd. He is also currently Chairman of the Port Klang Authority.

CHOR ENG CHOON, aged 43, was appointed to the Board of HYB on 1 June 2000. He graduated with a 1st Class Honours degree in Accounting from the University of Malaya, Kuala Lumpur in 1984. He is a member of the Malaysian Association of Certified Public Accountants (“MACPA”) and Malaysian Institute of Accountants (“MIA”)

His professional experience includes being attached with KPMG Peat Marwick, Kuala Lumpur from 1984 to 1988 and KPMG Peat Marwick in London from 1988 to 1990. He was then Financial Controller of Marshall Cavendish Ltd, London from 1991 to 1995. Thereafter, he was the General Manager of BBN Development Sdn Bhd, a member of the Peladang Kimia group of companies from 1996 to 2000. He is currently responsible in leading and supervising the preparation of development plans, feasibility studies and implementation of development schemes in HYB. In addition to that, his responsibilities also extend to the coordination of the project, marketing, financial and administrative teams of HYB Group.

He was appointed Chief Executive Officer / Executive Director on 29 May 2002.

TAN SRI DATO’ SERI PROF. DR. YOM AHMAD BIN NGAH AHMAD, aged 80, was appointed to the Board of HYB on 1 December 1996. He was conferred an honorary doctorate in Business and Financial Management by Pacific Western University, Hawaii, in 1989. In 1998 he was appointed as Professor and Fellow, International Business Relations by the same University. He is a well-respected Bumiputera entrepreneur with business interests via several private limited companies, involved in construction, tin-mining, plantation, transportation and haulage. In addition to the above, he also acts as adviser to various Bumiputera trade associations and education institutions in Perak. He is also currently the Chairman of Seacera Tiles Berhad.

LEE AH HAR @ LEE KONG YIP, aged 58, was appointed to the Board of HYB on 31 January 2002. He graduated with a degree in Economics, majoring in Statistics from University of Malaya in 1969. He also completed the Executive Program in the Graduate School of Business Administration from University of California Berkeley, USA in 1988.

He held various executive positions in the Oversea-Chinese Banking Corporation Limited and its finance subsidiary, the Oversea-Chinese Finance Company Berhad between 1969 and 1994. He was appointed Executive Vice President and Director of the OCBC Bank (Malaysia) Berhad in 1995, a post he held until his retirement in April 2000. He is also a director of Overseas Assurance Corporation (Malaysia) Berhad, Overseas Assurance Corporation (Holdings) Berhad, Great Eastern Life Assurance (Malaysia) Berhad and Fraser & Neave Holdings Berhad.

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7. INFORMATION ON SHAREHOLDERS/DIRECTORS/KEY MANAGEMENT (Cont'd)**7.3.3 Directorships And Major Shareholdings In All Other Public Companies For The Past Two Years**

Name of Director	Name of Company	Date Appointed	Number of Shares Held			Principal activities
			Direct	%	Indirect	
Dato' Seri Dr. Ting Chew Peh	Pan Malaysia Holdings Bhd	15.11.2001	-	-	-	- Investment property holding and management company
	Pan Malaysian Capital Bhd	24.02.2000	-	-	-	- Investment holdings
	Puncak Niaga Holdings Bhd	15.07.2000	-	-	-	- Water treatment
Lee Ah Har @ Lee Kong Yip	Overseas Assurance Corporation (Malaysia) Bhd	30.12.1998	-	-	-	- General Insurance & Investment Holding
	Overseas Assurance Corporation (Holdings) Bhd	30.12.1998	-	-	-	- Holding of Overseas Assurance Corporation (Malaysia) Bhd shares
	Fraser & Neave Holdings Bhd	10.05.2000	-	-	-	- Beverage & Glass Making
	Great Eastern Life Assurance (Malaysia) Bhd	25.08.2001	-	-	-	- Life Insurance
	Seacera Tiles Bhd	18.03.1998	6,000	0.02	-	- Manufacturing of tiles

Save as disclosed above, none of the other Directors of HYB have any directorships or major shareholdings in other public companies in the past two (2) years.

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7. INFORMATION ON SHAREHOLDERS/DIRECTORS/KEY MANAGEMENT (Cont'd)

7.3.4 Directors' Remuneration And Benefits

For the financial year ended 31 March 2002, remunerations and fees amounting to RM830,916 was paid to the Directors of HYB for services rendered to the Company and its subsidiary companies. For the financial year ending 31 March 2003, the forecasted amount payable to the Directors for services rendered to the Company and its subsidiary companies is RM924,000. The breakdown of the Directors' remuneration and benefits are as follows:

Range of remuneration (RM)	<-----Number of Directors----->			
	Financial year ended 2002		Financial year ending 2003	
	Executive	Non-Executive	Executive	Non-Executive
1 – 50,000	-	4	-	4
50,001 – 100,000	1	-	-	-
100,001 – 200,000	-	-	-	-
200,001 – 250,000	1	-	-	-
250,001 – 300,000	-	-	2	-
300,001 – 350,000	-	-	-	-
350,001 – 400,000	1	-	-	-
400,001 – 450,000	-	-	1	-
450,001 – 550,000	1	-	-	-

7.4 Audit Committee

Name	Designation	Directorship
Dato' Seri Dr. Ting Chew Peh	Chairman	Independent Non-Executive Director
Lee Ah Har @ Lee Kong Yip	Member	Independent Non-Executive Director
Chor Eng Choon	Member	Chief Executive Officer / Executive Director

The main functions of the Audit Committee include the review of audit plan and audit report with the auditors, review of auditors' evaluation of internal accounting controls, review of the scope of internal audit procedures, review of balance sheet and profit and loss account and nomination of auditors.

7.5 Management Team

7.5.1 Particulars and Shareholdings

Save for their respective entitlements pursuant to the allocation of shares to eligible directors and employees of the HYB Group pursuant to the Listing, and save as disclosed in this Prospectus, the management team has no other shareholdings in the Company.

Name	Nationality	<----Before Public Issue/Offer For Sale---->				<---After Public Issue/Offer For Sale ---->			
		Direct		Indirect		Direct		Indirect	
		No. Of Shares	%	No. Of Shares	%	No. Of Shares	%	No. Of Shares	%
Chor Eng Choon	Malaysian	-	-	-	-	99,000*	0.11	-	-

7. INFORMATION ON SHAREHOLDERS/DIRECTORS/KEY MANAGEMENT (Cont'd)

Name	Nationality	<----Before Public Issue/Offer For Sale---->				<---After Public Issue/Offer For Sale ---->			
		Direct		Indirect		Direct		Indirect	
		No. Of Shares	%	No. Of Shares	%	No. Of Shares	%	No. Of Shares	%
Ho Khon Yok	Malaysian	5,180,824	6.72	-	-	3,552,210*	3.95	-	-
Ho Mook Leong	Malaysian	1,700,666	2.20	-	-	1,190,326*	1.32	-	-
Chan Sew Moh	Malaysian	-	-	-	-	86,000*	0.10	-	-
Ngo Soong Hoe	Malaysian	-	-	-	-	88,000*	0.10	-	-
Ong Dee Beng	Malaysian	-	-	-	-	86,000*	0.10	-	-
Leow Noi Kee	Malaysian	-	-	-	-	84,000*	0.10	-	-
Lim Chang Tze	Malaysian	-	-	-	-	82,000*	0.10	-	-

Note:

* Inclusive of pink form shares allocation

7.5.2 Profile of the Management Team

The profiles of Ho Khon Yok, Ho Mook Leong and Chor Eng Choon are provided in Sections 7.1.3, 7.2.2 and 7.3.2 above respectively.

CHAN SEW MOH, aged 36, is a chartered accountant and a member of the MIA. She is also an associate member of the Association of Chartered Certified Accountants (ACCA), United Kingdom and also holds a Diploma in Financial Accounting from Tunku Abdul Rahman College obtained in 1990. Her professional experience includes 5 years in audit firms, of which 2 years were in Ernst & Young, Ipoh and 3 years with HLB I.M. Chieng & Co which she left as an Audit Supervisor. She joined HYB on 2 November 1998 and is in charge of the financial, taxation and accounting aspects of the HYB Group.

NGO SOONG HOE, aged 45, is an engineer by qualification and profession. He obtained a Diploma in Civil Engineering from Universiti Teknologi Mara in 1981 and thereafter joined Jabatan Kerja Raya (JKR), Kuala Lipis District, Pahang as Section Head in Road Section. In 1986 he pursued a Bachelor of Engineering degree in Civil Engineering from Middlesex Polytechnic, London where he graduated in 1988. Upon graduation he returned to JKR Kuala Lipis District, Pahang as Section Head in Building Section until 1990. Thereafter he joined Ideal Heights Sdn Bhd as Project Manager. In 1997, he was appointed as the General Manager (Project Management) of Bina Puri Holdings Bhd. Subsequently, he joined HYB on 2 February 1999 as Assistant General Manager. Currently, he is Branch Manager of Taman Pulau Indah, Johor Bahru overseeing the overall operations of the project covering the Company's project planning, site, sales and marketing and office administration.

ONG DEE BENG, aged 39, is an engineer by qualification and profession. He graduated with a Bachelor of Science degree in Civil Engineering from the National Taiwan University, Taiwan in 1985. He started in 1985 as a self-employed businessman doing sales on commission basis and carrying out renovation works on a small-scale basis. Thereafter, on 18 September 1989, he joined Ret-Ser Engineering Agency as a technical staff. Thereafter, he joined Palmshine Development Sdn Bhd on 21 October 1996 as Manager of Operations. On 1 July 1997, he moved to Kay Properties Sdn Bhd as Project Manager and subsequently he rejoined Ret-Ser Engineering Agency on 16 December 1998 as Deputy Project Manager. He joined HYB Group on 1 November 1999 and his responsibilities as Senior Project Manager include the overall project planning site supervision of the Company's Ipoh and Seri Iskandar projects.

7. INFORMATION ON SHAREHOLDERS/DIRECTORS/KEY MANAGEMENT (*Cont'd*)

LEOW NOI KEE, aged 35, joined HYB on 23 April 2001. She obtained a certificate of proficiency from the Midland School of Commerce, Singapore in 1988. She was Assistant Manager of MBf Property Services Sdn Bhd between 1987 and 1992 and was then attached with Maju Delima Sdn Bhd also as Assistant Manager between 1993 and 1995. Between 1995 and 1999 she was Assistant General Manager in Sales and Marketing at KHJ Properties Sdn Bhd. She joined Discovery Hotels Spas and Resorts in September 1999 where she was Director of Sales and Marketing. From November 2000 she was Sales and Marketing Manager of Siaran Pelangi Sdn Bhd, a member of the Pilecon Engineering Berhad group of companies. In HYB, she is currently Sales and Marketing Manager of the Company's Taman Pulau Indah projects in Johor Bahru.

LIM CHANG TZE, aged 32 obtained his Bachelors of Business (Accounting) degree from Monash University, Melbourne, Australia in 1993. He joined Nam Fatt Corporation Berhad in 1994 as an Internal Auditor and was subsequently transferred to the Property Division in 1995. Between 1995 and 2001, he was the Head of Finance and Accounts Department. He joined HYB on 2 January 2002 and is currently the Corporate Finance Manager.

7.6 Declarations From The Directors And Management Team

No director or member of the management team has been involved in any of the following events:

- (i) a petition under any bankruptcy or insolvency laws filed against such person or any partnership in which he was or is a partner or any corporation of which he was or is a director or senior executive officer;
- (ii) a conviction in a criminal proceeding or is a named subject of a pending criminal proceeding; or
- (iii) being the subject of any order, judgement or ruling of any court, tribunal or government body of competent jurisdiction permanently or temporarily enjoining himself from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

7.7 Family Relationship

Ho Mook Leong and Ho Khon Yok are siblings, being the brother and sister of the late Ho Mok Heng. Chew Po Sim, who was the wife of the late Ho Mok Heng, is the mother to Ho Min Yi, Ho Wen Yan, Ho Wen Fan and Ho Wen Han. Ho Min Yi, Ho Wen Yan, Ho Wen Fan and Ho Wen Han, being the children of the late Ho Mok Heng, are the niece/nephews of Ho Mook Leong and Ho Khon Yok. Chan Sew Moh is the niece of Ho Mook Leong and Ho Khon Yok. HHSB and HJSB are deemed related companies as Chew Po Sim and her four (4) children have substantial shareholdings in both companies.

Save for the above, none of the other substantial shareholders, promoters, directors and senior management are related to one another.

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7. INFORMATION ON SHAREHOLDERS/DIRECTORS/KEY MANAGEMENT (*Cont'd*)

7.8 Employment Contracts

Save as disclosed below, none of the other Directors and key management staff of the Company has any existing or proposed service contracts with the Company or any of its subsidiary companies.

The salient terms of the employment contracts of the Directors and the salient terms of the employment contracts of the key management staff are as follows:

	Employment Contracts	Salient Terms
Chor Eng Choon	Employment contract with HYB to provide services as Executive Director effective 1 July 2000	Three months notice in writing by either party for termination of services.
Ho Khon Yok	Employment contract with HYB to provide services as Company Secretary cum Ipoh Branch Manager was drawn on 1 August 2001	Three months notice in writing by either party for termination of services. Upon completion, termination or non-renewal of the employment contract, there shall be an entitlement to a gratuity payment (based on the formula 1.5 x last drawn basic salary x years of service). The "years of service" period shall commence from the first day she assumed the role and responsibility as the Company Secretary cum Ipoh Branch Manager.
Ho Mook Leong	Employment contract with HYB to provide services as Executive Director effective 1 January 2002	Three months notice in writing by either party for termination of services.
Chan Sew Moh	Employment contract with HYB to provide services as Financial Accountant effective 2 November 1998	Three months notice in writing by either party for termination of services.
Lim Chang Tze	Employment contract with HYB to provide services as Corporate Finance Manager effective 2 January 2002	Three months notice in writing by either party for termination of services.
Ngo Soong Hoe	Employment contract with HYB to provide services as Assistant General Manager (Project) effective 25 January 1999	Three months notice in writing by either party for termination of services.
Leow Noi Kee	Employment contract with HYB to provide services as Sales and Marketing Manager effective 23 April 2001	Three months notice in writing by either party for termination of services.
Ong Dee Beng	Employment contract with HYB to provide services as Senior Project Manager effective 1 November 1999	Two months notice in writing by either party for termination of services.