

8. INFORMATION ON THE MUDAJAYA GROUP *(cont'd)*

- (ii) Constructing load bearing walls rather than conventional walls so that the requirements for structural framing above ground level can be reduced or eliminated totally.

The amount spent by Mudajaya on its research and development activities for the last three (3) financial years ended 31 December 2000 to 2002 and ten (10)-month period ended 31 October 2003, and the percentage of the proforma turnover of Mudajaya's sponsored research and development activities are as follows:

Year/Period	Amount spent RM	% of turnover
2000	541,995	0.29
2001	791,351	0.25
2002	937,604	0.33
Ten (10)-month ended 31 October 2003	823,417	0.34

8.3.7 Financing

It is imperative for a construction company to have strong financial support as it requires substantial capital outlay and working capital to finance its construction activities. The cash flow position of the Mudajaya Group is strong as a result of continuous profitability over the years and the high percentage of collection from its trade debtors. The Mudajaya Group adopts a prudent policy when selecting projects as it will only tender for projects with low credit risk. This prudent policy has enabled the Mudajaya Group to remain profitable over the past 20 years.

With its good track record in terms of profitability and reputation, the Mudajaya Group does not generally face any strong difficulty in obtaining financing for its projects. During the last economic slowdown, the Mudajaya Group had continued to receive strong support from financial institutions and sustained profits over the years, thus enabling the Mudajaya Group to establish its position in the construction industry as a near to zero-gearing Class A contractor. As at 31 October 2003, the Mudajaya Group has RM9.84 million of bank borrowings, which translates to a gearing ratio of only 0.09 times based on the proforma shareholders' funds of RM110.32 million as at 31 October 2003 after the IPO.

8.3.8 Occupational Health and Safety

The Mudajaya Group is committed to ensuring that the health and safety of its employees are safeguarded at all times. Such commitment has been reflected by efforts in ensuring that all its employees, who are involved in on-site construction activities adhere to the Group's safety manuals and undergo regular safety practice exercises in order to instil awareness of safety regulations and procedures at work-sites.

The Mudajaya Group's objectives on occupational safety are as follows:

- (i) To raise safety standards;
- (ii) To protect the public from injury and damage to properties;
- (iii) To ensure the safety and health of staff and contractors' employees by providing a healthy and safe working environment;
- (iv) To promote safety awareness; and
- (v) To ensure minimum work disruption and to complete works within acceptable targets in terms of safety and time.

8. INFORMATION ON THE MUDAJAYA GROUP *(cont'd)*

The elimination of injuries and minimisation of lost time due to accidents is the ultimate goal of the Mudajaya Group. The management takes pride that there has not been any serious or fatal work-related accident involving employees of the Mudajaya Group in the past five (5) years and that the Group has to-date complied with existing laws and regulations in Malaysia with regards to health and safety.

8.3.9 Availability of Construction Materials

The Mudajaya Group has in the past been able to secure a steady supply of materials for its operations at competitive prices. Amongst the main construction materials used by the Group for its operations are cement, steel bars, timber, plywood and piles. Certain materials such as pre-stressed concrete bridge beams, concrete sections, box culvert, drainage culverts are also sourced from its group of companies to ensure quality is maintained which allows for cost savings to the Group. The Mudajaya Group also sources its materials from established manufacturers and traders throughout Malaysia and is not overly dependent on any supplier for its materials as none of its existing suppliers supplies more than 10% of the total purchases for its construction materials during the ten (10)-month period ended 31 October 2003.

Details of the major suppliers of the Group for the ten (10)-month period ended 31 October 2003 are as follows:

Supplier	Business relationship since	% of the total purchases of the Mudajaya Group
Southern Steel Bhd	2002	6.6
Malayawata Steel Bhd	2000	5.4
Achi Jaya Transportation Sdn Bhd	1997	4.7
Ipmuda Bhd	1990	4.5
ICP Marketing Sdn Bhd	1990	3.2
Maju Alat Ganti Sdn Bhd	1995	2.5
Fosroc Sdn Bhd	1996	2.2
Simen Utama Sdn Bhd	1996	2.0
Ann Joo Trading Sdn Bhd	1995	1.2
Sinambung Jaya Sdn Bhd	1997	1.1

As at the LPD, Mudajaya has approximately 42 suppliers providing a total credit limit of approximately RM47.3 million for the Group to purchase products. As such, the Group is confident that it will continue to be able to obtain its construction materials in the future without any difficulties.

8.3.10 Key Achievements, Milestones and/or Awards

Among the key achievements and milestones of the Group are as follows:

- (a) The Group has established itself as a contractor which is able to undertake not only normal projects such as roads and buildings but also more sophisticated and specialised projects such as power plants, track transit systems and marine works;
- (b) The capability of the Group to penetrate into the construction market in East Malaysia and India;
- (c) Successfully completed certain major design and build projects as detailed in Section 7.1.2 of this Prospectus; and

8. INFORMATION ON THE MUDAJAYA GROUP (cont'd)

- (d) The Group's subsidiary, MJC being accredited with ISO 9001:2000, EN ISO 9001:2000, BS EN ISO 9001:2000 and MS ISO 9001:2000 by Lloyd's Register Quality Assurance in 2002 in recognition of it having implemented a quality management system which complies with the required standards for the provision of construction and project management services for civil engineering, infrastructure, building, water supply and marine structure works.

8.3.11 Major Customers

The Group also undertakes a stringent credit review process before entering into a new contract. Hence, the Group has established a close rapport with a few regular private sector clients. These clients are timely in their payments to the Mudajaya Group. The Group is cautious in undertaking private sector projects which will expose the Group to higher credit risk although such projects may yield higher margins.

Details of the major customers of the Group for the ten (10)-month period ended 31 October 2003 are as follows:

Customer	Project undertaken	Business relationship since	% of the total sales of the Mudajaya Group
National Highways Authority of India	Widening to four (4) lanes and strengthening of existing two (2) lanes of Udaipur-Ratanpur-Gandhinagar Section of (Package III) from Km 388.4 to Km 443.0 in the State of Gujarat, India	2001	34.6
Debessa Development Sdn Bhd	Pusa Sessang road project, Sarawak	2002	10.4
Bayou Bay Development Sdn Bhd	Construction of seven (7) blocks of medium low cost houses at Mukim Plentong, Daerah Johor Bahru, Johor Darul Takzim	1999	5.6
Konsortium Juara Beetuah Sdn Bhd - Semaring Enterprise Sdn Bhd	Construction of Oya-Mukah-Balingian to Persimpangan Kampung Matadeng Road, Sarawak	2003	4.6
Aryan Toll Road Private Limited	Construction of four (4) lanes and strengthening of Pune-Solapur-Hyderabad Road from Km 14.0 to Km 40.0 in the State of Maharashtra, India	2003	4.3
Setia Precast Sdn Bhd	Construction of Administration and Great Hall and Medical Faculty for the Asian Institute of Medicine, Science and Technology, Mukim Semerling, Daerah Kuala Muda, Kedah Darul Aman	2003	3.6
UE Construction Sdn Bhd	Bridge work on the Electrified Double Track Project between Rawang to Ipoh (Section 1A)	1995	3.0
Mahkota Technologies Sdn Bhd	Construction of the Gelugor Combined Cycle Conversion Power Plant, Pulau Pinang	2000	2.2
Leisure Farm Corporation Sdn Bhd	Construction of 122 units of two-level apartment in Lot PTD 108470, Mukim Pulau, Daerah Johor Bahru, Johor Darul Takzim	1993	1.4
Ideal Road Builders Private Limited	Construction of four (4) lanes and strengthening of Pune-Nashik Road from Km 12/190 to Km 42/000 in the State of Maharashtra, India	2001	1.3
DRB-Hicom Berhad	Supply, construction and completion of box and pipe culverts for the Electrified Double Track Project between Rawang and Ipoh	2001	1.3
Total			<u>72.3</u>

Save for Mulpha, a substantial shareholder of Mudajaya and the holding company of Leisure Farm Corporation Sdn Bhd, none of the Directors or Substantial Shareholders of Mudajaya Group has any interest, direct or indirect in any of the above customers.

8. INFORMATION ON THE MUDAJAYA GROUP (cont'd)

8.3.12 Major Subcontractors

Over the years, the Mudajaya Group has also established strong working relationships with its subcontractors and this has allowed the subcontractors to work closely with the Mudajaya Group to meet the required work schedule. The Mudajaya Group also closely monitors the work of its subcontractors to ensure that the quality of work is maintained for all its projects. This has enabled the Mudajaya Group to ensure timely and quality work to its clients' satisfaction. As with its suppliers, the Mudajaya Group is not overly dependent on any subcontractor.

Details of the major subcontractors of the Group for the ten (10)-month period ended 31 October 2003 are as follows:

Subcontractors	Business relationship since
Ireka Engineering & Construction Sdn Bhd	1999
European Profiles Marketing Sdn Bhd	1999
Ideal Road Builders Pvt Ltd	2001
Modern Road Makers Pvt Ltd	2001

For large contracts, the award of work to subcontractors is usually through a tendering process whereby qualified subcontractors are invited to submit their tender for the subcontract works based on specifications set by the Mudajaya Group.

For smaller contracts, the Mudajaya Group will generally award contracts directly to subcontractors. Subcontractors for the Mudajaya Group are selected based on their track record, relationship with the Mudajaya Group and quality and timely completion of previous work undertaken. Although the Mudajaya Group has not experienced a shortage of subcontractors, it is constantly reviewing its relationships with existing subcontractors and establishing relationships with new subcontractors to ensure a broad base of contractors, competitive pricing as well as the delivery of good quality of work.

8.3.13 Interruptions in Operations

There have been no interruptions in the Group's business which may have had a significant effect on its operations during the past 12 months preceding the LPD.

8.3.14 Management and Employees

The Directors of Mudajaya are supported by a team of qualified management staff who is experienced in their respective fields. As at the LPD, the Group has a total workforce of 454 employees. The employees do not belong to any labour union and enjoy a cordial relationship with the management.

Its employees can be generally segregated into the following categories, namely:

Category	-----No. of employees-----			Average no. of years in service
	Malaysians	Foreigners	Total	
Management and professional	68	3	71	4.0
Technical and supervisory	55	-	55	1.8
Executives	27	-	27	5.0
Clerical	59	-	59	2.5
General workers/operators	195	47	242	1.6
	<u>404</u>	<u>50</u>	<u>454</u>	

8. INFORMATION ON THE MUDAJAYA GROUP *(cont'd)*

It is a widely encouraged practice within the Group for its employees to keep up with the current trends in technology advancement and industrial development. Employees regularly attend courses organised by the CIDB, Standards and Industrial Research Institute of Malaysia, Institute of Engineers Malaysia and other construction organisations. In addition, the Group also participates in exhibitions organised by the various construction bodies.

The Group actively promotes the upgrading of its junior staff's skills through on-the-job training under close supervision and guidance of the key management team as disclosed in Section 9.4.2 of this Prospectus.

The Directors of Mudajaya are not aware of any instances of strike action by the employees for the past 20 years.

8.4 Subsidiaries and Associated Companies

Details of the subsidiaries and associated companies of Mudajaya as at the LPD are as follows:

Name	Date of incorporation	Authorised share capital RM	Issued and paid-up share capital RM	Effective interest held by Mudajaya %	Principal activities
<i>Subsidiaries</i>					
MJC	09.12.65	250,000,000	30,150,000	100.00	Civil engineering and building construction
MCity	30.05.94	50,000,000	3,850,000	70.00	Property management and development
Angsana	12.06.91	6,000,000	5,383,000	100.00	Property development
MInd	05.08.94	500,000	300,000	100.00	Manufacture of concrete products and building materials
MPow	18.02.98	500,000	200,000	100.00	Civil engineering and building construction
MSer	21.11.94	100,000	2	100.00	Dormant
MTrad	14.07.92	500,000	300,000	100.00	Hire of plant and machinery and trading of construction related materials
MProp	21.09.94	100,000	2	100.00	Dormant
MDev	21.09.94	5,000,000	100,000	51.00	Property management, development and construction
MPre	06.07.95	500,000	500,000	51.00	Manufacturing of precast concrete and other related products
<i>Associated Companies</i>					
BMQuar	13.07.92	10,000,000	2,000	69.92 ⁽¹⁾	Production and sale of quarry products
BQuar	11.03.87	2,000,000	1,000	40.00	Investment holding

Note:

⁽¹⁾ Although Mudajaya has 69.92% effective equity interest in BMQuar, BMQuar is deemed as an associated company of Mudajaya as Mudajaya has no control over the financial and operating policies of BMQuar.

8. INFORMATION ON THE MUDAJAYA GROUP *(cont'd)*

Further information on the subsidiaries and associated companies of Mudajaya are as follows:

8.4.1 MJC

History and Business

MJC was incorporated in Malaysia under Section 15(1) of the Companies Ordinances, 1940 to 1946 on 9 December 1965 as a private limited company under the name of Chye Hin Construction Company Limited. It changed its name to Chye Hin Construction Company Sdn Bhd on 15 April 1966. On 19 August 1972, its name was further changed to Mudajaya Construction Sdn Bhd and subsequently on 19 May 1997, to Mudajaya Corporation Sdn Bhd. On 10 June 1997, it was converted into a public limited company and adopted its present name. MJC commenced its operations in 1965.

On 1 July 2002, DSM and UF entered into a conditional sale and purchase agreement with Tiararibu for the acquisition of 24,120,000 ordinary shares of RM1.00 each in MJC representing 80% of the then issued and paid-up share capital of MJC from Tiararibu for a total cash consideration of RM113,600,000. The acquisition was completed on 19 February 2003, resulting in DSM and UF emerging as substantial shareholders with a 50% and 30% interest respectively in MJC.

Consequently, as a result of the Acquisition, DSM and UF also emerged as Substantial Shareholders of Mudajaya.

MJC is principally engaged in the civil engineering and building construction. MJC is registered as a Class "A" contractor with Pusat Khidmat Kontraktor, Kementerian Pembangunan Usahawan since 1993. In addition, MJC is also an approved contractor under Grade G7 category with the CIDB as at the LPD.

As at the LPD, MJC has 393 employees.

Share Capital

The authorised share capital of MJC is RM250,000,000 comprising 250,000,000 ordinary shares of RM1.00 each of which 30,150,000 ordinary shares of RM1.00 each have been issued and fully paid-up.

The changes in the issued and paid-up share capital of the MJC since its incorporation are set out below:

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
09.12.65	2	Subscribers' shares	2
10.07.66	199,998	Cash subscription	200,000
20.07.70	300,000	Cash subscription	500,000
22.07.72	150,000	Rights issue of 3 for 10	650,000
26.05.73	130,000	Bonus issue of 1 for 5	780,000
26.05.73	225,000	Cash subscription	1,005,000
26.05.73	130,000	Rights issue of 1 for 5	1,135,000
21.03.75	170,250	Bonus issue of 3 for 20	1,305,250
21.04.75	10,000	Cash subscription	1,315,250
15.05.76	164,406	Bonus issue of 1 for 8	1,479,656
17.07.76	147,965	Rights issue of 1 for 10 at par	1,627,621

8. INFORMATION ON THE MUDAJAYA GROUP (cont'd)

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
19.07.77 to 30.07.77	542,541	Rights issue of 1 for 3	2,170,162
17.08.78	434,033	Bonus issue of 1 for 5	2,604,195
14.07.79	416,670	Bonus issue of 8 for 50	3,020,865
12.02.81	604,173	Rights issue of 1 for 5	3,625,038
31.12.81	174,962	Special issue	3,800,000
08.12.82	3,800,000	Bonus issue of 1 for 1	7,600,000
22.10.90	2,200,000	Bonus issue of 11 for 38	9,800,000
28.02.91 to 30.03.93	20,200,000*	New issue at par	30,000,000
31.12.93	150,000	Cash subscription	30,150,000

Note:

* Issued but paid on staggered basis.

Substantial Shareholder

MJC is a wholly-owned subsidiary of Mudajaya.

Subsidiaries and Associated Companies

Details of the subsidiaries of MJC as at the LPD are as follows:

Name	Date of incorporation	Authorised share capital RM	Issued and paid-up share capital RM	Effective interest held by MJC %	Principal activities
MCity	30.05.94	50,000,000	3,850,000	70.00	Property management and development
Angsana	12.06.91	6,000,000	5,383,000	100.00	Property development
MInd	05.08.94	500,000	300,000	100.00	Manufacture of concrete products and building materials
MPow	18.02.98	500,000	200,000	100.00	Civil engineering and building construction
MSer	21.11.94	100,000	2	100.00	Dormant
MTrad	14.07.92	500,000	300,000	100.00	Hire of plant and machinery and trading of construction related materials
MProp	21.09.94	100,000	2	100.00	Dormant
MDev	21.09.94	5,000,000	100,000	51.00	Property management, development and construction
MPre	06.07.95	500,000	500,000	51.00	Manufacturing of precast concrete and other related products

8. INFORMATION ON THE MUDAJAYA GROUP (cont'd)

Details of the associated companies of MJC as at the LPD are as follows:

Name	Date of incorporation	Authorised share capital RM	Issued and paid-up share capital RM	Effective interest held by MJC %	Principal activities
BMQuar	13.07.92	10,000,000	2,000	69.92 ⁽¹⁾	Production and sale of quarry products
BQuar	11.03.87	2,000,000	1,000	40.00	Investment holding

Note:

⁽¹⁾ Although Mudajaya has 69.92% effective equity interest in BMQuar, BMQuar is deemed as an associated company of Mudajaya as Mudajaya has no control over the financial and operating policies of BMQuar.

8.4.2 MCity***History and Business***

MCity was incorporated in Malaysia on 30 May 1994 under the Companies Act, 1965 as a private limited company under the name of Empire Profile Sdn Bhd and subsequently changed its name to MJC Infra Sdn Bhd on 6 August 1994. The company assumed its present name on 1 August 1996. MCity is principally engaged in property management and development. MCity commenced its operations in 1996.

As at the LPD, MCity has 32 employees.

Share Capital

The authorised share capital of MCity is RM50,000,000 comprising 50,000,000 ordinary shares of RM1.00 each of which 3,850,000 ordinary shares of RM1.00 each have been issued and fully paid-up.

The changes in the issued and paid-up share capital of MCity since its incorporation are set out below:

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
30.05.94	2	Subscribers' shares	2
03.05.96	699,998	Cash subscription	700,000
05.06.96	300,000	Cash subscription	1,000,000
30.11.96	1,000,000	Cash subscription	2,000,000
11.10.99	850,000	Bonus issue of 17 for 40	2,850,000
11.10.99	1,000,000	Cash subscription	3,850,000

Substantial Shareholders

As at the LPD, the Substantial Shareholders of MCity and their respective shareholdings in the company are as follows:

Name	No. of ordinary shares held	%
MJC	2,695,000	70.0
Inner City Development Sdn Bhd	1,155,000	30.0
	3,850,000	100.0

8. INFORMATION ON THE MUDAJAYA GROUP *(cont'd)*

Subsidiaries and Associated Companies

As at the LPD, MCity does not have any subsidiary or associated company.

8.4.3 Angsana

History and Business

Angsana was incorporated in Malaysia on 12 June 1991 under the Companies Act, 1965 as a private limited company under the name of Angsana Fajar Sdn Bhd. Angsana is principally engaged in property development. Angsana commenced its operations in 1996.

As at LPD, Angsana has only three (3) employees as its operations are mainly supported by employees of MJC.

Share Capital

The authorised share capital of Angsana is RM6,000,000 comprising 6,000,000 ordinary shares of RM1.00 each of which 5,383,000 ordinary shares of RM1.00 each have been issued and fully paid-up.

The changes in the issued and paid-up share capital of Angsana since its incorporation are set out below:

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
12.06.91	2	Subscribers' shares	2
06.09.94	99,998	Cash subscription	100,000
26.03.95	200,000	Cash subscription	300,000
18.04.95	5,083,000	Cash subscription	5,383,000

Substantial Shareholder

Angsana is a wholly-owned subsidiary of MJC.

Subsidiaries and Associated Companies

As at the LPD, Angsana does not have any subsidiary or associated company.

8.4.4 MInd

History and Business

MInd was incorporated in Malaysia on 5 August 1994 under the Companies Act, 1965 as a private limited company under the name of MJC Industries Sdn Bhd. MInd commenced its operations in 1995.

MInd is principally engaged in the manufacturing of concrete products and building materials. Currently, MInd's manufacturing plants are capable of producing 75,000 metric tonnes of readymix concrete per annum.

As at the LPD, MInd has 19 employees.

8. INFORMATION ON THE MUDAJAYA GROUP *(cont'd)*

Share Capital

The authorised share capital of MInd is RM500,000 comprising 500,000 ordinary shares of RM1.00 each of which 300,000 ordinary shares of RM1.00 each have been issued and fully paid-up.

The changes in the issued and paid-up share capital of MInd since its incorporation are set out below:

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
05.08.94	2	Subscribers' shares	2
03.05.96	299,998	Cash subscription	300,000

Substantial Shareholder

MInd is a wholly-owned subsidiary of MJC.

Subsidiaries and Associated Companies

As at the LPD, MInd does not have any subsidiary or associated company.

8.4.5 MPow

History and Business

MPow was incorporated in Malaysia on 18 February 1998 under the Companies Act, 1965 as a private limited company under the name of Emirate Tower (M) Sdn Bhd and on 1 April 1998, it changed its name to Mudajaya Engineering Sdn Bhd. On 31 May 2000, it changed its name to Mudajaya Power International Sdn Bhd. MPow is principally engaged in the civil engineering and building construction. MPow commenced its operations in 2001.

As at the LPD, MPow does not have any employees as its operations are supported by employees of MJC.

Share Capital

The authorised share capital of MPow is RM500,000 comprising 500,000 ordinary shares of RM1.00 each of which 200,000 ordinary shares of RM1.00 each have been issued and fully paid-up.

The changes in the issued and paid-up share capital of MPow since its incorporation are set out below:

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
18.02.98	2	Subscribers' shares	2
08.04.98	199,998	Cash subscription	200,000

Substantial Shareholder

MPow is a wholly-owned subsidiary of MJC.

8. INFORMATION ON THE MUDAJAYA GROUP (cont'd)

Subsidiaries and Associated Companies

As at the LPD, MPow does not have any subsidiary or associated company.

8.4.6 MSer***History and Business***

MSer was incorporated in Malaysia on 21 November 1994 under the Companies Act, 1965 as a private limited company under the name of MJC Services Sdn Bhd. MSer has not commenced operations and is dormant as at the LPD.

As at the LPD, MSer does not have any employees.

Share Capital

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

Substantial Shareholder

MSer is a wholly-owned subsidiary of MJC.

Subsidiaries and Associated Companies

As at the LPD, MSer does not have any subsidiary or associated company.

8.4.7 MTrad***History and Business***

MTrad was incorporated in Malaysia on 14 July 1992 under the Companies Act, 1965 as a private limited company under the name of MJC Trading Sdn Bhd. MTrad is principally engaged in the hiring of plant and machinery and trading of construction related materials. MTrad commenced its operations in 1994.

As at the LPD, MTrad has one (1) employee.

Share Capital

The authorised share capital of MTrad is RM500,000 comprising 500,000 ordinary shares of RM1.00 each of which 300,000 ordinary shares of RM1.00 each have been issued and fully paid-up.

The changes in the issued and paid-up share capital of MTrad since its incorporation are set out below:

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
14.07.92	2	Subscribers' shares	2
26.04.97	299,998	Cash subscription	300,000

Substantial Shareholder

MTrad is a wholly-owned subsidiary of MJC.

8. INFORMATION ON THE MUDAJAYA GROUP (cont'd)

Subsidiaries and Associated Companies

As at the LPD, MTrad does not have any subsidiary or associated company.

8.4.8 MProp***History and Business***

MProp was incorporated in Malaysia on 21 September 1994 under the Companies Act, 1965 as a private limited company under the name of MJC Properties Sdn Bhd. MProp has not commenced operations and is dormant as at the LPD.

As at the LPD, MProp does not have any employees.

Share Capital

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

Substantial Shareholder

MProp is a wholly-owned subsidiary of MJC.

Subsidiaries and Associated Companies

As at the LPD, MProp does not have any subsidiary or associated company.

8.4.9 MDev***History and Business***

MDev was incorporated in Malaysia on 21 September 1994 under the Companies Act, 1965 as a private limited company under the name of MJC Development Sdn Bhd. MDev is principally engaged in property management, development and construction. MDev commenced its operations in 1999.

As at the LPD, MDev has two (2) employees.

Share Capital

The authorised share capital of MDev is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each of which 100,000 ordinary shares of RM1.00 each have been issued and fully paid-up.

The changes in the issued and paid-up share capital of MDev since its incorporation are set out below:

Date of allotment	No. of ordinary Shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
21.09.94	2	Subscribers' shares	2
22.04.97	99,998	Cash subscription	100,000

8. INFORMATION ON THE MUDAJAYA GROUP (cont'd)***Substantial Shareholders***

As at the LPD, the Substantial Shareholders of MDev and their respective shareholdings in the company are as follows:

Name	No. of ordinary shares held	%
MJC	51,000	51.0
Koperasi Pembangunan Daerah Johor Bahru Bhd	30,000	30.0
Intershore-Goodwill Sdn Bhd	10,000	10.0
Vista Jelas Sdn Bhd	9,000	9.0
	100,000	100.0

Subsidiaries and Associated Companies

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

8.4.10 MPre***History and Business***

MPre was incorporated in Malaysia on 6 July 1995 under the Companies Act, 1965 as a private limited company under the name of Sinar Generasi Sdn Bhd. On 7 July 1997, it changed its name to MJC Precast Sdn Bhd. MPre commenced its operations in 1996.

MPre is principally involved in the manufacturing of precast concrete and other related products such as pre-stressed concrete bridge beams. MPre's manufacturing plant is located at Ijok, Batang Berjuntai, Selangor and is capable of producing 30,000 metric tonnes of precast concrete products per annum.

As at the LPD, MPre has only four (4) employees as its operations are also supported by employees of MJC.

Share Capital

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

The changes in the issued and paid-up share capital of MPre since its incorporation are set out below:

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
06.07.95	2	Subscribers' shares	2
11.11.97	499,998	Cash subscription	500,000

8. INFORMATION ON THE MUDAJAYA GROUP (cont'd)***Substantial Shareholders***

As at the LPD, the Substantial Shareholders of MPre and their respective shareholdings in the company are as follows:

Name	No. of ordinary shares held	%
MJC	255,000	51.0
Aset Kelana (M) Sdn Bhd	245,000	49.0
	<u>500,000</u>	<u>100.0</u>

Subsidiaries and Associated Companies

As at the LPD, MPre does not have any subsidiary or associated company.

8.4.11 BMQuar***History and Business***

BMQuar was incorporated in Malaysia on 13 July 1992 under the Companies Act, 1965 as a private limited company under the name of MJC Quarry Sdn Bhd and assumed its present name on 5 July 1994. BMQuar commenced its operations in 1994 and subsequently ceased operations in 2001. BMQuar is principally involved in the production and sale of quarry products.

As at the LPD, BMQuar does not have any employees as its quarry operations are managed by a third party company nominated by Mudajaya.

Share Capital

The authorised share capital of BMQuar is RM10,000,000 comprising 10,000,000 ordinary shares of RM1.00 each of which 2,000 ordinary shares of RM1.00 each have been issued and fully paid-up.

The changes in the issued and paid-up share capital of BMQuar since its incorporation are set out below:

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
13.07.92	2	Subscribers' shares	2
24.02.94	1,998	Cash subscription	2,000

Substantial Shareholders

As at the LPD, the Substantial Shareholders of BMQuar and their respective shareholdings in the company are as follows:

Name	No. of ordinary shares held	%
BQuar	1,001	50.05
MJC	998	49.90
	<u>1,999</u>	<u>99.95</u>

8. INFORMATION ON THE MUDAJAYA GROUP (cont'd)***Subsidiaries and Associated Companies***

As at the LPD, BMQuar does not have any subsidiary or associated company.

8.4.12 BQuar***History and Business***

BQuar was incorporated in Malaysia on 11 March 1987 under the Companies Act, 1965 as a private limited company under the name of Binamin Oil Terminal Sdn Bhd and assumed its present name on 20 December 1989. BQuar is an investment holding company.

As at the LPD, BQuar does not have any employees.

Share Capital

The authorised share capital of BQuar is RM2,000,000 comprising 2,000,000 ordinary shares of RM1.00 each of which 1,000 ordinary shares of RM1.00 each have been issued and fully paid-up.

The changes in the issued and paid-up share capital of BQuar since its incorporation are set out below:

Date of allotment	No. of ordinary shares of RM1.00 each allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
11.03.87	2	Subscribers' shares	2
05.02.94	998	Cash subscription	1,000

Substantial Shareholders

As at the LPD, the Substantial Shareholders of BQuar and their respective shareholdings are as follows:

Name	No. of ordinary shares held	%
Binamin Holding Sdn Bhd	600	60.0
MJC	400	40.0
	<u>1,000</u>	<u>100.0</u>

Subsidiaries and Associated Companies

Details of the subsidiary of BQuar as at the LPD is as follows:

Name	Date of incorporation	Authorised share capital RM	Issued and paid-up share capital RM	Effective interest held by BQuar %	Principal activities
BMQuar	13.07.92	10,000,000	2,000	50.05	Production and sale of quarry products

As at the LPD, BQuar does not have any associated company.

8. INFORMATION ON THE MUDAJAYA GROUP (cont'd)

8.5 Land and Buildings

Details of land and buildings of the Mudajaya Group as at the LPD are as follows:

Registered owner	Title/Location	Description/ Existing use	Land area/ built-up area (sq. m)	Approximate age of building (years)	Tenure (years)	Net book value as at 31.10.03 RM 000
MJC	Lot 32 & 33 GM 158 & 159 Mukim Ijok Jalan Bukit Badong Daerah Kuala Selangor, Selangor Darul Ehsan	Industrial land with factory	40,468/2,480	4	Freehold	5,382
MJC ⁽¹⁾	Unit No. C1-16-2, Vista Komanwel Condominium erected on land held under GRN 46834, Lot 38386, Mukim Petaling, Daerah Kuala Lumpur	One (1) condominium unit	N/A/233	6	Freehold	407
MJC ⁽¹⁾	Unit Nos. A1-16-2, A2-16-8 and A2-16-7, Vista Komanwel Condominium erected on land held under GRN 46832, Lot 38384, Mukim Petaling, Daerah Kuala Lumpur	Three (3) condominium units ⁽²⁾	N/A/726 ⁽³⁾	6	Freehold	1,222 ⁽⁴⁾
MInd ⁽⁵⁾	Unit 114, Ground Floor, Block B, Sunway Court, Bandar Sunway, Petaling Jaya, Selangor Darul Ehsan	One (1) apartment unit	N/A/84	11	Leasehold for 99 years expiring on 11.04.2093	158
Angsana	Villa Angsana Condominium, 56, Off Jalan Ipoh, 51000 Kuala Lumpur	24 condominium units ⁽⁶⁾	N/A/5,308 ⁽⁷⁾	3	Freehold	12,945 ⁽⁸⁾
Angsana	Lot 55079, Off Jalan Ipoh, Mukim Batu, Daerah Kuala Lumpur	Residential land	1,378/N/A	N/A	Freehold	263

Notes:

N/A Not applicable.

⁽¹⁾ The properties are not registered in MJC's name as the strata titles have not been issued.

⁽²⁾ As at the LPD, Mudajaya has entered into two (2) sale and purchase agreements with other parties to sell two (2) condominium units and the sales are pending completion.

⁽³⁾ The built-up area of the three (3) condominium units ranges from 233 square meters to 259 square meters.

⁽⁴⁾ The net book value of the three (3) condominium units ranges from RM381,475.60 to RM444,718.20.

⁽⁵⁾ The property is in the process of being registered in MInd's name as MInd is finalising the memorandum of transfer to be submitted to the developer of the property.

⁽⁶⁾ Unsold property development units.

⁽⁷⁾ The built-up area of the 24 condominium units ranges from 103 square meters to 261 square meters.

⁽⁸⁾ The net book value of the 24 condominium units ranges from RM213,000 to RM666,000.

Save for the land held under GRN 46834, Lot 38386, Mukim Petaling, Daerah Kuala Lumpur, which is encumbered by a Registrar's caveat and the land where Villa Angsana Condominium is built on, which is encumbered by six (6) Registrar's caveats, the Directors of Mudajaya are not aware of any encumbrances on the abovementioned land and buildings.

The abovementioned factory, condominium units and apartment unit have been issued with certificate of fitness. No revaluations have been made on the abovementioned land and buildings.

8. INFORMATION ON THE MUDAJAYA GROUP (cont'd)

The land held under GRN 46834, Lot 38386 and GRN 46832, Lot 38384, Mukim Petaling, Daerah Kuala Lumpur cannot be transferred, charged, mortgaged, leased or dealt with in any other manner, unless the written approval of the Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur is obtained save for the initial transfer or charge. Other than the above, the Directors of Mudajaya are unaware of any restriction in interest for the abovementioned land and buildings.

Save as disclosed below, none of the abovementioned land and buildings have been acquired during the two (2) years preceding the LPD:

Registered owner	Title/Location	Description/ Existing use	Date of transaction	Purchase price RM
MJC	Unit No. C1-16-2, Vista Komanwel Condominium erected on land held under GRN 46834, Lot 38386, Mukim Petaling, Daerah Kuala Lumpur	One (1) condominium unit	08.04.03	562,016
MJC	Unit No. A1-16-2, Vista Komanwel Condominium erected on land held under GRN 46832, Lot 38384, Mukim Petaling, Daerah Kuala Lumpur	One (1) condominium unit	08.04.03	526,890
MJC	Unit No. A2-16-8, Vista Komanwel Condominium erected on land held under GRN 46832, Lot 38384, Mukim Petaling, Daerah Kuala Lumpur	One (1) condominium unit	08.04.03	614,240
MJC	Unit No. A2-16-7, Vista Komanwel Condominium erected on land held under GRN 46832, Lot 38384, Mukim Petaling, Daerah Kuala Lumpur	One (1) condominium unit	08.04.03	546,962

8.6 Major Licences and Permits

Certain companies within the Mudajaya Group possess licences and permits required for their respective business operations. The major registrations, licences and permits which are valid as at the LPD are as follows:

Holder	Authority/ Company	Date issued	Licence/ Registration No.	Type of business approved	Equity conditions imposed	Status	Validity period
MJC	CIDB	13.01.04	1960112- SL000170	No expressed limit as to tendering capacity. Building Construction – general buildings and maintenance and piling works. Civil Engineering – road and pavement construction, bridges, water retaining structure, piling, underwater construction and maintenance, airport, sewerage, water pipe lines and general civil engineering works.	Nil	N/A	13.01.04 to 12.01.07

8. INFORMATION ON THE MUDAJAYA GROUP (cont'd)

Holder	Authority/ Company	Date issued	Licence/ Registration No.	Type of business approved	Equity conditions imposed	Status	Validity period
MJC	Pusat Khidmat Kontraktor ("PKK"), Ministry of Entrepreneurial Development	07.01.04	1002 A 93 0325	Class "A" Contractor	The registration with PKK will be cancelled if: a) Any of the shareholders of MJC owns shares exceeding 5% or RM50,000 (whichever is the lower); or b) any of the management or technical personnel of MJC actively participates in another company which has also been registered with PKK under the same work field or work category.	N/A	02.12.03 to 01.12.05
MJC	Indah Water Konsortium Sdn Bhd ("IWK")	17.06.03	FWK2100	Contractor/Supplier for civil works, sewage treatment plant, sewerage network pump stations	IWK is to be informed of any change/ modification to the company's details within 21 days from the date such change/ modification is effected.	Met	13.06.03 to 12.06.05
MJC	Jabatan Perkhidmatan Pembetungan	14.11.03	KPKT/JPP (03)8/358/ 2003D	Construction or installation of any part of a sewerage system	Nil	N/A	23.10.03 to 22.10.04
MCity	Ministry of Housing and Local Government	08.10.03	L0314/KP/ HD/1/121-R2	Development of Batu Kawah New Township (Phase 4) Kuching, Sarawak	Nil	N/A	28.11.03 to 27.11.04
MCity	Ministry of Housing and Local Government	08.10.03	L0421/KP/ HD/1/188- R1	Development of Batu Kawah New Township (Phase 5) Kuching, Sarawak	Nil	N/A	28.10.03 to 27.10.04
MCity	Ministry of Housing and Local Government	20.08.03	L0501/KP/ HD/1/222	Development of Batu Kawah New Township (Phase 6) Kuching, Sarawak	Nil	N/A	19.08.03 to 18.08.04

Save as disclosed above, none of the other companies within the Mudajaya Group has been granted any major licences and/or permits as at the LPD.