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The cover of this Prospectus contains photographs and illustrations of assets which do not belong to ECB and are included herein for illustration purposes only.

EVERSENDAI CORPORATION BERHAD • PROSPECTUS

P R O S P E C T U S

THIS PROSPECTUS IS DATED 15 JUNE 2011

EVERSENDAI

EVERSENDAI CORPORATION BERHAD

(Company No. 614060-A)
(Incorporated in Malaysia under the Companies Act, 1965)

INITIAL PUBLIC OFFERING OF 232,190,000 ORDINARY SHARES OF RM0.50 EACH IN EVERSENDAI CORPORATION BERHAD ("ECB") ("SHARES") COMPRISING:

(I) PUBLIC ISSUE OF 160,700,000 NEW SHARES TO INSTITUTIONAL AND SELECTED INVESTORS AT THE INSTITUTIONAL PRICE TO BE DETERMINED BY WAY OF BOOKBUILDING ("INSTITUTIONAL PRICE") UNDER THE INSTITUTIONAL OFFERING; AND

(II) OFFER FOR SALE OF 71,490,000 EXISTING SHARES IN THE FOLLOWING MANNER:

- 41,340,000 EXISTING SHARES TO INSTITUTIONAL AND SELECTED INVESTORS AT THE INSTITUTIONAL PRICE UNDER THE INSTITUTIONAL OFFERING; AND
- 30,150,000 EXISTING SHARES TO THE MALAYSIAN PUBLIC, ELIGIBLE DIRECTORS AND EMPLOYEES OF ECB AND ITS SUBSIDIARIES AT THE RETAIL PRICE OF RM1.70 PER SHARE, PAYABLE IN FULL UPON APPLICATION ("RETAIL PRICE") UNDER THE RETAIL OFFERING,

SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF ECB ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD.

THE RETAIL PRICE IS PAYABLE IN FULL UPON APPLICATION AND SUBJECT TO REFUND OF THE DIFFERENCE, IN THE EVENT THAT THE FINAL RETAIL PRICE IS LESS THAN THE RETAIL PRICE.

THE FINAL RETAIL PRICE WILL BE EQUAL TO THE LOWER OF (I) THE RETAIL PRICE; AND (II) 95% OF THE INSTITUTIONAL PRICE, SUBJECT TO ROUNDING TO THE NEAREST SEN.

Sole Adviser, Underwriter and Bookrunner

Maybank Investment Bank

Maybank Investment Bank Berhad (15938-H)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH INVESTORS SHOULD CONSIDER, SEE "RISK FACTORS" IN SECTION 5 OF THIS PROSPECTUS.

LISTING SOUGHT: MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD

OUR DIRECTORS, PROMOTER AND THE OFFEROR HAVE SEEN AND APPROVED THIS PROSPECTUS. THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED IN THIS PROSPECTUS. HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THEY CONFIRM THAT THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS WHICH IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS PROSPECTUS FALSE OR MISLEADING.

MAYBANK INVESTMENT BANK BERHAD ("**MAYBANK IB**"), AS OUR SOLE ADVISER, UNDERWRITER FOR THE RETAIL OFFERING AND BOOKRUNNER FOR THE INSTITUTIONAL OFFERING IN RELATION TO OUR INITIAL PUBLIC OFFERING ("**IPO**") ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING OUR IPO.

THE SECURITIES COMMISSION MALAYSIA ("**SC**") HAS APPROVED THE ISSUE, OFFER AND INVITATION IN RESPECT OF THE IPO AND A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SC. THE APPROVAL, AND REGISTRATION OF THIS PROSPECTUS, SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE IPO OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE OR OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF OUR SHARES BEING OFFERED FOR INVESTMENT.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE IN THIS PROSPECTUS BY US. THE SC ALSO TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS INVESTORS MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. **YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF OUR IPO AND AN INVESTMENT IN OUR COMPANY. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD IMMEDIATELY CONSULT YOUR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS OR OTHER PROFESSIONAL ADVISERS BEFORE APPLYING FOR OUR SHARES.**

OUR COMPANY OBTAINED THE APPROVAL OF BURSA MALAYSIA SECURITIES BERHAD ("**BURSA SECURITIES**") FOR THE LISTING OF AND QUOTATION FOR OUR SHARES. OUR ADMISSION TO THE OFFICIAL LIST OF BURSA SECURITIES IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE IPO, OUR COMPANY OR OUR SHARES.

THE ACCEPTANCE OF APPLICATIONS FOR THE IPO SHARES IS CONDITIONAL UPON PERMISSION BEING GRANTED BY BURSA SECURITIES FOR THE QUOTATION OF ALL OUR SHARES ON THE MAIN MARKET OF BURSA SECURITIES. IF THE PERMISSION IS NOT GRANTED WITHIN 6 WEEKS FROM THE DATE OF THIS PROSPECTUS (OR SUCH LONGER PERIOD AS MAY BE SPECIFIED BY THE SC), PROVIDED THAT OUR COMPANY IS NOTIFIED BY BURSA SECURITIES WITHIN THE AFORESAID TIMEFRAME, ALL MONIES PAID IN RESPECT OF ANY APPLICATION ACCEPTED WILL BE RETURNED IN FULL, WITHOUT INTEREST TO THE APPLICANTS, AT THE APPLICANTS' OWN RISK. IF ANY SUCH MONIES ARE NOT RETURNED WITHIN 14 DAYS AFTER OUR COMPANY BECOMES LIABLE TO DO SO, THE PROVISION OF SECTION 243(2) OF THE CAPITAL MARKETS & SERVICES ACT, 2007 ("**CMSA**") SHALL APPLY ACCORDINGLY.

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

YOU ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS PROSPECTUS IS DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CMSA.

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE IPO FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

THE SHARIAH ADVISORY COUNCIL OF THE SC ("**SAC**") HAS CLASSIFIED OUR SHARES AS SHARIAH-COMPLIANT BASED ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010. THIS CLASSIFICATION REMAINS VALID UNTIL THE NEXT SHARIAH COMPLIANCE REVIEW IS UNDERTAKEN BY THE SAC. THE NEW STATUS IS RELEASED IN THE UPDATED LIST OF SHARIAH-COMPLIANT SECURITIES, ON THE LAST FRIDAY OF MAY AND NOVEMBER OF EACH YEAR.

YOU SHOULD NOTE THAT ANY AGREEMENT BY OUR UNDERWRITER NAMED IN THIS PROSPECTUS TO UNDERWRITE OUR SHARES UNDER THE RETAIL OFFERING IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF OUR SHARES BEING OFFERED.

THE DISTRIBUTION OF THIS PROSPECTUS AND THE IPO ARE SUBJECT TO THE LAWS OF MALAYSIA. THIS PROSPECTUS WILL NOT BE DISTRIBUTED OUTSIDE MALAYSIA EXCEPT INSOFAR AS IT IS PART OF THE OFFERING MEMORANDUM DISTRIBUTED TO FOREIGN INSTITUTIONAL INVESTORS OUTSIDE MALAYSIA IN CONNECTION WITH THE IPO. OUR COMPANY, PROMOTER, THE OFFEROR, SOLE ADVISER, UNDERWRITER AND BOOKRUNNER NAMED IN THIS PROSPECTUS HAVE NOT AUTHORISED AND ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF THIS PROSPECTUS OUTSIDE MALAYSIA EXCEPT INSOFAR AS IT IS PART OF THE OFFERING MEMORANDUM DISTRIBUTED TO FOREIGN INSTITUTIONAL INVESTORS OUTSIDE MALAYSIA IN CONNECTION WITH THE IPO. NO ACTION HAS BEEN TAKEN TO PERMIT A PUBLIC OFFERING OF OUR SHARES IN ANY JURISDICTION OTHER THAN MALAYSIA BASED ON THIS PROSPECTUS. ACCORDINGLY, THIS PROSPECTUS MAY NOT BE USED FOR THE PURPOSE OF AND DOES NOT CONSTITUTE AN OFFER FOR SUBSCRIPTION OR PURCHASE OR INVITATION TO SUBSCRIBE FOR OR PURCHASE OUR SHARES UNDER THE IPO IN ANY JURISDICTION OR IN ANY CIRCUMSTANCE IN WHICH AN OFFER IS NOT AUTHORISED OR LAWFUL OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION. THE DISTRIBUTION OF THIS PROSPECTUS AND THE SALE OF OUR SHARES OFFERED UNDER THE IPO IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. PERSONS WHO MAY BE IN POSSESSION OF THIS PROSPECTUS ARE REQUIRED TO INFORM THEMSELVES OF AND TO OBSERVE SUCH RESTRICTIONS.

THIS PROSPECTUS IS PUBLISHED SOLELY IN CONNECTION WITH THE IPO. OUR SHARES BEING OFFERED IN THE IPO ARE OFFERED SOLELY ON THE BASIS OF THE INFORMATION CONTAINED AND REPRESENTATIONS MADE IN THIS PROSPECTUS. OUR COMPANY, PROMOTER, THE OFFEROR, SOLE ADVISER, UNDERWRITER AND BOOKRUNNER HAVE NOT AUTHORISED ANYONE TO PROVIDE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS PROSPECTUS. ANY INFORMATION OR REPRESENTATION NOT CONTAINED IN THIS PROSPECTUS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY OUR COMPANY, PROMOTER, THE OFFEROR, SOLE ADVISER, UNDERWRITER AND BOOKRUNNER OR ANY OF THEIR RESPECTIVE DIRECTORS OR ANY OTHER PERSONS INVOLVED IN THE IPO.

THIS PROSPECTUS CAN BE VIEWED OR DOWNLOADED FROM THE WEBSITE OF BURSA SECURITIES AT www.bursamalaysia.com.

THIS PROSPECTUS HAS BEEN PREPARED IN THE CONTEXT OF AN IPO UNDER THE LAWS OF MALAYSIA. IT DOES NOT COMPLY WITH THE LAWS OF ANY JURISDICTION OTHER THAN MALAYSIA AND HAS NOT BEEN AND WILL NOT BE LODGED, REGISTERED OR APPROVED PURSUANT TO OR UNDER ANY APPLICABLE SECURITIES OR LEGISLATION OR BY ANY REGULATORY AUTHORITY OF ANY JURISDICTION OTHER THAN MALAYSIA.

ELECTRONIC PROSPECTUS

CONTENTS OF THE ELECTRONIC PROSPECTUS AND THE COPY OF THIS PROSPECTUS REGISTERED WITH THE SC ARE THE SAME. YOU MAY OBTAIN A COPY OF THE ELECTRONIC PROSPECTUS FROM THE WEBSITE OF MALAYAN BANKING BERHAD AT www.maybank2u.com.my, CIMB INVESTMENT BANK BERHAD AT www.eipocimb.com, CIMB BANK BERHAD AT www.cimbclicks.com.my, RHB BANK BERHAD AT www.rhb.com.my, AFFIN BANK BERHAD AT www.affinOnline.com AND PUBLIC BANK BERHAD AT www.pbebank.com.

THE INTERNET IS NOT A FULLY SECURE MEDIUM. THE INTERNET SHARE APPLICATION MAY BE SUBJECT TO RISKS IN DATA TRANSMISSION, COMPUTER SECURITY THREATS SUCH AS VIRUSES, HACKERS AND CRACKERS, FAULTS WITH COMPUTER SOFTWARE AND OTHER EVENTS BEYOND THE CONTROL OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS. THESE RISKS CANNOT BE BORNE BY THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS. IF YOU DOUBT THE VALIDITY OR INTEGRITY OF AN ELECTRONIC PROSPECTUS, YOU SHOULD IMMEDIATELY REQUEST FROM OUR COMPANY OR THE ISSUING HOUSE, A PAPER/PRINTED COPY OF THIS PROSPECTUS. IF THERE IS ANY DISCREPANCY BETWEEN THE CONTENTS OF THE ELECTRONIC PROSPECTUS AND THE PAPER/PRINTED COPY OF THIS PROSPECTUS, THE CONTENTS OF THE PAPER/PRINTED COPY OF THIS PROSPECTUS WHICH ARE IDENTICAL TO THE COPY OF THE PROSPECTUS REGISTERED WITH THE SC SHALL PREVAIL.

IN RELATION TO ANY REFERENCE IN THIS PROSPECTUS TO THIRD PARTY INTERNET SITES (REFERRED TO AS "**THIRD PARTY INTERNET SITES**"), WHETHER BY WAY OF HYPERLINKS OR BY WAY OF DESCRIPTION OF THE THIRD PARTY INTERNET SITES, INVESTORS ACKNOWLEDGE AND AGREE THAT:

(I) WE DO NOT ENDORSE AND ARE NOT AFFILIATED IN ANY WAY TO THE THIRD PARTY INTERNET SITES. ACCORDINGLY, WE ARE NOT RESPONSIBLE FOR THE AVAILABILITY OF OR THE CONTENT OR ANY DATA, FILE OR OTHER MATERIALS PROVIDED ON THE THIRD PARTY INTERNET SITES. YOU BEAR ALL RISKS ASSOCIATED WITH THE ACCESS TO OR USE OF THE THIRD PARTY INTERNET SITES;

(II) WE ARE NOT RESPONSIBLE FOR THE QUALITY OF PRODUCTS OR SERVICES IN THE THIRD PARTY INTERNET SITES, PARTICULARLY IN FULFILLING ANY TERMS OF ANY AGREEMENTS WITH THE THIRD PARTY INTERNET SITES. WE ARE ALSO NOT RESPONSIBLE FOR ANY LOSS OR DAMAGE OR COST THAT YOU MAY SUFFER OR INCUR IN CONNECTION WITH OR AS A RESULT OF DEALING WITH THE THIRD PARTY INTERNET SITES OR THE USE OF OR RELIANCE ON ANY DATA, FILE OR OTHER MATERIALS PROVIDED BY SUCH PARTIES; AND

(III) ANY DATA, FILE OR OTHER MATERIALS DOWNLOADED FROM THE THIRD PARTY INTERNET SITES IS DONE AT THE INVESTORS' OWN DISCRETION AND RISK. WE ARE NOT RESPONSIBLE, LIABLE OR UNDER OBLIGATION FOR ANY DAMAGE TO THE INVESTORS' COMPUTER SYSTEMS OR LOSS OF DATA RESULTING FROM THE DOWNLOADING OF ANY SUCH DATA, INFORMATION, FILE OR OTHER MATERIALS.

WHERE AN ELECTRONIC PROSPECTUS IS HOSTED ON THE WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, INVESTORS ARE ADVISED THAT:

(I) THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS ONLY LIABLE IN RESPECT OF THE INTEGRITY OF THE CONTENTS OF AN ELECTRONIC PROSPECTUS, TO THE EXTENT OF THE CONTENT OF THE ELECTRONIC PROSPECTUS ON THE WEB SERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION WHICH MAY BE VIEWED VIA THE INVESTORS' WEB BROWSER OR OTHER RELEVANT SOFTWARE. THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS NOT RESPONSIBLE FOR THE INTEGRITY OF THE CONTENTS OF AN ELECTRONIC PROSPECTUS WHICH HAS BEEN OBTAINED FROM THE WEB SERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION AND SUBSEQUENTLY COMMUNICATED OR DISSEMINATED IN ANY MANNER TO THE INVESTORS OR OTHER PARTIES; AND

(II) WHILE ALL REASONABLE MEASURES HAVE BEEN TAKEN TO ENSURE THE ACCURACY AND RELIABILITY OF THE INFORMATION PROVIDED IN AN ELECTRONIC PROSPECTUS, THE ACCURACY AND RELIABILITY OF AN ELECTRONIC PROSPECTUS CANNOT BE GUARANTEED BECAUSE THE INTERNET IS NOT A FULLY SECURE MEDIUM.

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INDICATIVE TIMETABLE

The indicative timing of events leading up to the listing of and quotation for our entire enlarged share capital after the IPO on the Main Market of Bursa Securities is set out below:

Events	Date
Opening of Retail Offering and Institutional Offering	10.00 a.m., 15 June 2011
Closing of Retail Offering and Institutional Offering	5.00 p.m., 21 June 2011
Price Determination Date	21 June 2011
Balloting for applications for the Offer Shares under the Retail Offering	23 June 2011
Allotment/transfer of the IPO Shares to successful applicants	29 June 2011
Listing	1 July 2011

Under the Institutional Offering, our Directors, the Offeror and our Bookrunner may decide in their absolute discretion to extend the closing time and date for applications to any later date or dates. Under the Retail Offering, our Directors, the Offeror and our Underwriter may decide in their absolute discretion to extend the closing time and date for applications to any later date or dates. If they decide to extend the closing date for the applications, the Price Determination Date and dates for the balloting of the Offer Shares and the allotment/transfer of the IPO Shares, and our Listing will be extended accordingly. We will announce any extension in a widely circulated Bahasa Malaysia language daily newspaper and a widely circulated English language daily newspaper within Malaysia.

This timetable is tentative and is subject to changes which may be necessary to facilitate implementation procedures.

All defined terms used in this Prospectus are defined under "Definitions" commencing on pages xii to xvii respectively.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to "our Company" or "ECB" in this Prospectus are to Eversendai Corporation Berhad. All references to "our Group" or "ECB Group" in this Prospectus are to our Company and our subsidiaries taken as a whole. References to "we", "us", "our" and "ourselves" are to our Company and where the context requires, our Company and our subsidiaries.

In this Prospectus, references to "RM" and "sen" are to the lawful currency of Malaysia; references to "AED" are to the lawful currency of the United Arab Emirates; references to "HKD" are to the lawful currency of Hong Kong; references to "QR" are to the lawful currency of Qatar; references to "SAR" are to the lawful currency of Saudi Arabia; references to "Rs" are to the lawful currency of India; references to "Singapore Dollars" and "SGD" are to the lawful currency of Singapore; and references to "US Dollars" and "USD" are to the lawful currency of the United States of America. Any discrepancy in the tables included in this Prospectus between the amounts listed and totals thereof are due to rounding. Other abbreviations used herein are defined in the "Definitions" section appearing on pages xii to xvii of this Prospectus. Words denoting the singular only shall include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and vice versa. Reference to persons shall include corporations.

Any reference to a time or day shall be a reference to Malaysian time, unless otherwise stated.

References to "LPD" in this document are to 16 May 2011, which is the latest practicable date for certain information to be obtained and disclosed in this Prospectus prior to the registration of the Prospectus with the SC.

The information on our website or any website directly or indirectly linked to such websites is not incorporated by reference into this Prospectus and should not be relied on.

This Prospectus includes statistical data provided by us and various third parties and cites third-party projections regarding growth and performance of the industries in which we operate. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is acknowledged in this Prospectus, provided that where no source is acknowledged, it can be assumed that the information originates from us. In particular, certain information in this Prospectus is extracted or derived from the report prepared by Frost & Sullivan Malaysia Sdn Bhd, an independent market researcher. We believe that the statistical data and projections cited in this Prospectus are useful in helping prospective investors understand the major trends in the industries in which we operate. However, we, the Offeror, Promoter, Sole Adviser, Underwriter and Bookrunner have not independently verified these figures. Neither our Company nor the Offeror, Promoter, Sole Adviser, Underwriter and Bookrunner make any representation as to the correctness, accuracy or completeness of such data and accordingly, you should not place undue reliance on the statistical data cited in this Prospectus. Similarly, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. No assurances are or can be given that the estimated figures will be achieved, and you should not place undue reliance on the third-party projections cited in this Prospectus.

EBITDA, as well as the related ratios presented in this Prospectus, are supplemental measures of our performance and liquidity that are not required by or presented in accordance with Malaysian FRS. EBITDA is not a measurement of financial performance or liquidity under Malaysian FRS and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with Malaysian FRS or as an alternative to cash flows from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardised term, hence a direct comparison between companies using such a term may not be possible.

We believe that EBITDA facilitates comparisons of operating performance from period to period and company to company by eliminating potential differences caused by variations in capital structures (affecting interest expense and finance charges), tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses), the age and booked depreciation and amortisation of assets (affecting relative depreciation and amortisation expenses). EBITDA has been presented because we believe that it is frequently used by securities analysts, investors and other interested parties in evaluating similar companies, many of whom present such non-GAAP financial measures when reporting their results. Finally, EBITDA is presented as a supplemental measure of our ability to service debt. Nevertheless, EBITDA has limitations as an analytical tool, and potential investors should not consider it in isolation from, or as a substitute for analysis of our financial condition or results of operations, as reported under Malaysian FRS. Due to these limitations, EBITDA should not be considered as a measure of discretionary cash available to invest in the growth of our business.

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FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Company for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future result, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. Forward-looking statements can be identified by the use of forward-looking terminology such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast" or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- our financial position and financing plans;
- our business strategies, trends and competitive position, and future plans;
- plans and objectives of our Company for future operations;
- the general industry environment; and
- the regulatory environment and the effects of future regulation.

Actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors, including, without limitation:

- continued availability of capital financing;
- interest rates and foreign exchange rates;
- taxes and duties;
- fixed and contingent obligations and commitments;
- the competitive environment in our industry;
- the activities and financial health of our customers, suppliers and other business partners;
- the general economic and business conditions;
- the political, economic and social developments;
- delays, cost overruns, shortages in labour or problems with the execution of our expansion plans;
- significant capital expenditure requirements;
- future regulatory changes affecting us or in the countries in which we operate;
- liability for remedial actions under environmental and/or health and safety regulations;
- the cost and availability of adequate insurance coverage; and
- any other factors beyond our control.

FORWARD-LOOKING STATEMENTS *(Cont'd)*

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed elsewhere in Section 5 of this Prospectus on "Risk factors" and Section 14.5 of this Prospectus on "Management's discussion and analysis of financial condition and results of operations". We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the LPD. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained in this Prospectus to reflect any changes in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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DEFINITIONS

In this Prospectus, unless where the context requires otherwise, the following words and abbreviations shall have the following meanings:

"Acquisition"	:	Our acquisition of 49% of the equity interest in EVSC comprising 490 ordinary shares of AED1,000.00 each from the Vendor of EVSC for a total cash consideration of RM2,665,972. The acquisition of EVSC has been completed and the effective date for the acquisition was 30 May 2010.
"Act"	:	Companies Act, 1965, as amended from time to time, and any re-enactment thereof
"ADA"	:	Authorised Depository Agent
"ADA Code"	:	ADA (Broker) Code
"Application"	:	Application for the Offer Shares under the Retail Offering by way of Application Form, Electronic Share Application or Internet Share Application
"Application Form"	:	Printed application form for the application of the Offer Shares under the Retail Offering accompanying this Prospectus
"ASME"	:	American Society of Mechanical Engineers
"ATM"	:	Automated teller machine
"Authorised Financial Institution"	:	Authorised financial institution participating in the Internet Share Application, with respect to payments for the Offer Shares made available for Application under the Retail Offering
"Board"	:	Board of Directors of our Company
"Bonus Issue"	:	Bonus issue of ECB Shares on the basis of 9 new ECB Shares for every 1 existing ECB Share held which was completed on 24 May 2011
"Bookrunner"	:	Maybank IB
"Bursa Depository"	:	Bursa Malaysia Depository Sdn Bhd
"Bursa Securities"	:	Bursa Malaysia Securities Berhad
"Capitalisation"	:	Capitalisation of part of the amount owing by our Company to DAKN of RM2,665,000 via the issuance of 2,665,000 new ordinary shares of RM1.00 each
"CCS"	:	Central Control System
"CCTV"	:	Closed-Circuit Television
"CDS"	:	Central Depository System
"CDS Account"	:	An account established by Bursa Depository for a depositor for the recording of deposit of securities or withdrawal of securities and for dealing in such securities by the depositor
"CF"	:	Certificate of fitness for occupation
"CIDB"	:	Construction Industry Development Board

"CMSA"	:	Capital Markets & Services Act 2007, as amended from time to time or its re-enactment thereof
"CNC"	:	Computer Numeric Control
"Companies Law"	:	Federal Law No. 8 of 1984 on Commercial Companies for the UAE
"D&D"	:	Design and development
"DAKN"	:	Dato' Nathan a/l Elumalay
"DIFC"	:	Dubai International Financial Centre
"EBIT"	:	Earnings before interest and taxation
"EBITDA"	:	Earnings before interest, taxation, depreciation and amortisation
"ECB" or "Company"	:	Eversendai Corporation Berhad, a company existing under the laws of Malaysia
"ECB Group" or "Group"	:	ECB and our subsidiaries
"ECB Share" or "Share"	:	Ordinary share of RM0.50 each of ECB
"ECEPL"	:	Eversendai Consulting Engineers Private Limited
"EEPL"	:	Eversendai Engineering Private Limited
"Electronic Prospectus"	:	A copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/or an electronic storage medium, including but not limited to CD-ROMs or floppy disks
"Electronic Share Application"	:	An application for the Offer Shares under the Retail Offering through Participating Financial Institutions' ATM
"EPC"	:	Engineering, procurement and construction
"EPS"	:	Earnings per share
"Equity Guidelines"	:	Equity Guidelines issued by the SC
"EV Hong Kong"	:	Eversendai Engineering Co HK Ltd, a company existing under the laws of Hong Kong, and formerly our subsidiary
"FIC"	:	Foreign Investment Committee
"Final Retail Price"	:	The final price per Offer Share to be paid by applicants under the Retail Offering, equivalent to RM1.70 per Share or 95% of the Institutional Price, whichever is lower, to be determined on the Price Determination Date in accordance with Section 4.2 of this Prospectus
"Frost & Sullivan"	:	Frost & Sullivan Malaysia Sdn Bhd
"FRS"	:	Financial Reporting Standards
"FYE"	:	Financial year ended/ending
"GAAP"	:	Generally accepted accounting principles
"GCC"	:	Gulf Cooperation Council

DEFINITIONS *(Cont'd)*

"Institutional Offering"	:	Public offering of 202,040,000 IPO Shares by our Company and the Offeror at the Institutional Price payable in full upon application, to institutional and selected investors
"Institutional Price"	:	Price per Share to be paid by investors under the Institutional Offering which will be determined on the Price Determination Date by way of bookbuilding
"Internet Participating Financial Institution(s)"	:	Participating organisation in the Internet Share Application as listed in Section 18 of this Prospectus
"Internet Share Application"	:	An application for the Offer Shares through an Internet Participating Financial Institution
"IPO"	:	Initial public offering, namely the Institutional Offering and Retail Offering
"IPO Shares"	:	Collectively, the Issue Shares and Offer Shares
"ISO"	:	International Organization for Standardization
"Issuing House" or "MIH"	:	Malaysian Issuing House Sdn Bhd
"Issue Shares"	:	160,700,000 new ECB Shares to be issued under the Institutional Offering
"Listing"	:	Listing of and quotation for our entire enlarged issued and paid-up share capital of RM387,000,000 comprising 774,000,000 ECB Shares on the Main Market of Bursa Securities
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities
"Listing Scheme"	:	Capitalisation, increase in authorised share capital, Bonus Issue, Share Split, Institutional Offering, Retail Offering and Listing collectively
"LPD"	:	16 May 2011, being the latest practicable date prior to the registration of the Prospectus
"Malaysian Public"	:	Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
"Market Day"	:	Any day between Monday and Friday (both days inclusive) which is not a public holiday and on which Bursa Securities is open for trading of securities
"Maybank IB"	:	Maybank Investment Bank Berhad
"MENA"	:	Middle East and North Africa
"MI"	:	Minority interests
"MIDA"	:	Malaysian Industrial Development Authority
"MITI"	:	Ministry of International Trade and Industry
"MT"	:	Metric tonne
"MW"	:	Megawatt
"NA"	:	Net assets

"NL"	:	Net liabilities
"NTA"	:	Net tangible assets
"Offer Shares"	:	Offer Shares of 71,490,000 ECB Shares to be made available in the following manner: (i) 41,340,000 ECB Shares, being the subject of the Institutional Offering; and (ii) 30,150,000 ECB Shares, being the subject of the Retail Offering
"Offeror" or "Promoter"	:	DAKN
"Official List"	:	A list specifying all securities listed on the Main Market of Bursa Securities
"Participating Financial Institution"	:	Participating financial institution for the Electronic Share Application as listed in Section 18 of this Prospectus
"PAT"	:	Profit after taxation
"PATAMI"	:	Profit after taxation and after MI
"PBT"	:	Profit before taxation
"PE Multiple"	:	Price earnings multiple
"Pink Form Shares"	:	The 10,150,000 Issue Shares to be made available for application by the eligible Directors and employees of our Group, representing 1.31% of our enlarged share capital after the IPO of 774,000,000 ECB Shares
"Placement Agreement"	:	Placement agreement to be entered into between our Company, the Offeror and Bookrunner
"Price Determination Date"	:	The date on which the Institutional Price and Final Retail Price will be determined
"QA/QC"	:	Quality Assurance/Quality Control
"QCCI"	:	Qatar Chamber of Commerce and Industry
"QIG Industrial"	:	Qatari Investors Group Industrial Special Purpose Company
"R&D"	:	Research and development
"Record of Depositors"	:	A record provided by Bursa Depository to our Company under Chapter 24.0 of the Rules
"Retail Offering"	:	Offering of 30,150,000 Offer Shares at the Retail Price payable in full upon application, to the Malaysian public, our eligible Directors and employees
"Retail Price"	:	The initial price of RM1.70 per Share to be fully paid upon application pursuant to the Retail Offering subject to adjustment as described in Section 4.9 of this Prospectus
"Rules"	:	The Rules of Bursa Depository as issued pursuant to the SICDA

"SAC"	:	Shariah Advisory Council of the SC
"SC"	:	Securities Commission Malaysia
"SGS"	:	Societe Generate de Surveillance
"Share Split"	:	Share split involving the subdivision of one existing ordinary share of par value RM1.00 each in ECB into two ordinary shares of par value RM0.50 each, which was completed on 25 May 2011
"SICDA"	:	Securities Industry (Central Depositories) Act, 1991 or as amended from time to time or its re-enactment thereof
"Sole Adviser"	:	Maybank IB
"sq. ft."	:	Square feet
"Underwriter"	:	Maybank IB
"Underwriting Agreement"	:	The underwriting agreement dated 2 June 2011 between our Company, the Offeror and our Underwriter for the underwriting of 30,150,000 Offer Shares under the Retail Offering
"Vendor of EVSC"	:	DAKN

SUBSIDIARIES

"EV Abu Dhabi"	:	Eversendai Engineering LLC, a company existing under the laws of Abu Dhabi, UAE
"EV Dubai"	:	Eversendai Engineering LLC, a company existing under the laws of Dubai, UAE
"EV India"	:	Eversendai Construction Private Limited, a company existing under the laws of India
"EV Qatar"	:	Eversendai Engineering Qatar WLL, a company existing under the laws of Qatar
"EV Saudi"	:	Eversendai Engineering Saudi LLC, a company existing under the laws of Saudi Arabia
"EV Sharjah"	:	Eversendai Engineering FZE (Hamriyah Free Zone, Sharjah), a company existing under the laws of Sharjah, UAE
"EV Singapore"	:	Eversendai Construction (S) Pte Ltd, a company existing under the laws of Singapore
"EVSC"	:	EVS Construction LLC (Dubai), a company existing under the laws of Dubai, UAE
"SEVM"	:	Shineversendai Engineering (M) Sdn Bhd, a company existing under the laws of Malaysia

COUNTRIES

"Hong Kong"	:	Hong Kong, Special Administrative Region
"Oman"	:	Sultanate of Oman
"Saudi Arabia"	:	Kingdom of Saudi Arabia

DEFINITIONS *(Cont'd)*

"UAE"	:	United Arab Emirates
"UK"	:	United Kingdom
"USA"	:	United States of America

CURRENCY

"AED"	:	Arab Emirates Dirham, the lawful currency of UAE
"HKD"	:	Hong Kong Dollar, the lawful currency of Hong Kong
"PHP"	:	Philippine Peso, the lawful currency of the Philippines
"QR"	:	Qatari Riyal, the lawful currency of Qatar
"RM and sen"	:	Ringgit Malaysia and sen, the lawful currency of Malaysia
"Rs"	:	Indian Rupee, the lawful currency of India
"SAR"	:	Saudi Arabian Riyal, the lawful currency of Saudi Arabia
"SGD"	:	Singapore Dollar, the lawful currency of the Republic of Singapore
"USD"	:	United States Dollars, the lawful currency of the USA

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TECHNICAL TERMS

To facilitate better understanding of the business of our Group, the following glossary contains an explanation and description of certain terms used in this Prospectus in connection with our Group. The terms and their meanings may not correspond to standard industry meanings or usage of these terms.

"3-D"	:	Three-dimensional
"angles"	:	Steel beams with an L-shaped cross section
"beams"	:	Long horizontal steel or concrete members, used to support weight in buildings or structures
"cantilever"	:	A beam supported on only one end. The beam carries the load to the support where it is resisted by moment and shear stress. Cantilever construction allows for overhanging structures without external bracing
"cementitious fire proofing"	:	Refers to the act of making the steel structures more resistant to fire by applying or spraying cementitious products such as Vermiculite
"channels"	:	Steel beams with an C-shaped cross section
"cladding works"	:	Works related to the application of profiled metal sheets over a structure or building to provide a skin or layer intended to control the infiltration of weather elements, or for aesthetic purposes
"CNC"	:	Computer Numeric Control. Refers to the automation of machine tools that are operated by abstractly programmed commands encoded on a storage medium
"connections"	:	Refers to the joints between the main structural members. The joint/connection must be capable of transferring all forces, loads across from one member to another
"draughting"	:	The process of drawing in outline or making a draft, sketch, or plan such as in architectural and mechanical drawings
"Dye Penetrant"	:	Dye Penetrant Inspection is a widely applied inspection method used to locate surface-breaking defects in all non-porous materials such as steel. It is used to detect casting and forging defects, cracks, and leaks in the raw steel members
"ductwork"	:	Ductwork is generally used for heating, ventilating, and air conditioning for a building
"EPC"	:	Engineering, procurement and construction. It is a common form of contracting arrangement within the construction industry. Under an EPC contract, the contractor will design the installation, procure the necessary materials and construct it, either through own labour or by subcontracting part of the work
"fabrication"	:	The value-added process of construction equipment, machines and structures out of various raw materials, primarily steel. Fabrication generally involves the drilling, cutting, bending and welding of metal
"galvanizing"	:	The process of applying a metallic coating of zinc to steel. The two methods are Hot Dipping and Metal Spraying
"girder"	:	Girder is the term generally used to denote the main horizontal support of a structure which supports smaller beams

TECHNICAL TERMS ***(Cont'd)***

"grouting"	:	Grouting is the process of applying grout (a cementitious material, epoxy, etc.) to embed rebars or holding down bolts to a concrete surface. It is applied as a thick liquid and hardens over time, much like mortar
"I-beams"	:	Steel beams with an I-shaped or H-shaped cross section
"in situ"	:	Generally refers to construction which is carried out at the building site using raw materials. In situ techniques are generally more labour-intensive, and time consuming. However, the work is versatile and adaptable
"insulation"	:	Insulation is used to reduce the transmission of heat or sound. Typically we insulate pipes carrying steam or hot water in order to reduce the heat being dissipated to the surrounding area
"Magnetic Particle Inspection"	:	Used for the detection of surface and near-surface flaws of raw steel. A magnetic field is applied to the raw steel using a permanent magnet, electromagnet, flexible cables or hand-held prods. If the raw steel is sound, most of the magnetic flux is concentrated below its surface. If otherwise, the flux is distorted locally and 'leaks' from the surface in the region of the flaw
"metal decking"	:	A profiled metal sheet which is laid across beams and combined with reinforced concrete which acts as the floor of a structure
"QA/QC"	:	Quality Assurance/Quality Control
"radiography"	:	A testing technique used in engineering to detect defects of weldment in structural steel by photographic techniques and using a source of energy, normally gamma rays
"reinforcing bar"	:	Also known as Rebar in short. It is a common steel bar used in reinforced concrete and reinforced building structures
"rolled plates"	:	Steel Plates that are rolled (by means of a rolling machine) to a certain curvature to form another object, eg a tank
"rolled sections"	:	Is a metal forming process where structural shapes are passed through rollers to bend or deform the workpiece to a desired shape while maintaining a constant cross-section. Structural shapes that can be rolled include: I-beams, H-beams, angle iron, channels, pipes, etc.
"secondary steel"	:	Steel members that together with the main members form the complete structure
"structural steel"	:	Steel construction material formed with a specific shape and certain standards of strength as well as chemical composition
"tack weld"	:	Tack welding is used to set up the structural steel without using fixtures. Steelwork to be welded together are first positioned as required and tack welds are used as a temporary means to hold the components in the proper location, alignment, and distance apart, until final welding is completed
"truss"	:	A structure comprising one or more triangular units constructed with straight slender members whose ends are connected at joints
"Ultrasonic Testing"	:	A testing technique used in engineering to detect defects and cavities in structural members by sending a high frequency sound into the structural member from a probe

1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name	Address	Nationality/ Profession
DAKN *(Executive Chairman)*	7, Persiaran Bruas Damansara Heights 50490 Kuala Lumpur Malaysia	Malaysian/ Group Managing Director
Nadarajan Rohan Raj *(Executive Director)*	Villa no.: 1037 Uptown Mirdiff Mirdiff Dubai, UAE	Singaporean/ Group Chief Operating Officer
Narla Srinivasa Rao *(Executive Director)*	Villa no.: 1034 Uptown Mirdiff Mirdiff Dubai, UAE	Indian/ Regional Director of Middle East
Narishnath a/l Nathan *(Executive Director)*	7, Persiaran Bruas Damansara Heights 50490 Kuala Lumpur Malaysia	Malaysian/ Country Head of India
Tan Sri Rastam Mohd Isa *(Independent Non-Executive Director)*	No. 5, Jalan UP3/2 Taman Ukay Perdana 68000 Ampang Selangor	Malaysian/ Company Director
Datuk Ng Seing Liong *(Independent Non-Executive Director)*	76, Jalan Jambu Bol 41100 Klang Selangor Darul Ehsan Malaysia	Malaysian/ Chartered Accountant
Mohammad Nizar bin Idris *(Independent Non-Executive Director)*	36, Persiaran Burhanuddin Helmi Taman Tun Dr Ismail 60000 Kuala Lumpur Malaysia	Malaysian/ Company Director

AUDIT COMMITTEE

Name	Designation	Directorship
Datuk Ng Seing Liong	Chairman	Independent Non-Executive Director
Tan Sri Rastam Mohd Isa	Member	Independent Non-Executive Director
Mohammad Nizar bin Idris	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Mohammad Nizar bin Idris	Chairman	Independent Non-Executive Director
Tan Sri Rastam Mohd Isa	Member	Independent Non-Executive Director
Nadarajan Rohan Raj	Member	Executive Director

1. CORPORATE DIRECTORY *(Cont'd)*

NOMINATION COMMITTEE

Name	Designation	Directorship
Tan Sri Rastam Mohd Isa	Chairman	Independent Non-Executive Director
Datuk Ng Seing Liong	Member	Independent Non-Executive Director
Mohammad Nizar bin Idris	Member	Independent Non-Executive Director

COMPANY SECRETARY : **Cheok Kim Chee (MACS 00139)**
18, Jalan Desa Ria Dua
Taman Desa
58100 Kuala Lumpur
Malaysia
Tel. no.: +603 4042 3041
Fax. no.: +603 4042 3422

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS : Lot 19956, Jalan Industri 3/6
Rawang Integrated Industrial Park
48000 Rawang
Selangor Darul Ehsan
Malaysia
Tel. no.: +603 6091 2575
Fax. no.: +603 6091 2577
Website: www.eversendai.com

PRINCIPAL BANKERS : **India**

ICICI Bank Limited
20, Egmore High Road
Egmore
Chennai 600 008
India
Tel. no.: +9144 2819 2715
Fax. no.: +9144 2819 1544

State Bank of Mysore
231, N.S.C Bose Road
Chennai 600 001
India
Tel. no.: +9144 2533 1778
Fax. no.: +9144 2534 0076

Malaysia

Malayan Banking Berhad
G02, East Wing, Wisma Consplant
2, Jalan SS16/4, Subang Jaya
47500 Petaling Jaya
Selangor Darul Ehsan
Malaysia
Tel. no.: +603 5631 2210
Fax. no.: +603 5631 2146

1. CORPORATE DIRECTORY *(Cont'd)*

United Overseas Bank (Malaysia) Bhd
Level 11, Menara UOB, Jalan Raja Laut
P.O. Box 11212
50738 Kuala Lumpur
Malaysia
Tel. no.: +603 2692 7722
Fax. no.: +603 2691 6073

Standard Chartered Bank Malaysia Berhad
Level 13, Menara Standard Chartered
30, Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia
Tel. no.: +603 2117 7777
Fax. no.: +603 2117 7610

Qatar

HSBC Bank Middle East Limited
P.O. Box 57, Doha
Qatar
Tel. no.: +974 438 2100
Fax. no.: +974 441 6353

United Bank Limited
P.O. Box 242, Doha
Qatar
Tel. no.: +974 425 4444
Fax. no.: +974 441 8575

UAE

Dubai Islamic Bank (PJSC)
P.O. Box 1080, Dubai
UAE
Tel. no.: +971 4 207 5176
Fax. no.: +971 4 295 0849

Emirates NBD Bank (PJSC)
Baniyas Road, Deira
P.O. Box 777, Dubai
UAE
Tel. no.: +971 4 222 2555
Fax. no.: +971 4 222 2211

United Arab Bank
P.O. Box 60868, Sharjah
UAE
Tel. no.: +971 6 519 5111
Fax. no.: +971 6 507 5551

United Bank Limited
P.O. Box 1367
17th floor, Park Place
Sheikh Zayed Road, Dubai
UAE
Tel. no.: +971 4 709 3888
Fax. no.: +971 4 329 7217

1. CORPORATE DIRECTORY *(Cont'd)*

SOLE ADVISER, UNDERWRITER AND BOOKRUNNER	:	**Maybank Investment Bank Berhad** 33rd Floor, Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Malaysia Tel. no.: +603 2059 1888 Fax. no.: +603 2070 6521
AUDITORS AND REPORTING ACCOUNTANTS	:	**Ernst & Young (AF: 0039)** Chartered Accountants Level 23A, Menara Milenium Jalan Damanlela Pusat Bandar Damansara 50490 Kuala Lumpur Malaysia Tel. no.: +603 7495 8000 Fax. no.: +603 2095 5332
LEGAL ADVISERS	:	*To our Company as to laws in Malaysia* **Tay & Partners** 6th Floor, Plaza See Hoy Chan Jalan Raja Chulan 50200 Kuala Lumpur Malaysia Tel. no.: +603 2050 1888 Fax. no.: +603 2031 8618 *To our Company as to laws in the UAE* **Lawrence Graham LLP (DIFC)** Unit 2, Level 6 Currency House Office Building 1 The Gate District Dubai International Financial Centre PO Box 506503 Dubai, UAE Tel. no.: +971 4 437 5100 Fax. no.: +971 4 437 5101 *To our Company as to laws in Saudi Arabia* **Al-Soaib Law Firm** PO Box 76088 Al-Khobar 31952 Saudi Arabia Tel. no.: +966 3 882 0702 Fax. no.: +966 3 882 4845 *To our Company as to laws in Qatar* **HFI Middle East LLC** Office 1501a, 15th Floor Ministry of Economy and Commerce Building West Bay Doha, Qatar Tel. no.: +974 496 8045 Fax. no.: +974 432 8044

1. CORPORATE DIRECTORY *(Cont'd)*

		To our Company as to laws in India **PRA Law Offices, Advocates** W-126, Ground Floor Greater Kailash II New Delhi 110 048 India Tel. no.: +91 11 4067 6767 Fax. no.: +91 11 4067 6768
		To our Company as to laws in Singapore **ATMD Bird & Bird LLP** 2 Shenton Way #18-01 SGX Centre 1 Singapore 068804 Tel. no.: +65 6534 5266 Fax. no.: +65 6223 8762
INDEPENDENT MARKET RESEARCHER	:	**Frost & Sullivan Malaysia Sdn Bhd** Suite E-08-15, Block E Plaza Mont' Kiara 2, Jalan Kiara, Mont' Kiara 50480 Kuala Lumpur Malaysia Tel. no.: +603 6204 5800 Fax. no.: +603 6201 7402
SHARE REGISTRAR	:	**Symphony Share Registrars Sdn Bhd** Level 6, Symphony House Pusat Dagangan Dana 1 Jalan PJU 1A/46 47301 Petaling Jaya Selangor Darul Ehsan Malaysia Tel. no.: +603 7841 8000 Fax. no.: +603 7841 8151
ISSUING HOUSE	:	**Malaysian Issuing House Sdn Bhd** Level 6, Symphony House Pusat Dagangan Dana 1 Jalan PJU 1A/46 47301 Petaling Jaya Selangor Darul Ehsan Malaysia Tel. no.: +603 7841 8000 Fax. no.: +603 7841 8150
LISTING SOUGHT	:	Main Market of Bursa Securities
SHARIAH CERTIFYING AUTHORITY	:	SAC

2. INTRODUCTION

This Prospectus is dated 15 June 2011.

No securities will be allotted or issued on the basis of this Prospectus later than 12 months after the date of this Prospectus.

We have registered a copy of this Prospectus with the SC. We have also lodged a copy of this Prospectus with the ROC together with the Application Forms. Neither the SC nor the ROC takes any responsibility for the contents of this Prospectus.

Pursuant to Section 14(1) of SICDA, Bursa Securities has prescribed our Shares as a prescribed security. In consequence thereof, our IPO Shares offered through this Prospectus will be deposited directly with Bursa Depository and any dealings in our Shares will be carried out in accordance with SICDA and the Rules. We will not issue any physical share certificates to successful applicants.

We received the approval of the SC for our IPO on 20 May 2011. The approval of the SC for our IPO, as set out in Section 13.2 of this Prospectus, shall not be taken to indicate that the SC recommends the IPO. On 9 May 2011, we also submitted an application to the SC for a Shariah compliance review to be carried out by the SAC as part of the process of determining our Shariah status for the purposes of our IPO. On 18 May 2011, the SAC classified our Shares as Shariah-compliant based on the audited consolidated financial statements of our Company for the FYE 31 December 2010. The classification will remain valid until the next Shariah compliance review is undertaken by the SAC. Updates on the classification will be released in the updated list of Shariah-compliant securities on the last Friday of the month of May and November of each year. You should rely on your own evaluation to assess the merits and risks of our IPO and an investment in our Company.

On 9 June 2011, our Company obtained the approval of Bursa Securities for the listing of and quotation for our Shares, including the IPO Shares which are the subject of this Prospectus, on the Main Market of Bursa Securities. The listing of and quotation for our Shares will commence after receipt of confirmation from Bursa Depository that all CDS Accounts of the successful applicants have been duly credited and notices of allotment have been despatched to all successful applicants. Admission to the Official List is not to be taken as an indicator of the merits of our IPO, our Company our Shares.

Acceptance of Application for the IPO Shares will be conditional upon permission being granted by Bursa Securities for the quotation of our enlarged share capital after the IPO of 774,000,000 ECB Shares on the Main Market of Bursa Securities. Accordingly, monies paid in respect of any Application accepted from the IPO will be returned without interest if the aforesaid permission for listing is not granted within 6 weeks from the date of issue of this Prospectus (or such longer period as may be specified by the SC) provided that we are notified by or on behalf of Bursa Securities within the aforesaid timeframe. If any such monies are not returned in full within 14 days after we become liable to do so, the provision of sub-section 243(2) of the CMSA shall apply accordingly.

The completion of the Retail Offering and Institutional Offering are inter-conditional.

If the IPO Shares are not transferred pursuant to the Retail Offering and the Institutional Offering, monies paid in respect of any application for the IPO Shares will be returned to applicants without interest and in accordance with the provision of Section 243(2) of the CMSA, if such monies are not returned within 14 days after our Company and the Offeror become liable to repay it, then in addition to the liability of our Company and the Offeror, the officers of our Company and the Offeror shall be jointly and severally liable to return such monies with interest at the rate of 10% per annum or at such other rate as may be prescribed by the SC from the expiration of that period.

Pursuant to the Listing Requirements, we need to have public shareholders holding at least 25% of our enlarged share capital after the IPO of 774,000,000 ECB Shares and a minimum number of 1,000 public shareholders holding not less than 100 ECB Shares each at the point of Listing. If we do not meet the public shareholding requirement, we may not be allowed to proceed with the Listing. In such an event, we will return in full, without interest, monies paid in respect of all Applications.

2. INTRODUCTION *(Cont'd)*

The SC and Bursa Securities assume no responsibility for the correctness of any statements made or opinions or report expressed in this Prospectus. Admission to the Official List of the Main Market of Bursa Securities is not to be taken as an indication of the merit of our Company or the merit of our Shares.

Applicants of the IPO Shares must have a CDS Account. If you do not presently have a CDS Account, you must open a CDS Account at an ADA before making an application for the IPO Shares. In the case of an applicant by way of Application Form, an applicant should state his/her CDS Account number in the space provided in the Application Form. In the case of an applicant by way of Electronic Share Application or Internet Share Application, only an applicant who is an individual and has a CDS Account can make an Electronic Share Application or Internet Share Application. A corporation or institution cannot apply for the IPO Shares by way of Electronic Share Application or Internet Share Application. Please refer to Section 18 of this Prospectus for further details on the process of Application.

We and our Sole Adviser have not authorised anyone to provide you with information that is not contained in this Prospectus. The delivery of this Prospectus or any issue made in connection with this Prospectus shall not, under any circumstances, constitute a representation or create any implication that there has been no change in our affairs since the date hereof of this Prospectus. Nonetheless, should we become aware of any material change or development affecting a matter disclosed in this Prospectus from the date of registration of this Prospectus with the SC up to the date of the Listing, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provision of Section 238 of the CMSA.

This Prospectus does not constitute and may not be used for the purpose of an offer or an invitation to subscribe for the IPO Shares in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

If you are unsure of any information contained in this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant, or other professional advisers.

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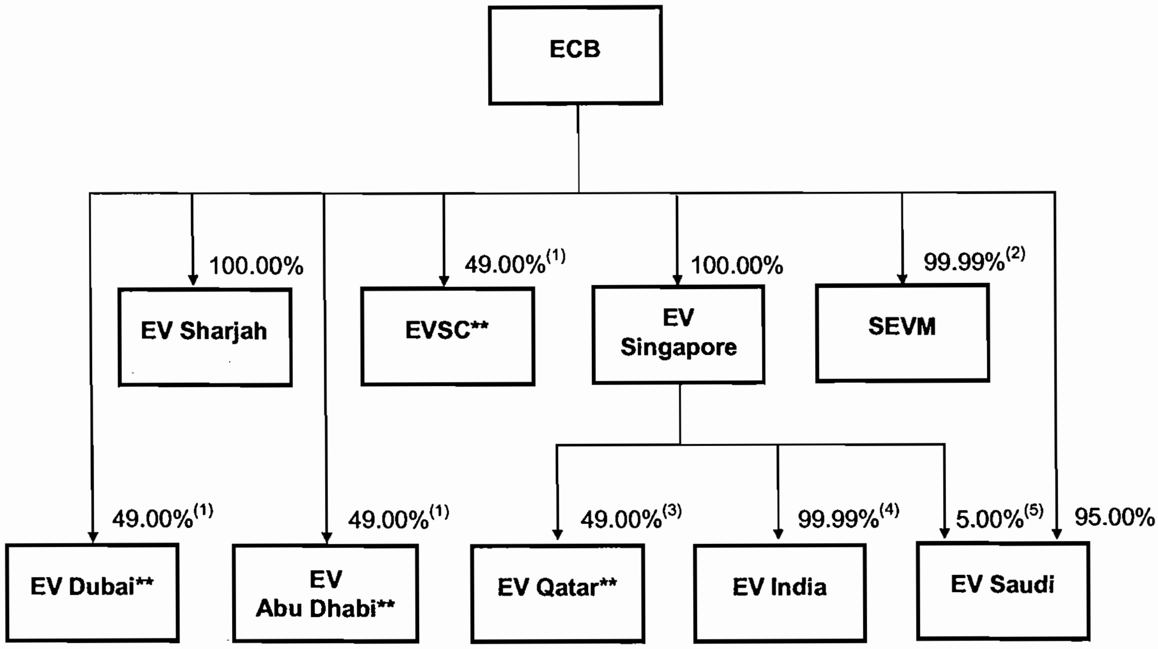
3. INFORMATION SUMMARY

THE INFORMATION SUMMARY IS ONLY A SUMMARY OF THE SALIENT INFORMATION ABOUT OUR GROUP AND YOU SHOULD READ AND UNDERSTAND THE WHOLE PROSPECTUS PRIOR TO DECIDING WHETHER OR NOT TO INVEST IN OUR SHARES. THE INFORMATION SUMMARY SET OUT BELOW IS DERIVED FROM THIS PROSPECTUS AND SHOULD BE READ IN CONJUNCTION WITH THE FULL TEXT OF THIS PROSPECTUS.

3.1 History and business

We were incorporated in Malaysia under the Act on 5 May 2003 as a private limited company under the name of Sendang Project Management Sdn Bhd. On 12 August 2003, we changed our name to Eversendai-Corporation Sdn Bhd. Subsequently, on 13 April 2010, we were converted into a public limited company and assumed our current name on 10 May 2010. As at the LPD, our corporate structure is set out below:



Notes:

(1) *ECB owns a 49% equity interest but has an agreement in place with the shareholder holding 51% equity interest pursuant to which the shareholder assigns its rights to its 51% interest to ECB which results in ECB having an interest in 100% of the profits/losses, and upon liquidation, 100% of their assets to be distributed. ECB has full control of the Boards of Directors and shareholders' voting rights, and the ability to direct the financial and operating policies of these entities. These entities are considered subsidiaries of ECB and their financial results are consolidated in their entirety in ECB's financial statements. Further details on the ownership laws in the UAE are set out in Section 5.1(iv) of this Prospectus.*

(2) *ECB directly and indirectly holds all the shares, save for 1 ordinary share which is held by a sibling of DAKN.*

(3) *ECB owns a 49% equity interest in EV Qatar. Since 1 January 2009, ECB is entitled to 70% of the profits/losses and upon liquidation, 70% of its assets to be distributed. ECB has full management powers and the ability to direct the financial and operating policies of the entity. As such, EV Qatar is considered a subsidiary of ECB. The balance 30% profit sharing in EV Qatar is held by QIG Industrial and is considered as minority interest for the purpose of consolidation in ECB's financial statements. Prior to 1 January 2009, ECB consolidated 100% of EV Qatar's financial statements based on the profit sharing arrangement with its previous partner, Consoil Co. WLL.*

(4) *1 equity share of EV India is directly held by ECB and SEVM each.*

(5) *50 equity shares representing 5% equity interest of EV Saudi is held in trust by DAKN as bare trustee for EV Singapore.*

** *Also denotes non wholly-owned subsidiaries where we control the respective board of directors or where we are entitled to exercise the majority of the voting powers in the corporation.*

Group shareholding and profit sharing structure in the UAE and Qatar

EV Sharjah is a wholly-owned subsidiary of our Group. There are no equity restrictions applying to this corporation which is established in Hamriyah Free Zone, Sharjah in the UAE.

We own 49% of the shares in EV Abu Dhabi, EV Dubai and EVSC. Our respective local sponsors own the balance 51% each in these corporations as local regulations require UAE nationals to have majority ownership of these corporations. Further details on the ownership laws in the UAE are set out in Section 5.1(iv) of this Prospectus. We, however, consider all these corporations our subsidiaries because we control the board of directors and have the right to vote all the shares in a general meeting of all these corporations. Further, we have management control in all these corporations.

The Articles of Associations of EV Abu Dhabi, EV Dubai and EVSC permit us to share 80% of the financial results of these corporations. We, however, have shareholders agreements with our respective local sponsors in EV Abu Dhabi, EV Dubai and EVSC which enable us to contractually consolidate 100% of the financial results of these corporations in return for payment of specified annual fees to the local sponsors. Our shareholders agreements also grant to us total ownership of the assets of these corporations on their liquidation or dissolution. Our shareholders arrangements include appropriate powers of attorney to vote on behalf of the shares of our local sponsors. We also have call options granted to us by the local sponsors entitling us to buy our local sponsors' respective 51% interest in EV Abu Dhabi, EV Dubai and EVSC at nominal prices.

We own 49% of the shares in EV Qatar and are entitled to 70% of its profits/losses. We are also entitled to 70% of its assets in a liquidation or dissolution. Our shareholders arrangements grant to us appropriate power of attorney to vote 21% of the shares in EV Qatar held by our local sponsors. EV Qatar does not have a board of directors but EV Singapore is the appointed General Manager and has full management powers.

The principal activities of our subsidiaries are as follows:

Name	Date/ Place of incorporation	Issued and paid-up share capital	Equity/ Profit sharing interest (%)	Principal activities
EV Abu Dhabi	5 July 2009/ Abu Dhabi, UAE	AED300,000	49.00/ 100.00	Contractor for buildings, industrial establishments and steel structures
EV Dubai	19 May 1996/ Dubai, UAE	AED300,000	49.00/ 100.00	Metal parts fixtures contracting, steel fabrication and welding workshop and steel structure contracting
EV India	14 August 2009/ India	Rs31,573,790	100.00/ 100.00	Business of builders, contractors and engineers etc
EV Qatar	22 June 2005/ Qatar	QR200,000	49.00/ 70.00	Engineering, blasting, painting, fabrication, design and erection of mechanical and structural steelwork
EVSC	10 May 2006/ Dubai, UAE	AED1,000,000	49.00/ 100.00	Engineering and contracting services
EV Saudi	4 April 2011/ Saudi Arabia	SAR1,000,000	100.00/ 100.00	Steel construction contracts for all kinds of buildings, steel construction works related to oil and gas fields, industrial establishment building contracting, fire proofing applications and civil works
EV Sharjah	5 July 2005/ Sharjah, UAE	AED150,000	100.00/ 100.00	Steel fabrication and painting

Name	Date/ Place of incorporation	Issued and paid-up share capital	Equity/ Profit sharing interest (%)	Principal activities
EV Singapore	14 January 2010/ Singapore	SGD1,045,000	100.00/ 100.00	General contractors and general building engineering services
SEVM	21 August 1993/ Malaysia	RM2,000,000	99.99/ 99.99	Engineering, fabrication, design and erection of mechanical and structural works

We are an internationally recognised and established structural steel turnkey contractor and power plant contractor, mainly involved in the following:

- Structural steel design, design of connections, detailing, engineering and re-engineering for value addition;
- Structural steel supply and fabrication including protective treatment;
- Structural steel erection including metal decking and sheeting;
- Structural steel erection, installation of mechanical equipment, piping, cladding and electrical works for power plants, petrochemical and industrial plants; and
- Civil construction including mechanical, electrical and plumbing services.

Further information on our Group is set out in Sections 6 and 9.1 of this Prospectus.

3.2 Competitive strengths

Our Group's competitive strengths are set out below:

- Experienced senior management team
- Proven performance and track record
- Commendable safety track record
- Integrated business model
- Quality work
- Excellent client relationship
- Recognised brand name
- Solutions provider for complex structures
- Skilled permanent employees
- Recognition through awards

Further details on our Group's competitive strengths are set out in Section 6.2.2 of this Prospectus.

3.3 Future plans and business strategy

Our Group's future plans and business strategy are set out below:

- Enhance market penetration in existing markets and expand into new markets for structural steel services
- To continue to secure landmark projects
- To expand our service offering through mechanical and electrical solutions for power plants

Further details on our Group's future plans and business strategy are set out in Section 8.1 of this Prospectus.

3. INFORMATION SUMMARY *(Cont'd)*

3.4 Risk factors

An investment in the shares listed/to be listed on Bursa Securities involves a number of risks, some of which, including market, industry, liquidity, credit, operational, legal and regulatory risks could be substantial and inherent in our Group's business.

You should carefully consider along with other matters in this Prospectus, the risk factors and investment considerations below before investing in our IPO Shares, which are the subject of this Prospectus. The risk factors that should be considered include, but are not limited to the following:

Risks relating to markets in which we operate

(i) Political, regulatory and economic considerations
(ii) The Dubai crisis
(iii) Dependence on natural resources for the Middle Eastern region
(iv) Ownership laws in the UAE
(v) Exposure to Decennial Liability
(vi) Exposure to limitation periods of up to 10 years in the UAE and up to 15 years in Qatar
(vii) Dependence on the Middle Eastern market
(viii) Risk of expansion into new geographical areas, services and market segments
(ix) Emerging markets are subject to greater risks than more developed markets

Risks relating to our business and operations

(i) Business risks
(ii) Competition
(iii) Project risks
(iv) Shortage of raw material
(v) Fluctuating price of steel
(vi) Currency fluctuation risk
(vii) Operating risks

Risks relating to our Company

(i) Dependency on our Directors and key management
(ii) Dependence on skilled workforce and staff
(iii) Subject to "pay when paid" clause for payment collection
(iv) Working capital requirements
(v) Delay in recoverability of trade receivables
(vi) Adequacy of insurance coverage
(vii) Risk of participation in strategic alliances, acquisitions or investments

Risks relating to our Shares

(i) No prior market for our Shares
(ii) Delay or failure in our Listing
(iii) Admission to the Official List of Bursa Securities not granted
(iv) Control by Promoter
(v) Volatility in the market price of our Shares
(vi) Disclosure regarding forward looking statements and viability of future plans

Further details of the risk factors are set out in Section 5 of this Prospectus.

3. INFORMATION SUMMARY *(Cont'd)*

3.5 Historical audited consolidated income statements

The following table sets out a summary of the historical audited consolidated income statements of our Group for the past 3 FYEs from 31 December 2008 to 31 December 2010 based on the audited consolidated income statements of our Company and subsidiaries, and are extracted from the Accountants' Report as set out in Section 15 of this Prospectus.

The consolidated income statements should be read in conjunction with the accompanying notes included in the Reporting Accountant's letter on the Proforma Consolidated Financial Information and Accountants' Report set out in Section 14.4 and Section 15 of this Prospectus respectively and the management's discussion and analysis of our Group's financial condition and results of operations as set out in Section 14.5 of this Prospectus.

	< --------------- FYE 31 December		------------------->
	2008 (Restated) RM'000	**2009 (Audited) RM'000**	**2010 (Audited) RM'000**
Revenue [1]	783,262	817,061	744,926
Cost of sales	(622,848)	(622,459)	(537,599)
Gross profit	160,414	194,602	207,327
Other income	14,374	21,295	15,288
Operating and administrative expenses [2]	(80,688)	(91,948)	(79,299)
Operating profits	94,100	123,949	143,316
Finance costs	(25,757)	(29,795)	(17,463)
PBT	68,343	94,154	125,853
Taxation [3]	(8,930)	(10,879)	(2,332)
PAT	59,413	83,275	123,521
MI	-	(5,290)	(6,794)
PATAMI	59,413	77,985	116,727
EBITDA (Unaudited) [4]	123,003	157,913	163,414
No. of ordinary shares of RM1.00 each in issue (000)	28,000	28,000	28,000
Gross EPS (sen) [5]	244.08	336.26	449.48
Net EPS (sen) [6]	212.19	278.52	416.88
Gross profit margin (%) [7]	20.48	23.82	27.83
EBITDA margin (%) [8]	15.70	19.33	21.94
PBT margin (%) [9]	8.73	11.52	16.89
PAT margin (%) [10]	7.59	9.54	15.67

Notes:

(1) *Revenue for the FYE 31 December 2008 has been restated to incorporate the effect of the prior years adjustment relating to approved variation orders. In prior years, revenue of the subsidiary relating to approved variation orders was recognised upon issue of invoices. During the FYE 31 December 2009, the subsidiary adopted our Group's accounting policy and recognised revenue on an accrual basis. This policy has been applied retrospectively and comparatives have been restated accordingly:*

	< --------------- FYE 31 December		*-------------- >*
	2008 RM'000	***2009 RM'000***	***2010 RM'000***
Audited	*797,616*	*817,061*	*744,926*
Prior years adjustments	*(14,354)*	*-*	*-*
Restated as above	*783,262*	*817,061*	*744,926*

3. INFORMATION SUMMARY *(Cont'd)*

(2) *Operating and administrative expenses for the FYE 31 December 2008 have been restated to incorporate the effect of the reclassification of tax penalties and prior year adjustments:*

	FYE 31 December		
	2008 RM'000	**2009 RM'000**	**2010 RM'000**
Audited	*(80,654)*	*(91,948)*	*(79,299)*
Reclassification of tax penalties	*(295)*	-	-
Prior years adjustment	*261*	-	-
Restated as above	*(80,688)*	*(91,948)*	*(79,299)*

(3) *Taxation for the FYE 31 December 2008 has been restated to incorporate the effect of the reclassification of tax penalties and prior year adjustments:*

	FYE 31 December		
	2008 RM'000	**2009 RM'000**	**2010 RM'000**
Audited	*(11,747)*	*(10,879)*	*(2,332)*
Reclassification of tax penalties	*295*	-	-
Prior years adjustments	*2,522*	-	-
Restated as above	*(8,930)*	*(10,879)*	*(2,332)*

Commentary on the reduction in taxation for the FYE 31 December 2010 as compared with FYE 31 December 2009 is set out in Section 14.5.3(ii) of this Prospectus.

(4) *EBITDA represents earnings before taxation, finance costs, impairment of goodwill, depreciation, management fees paid to DAKN, gain on disposal of subsidiaries and MI:*

	FYE 31 December		
	2008 RM'000	**2009 RM'000**	**2010 RM'000**
PAT before management fees paid to DAKN, gain on disposal of subsidiaries and MI	73,603	95,558	123,521
Depreciation	14,713	19,878	20,098
Impairment of goodwill	-	1,803	-
Finance costs	25,757	29,795	17,463
Taxation	8,930	10,879	2,332
EBITDA (Unaudited)	123,003	157,913	163,414

EBITDA, as well as the related ratios presented in this Prospectus, are supplemental measures of our performance and liquidity that are not required by or presented in accordance with Malaysian FRS. EBITDA is not a measurement of financial performance or liquidity under Malaysian FRS and should not be considered as an alternative to net income, operating income or any other performance measure derived in accordance with Malaysian FRS or as an alternative to cash flows from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardised item, hence a direct comparison between companies using such a term may not be possible.

(5) *Gross EPS is computed by dividing PBT by number of ordinary shares of RM1.00 each in issue.*

(6) *Net EPS is computed by dividing PATAMI by number of ordinary shares of RM1.00 each in issue.*

(7) *The gross profit margin is computed by dividing the gross profit by revenue in the respective FYE.*

(8) *The EBITDA margin is computed by dividing the EBITDA by revenue in the respective FYE.*

(9) *The PBT margin is computed by dividing the PBT by revenue in the respective FYE.*

(10) *The PAT margin is computed by dividing the PATAMI by revenue in the respective FYE.*

3. INFORMATION SUMMARY *(Cont'd)*

3.6 Proforma consolidated balance sheets as at 31 December 2010

We have prepared our proforma consolidated balance sheets below for illustrative purposes only based on the audited consolidated financial statements of our Company as at 31 December 2010 to show the effects on the audited balance sheet of our Group on the assumption that the Listing Scheme and the utilisation of proceeds were effected and completed on 31 December 2010. We advise you to read the proforma consolidated balance sheets together with the accompanying notes and assumptions included in the proforma consolidated financial information set out in Section 14.4 of this Prospectus.

	Audited	Proforma I	Proforma II	Proforma III	Proforma IV	Proforma V
	As at 31 December 2010	After the Acquisition and Capitalisation	After Proforma I and the Bonus Issue	After Proforma II and the Share Split	After Proforma III and the IPO	After Proforma IV and utilisation of proceeds
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Non-current assets						
Goodwill	9,920	9,920	9,920	9,920	9,920	9,920
Property, plant and equipment	184,051	184,051	184,051	184,051	184,051	310,051
Deferred tax assets	133	133	133	133	133	133
Deposits with financial institutions	51,962	51,962	51,962	51,962	51,962	51,962
	246,066	246,066	246,066	246,066	246,066	372,066
Current assets						
Inventories	251,685	251,685	251,685	251,685	251,685	251,685
Amounts due from customers on construction contracts	93,146	93,146	93,146	93,146	93,146	93,146
Trade contract receivables	280,882	280,882	280,882	280,882	280,882	280,882
Other receivables and deposits	24,973	24,973	24,973	24,973	24,973	24,973
Cash and bank balances	142,346	142,346	142,346	142,346	415,536	280,736
	793,032	793,032	793,032	793,032	1,066,222	931,422
TOTAL ASSETS	1,039,098	1,039,098	1,039,098	1,039,098	1,312,288	1,303,488
EQUITY AND LIABILITIES						
Equity attributable to equity holders of our Company						
Share capital	28,000	30,665	306,650	306,650	387,000	387,000
Share premium	-	-	-	-	192,840	184,040
Foreign exchange reserve	(29,249)	(29,249)	(29,249)	(29,249)	(29,249)	(29,249)
Capital reserve	307	307	(275,678)	(275,678)	(275,678)	(275,678)
Retained earnings	316,312	316,312	316,312	316,312	316,312	316,312
	315,370	318,035	318,035	318,035	591,225	582,425
MI	2,568	2,568	2,568	2,568	2,568	2,568
	317,938	320,603	320,603	320,603	593,793	584,993

3. INFORMATION SUMMARY *(Cont'd)*

	Audited As at 31 December 2010 RM'000	Proforma I After the Acquisition and Capitalisation RM'000	Proforma II After Proforma I and the Bonus Issue RM'000	Proforma III After Proforma II and the Share Split RM'000	Proforma IV After Proforma III and the IPO RM'000	Proforma V After Proforma IV and utilisation of proceeds RM'000
Non-current liabilities						
Hire purchase payables	3,560	3,560	3,560	3,560	3,560	3,560
Bank borrowings	10,253	10,253	10,253	10,253	10,253	10,253
Other payables	782	782	782	782	782	782
Employees' service benefits	12,622	12,622	12,622	12,622	12,622	12,622
Deferred tax liabilities	1,986	1,986	1,986	1,986	1,986	1,986
	29,203	29,203	29,203	29,203	29,203	29,203
Current liabilities						
Trade payables	44,680	44,680	44,680	44,680	44,680	44,680
Other payables	137,897	137,897	137,897	137,897	137,897	137,897
Amount due to directors	14,690	12,025	12,025	12,025	12,025	12,025
Hire purchase payables	3,167	3,167	3,167	3,167	3,167	3,167
Bank borrowings	377,592	377,592	377,592	377,592	377,592	377,592
Amounts due to customers on construction contracts	109,479	109,479	109,479	109,479	109,479	109,479
Provision for taxation	4,452	4,452	4,452	4,452	4,452	4,452
	691,957	689,292	689,292	689,292	689,292	689,292
TOTAL LIABILITIES	721,160	718,495	718,495	718,495	718,495	718,495
TOTAL EQUITY AND LIABILITIES	1,039,098	1,039,098	1,039,098	1,039,098	1,312,288	1,303,488
Number of ordinary shares in issue (000)	28,000	30,665	306,650	613,300	774,000	774,000
Net assets (excluding MI) per ordinary share (RM)	11.26	10.37	1.04	0.52	0.76	0.75
Net tangible assets (excluding MI and goodwill) per ordinary share (RM)	10.91	10.05	1.00	0.50	0.75	0.74

3.7 Salient information on the IPO

The IPO is subject to the terms and conditions of this Prospectus and upon acceptance, the IPO Shares are expected to be made available in the manner described below:

Institutional Offering	:	The public offer of 202,040,000 IPO Shares, representing about 26.10% of our enlarged share capital after the IPO of 774,000,000 ECB Shares, to institutional and selected investors at the Institutional Price to be determined by way of bookbuilding.
Retail Offering	:	The offer of 30,150,000 Offer Shares, representing about 3.90% of our enlarged share capital after the IPO of 774,000,000 ECB Shares, to the Malaysian public, our eligible Directors and employees at the Retail Price
Final Retail Price	:	The Retail Price is RM1.70 per Share. However, the Final Retail Price will be determined after the Institutional Price is fixed on the Price Determination Date under the bookbuilding exercise. The Final Retail Price will be equal to the lower of: (i) The Retail Price; and (ii) 95% of the Institutional Price, subject to rounding to the nearest sen. In the event the Final Retail Price is lower than the Retail Price, the difference will be refunded to successful applicants without any interest thereon. The refund, which will be in the form of cheques will be dispatched to successful applicants at their own risk.
Clawback and reallocation	:	The Institutional Offering and Retail Offering shall be subject to the following clawback and reallocation provisions: (i) in the event of an under-application in the Institutional Offering and a corresponding over-application in the Retail Offering, the IPO Shares may be clawed back from the Institutional Offering and made available for application to the Retail Offering; and (ii) any of the Offer Shares under paragraph 4.3(ii)(b) not subscribed for by the eligible Directors and employees of our Group shall be made available for application by eligible Directors and employees who have made excess applications on top of their pre-determined allocation on a proportionate basis (subject to rounding of odd lots). Thereafter, any unsubscribed Offer Shares shall be made available for application by the Malaysian Public. If there is an under-application in the Retail Offering and there is a corresponding over-application in the Institutional Offering, the IPO Shares may be clawed back from the Retail Offering and allocated to the Institutional Offering. The clawback and reallocation shall not apply in the event of over-application in both the Retail Offering and the Institutional Offering.

Please refer to Section 4 of this Prospectus for detailed information relating to our IPO.

Capitalisation : As at the date of this Prospectus, our share capital is as follows:

Authorised	**RM**
1,000,000,000 ECB Shares	500,000,000
Issued and fully paid-up share capital upon Listing	
613,300,000 ECB Shares as at the date of this Prospectus	306,650,000
160,700,000 Issue Shares to be issued pursuant to the Institutional Offering	80,350,000
774,000,000 ECB Shares after the IPO	387,000,000

Further details of the particulars of the IPO are set out in Section 4 of this Prospectus.

3.8 Utilisation of proceeds

We intend to use the proceeds arising from the Issue Shares of RM273.19 million* in the following manner:

Nature of utilisation	**Timeframe for utilisation from the date of the Listing**	**Amount**
		RM'million
Capital expenditure	Within 24 months	126.00
Business expansion	Within 24 months	80.00
Working capital	Within 12 months	58.39
Listing expenses	Within 1 month	8.80
Total proceeds from the Listing		273.19

Note:

* *We have assumed the Institutional Price and the Final Retail Price will be the Retail Price of RM1.70 per ECB Share in arriving at this figure.*

The offer of Offer Shares will raise total gross proceeds of about RM121.53 million which will accrue entirely to the Offeror.

Further details of the utilisation of proceeds are set out in Section 4.12 of this Prospectus.

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4. PARTICULARS OF THE IPO

4.1 Opening and closing of Application

Application for the Offer Shares under the Retail Offering will open at 10.00 a.m. on 15 June 2011 and will remain open until 5.00 p.m. on 21 June 2011 or such other date or dates as our Directors, the Offeror and our Underwriter in their absolute discretion may decide.

In the event that the closing date and time for applications of either the Institutional Offering or the Retail Offering are extended, the closing date for the applications, the Price Determination Date and dates for the balloting of the Offer Shares, the allotment of the Issue Shares and the transfer of the Offer Shares and our Listing will be extended accordingly. We will announce any extension in a widely circulated Bahasa Malaysia language daily newspaper and a widely circulated English language daily newspaper within Malaysia.

4.2 Critical dates of the IPO

Events	Date
Opening of Retail Offering and Institutional Offering	10.00 a.m., 15 June 2011
Closing of Retail Offering and Institutional Offering	5.00 p.m., 21 June 2011
Price Determination Date	21 June 2011
Balloting for applications for the Offer Shares under the Retail Offering	23 June 2011
Allotment/transfer of the IPO Shares to successful applicants	29 June 2011
Listing	1 July 2011

4.3 Details of the IPO

(i) Institutional Offering

The public offer of 202,040,000 IPO Shares, representing about 26.10% of our enlarged share capital after the IPO of 774,000,000 ECB Shares, to institutional and selected investors at the Institutional Price to be determined by way of bookbuilding.

(ii) Retail Offering

The offer of 30,150,000 Offer Shares, representing about 3.90% of our enlarged share capital after the IPO of 774,000,000 ECB Shares, at the Retail Price and will be made available for application in the following manner:

(a) Malaysian Public via balloting

20,000,000 Offer Shares, representing about 2.58% of our enlarged share capital after the IPO of 774,000,000 ECB Shares, to be allocated via balloting, will be made available for application by the Malaysian Public.

(b) Eligible Directors and employees of our Group

10,150,000 Offer Shares, representing about 1.31% of our enlarged share capital after the IPO of 774,000,000 ECB Shares, will be made available for application by the eligible Directors and employees of our Group in the following manner:

Category	No. of persons	Aggregate number of Offer Shares allocated
Eligible Directors of our Group	3	2,900,000
Eligible employees of our Group	6,421	7,250,000
Total	6,424	10,150,000

These Offer Shares will be made available for application to 3 eligible Directors and 6,421 employees of our Group based on the following criteria as approved by our Board:

- at least 18 years old;
- job position;
- length of service; and
- contribution to the success of our Group*.

Note:

* *Based on among others, the current and past performance of the eligible Directors and employees of our Group which contributed to the turnover and profitability growth of our Group.*

Details of the Directors' pink form share allocation are as follows:

Name of Directors	Designation	No. of ECB Shares allocated
Nadarajan Rohan Raj	Executive Director/ Group Chief Operating Officer	1,000,000
Narla Srinivasa Rao	Executive Director/ Regional Director of Middle East	1,000,000
Narishnath a/l Nathan	Executive Director/ Country Head of India	900,000

The proceeds from the offer of Offer Shares will accrue entirely to the Offeror. The details of the Offer Shares are as follows:

Offeror (*Address*)	Before IPO: No. of Shares	Before IPO	Offer Shares: No. of Offer Shares	Offer Shares: % of the existing share capital	Offer Shares: % of the enlarged share capital	After IPO: No. of Shares	After IPO
	(000)	(%)	(000)	(%)	(%)	(000)	(%)
DAKN (7, Persiaran Bruas Damansara Heights 50490 Kuala Lumpur Malaysia)	613,300	99.99	71,490	11.66	9.23	541,810	70.00

Further details on DAKN, our Promoter and substantial shareholder are disclosed in Section 10 of this Prospectus.

In summary, the IPO Shares will be made available for application in the following manner:

	Issue Shares	Offer Shares
Institutional and selected investors	160,700,000	41,340,000
Eligible Directors and employees of our Group	-	10,150,000
Malaysian Public	-	20,000,000
Total	**160,700,000**	**71,490,000**

The Institutional Offering and Retail Offering shall be subject to the following clawback and reallocation provisions:

(i) In the event of an under-application in the Institutional Offering and a corresponding over-application in the Retail Offering, the IPO Shares may be clawed back from the Institutional Offering and made available for application to the Retail Offering; and

(ii) any of the Offer Shares under paragraph 4.3(ii)(b) not subscribed for by the eligible Directors and employees of our Group shall be made available for application by eligible Directors and employees who have made excess applications on top of their pre-determined allocation on a proportionate basis (subject to rounding of odd lots). Thereafter, any unsubscribed Offer Shares shall be made available for application by the Malaysian Public. If there is an under-application in the Retail Offering and there is a corresponding over-application in the Institutional Offering, the IPO Shares may be clawed back from the Retail Offering and allocated to the Institutional Offering.

The clawback and reallocation shall not apply in the event of over-application in both the Retail Offering and the Institutional Offering.

The amount of the offering will not be increased via any over-allotment or 'greenshoe' option.

4.4 Share capital

	No. of ECB Shares	RM
Authorised ECB Shares	1,000,000,000	500,000,000
Issued and fully paid-up share capital:		
ECB Shares as at the date of this Prospectus	613,300,000	306,650,000
Issue Shares to be issued pursuant to the Institutional Offering	160,700,000	80,350,000
ECB Shares after the IPO	774,000,000	387,000,000

Based on the Retail Price, the market capitalisation of our Company on the Main Market of Bursa Securities upon Listing would be about RM1.32 billion.

The Retail Price per ECB Share payable in full upon application, subject to the terms and conditions of this Prospectus.

4.5 Classes of shares and ranking

We only have one class of shares, namely, ordinary shares of RM0.50 each, all of which rank equally with one another. The IPO Shares will rank equally in all respects with our other existing ECB Shares which are fully paid-up including as to voting rights and rights to all dividends and distributions that may be declared subsequent to the date of allotment thereof.

Subject to any special rights attaching to any ECB Shares which may be issued by our Company in the future, the holders of our Shares shall, in proportion to the amount paid-up on the ECB Shares held by them, be entitled to share in the whole of the profits paid out by us as dividends and other distributions and the whole of any surplus in the event of our liquidation, in accordance with the Articles of Association of our Company and provisions of the Act.

Each ordinary shareholder shall be entitled to vote at any of our general meeting in person by proxy, attorney or by a duly authorised representative and on a show of hands, every person present who is a shareholder, representative, proxy or attorney of a shareholder shall have one vote, and, on a poll, every shareholder present in person, by proxy, attorney or other duly authorised representative shall have one vote for each ordinary share held.

An ordinary shareholder may appoint up to two proxies to attend on the same occasion. A proxy may but need not be our shareholder. A proxy need not be an advocate, an approved company auditor or a person approved by the ROC. If a shareholder appoints more than one proxy, the appointments shall be invalid unless he specifies the proportions of his holding to be represented by each proxy.

4.6 Underwriting commission, placement fee and brokerage

4.6.1 Underwriting commission

Our Underwriter has agreed to underwrite 30,150,000 Offer Shares to be made available for subscription by the Malaysian Public and eligible Directors and employees of our Group. The Offeror will pay a managing underwriting and underwriting commission at the rate of 1.40% of the Final Retail Price for each Offer Share in respect of the 30,150,000 Offer Shares.

4.6.2 Placement fee

We will pay our Bookrunner a placement fee at the rate of up to 1.80% of the Institutional Price per ECB Share of 202,040,000 IPO Shares reserved for subscription by institutional and selected investors under Section 4.3(i) of this Prospectus including incentive fee based on the additional proceeds raised above a pre-determined target or at the discretion of the directors.

4.6.3 Brokerage fee

We will pay brokerage fee in respect of the Offer Shares under the Retail Offering at a rate of 1.00% of the Retail Price per Offer Share in respect of successful applications which bear the stamp of member companies of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/or Issuing House. Brokerage fee in respect of the Offer Shares shall be borne by the Offeror.

4.7 Details of the underwriting, placement and lock-up arrangements

4.7.1 Underwriting

On 2 June 2011, we, the Offeror and Underwriter entered in to the Underwriting Agreement, pursuant to which our Underwriter agreed to underwrite the 30,150,000 Offer Shares to be issued under the Retail Offering (**"Underwritten Shares"**), subject to clawback and reallocation.

The salient terms of the Underwriting Agreement are set out below:

4.7.1.1 The obligation of our Underwriter to underwrite the Underwritten Shares under the Underwriting Agreement is conditional on the performance by our Company and the Offeror of their obligations under the Underwriting Agreement and conditional on the following:

(i) Our Underwriter receiving certificates in the form or substantially in the form contained in Schedule 2 (Certificate by our Company) and Schedule 3 (Certificate by the Offeror) of the Underwriting Agreement, one dated the date of registration of the Prospectus and the other dated the last date for acceptance, application for and payment of the subscription moneys under the Prospectus and the Application Form, which shall not be more than 3 months from the date of the Underwriting Agreement and subject to Clause 22 (Extension of Closing Date) of the Underwriting Agreement ("**Closing Date**"), both of which are to be signed by the Director of our Company ("**Director**") (on behalf of our Board) and the Offeror stating that, to the best of their knowledge and belief, having made all reasonable enquiries, there has been no such change, development or occurrence as referred to in Clause 11 (Representations, Warranties and Undertakings) of the Underwriting Agreement and being provided with the reports or confirmation and being satisfied at the date of registration of the Prospectus and Closing Date respectively that:

(a) there is no occurrence of any material change or any development likely to result in a material adverse change in the financial position, business operations or conditions (financial or otherwise) of our Group taken as a whole subsequent to the date of the Underwriting Agreement ("**Agreement Date**"); or

(b) there is no occurrence of any event or the discovery of any facts or circumstances which would render any representations, warranties or undertakings in Clause 11 (Representations Warranties and Undertakings) untrue or inaccurate or result in a breach of the Underwriting Agreement by our Company;

(ii) The Underwriting Agreement being signed by the relevant authorised signatories to the Underwriting Agreement and stamped within the statutory time frame;

(iii) The issue of the Prospectus not later than 1 month from the Agreement Date or such later date as our Underwriter and Company may from time to time agree in writing;

(iv) The registration of the Prospectus and such other documents as may be required in accordance with the CMSA in relation to the IPO with the SC and its lodgement with the Registrar of Companies of Malaysia by the date of issue of the Prospectus being a date not later than 1 month after the Agreement Date or such later date as our Company, the Offeror and our Underwriter may from time to time agree ("**Issue Date**");

(v) All the approvals referred to in Clause 2.2 (Approvals) of the Underwriting Agreement remain in full force and effect and that all conditions to the approvals (except for any which can only be complied with after the IPO has been completed) have been complied with;

(vi) The approval-in-principle of Bursa Securities for the admission of our Company to the Official List and the listing of and quotation for its entire issued and paid-up share capital on the Main Market being obtained within 6 weeks from the date of the Prospectus (or such longer period as may be specified by the SC) and on terms acceptable to our Underwriter and the approvals of the SC and Bursa Securities remaining in full force and effect and that all conditions (except for any which can only be complied with after the IPO has been completed) have been complied with;

(vii) Our Underwriter being satisfied that our Company will, following completion of the IPO be admitted to the Official List and its issued and paid-up share capital listed and quoted on the Main Market without undue delay;

(viii) The execution of the Placement Agreement and the Placement Agreement not having been terminated or rescinded pursuant to the provisions thereof;

(ix) Our Underwriter receiving a copy duly certified by a director or secretary of our Company to be a true and accurate copy and in full force and effect, of a resolution of the Directors:

(a) approving the Prospectus (including a confirmation that the Directors, collectively and individually, accept full responsibility for the accuracy of all information stated in the Prospectus), the Underwriting Agreement and the transactions contemplated by it;

(b) authorising the issuance of the Prospectus; and

(c) authorising a person to sign and deliver the Underwriting Agreement on behalf of our Company;

(x) The IPO not being prohibited or impeded by any statute, order, rule, directive or regulation promulgated by any legislative, executive or regulatory body or authority of Malaysia and all consents, approvals, authorisations or other orders required by our Company under such laws for or in connection with the IPO and/or listing of and quotation for the entire issued and paid-up share capital of our Company on the Main Market have been obtained and are in force up to the Closing Date;

(xi) Our Underwriter being satisfied that our Company has complied with and that the IPO is in compliance with the policies, guidelines and requirements of the SC and Bursa Securities and all revisions, amendments and/or supplements to it;

(xii) The execution of the lock-up deed from the Offeror, addressed to Maybank IB as our Bookrunner that he will not, among other things, sell, transfer or charge any ECB Shares, for a period beginning on the date of such deed and ending on and including the date that is 180 days after the date of Listing pursuant to the said deed, as well as the lock-up deed from our Company addressed to Maybank IB as our Bookrunner that it will not, among other things, issue, sell, offer to sell, grant any option to purchase any ECB Shares, for a period beginning on the date of such deed and ending on and including the date that is 180 days after the date of Listing pursuant to the said deed, on the terms acceptable to Maybank IB (**"Lock-up Deeds"**);

(xiii) There being no occurrence of any event which occurs after the Agreement Date and on or prior to the Closing Date which if it had occurred before the Agreement Date would have rendered any of the representations, warranties and undertakings in Clause 11 (Representations, Warranties and Undertakings) of this Underwriting Agreement untrue;

(xiv) There not having occurred on or prior to the Closing Date any breach of and/or failure to perform any of the undertakings by our Company contained in the Underwriting Agreement; and

(xv) There not being any investigation, directions or actions by any judicial, governmental or regulatory authority in relation to the Listing or in connection with our Group which is still subsisting or unresolved to the satisfaction of our Underwriter.

4.7.1.2 If:

(i) Pre Issue Date

In the event any of the conditions set out in Clause 6.1.2, Clause 6.1.3, Clause 6.1.9 or Clause 6.1.13 (to the extent not waived) of the Underwriting Agreement are not satisfied by the Issue Date;

(ii) Closing Date

Any of the Conditions other than those referred to in Clause 6.3.1 (Pre Issue Date) to the extent not waived are not satisfied by the Closing Date;

our Underwriter shall be entitled to terminate the Underwriting Agreement and in such event the provisions of Clause 14 (Termination) of the Underwriting Agreement shall apply, but without prejudice to the rights of our Underwriter under Clause 10 (Fees and Commission) and under Clause 12 (Costs and Expenses) of the Underwriting Agreement. The parties hereto shall be released and discharged from their respective obligations hereunder and the Underwriting Agreement shall become null and void and of no further force and effect and none of the parties shall have a claim against the other save for any antecedent breaches.

4.7.1.3 Notwithstanding anything contained in the Underwriting Agreement, our Underwriter may after consultation with our Company and the Offeror in such manner as our Underwriter shall reasonably determine by notice in writing to our Company and the Offeror given at any time before our Underwriter is discharged or required to carry out its obligation under Clause 9 (Underwriting Obligation) of the Underwriting Agreement, terminate and withdraw its commitment to underwrite the Underwritten Shares under the provisions of the Underwriting Agreement ("**Underwriting Commitment**") upon the occurrence of any of the following:

(i) there is any breach by our Company and the Offeror of any of the representations, warranties or undertakings contained in Clause 11 of the Underwriting Agreement (Representations, Warranties and Undertakings) or which is contained in any certificate, statement or notice under or in connection with the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated in the notice of such breach given to our Company and the Offeror by our Underwriter or by the Closing Date, whichever is the earlier; or

(ii) there is failure on the part of our Company and the Offeror to perform any of its or his obligations contained in the Underwriting Agreement; or

(iii) there is withholding of information of our Underwriter which is required to be disclosed pursuant to the Underwriting Agreement which, in the opinion of our Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of the IPO, or the distribution or sale of the Shares issued or offered under the IPO; or

(iv) there shall have occurred, or happened any material and adverse change in the business or financial condition of our Group; or

(v) the closing date of the application of the IPO Shares does not occur within 3 months from the Agreement Date, subject to the extension of Closing Date which is approved by our Underwriter; or

(vi) the occurrence of any *force majeure* event including, but not limited to the following:

(a) any material adverse change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or currency exchange rates or the occurrence of any combination of any of the foregoing which would prejudice the IPO; or

(b) any new law or change in law, regulation, directive, policy or ruling in any jurisdiction, interpretation or application by the court/authorities which has/likely to have material adverse effect on our Group; or

(c) any event or series of events beyond the reasonable control of our Underwriter including (without limitation) acts of government, acts of God (including, without limitation, the occurrence of a tsunami and/or earthquakes), acts of terrorism, strikes, national disorder, declaration of a state of emergency, lock-outs, fire, explosion, flooding, landslide, civil commotion, sabotage, acts of war, diseases or accidents which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance with its terms or which prevents the processing of applications and/or payments pursuant to the IPO or pursuant to the underwriting of the Underwritten Shares; or

(d) any imposition of moratorium, suspension or material restriction on trading of securities on Bursa Securities due to exceptional financial circumstances or otherwise; or

(e) any material adverse change in financial conditions as stated in Clause 14.1.6.1 of the Underwriting Agreement to include stock market conditions and interest rates. For this purpose, a material adverse change in the stock market condition shall mean the Kuala Lumpur Composite Index of Bursa Securities has dropped 15% between its index level on the Agreement Date and the Closing Date (both dates inclusive); or

(f) any government requisition or occurrence of any other nature which materially and adversely affect or will materially or adversely affect the business and/or financial position of our Group; or

(g) in the event that the listing of and quotation for the entire issued and paid-up share capital of our Company on the Main Market is withdrawn or not procured or procured but subject to conditions not acceptable to our Underwriter;

which, in the reasonable opinion of our Underwriter, would have or can reasonably be expected to have, a material adverse effect on, and/or materially prejudice the business or the operations of our Group, the success of the IPO, or the listing of our Company on the Main Market or market conditions generally or which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms.

4.7.1.4 Upon the notice as described in Clause 14.1 (Termination) of the Underwriting Agreement being given, our Underwriter shall be released and discharged of its obligation without prejudice to its rights under the Underwriting Agreement, and where our Underwriter has terminated or withdrawn its Underwriting Commitment pursuant to Clause 14.1 (Termination) or Clause 6.3, the Underwriting Agreement shall be of no further force or effect and no party shall be under any liability to any other parties in respect of the Underwriting Agreement, except the following:

(i) the Offeror shall pay the Underwriting Commission in accordance with Clause 10 (Fees and Commission) of the Underwriting Agreement, costs and expenses as described in and in accordance with Clause 12 (Costs and Expenses) (including those incurred in the event the Closing Date is extended), upon the occurrence of Clauses 14.1.1 to 14.1.7 or Clause 6.3 of the Underwriting Agreement save for the circumstances in Clauses 14.3 and 23.2.2 of the Underwriting Agreement; and

(ii) our Company and the Offeror shall continue to be liable to indemnify our Underwriter, our Underwriter's subsidiaries, associated companies, related corporations, branches, holding company (if any) and the subsidiaries of any such holding company ("**Affiliates**") from time to time and each of our Underwriter and its Affiliates' directors, employees, agents, subsidiaries and each person who controls our Underwriter and Affiliate pursuant to Clauses 11.3,11.4 and 11.5 (Representations, Warranties and Undertakings) of the Underwriting Agreement.

4.7.2 Placement

Our Company and the Offeror are expected to enter into a Placement Agreement with our Bookrunner in relation to the placement of 202,040,000 IPO Shares under the Institutional Offering. Our Company and the Offeror will be requested to give various representations, warranties, undertakings, covenants and provide an indemnity, subject to applicable law, against all charges, costs, damages, expenses, liabilities, losses, claims, actions, investigations, demands, proceedings or judgments brought or established against certain parties including, among others, our Bookrunner, its affiliates and their directors and employees arising out of, among others, untrue statements of a material fact in the Prospectus and other offering documents in relation to the IPO, any breach or failure by our Company or the Offeror to perform the obligations under the Placement Agreement or any breach of representations, warranties, undertakings, covenants set out in the Placement Agreement.

4.7.3 Lock-up arrangements

4.7.3.1 Offeror

In connection with our IPO, the Offeror agrees with our Bookrunner that, for a period beginning on 2 June 2011 (being the date of the Lock-up Deeds) and ending on, and including, the date that is 180 days after the date of our Listing, the Offeror shall not, without the prior written consent of our Bookrunner:

(i) sell, offer to sell, contract or agree to sell, hypothecate, pledge, mortgage, charge, assign, grant any option to purchase or obtain security over, or otherwise dispose of or agree to dispose of, directly or indirectly, any Shares or any other securities of our Company that are substantially similar to our Shares (or any interest therein or in respect thereof), or any securities convertible into or exchangeable or exercisable for, or any warrants or other rights to purchase, the foregoing; or

(ii) enter into any swap, transaction or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of our Shares or any other securities of our Company that are substantially similar to our Shares, or any securities convertible into or exchangeable or exercisable for, or any warrants or other rights to purchase, the foregoing, whether any such transaction is to be settled by delivery of our Shares or such other securities, in cash or otherwise; or

(iii) publicly announce any intention to effect any transaction specified in Sections 4.7.3.1(i) and (ii) above.

The foregoing restrictions do not apply to Shares acquired by the Offeror in the open market after our Listing.

4.7.3.2 Company

In connection with our IPO, our Company agrees with our Bookrunner that, for a period beginning from the date of this Prospectus and ending on, and including, the date that is 180 days after the date of our Listing, our Company shall not, without the prior written consent of our Bookrunner:

(i) issue, sell, offer to sell, contract or agree to sell, grant any option to purchase, allot, sell any option or contract to purchase or otherwise transfer or dispose (either conditionally or unconditionally or directly or indirectly) any Shares or any other securities of our Company (or any interest therein or in respect thereof), or any securities convertible into or exchangeable or exercisable for, or any warrants or other rights to purchase, the foregoing or enter into any arrangement or arrangement to undertake any of the foregoing;

(ii) enter into any swap, transaction or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Shares, or any securities convertible into or exchangeable or exercisable for, or any warrants or other rights of purchase, the foregoing, whether any such transaction is to be settled by delivery of Shares or such other securities, in cash or other otherwise; or

(iii) publicly announce any intention to effect any transaction specified in Sections 4.7.3.2(i) and (ii) above.

The foregoing restrictions does not apply to our IPO.

4.8 Purposes of the IPO

The purposes of the IPO are as follows:

(i) to facilitate the listing of and quotation for our entire enlarged share capital after the IPO of 774,000,000 ECB Shares on the Main Market of Bursa Securities;

(ii) to enable our Group to gain access to the capital market for cost-effective funds to pursue expansion and growth opportunities;

(iii) to enable our Group to gain recognition and certain stature through its listing status and further enhance our corporate reputation and assist us in expanding our customer base;

(iv) to provide additional funds to meet the present and future working capital and capital expenditure requirements of our Group;

(v) to provide additional funds for future business expansion of our Group; and

(vi) to provide an opportunity for our eligible Directors and employees and the investing public in Malaysia to participate in the equity and growth of our Group.

4.9 Basis of arriving at the Retail Price, Final Retail Price and Refund Mechanism

4.9.1 Retail Price

The Retail Price of RM1.70 per ECB Share was determined and agreed upon by our Company, the Offeror and Maybank IB as Sole Adviser, Underwriter and Bookrunner based on various factors including the following:

(i) our Group's operating and financial history and position as outlined in Sections 3.5, 3.6 and 14 of this Prospectus;

(ii) the proforma consolidated NA of our Group as at 31 December 2010 of RM0.75 per ECB Share based on the issued and paid-up share capital after the Listing;

(iii) the historical net PE multiple of 8.93 times based on our Group's audited consolidated PATAMI of about RM116.73 million for FYE 31 December 2010 and our share capital prior to the implementation of the IPO;

(iv) our competitive strengths and advantages as set out in Section 6.2.2 of this Prospectus;

(v) the future growth and outlook of the industry in which we operate, which is supported by factors such as the increasing demand for residential and commercial construction projects fueling the demand for the structural steel building industry as well as infrastructure development projects in the Middle East and India, as outlined in Section 7 of this Prospectus; and

(vi) the future plans and prospects of our Group as set out in Section 8 of this Prospectus.

The Final Retail Price will be determined after the Institutional Price is determined on the Price Determination Date, and will be the lower of:

(i) the Retail Price; and

(ii) 95% of the Institutional Price,

subject to rounding up to the nearest sen.

In the event that the Final Retail Price is lower than the Retail Price, the difference will be refunded to successful applicants, without any interest thereon. Please refer to Section 4.9.3 of this Prospectus for further details on the refund mechanism.

Prospective retail investors should be aware that the Final Retail Price will not in any event be higher than the Retail Price of RM1.70 per ECB Share nor lower than the par value of our Shares.

The Final Retail Price and the Institutional Price are expected to be announced within 2 Market Days from the Price Determination Date via Bursa Listing Information Network, an electronic platform for submission of all announcements made by listed issuers on Bursa Securities. In addition, all successful applicants will be given written notice of the Final Retail Price and the Institutional Price together with the notices of allotment.

Our Directors and Maybank IB are of the opinion that the Retail Price is fair and reasonable after careful consideration of the abovementioned factors.

However, you should also note that the market price of our Shares upon listing on Bursa Securities is subject to the vagaries of the market and other uncertainties which may affect the price of our Shares being traded. You should bear in mind the risk factors as set out in Section 5 of this Prospectus and form your own views on the valuation of the IPO Shares before deciding to invest in our IPO Shares.

4.9.2 Institutional Price

The Institutional Price will be determined by a bookbuilding process wherein prospective institutional investors will be invited to bid for portions of the Institutional Offering by specifying the number of IPO Shares they would be prepared to acquire and the price they would be prepared to pay for the acquisition. This bookbuilding process commenced on 15 June 2011 and will end on 21 June 2011 or such date or dates as our Directors, the Offeror and our Bookrunner in their absolute discretion may decide. Upon the completion of the bookbuilding process, the Institutional Price will be fixed via agreement between our Directors and the Offeror in consultation with our Bookrunner on the Price Determination Date.

4.9.3 Refund mechanism

In the event that the Final Retail Price is lower than the Retail Price, the difference will be refunded without any interest thereon. The refund will be made by cheques, which will be despatched by ordinary mail to the address of successful applicants as stated in the Bursa Depository's records for applications made via the Application Form, Electronic Share Application or Internet Share Application, within 10 Market Days from the final ballot of the application, at the successful applicant's own risk.

4.10 Dilution

Dilution is the amount by which our proforma consolidated NA per Share after the IPO is less than the Retail Price to be paid for our Shares. Proforma consolidated NA per Share represents the shareholders equity of our Company attributable to the equity shareholders over the number of Shares outstanding immediately prior to the implementation of the IPO. Our proforma consolidated NA per Share as at 31 December 2010 was RM0.52 based on 613,300,000 ECB Shares after adjusting for the IPO.

As illustrated in the proforma consolidated balance sheets of our Group as set out in Sections 3.6 and 14.1.2 of this Prospectus, our proforma consolidated NA per Share would be RM0.75 pursuant to the implementation of the IPO. This represents an immediate increase in our proforma consolidated NA per Share of RM0.23 to our Promoter and an immediate dilution in the consolidated NA per Share of RM0.95 to our new investors. The following table illustrates such dilution on a per Share basis assuming the Retail Price is equal to the Final Retail Price and Institutional Price:

	RM
Retail Price	1.70
Proforma consolidated NA per Share as at 31 December 2010, before adjusting for the IPO [(1)]	0.52
Proforma consolidated NA per Share after adjusting for the IPO [(2)]	0.75
Dilution in proforma consolidated NA per Share to new investors	0.95
Dilution in proforma consolidated NA per Share to new investors as a percentage of the Retail Price	55.88%

Notes:

(1) *Taking into account the Capitalisation, Bonus Issue and Share Split pursuant to the Listing.*

(2) *Taking into account the Capitalisation, Bonus Issue, Share Split, IPO and utilisation of proceeds received pursuant to the Listing.*

Apart from the ECB Shares acquired pursuant to the Capitalisation and Bonus Issue, there is no acquisition of any existing equity securities in our Group by the key management, substantial shareholder or persons connected with them during the past three years, or which they have the right to acquire.

4.11 Subscription amount

In order to comply with the public spread requirement of Bursa Securities, the number of shares to be subscribed by the public will be 193,500,000 Shares, being the number of Shares necessary to meet the minimum public shareholding spread required under the Listing Requirements of Bursa Securities.

The completion of the Retail Offering and Institutional Offering are inter-conditional and are subject to the occurrence of the following:

(i) full subscription of the 30,150,000 Offer Shares under the Retail Offering; and

(ii) full subscription of the 202,040,000 IPO Shares under the Institutional Offering.

If the IPO Shares are not allotted under the IPO, monies paid in respect of any application for the IPO Shares will be returned in full without interest and if such monies are not returned in full within 14 days after we and/or the Offeror become liable to do so, we and the Offeror, shall be jointly and severally liable to return such monies in full with interest at the rate of 10% per annum under sub-section 243(2) of the CMSA or such other rate as may be prescribed by the SC upon expiration of that period until full refund is made.

4.12 Utilisation of proceeds

The Issue Shares is expected to raise gross proceeds of RM273.19 million* which shall accrue to our Company.

We intend to utilise the proceeds raised in the following manner:

Nature of utilisation	Timeframe for utilisation from the date of the Listing	Note	Amount RM'million
Capital expenditure	Within 24 months	(i)	126.00
Business expansion	Within 24 months	(ii)	80.00
Working capital	Within 12 months	(iii)	58.39
Listing expenses	Within 1 month	(iv)	8.80
Total proceeds from the Listing			273.19

Notes:

* *We have assumed the Institutional Price and the Final Retail Price will be the Retail Price of RM1.70 per ECB Share in arriving at this figure.*

(i) Capital expenditure

We plan to utilise a total of RM83 million of the net proceeds from the Issue Shares for the capital expenditure requirement in our Indian operations. Of this, we expect to utilise about RM50 million to either establish a new fabrication facility or acquire an existing fabrication facility in India with an initial fabrication capacity of 36,000MT per annum. Subsequently, we intend to allocate another RM33 million to further increase the capacity of our plant to about 50,000MT per annum in line with the future growth of our India operations. Further details on our future plans and prospects are set out in Section 8 of this Prospectus.

We intend to utilise another RM27 million from our IPO proceeds to purchase plant and machineries for our Middle East operations, details of which are set out as follows:

Type of plant and machineries	***Estimated no. of units***	***Estimated cost***
		RM'000
Material handling equipment	*25*	*9,083*
CNC machines	*2*	*6,984*
Welding machines	*126*	*2,217*
Transformer/distribution panel	*1*	*1,767*
Punching/cutting/drilling/blasting machines	*692*	*2,057*
Compressors	*10*	*362*
Office equipment	*1 set*	*883*
Motor vehicles	*33*	*3,362*
Others		*285*
Total		*27,000*

All these plant and machineries will be utilised for our fabrication and erection processes.

We intend to utilise part of our IPO proceeds to enhance the production capabilities of our existing fabrication facility in Rawang, Malaysia by extending our existing facility and purchase of additional plant and machineries such as blasting machines, CNC cutting and drilling machines. The expected cost for the extension of the existing facilities and purchase of additional plant and machineries is about RM16 million and will be funded via our proceeds from the Issue Shares. With the extended factory and additional machineries, the processes that have to be outsourced at present can be carried out in our factory itself. This includes surface treatment, painting, plate rolling and pressing. We can improve our efficiency and productivity, and reduce cost as we can minimise logistics and double handling of materials.

(ii) Business expansion

RM80 million of the gross proceeds will be reserved for the purpose of business expansion into related businesses such as EPC and advancing our position as one of the leading integrated structural steel turnkey contractors in the UAE and Qatar. In addition, our Group is also expanding our business reach into other countries such as Oman and Saudi Arabia. Where suitable opportunities arise, we may consider expanding through acquisitions, joint ventures or strategic alliances which can provide us with access to new market segments, countries, services, resources and customers. The costs of such business expansion may include among others, start-up cost, establishing fabrication facilities and hiring of workforce. Further details are set out in Sections 8.1(ii) and 8.2 of this Prospectus.

(iii) Working capital

We intend to utilise about RM58.39 million of the gross proceeds as working capital. This is expected to result in future interest savings as compared to utilising credit facilities from financial institutions to finance day-to-day working capital requirements of our Group which include purchase of raw materials, payment to our lenders, maintenance of our fabrication facilities and office premises and other operating expenses. Assuming for a period of 6 months and based on the interest rate of 8% to 9.35% per annum, we expect interest savings of between RM2.3 million to RM2.8 million.

(iv) Listing expenses

The expenses arising from the IPO to be borne by us are estimated to be RM8.8 million and will comprise the following:

	RM'million
*Estimated professional fees**	*2.1*
Brokerage, underwriting and placement fees	*4.5*
Fee to authorities	*0.4*
Other fees and expenses such as printing, advertising and roadshow expenses incurred in connection with the IPO	*1.2*
Miscellaneous expenses and contingencies	*0.6*
Total estimated listing expenses	*8.8*

4. PARTICULARS OF THE IPO *(Cont'd)*

Note:

* *Include fees for the Sole Adviser, Underwriter, Bookrunner, Issuing House, Share Registrar, Reporting Accountants, Legal Advisers, Independent Market Researcher and other professional advisors.*

If the actual listing expenses are higher than budgeted, the deficit will be funded out of the portion allocated for working capital. Conversely, if the actual listing expenses are lower than budgeted, the excess will be used for working capital purposes.

The aforesaid proceeds which are not utilised prior to their due dates shall be kept in interest bearing accounts, money market instruments, deposits and/or other realisable short-term investments.

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5. RISK FACTORS

Before investing in our Shares, prospective investors should pay particular attention to the fact that a significant portion of our operations, assets, profits and prospects are located outside Malaysia, and to a large extent its activities are governed by the legal, regulatory and business environment outside Malaysia. Our businesses are subject to a number of factors, some of which are outside our control. Prior to making an investment decision, prospective investors should carefully consider, along with other matters set forth in this Prospectus, the risks and investment considerations below. Investors should note that the following list is not an exhaustive list of all the risks we face or risks that may develop in the future.

5.1 Risks relating to markets in which we operate

There are notable risks which are inherent to the markets where we operate which could adversely affect our Group's operating results and financial condition such as:

(i) Political, regulatory and economic considerations

Our financial and business prospects and the industry in which we operate are closely linked to the developments in the political, economic and regulatory conditions in MENA, India and Malaysia and any other countries where we operate/intend to operate.

The political, regulatory and economic uncertainties include, among others, risks of war, expropriation, nationalisation, renegotiations, termination or nullification of existing contracts, changes in interest rates and methods of taxation. We have and will continue to take effective measures such as prudent financial management, market diversification and efficient operating procedures to mitigate such risks. Any adverse developments or uncertainties in the political, economic and regulatory conditions in these countries may affect our financial performance. A discussion of the industry overview of our Group's business is set out in Section 7 of this Prospectus.

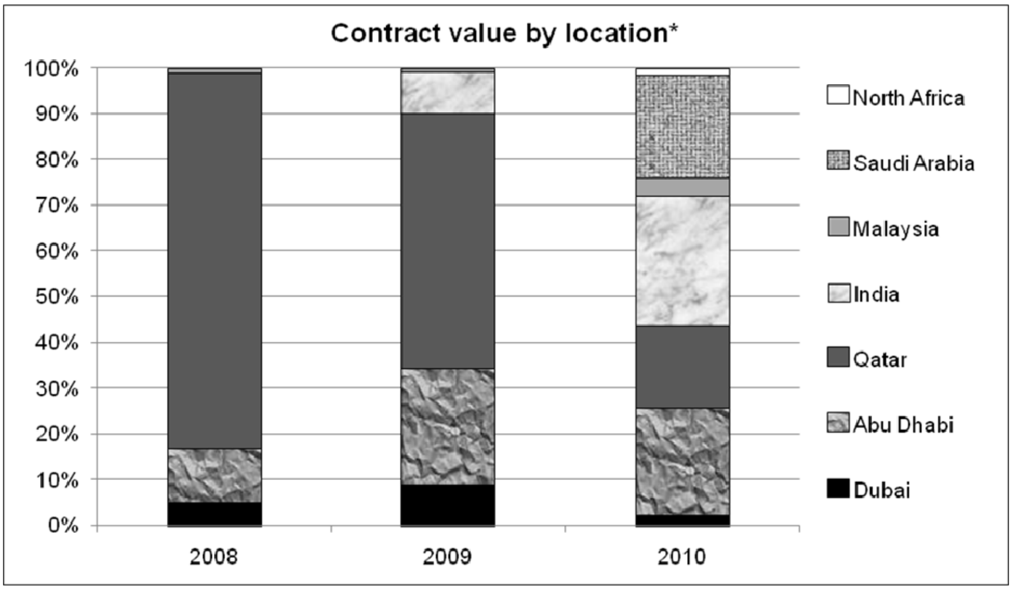
Although our Group's current significant operations are located in countries that by and large are economically and politically stable, they are in proximity to regions or countries which face political and social unrest.

(ii) The Dubai crisis

On 30 November 2009, Dubai World announced that it would restructure its debt amounting to USD26 billion, of which USD6 billion is related to its real estate subsidiary, Nakheel Properties. According to IMF Survey Magazine dated 4 December 2009, it is believed that Dubai's property sector, which is the driver of the emirate's recent boom, will take a sluggish recovery path due to declined confidence and impaired reputation particularly among international investors and restrictive credit condition due to risk aversion.

As Dubai faced liquidity issues in 2009, Abu Dhabi increasingly appeared as a more prominent player in the real estate and construction market. While Abu Dhabi has also been exposed to economic issues as Dubai, this Emirate has proven to be more resilient in dealing with the crisis. Demand in Abu Dhabi is primarily driven by its local Government's consumption and its efforts of promoting the Emirate as a major tourism hub through improvements in the infrastructure and major construction projects. Dubai has since experienced modest economic growth in 2010 as the Emirate recorded a 2.5% year on year growth in the first 9 months of 2010.

Nevertheless, we believe our exposure in this particular market is limited as we are well-diversified within the Middle Eastern market.



Note:

* *Contract value represents value of new contracts awarded for that year.*

Based on the graph above, over the past 3 FYEs 31 December 2010, our dependence on Dubai for our projects had diminished while we have secured increasing number of projects in Abu Dhabi and Qatar.

(iii) Dependence on natural resources for the Middle Eastern region

Being one of the world's largest oil and gas exporters, the GCC economies are highly dependent on the commodities as a source of income. These commodities are subject to fluctuation in market price, evidenced by the large decline in oil prices from about USD130 per barrel in the first half of 2008 to about USD40 per barrel in December of the same year. Oil prices then hovered between USD70 and USD95 per barrel throughout 2010 before increasing to over USD100 per barrel in early 2011. As at February 2011, crude oil prices were traded globally at approximately USD104 per barrel. Such volatility in income could potentially have adverse implications for our Group's businesses since some of the region's infrastructure development such as ports, airports, power generation and similar projects are public sector-led.

(iv) Ownership laws in the UAE

The operations of our Group's subsidiaries located in the UAE ("**UAE Subsidiaries**") have contributed between 33% to 53% of the total revenue for the past 3 financial years up to 31 December 2010. With the exception of EV Sharjah, the UAE Subsidiaries are subject to minimum national ownership requirements. 51% of outstanding shares in the UAE Subsidiaries (except for EV Sharjah) must be beneficially owned by UAE nationals. In addition, there is also a requirement for the UAE nationals who are shareholders of our UAE Subsidiaries ("**Local Partners**") to share in a minimum amount of profits and losses of our UAE Subsidiaries.

Article 227 of the Companies Law permits profits to be distributed on a basis which differs from the shareholders' percentage holding of shares if set out in the Memorandum of Association. There is no law or regulation which sets a cap on what percentage split is acceptable. However convention dictates that the maximum profit split acceptable in the UAE is 80/20 in favour of the minority shareholder. This convention is reflected by the fact that a notary will not notarise a Memorandum of Association showing a more substantive split in favour of the minority shareholder. In limited circumstances notaries have in Abu Dhabi accepted a split of 90/10. The notarisation constitutes an official endorsement of the terms of the Memorandum of Association and under Article 8 of the Companies Law, their enforceability.

We have had in place various commercial agreements with our Local Partners for all our 49%-owned subsidiaries which enabled us to consolidate their financial results in our financial statements and which gave us the necessary powers to direct the management and operations of these UAE Subsidiaries. From May 2010, we reviewed and entered into new commercial arrangements in relation to EV Dubai and EV Abu Dhabi. We also entered into commercial arrangements in relation to EVSC as part of the Acquisition. These consist of shareholders' agreements, powers of attorney and amendments to Memoranda of Associations for all of our UAE Subsidiaries, save for EV Sharjah. We also have a call option to purchase our Local Partners' shares in EVSC, EV Dubai and EV Abu Dhabi. These documents (**"UAE Agreements"**) are further referred to in Section 17.4 of this Prospectus.

We have been advised by our legal advisers that these UAE Agreements are legally binding and enforceable, as they form separate commercial arrangements which are distinct from the local shareholding requirements and they do not contravene the Companies Law. However, there can be no assurance that a court would enforce the UAE Agreements if they are challenged. Foreign-owned companies formed in the UAE commonly use commercial arrangements to achieve similar effects to the one that we have adopted, and we are not aware of such arrangements having been unilaterally challenged by the authorities in the UAE as at the LPD.

In addition, Federal Law No. 17 of 2004 on the matter of Commercial Anti-Fronting (**"Anti-Fronting Law"**) has been enacted in the UAE and was scheduled to come into effect in November 2007. The UAE Federal Government, however, publicly announced at that time that enforcement of the Anti-Fronting Law has been suspended until 2009 and it is believed that it has been extended for a further period. We are advised by our legal advisers that the Anti-Fronting Law has not been brought into force. We are also advised that if brought into force, it will prohibit UAE nationals who trade through licences from effectively 'sub-licensing' the benefit of their licences to non-nationals where it would be illegal to do so. However, we are advised by our legal advisers that this is unlikely to apply to our situation where the UAE Agreements are structured as commercial agreements with UAE nationals and where the UAE Subsidiaries trade through their own licences. It is believed that one of the reasons for postponing the enforcement of the Anti-Fronting Law is due to public policy reasons as the UAE economy is greatly dependent on foreign investment. This is further reflected in the widely anticipated changes to the Companies Law, which are expected to relax the existing foreign ownership restrictions in order to encourage further foreign investment in the UAE.

An alternative view is that due to the fact that the Anti-Fronting Law was not officially postponed further it could have come into force. This is not however supported by the fact that the law has not been published in the Official Gazette which is a Federal Law requirement for new laws to come into force. If it were in force there is a risk that it could be interpreted as applying retrospectively and that it could apply to prohibit foreign investors from having profit sharing arrangements which are more favourable to them than those expressed in the Memoranda of Association of the UAE companies.

There could be a number of adverse implications for us if the UAE Agreements were to be successfully challenged, including the revocation of our UAE operating licenses. We would have to dismantle our UAE Agreements and adopt an alternative operating structure that could be less advantageous to our business and operations and could face the imposition of fines, or the liquidation of one or more of our UAE Subsidiaries. In addition, if the fact that the UAE Agreements are being challenged became known, it could have an adverse effect on the trading price of the Shares.

Without prejudice to any greater sanction imposed by any other law, the person who enables a foreigner (**"Fronting Person"**) to undertake any economic or professional activity which it is prohibited to undertake (**"Fronter"**) shall be subject to a fine not exceeding AED100,000 for every breach of the Anti-Fronting Law. In case of a recurrence of such "fronting activities", the sanction shall be imprisonment of the Fronter for a period not exceeding 2 years, with a fine of AED100,000. The Fronting Person shall be subject to the same sanctions, along with its deportation, after the imposition of such sanctions and the discharge of related obligations.

In addition, the Fronter shall be removed from the commercial registration within the Commercial Registry regarding the "fronting activity" and the licence granted to him shall be revoked. The Fronter will be prohibited from undertaking such activity for a period not less than 2 years and not exceeding 5 years.

(v) Exposure to Decennial Liability

Under Articles 880 to 883 of the UAE Civil Code, Law No 5 of 1985 and Articles 711 to 715 of the Qatari Civil Code, Law No. 22 of 2004, contractors and design consultants in the UAE and Qatar are jointly liable, without fault, for the cost of rectifying structural defects that appear in a building or structure within 10 years of handover (**"Decennial Liability"**). The trigger events for Decennial Liability are total or partial collapse of a building and/or a defect threatening the stability or safety of a structure. For Decennial Liability to be applicable, it is not necessary to prove any negligence or breach of contract and the liability attached notwithstanding that the collapse or defect is caused by sub-surface conditions or that the client approved the defective work. Any agreements purporting to exclude Decennial Liability are void. We seek to mitigate our exposure to this risk by working with reputable and established consultants and contractors, and by our Group's emphasis on safety and quality assurance/control. In the past and as at the LPD, our Group has not been affected by any liability arising from our exposure to Decennial Liability. However, there can be no assurance that the above measures taken or to be taken will be successful and that any liability arising from our exposure to Decennial Liability will not have any material adverse effect on our Group's financial position, business and operations.

(vi) Exposure to limitation periods of up to 10 years in the UAE and up to 15 years in Qatar

The limitation periods to make contractual claims other than claims for Decennial Liability (for example for negligent design or defective workmanship) for our projects continues for a period of 10 years in the UAE and for a period of 15 years in Qatar from the due date for the fulfillment of the obligation (i.e. usually in the context of a construction contract, completion of the works or the end of the defects liability period, depending on the nature of the claim). As such, in relation to our completed projects, we continue to be exposed to possibilities for contractual claims other than claims for Decennial Liability for a period of 10 years in the UAE and 15 years in Qatar.

We seek to mitigate our exposure to this risk by working with reputable and established consultants and contractors, and by our Group emphasis on safety and quality assurance/control. In the past and as at the LPD, we have not been affected by any liability arising from the exposure to limitation periods of up to 10 years in the UAE and up to 15 years in Qatar.

However, there can be no assurance that the above measures taken or to be taken will be successful and that any liability arising from such exposure will not have any material adverse effect on our Group's financial position, business and operations.

(vii) Dependence on the Middle Eastern market

As a significant portion of our Group's revenue is derived from our operations in the Middle Eastern markets such as the UAE and Qatar, the performance of our Group is invariably linked to the economic environment of these countries. For the FYE 31 December 2010, our Group's revenue from our principal markets in the UAE and Qatar was RM569.03 million, representing 76.39% of our Group's total revenue of RM744.93 million.

The dependence on the Middle Eastern market could potentially limit our Group's sources of revenues and any negative systemic impact on the domestic country or general economic condition of the region could have adverse effects on our Group's operating results and financial performance. In view of this, we seek to mitigate these risks by diversifying into other markets, notably India, as evidenced by our on-going projects in Chennai and Mumbai, and South East Asia. For example, we are currently involved in the construction of Marathon Futurex, Trump Tower and 2x660MW Coal Fired Thermal Power Plant in India, and Bank Kerjasama Rakyat Malaysia Office Tower in Malaysia. We are also in the process of tendering for various projects in Singapore and Vietnam. Further details of key on-going projects undertaken by our Company are set out in Sections 6.2.1(v) and 6.2.2(ii) of this Prospectus.

(viii) Risk of expansion into new geographical areas, services and market segments

As part of our growth strategy, we will continue to identify expansion opportunities in new geographical areas, services and market segments. In the past, we have ventured into new geographical areas by invitation from our clients with whom we have established a good working relationship. We will only venture into new services and market segments which are complementary to our existing expertise, experience and facilities.

Expansion into new geographical areas, services and market segments involves numerous risks, including but not limited to the financial costs of setting up such operations, investment in machinery and equipment and working capital requirements, where required. While we will carefully consider the opportunities and risks thereof, there can be no assurance that any such expansion will achieve a sufficient level of revenue which will cover our operational costs and if we fail to manage such costs, our profitability and financial position may be adversely affected.

(ix) Emerging markets are subject to greater risks than more developed markets

We conduct a significant portion of our operations in certain countries in the MENA and Asia regions. These countries may be subject to political, social, economic and market conditions, which differ significantly from those in more developed countries.

Among the risks that may have a material impact on our business, operating results, cash flows and financial condition include:

(a) socio-political unrest and economic instability;

(b) regulatory, taxation and legal structure changes;

(c) government interventions, including tariffs, protectionism and subsidies;

(d) difficulties and delays in obtaining new permits and consents for our operations or renewing existing ones;

(e) arbitrary or inconsistent governmental action;

(f) lack of infrastructure;

(g) cancellation of contractual rights;

(h) inability to repatriate profits and/or dividends; and

(i) expropriation of assets.

Any unexpected changes in the political, social, economic or other conditions in these countries may have a material adverse effect on the international investments that we have made or may make in the future, which may in turn have a material adverse effect on our business, financial condition and results of operations. However, in the MENA region, a major part of our operations are in the UAE and Qatar, which have relatively stable political structures coupled with higher degree of prosperity, which are important in maintaining social stability.

5.2 Risks relating to our business and operations

(i) Business risks

We are in the construction industry and depend on winning new contracts for our business and growth. This risk is inherent in our industry. Closely connected to this risk, is the project risk which we face when executing each contract. Further details of project risk are set out in Section 5.2(iii) of this Prospectus. Our customers may also delay or terminate their projects. Delays will also affect our project margins due to additional time spent on negotiations and resolving issues, which in turn could delay the recognition of revenues and profits from the projects. Additionally, our receipt of payments may be reduced and/or delayed. We may also have to incur additional costs as a result of the delays.

The structural steel engineering sector that we are in is highly dependent on the construction industry of the countries in which we operate, which in turn is a function of economic growth. Our business may be adversely affected by among others, any adverse development in the availability of contracts or in the supply and demand of building materials resulting from an economic and consequently industry slump. Our business is also subject to the cyclical nature of the construction industry and hence vulnerability to any downturn in the industry is unavoidable.

However, our Group has been able to manage the business risks in the past as evidenced by our progressive increase in revenue and profits.

(ii) Competition

Our Group faces competition from incumbents as well as new entrants into the structural steel engineering sector. Due to our international presence, we are consistently competing with other multinational construction firms that possess significant financial, managerial, technology and other resources, as well as vast industry experience. Increase in competition could potentially lead to pressures on the growth of the business and revenue which would affect the profitability of our Group. Notwithstanding this, we believe that our Group is well placed to compete in this sector.

In fact, we believe that we have several competitive advantages over our rivals due to our market reputation, track record, quality work and ability to execute demanding and complex projects within the stipulated timeframe. We believe that we are well regarded by our customers and have developed local expertise in countries where we operate. Nevertheless, we cannot assure you that we will be able to maintain our existing market position in the future despite our proactive measures to mitigate these risks, which include, among others, constant monitoring and study of industry demand, requirements and competitive positioning.

In addition, the construction industry in the countries we operate in is rapidly changing. If we cannot respond to changes in market conditions more swiftly or effectively than our competitors, our ability to generate revenue, our financial position and our results of operations as well as future growth could be adversely affected.

(iii) Project risks

Due to the nature and complexity of the projects that our Group undertakes, our business is subject to project risks. Any underperformance in project execution will adversely impact our Group's financial performance, reputation and future prospects.

Failure to complete contractual work within the stipulated schedule could potentially lead to liquidated damages for delays or compensation to our customers, which may in turn, adversely affect our net profits and reputation. As at the LPD, our Group has been able to manage the project risks in the past. We will continuously conduct detailed studies on the nature and complexity of implementation to avoid project cost overruns.

Some of the projects and contracts undertaken by our Group require our engagement of specialist sub-contractors. Any delay, non-performance, or inadequacy of these parties could adversely affect our Group's financial performance and reputation. We seek to mitigate these risks by engaging only reputable/experienced sub-contractors, closely monitoring the performance of these parties and carrying out detailed evaluation prior to their engagement.

Our contracts are based on prices estimated at bid time. There may be instances that our Group may incur cost overruns which will adversely affect profits or incur losses for such a project.

Although we maintain a commendable track record of timely project completion with quality and best practices with regard to our services, there can be no assurance that failures would not occur and affect our Group's financial performance and reputation.

(iv) Shortage of raw material

We depend on our suppliers for raw material used in our steel fabrication such as steel plates and rolled sections. We obtain most of our raw material including steel plates and sections from reputable international mills/trading houses and local/overseas stockists. We purchase all our raw material on a purchase order basis and we do not have long term contracts with any of our suppliers. To maintain our competitiveness, we have obtained from our reputable suppliers, sufficient quantities of material at acceptable prices in a timely manner and will continue to do so. However, there is no assurance we can accomplish this at all times.

(v) Fluctuating price of steel

As a structural steel turnkey contractor, steel is a major input for our Group's business and its price is a critical cost determinant. Generally, steel-based raw material account for about 25% to 35% of the value of the contract. As steel prices are determined by worldwide supply and demand, a shortage of steel supply will likely increase its price. We seek to mitigate these risks by closely monitoring raw steel prices and obtaining quotes from reputable international mills/trading houses prior to submitting a bid.

Immediately upon the award of the contract, orders are placed for about 95% of the required raw steel material by locking in the quotes obtained earlier from these suppliers within 2 to 4 weeks from the date of the award. The validity of our quotes varies according to the requirements of our clients and is generally valid for between 30 to 90 days. In certain cases where the finalisation period is longer due to the large quantum involved, the validity period may extend to 180 days. In such cases, our Company will include reasonable price escalation clauses into the quotes for our clients based on the available trend in the global commodity market.

Through this procurement process, our Group is able to manage the volatility of steel prices by locking-in the steel prices. This enables us to avoid profit margin erosion should steel prices increase later. As a result, we have maintained our profit margins in the past even when steel prices were at an industry high.

While we have been able to manage the risk associated with the fluctuating steel prices and maintained our profit margins, there is no assurance that we can accomplish this at all times.

(vi) Currency fluctuation risk

Our Group's reporting currency is in RM but our Group's current major businesses are located abroad and are primarily in Middle Eastern countries such as UAE and Qatar. We also plan to expand our operations in India. We are therefore exposed to currency fluctuation risk.

The UAE and Qatar have pegged their currencies to the USD. As such, we are subject to translation risks as our consolidated financial statements are denominated in RM while the financial statements our Company's foreign subsidiaries are denominated in AED, QR and Rs.

Our Group has limited exposure to cross-border financing as projects are being financed in the local currencies in which we operate. In limited instances, it is foreseeable that borrowings denominated in one currency are used to finance projects in another currency. In view of this, we seek to mitigate the risk of fluctuations in foreign currency by practicing prudent financial management and actively monitoring these fluctuations. For example, the pegging of the AED and QR to the USD further reduces our exposure to foreign currency fluctuations as a majority of our turnover are in AED and QR, and our purchases of raw steel materials is in USD. This provides some form of natural hedging as we are able to utilise the receipt of revenue in AED and QR to pay for our purchases of raw steel materials in USD. In the past, our Group has not encountered any foreign exchange fluctuations that have materially affected our profitability. Further details on foreign currency risk are set out in Section 6.5.31(c) of the Accountants' Report.

While our Group believes that we have taken the necessary steps to mitigate our exposure, there can be no assurance that any significant fluctuations in exchange rates or any financial crisis in the future will not have an adverse material effect on the financial performance of our Group.

(vii) Operating risks

Similar to other businesses, our Group's financial position and performance could be adversely affected by various operating risks such as the inefficiency of our operation and changing market demand.

In order to mitigate these risks, we continuously employ prudent management and operation practices, monitor the market acceptance of our products and services and extensively invest in the latest technology and equipment to meet the changing market demand. We place strong emphasis on continuous quality control namely, ISO certification to ensure our products and services meet our clients' requirements without compromising on safety in our operations.

As part of our safety measures, we strictly follow the approved method statements and sequence to ensure stability during construction. In addition, we conduct safety induction program for our employees prior to the commencement of new projects.

5.3 Risks relating to our Company

(i) Dependence on our Directors and key management

We believe that our continued success and future performance depends to a large extent upon the skills, abilities, experience, competency and continuous efforts of our existing Directors and key management and on our Group's ability to hire and retain qualified and competent personnel. The vast experience, knowledge and expertise of our Directors and key management are pivotal to our success. While we have made efforts to nurture and maintain good relationships with our senior management team, there can be no assurance that the loss of any of the key personnel can be avoided and would not materially affect our Group's business, operating results and financial conditions.

We seek to mitigate this risk by incorporating effective human resource management and development, which includes competitive compensation packages, training and personnel development programmes to attract and retain skilled personnel. We also implement an effective succession plan to groom our existing staff members to further support our senior management and/or to shoulder further responsibilities in preparation for long term expansion and to continuously formulate suitable incentives and to create a conducive working environment. We have also set in place, proper systems and documentation requirements in order to ensure continuity, effective training and minimising workflow disruption in the event of resignations. With effective retention policy in place, some of our key management have been working with us between 5 to 19 years.

However, there can be no assurance that the above measures taken or to be taken will be successful and that any change in our Group's existing Directors and key management will not have any material effect on our Group's business and operations.

(ii) Dependence on skilled workforce and staff

Due to the nature of our operations which involves complex engineering, fabrication and steel erection works, our ability to meet future challenges depends on our ability to attract, recruit and retain talented and skilled workforce supervisors, fabricators and qualified welders. In order to mitigate the shortage of available engineers and skilled workforce in the market, we continuously recruit and provide appropriate on-the-job and structured in-house training to them to enhance their skill level. These trainings inadvertently contribute to their career development.

(iii) Subject to "pay when paid" clause for payment collection

Under some of our contracts with main contractors (who are directly appointed by the employers who are usually owners of the projects), we are subject to the "pay when paid" clause. Our Group will only be paid for our services rendered if our main contractor for the project has been paid himself. In the event our main contractor is unable to collect his payment from the employer or there is a delay in his collection, our rights to payment under the contract will be forfeited or alternatively our payment will be similarly deferred or delayed. This clause is generally applicable to a majority of our Group's contracts except in cases where letter of credit arrangements have been agreed upon with the clients. A claim against the main contractor's client in tort would theoretically be possible if the client's non-payment of the main contractor was wrongful. However, a claim against the main contractor would be difficult as the main contractor would rely on the pay when paid clause. It might be possible to bring a claim against the main contractor based on breach of the obligation of good faith imposed by the UAE Civil Code if the main contractor had made no effort to collect payment from the client, or if the client was withholding money from the main contractor by reason of the main contractor's own breach of contract.

We seek to mitigate this risk by structuring our payments on a milestone basis e.g. stipulate that payment is required when our fabricated steel products are delivered on site and where possible, we will collect a percentage of the contract value from our main contractor as advance payment for the purchase of raw steel material. In the past and as at the LPD, we had only 1 case in 2008 where the main contractor was unable to collect payment from the client. As a result, we were unable to collect payment from the main contractor due to the suspension of the project by the main contractor's client. However, the advance payment and progress payment which were previously collected by us from the main contractor, were more than sufficient to offset the amount which was not collected.

However, there can be no assurance that these measures will be adequate. Failure or serious delays in payments will have a material adverse effect on our Group's financial position, business and operations.

(iv) Working capital requirements

Our business requires significant working capital to finance the purchase of materials, the hiring of equipment and the performance of engineering, construction and other work on projects before payments are received from customers.

These working capital requirements may increase as our order book increases. Additional borrowings for working capital purposes will increase our interest expense and may affect our business, financial condition and results of operations.

Our Directors are of the opinion that, after taking into consideration the funds generated from our existing operations, the current order book as at the LPD and net proceeds from the Issue Shares, we have sufficient working capital for a period of 12 months from the date of issue of this Prospectus to meet our needs and foreseeable requirements.

(v) Delay in recoverability of trade receivables

Liquidity constraint could arise due to delays in realisation or non-collectability, whether in part or in full, of receivables which would adversely impact our Group's financial position and performance. As at the LPD, about RM143.18 million or 83.62% of our outstanding trade contract receivables of about RM171.23 million as at 31 December 2010, has been collected.

We seek to mitigate these risks by monitoring our receivables positions closely and effectively. Notwithstanding the above, the delay in realisation and non-collectability, whether in part or in full, of trade receivables still forms part of the business risk of our Group. Further details of our trade contract receivables are set out in Section 14.5.6(i) of this Prospectus.

(vi) Adequacy of insurance coverage

There are certain losses for which insurance coverage is not available or commercially viable, such as losses due to natural disasters, terrorism, war or civil disorders or other force majeure events. If we suffer any uninsured losses, damages and liabilities in the course of our operations, we may not have sufficient funds to cover any such losses, damages or liabilities or to replace any project development which has been destroyed. Furthermore, any payment we make to cover any losses, damages or liabilities could have material adverse effect on our business, operations and financial condition.

Our Group is aware of the adverse consequences arising from inadequate insurance coverage that could adversely affect our business operations. In ensuring such risks are maintained to the minimum, our Group has taken necessary measures to ensure that its critical business, operations, equipment and all its other assets including its personnel are adequately covered by insurance. We also have insurance coverage where they are statutorily required in countries we operate.

(vii) Risk of participation in strategic alliances, acquisitions or investments

In order to expand our business, we explore and will continue to explore the possibilities of participating in strategic alliances, acquisitions, or investments.

Participation in strategic alliances, acquisitions, or investments involves numerous risks, including but not limited to difficulties in the assimilation of the management, operations, services, products and personnel and the possible diversion of management attention from other business concerns and complications in the assimilation of the operations, management, products, services and personnel.

The success of executing our growth strategies would depend on the successful integration of their operations with ours and our ability to identify suitable partners. There can be no assurance that we will be able to implement such growth strategies successfully. As such, the performance of any strategic alliances, acquisitions or investments could fall short of expectations.

5.4 Risks relating to our Shares

(i) No prior market for our Shares

There has been no public market for our Shares prior to our IPO. There can be no assurance that an active market for our Shares will develop upon our Listing on the Main Market of Bursa Securities or, if developed, that such market will be sustained. The Retail Price was determined after taking into consideration various factors including, but not limited to, our financial and operating history and conditions, our future prospects and the future prospects of the industry in which we operate, our management and the prevailing economic and market conditions prior to the issue of this Prospectus.

We cannot guarantee that the market price of our Shares will not decline below our Retail Price. We believe that a number of factors could cause the price of our Shares to fluctuate, including (without limitation) sales of substantial amounts of our Shares in the public market in the immediate future, announcements of developments relating to our business, fluctuations in our operating results and sales levels, general industry conditions or the world-wide economy, announcements of new products or product enhancements by our competitors, and developments in patent, copyright or other intellectual property rights. Such fluctuations may adversely affect the market price of our Shares.

We cannot assure that the Retail Price will correspond to the price at which our Shares will trade on the Main Market of Bursa Securities either upon or subsequent to our listing or that an active market for our Shares will develop and continue upon or subsequent to our Listing.

(ii) Delay or failure in our Listing

The occurrence of certain events, including the following, may cause delay in or termination of our Listing:

(a) our Underwriter, exercising its rights pursuant to the Underwriting Agreement, discharge itself from its obligations thereunder;

(b) we are unable to meet the minimum public spread requirement of Bursa Securities, which is at least 25% of our enlarged share capital after the IPO of 774,000,000 ECB Shares must be held by a minimum number of 1,000 public shareholders holding not less than 100 shares each, upon completion of the IPO and at the time of our Listing; or

(c) the approvals of Bursa Securities, SC or any other relevant authorities for our Listing are revoked, withdrawn or cancelled.

In such an event, subject to restrictions set out in Section 5.4(iii) of this Prospectus, we will return in full without interest, all monies paid in respect of any applications accepted.

Although our Directors will endeavour to ensure our timeliness and compliance of the various Listing Requirements, including among others, the public spread requirement imposed by Bursa Securities for the success of our Listing, we cannot assure that the abovementioned events will not cause a delay in or abortion of our Listing.

(iii) Admission to the Official List of Bursa Securities not granted

Delays in the Listing and the commencement of trading in shares on Bursa Securities have occurred in the past. In respect of the Issue Shares comprised in the IPO Shares, following their allotment and issue to investors, a return of monies to such investors may be effected by way of either a repurchase by our Company of those Shares at the Retail Price, or by way of a reduction of our share capital. Such capital reduction shall not be effected if on the date of reduction is to be effected, there are reasonable grounds for believing that our Company is, or after the reduction would be, unable to pay its liabilities as they become due. If Bursa Securities does not admit our Shares for Listing, the market for our Shares will be illiquid and it may not be possible to trade our Shares. This may also have a materially adverse effect on the value of our Shares.

(iv) Control by Promoter

Upon completion of our IPO, our Promoter who is also the substantial shareholder, will beneficially own about 70.00% of our enlarged share capital after the IPO of 774,000,000 ECB Shares. He will be able to control the outcome of certain matters requiring the vote of our shareholders including the constitution of our Board and thus, the direction and future operations of our Group, unless he is required to abstain from voting by law and/or relevant authorities.

Nevertheless, we have appointed 3 Independent Directors and formed an Audit Committee as a step towards good corporate governance to ensure that any future transactions involving related parties, if any, are entered into on normal commercial terms and on arms-length basis, thereby safeguarding the interests of the minority shareholders and the general public at large. In the event of any related party transactions involving our Promoter/substantial shareholder giving rise to a conflict of interest, he would also be required to abstain from voting.

(v) Volatility in the market price of our Shares

The market price of our Shares may fluctuate as a result of variations in its operating results. If the trading volume of our Shares is low, the price fluctuation may be exacerbated, particularly as no stabilising transactions can or will be undertaken in respect of our Shares in connection with this listing exercise or thereafter. The market price of our Shares, as in the case of other public listed companies shares, are also prone to valuation and recommendations of securities analysts on the fair value of our Shares.

(vi) Disclosure regarding forward looking statements and viability of future plans

Certain statements contained in this Prospectus are based on historical data, which may not be reflective of future results. Other statements that are not statements of historical facts and are based on estimates and assumptions constitute forward looking statements. These statements are in relation to our expected future financial position, business strategy, plans, prospects and industry outlook. You can identify some of these statements by forward looking terms such as "expect", "believe", "plan", "intend", "estimate", "anticipate", "may", "will", "would", and "could" or similar words. However, you should note that these words are not exclusive means of identifying forward looking statements. These forward looking statements are subject to known and unknown risks, uncertainties and other factors which may cause our actual results, performance and achievements, to be materially different from any future results, plans, performances and achievements expressed or implied by such forward looking statements.

Although we believe that the expectations reflected in these forward looking statements are reasonable at the time this Prospectus is issued, we cannot assure that such expectations can be achieved and actual results, performance and achievements may be materially different from those expected. Any differences in our expectations from our actual performance might adversely affect our result in the financial and business performance and plans. In light of these and other uncertainties, the inclusion of a forward looking statement in this Prospectus should not be regarded as a representation or warranty by us or our advisers that our plans and objectives will be achieved. Hence, you should ensure that you read and understand the assumptions and uncertainties underlying the forward looking statements that are contained herein.

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6. BUSINESS OF OUR GROUP

6.1 History of our Group

Our Executive Chairman and Group Managing Director, DAKN's experience in the structural steel erection industry can be traced back to 1982 when he undertook his first project, the Dayabumi building in Kuala Lumpur, Malaysia. In 1983, DAKN worked on the erection of structural steel work for Perusahaan Otomobil Nasional's car plant in Shah Alam, Malaysia. This was followed by various projects in Malaysia including the fabrication and erection of structural steel work for the Sultan Salahuddin Abdul Aziz Power Station Phase 2 in 1986.

In 1988, DAKN ventured into Singapore after securing the contract for the fabrication and erection of structural steel work for the Singapore Indoor Stadium. This was followed by other projects in Singapore such as the Pulau Seraya Power Station Stage 2, the Hitachi Tower, the Caltex Tower and the 66-storey Republic Plaza.

SEVM was subsequently incorporated in 1993 to undertake engineering, fabrication design and erection of mechanical and structural work. It was awarded the contract to erect the tower head and spire steel for the Kuala Lumpur Tower which stands at 421 metres. In 1994, our Group was awarded the contract to fabricate and erect the steel structure for Petronas Twin Tower 2, the tallest twin towers in the world. In 1995, we were also awarded the contract to erect the Sky Bridge connecting Petronas Twin Tower 1 and Tower 2.

In 1996, our Group entered the Middle East market when EV Dubai was awarded the contract to erect the steel structure for the sail-silhouetted Burj Al Arab Hotel in Dubai, UAE. It was once the world's tallest hotel at 321 metres. Since then, our Group has undertaken many key landmark projects in the Middle East especially in Dubai and Abu Dhabi in the UAE, Saudi Arabia and Doha in Qatar. In Dubai, EV Dubai was part of the construction team for various iconic buildings such as the Emirates Towers, the Gate Building, the Dragon Mart, Ski Dubai, Rose Rayhaan Rotana Tower, Dubai Mall, Index Tower and Dubai Festival City. Our Group also worked on other key landmark structures in the Middle East such as the Khalifa Stadium and the New Doha International Airport in Qatar, Capital Gate Building in Abu Dhabi and Kingdom Center in Riyadh, Saudi Arabia. In 2008, we were involved in the erection of the structural steel work (including the steel spire) for the Burj Khalifa, the world's tallest building at 828 metres and more than 160 stories high. The total steel used for the construction of the Burj Khalifa was about 8,187MT.

In 1997, our Group set-up a full-fledged engineering department to enhance our value proposition to our clients. In the same year, our Group was awarded its first major design and construction project for the Kuala Lumpur Sentral Station in Malaysia. At present, a majority of our designing and draughting services is carried out by EV India, our wholly-owned subsidiary in Chennai, India.

We were incorporated in 2003 as Sendang Project Management Sdn Bhd and subsequently changed our name to Eversendai-Corporation Sdn Bhd. On 13 April 2010, we were converted into a public limited company and on 10 May 2010, we assumed our current name.

In line with our Group's expansion plan, we acquired our first steel fabrication factory in Al Qusais, Dubai in 2003. In 2004, we commenced the construction of a new fabrication plant at the Hamriyah Free Zone, Sharjah in the UAE followed by another steel fabrication factory at Doha, Qatar in 2006. In 2008, we commenced the construction of our fourth fabrication plant at the Rawang Integrated Industrial Park, Malaysia. As at the LPD, all our fabrication plants are operational with a combined fabrication capacity of about 119,000 MT per annum.

We also expanded our services to include fabrication and power plant installation works. Initially, we started as general contractors for power plants and over time have evolved to become a specialist in the erection of mechanical and structural works for coal-fired power plants. In 2001, our Group was involved in the erection of mechanical and structural steel work for the boiler plant, coal and ash plant, fuel gas desulphurisation plant and the coal stockyard for the 3x700MW Jana Manjung coal-fired power plant in Malaysia. After the success of this project, our Group was awarded the mechanical and structural erection works for the boiler plant for the 3x700MW Tanjung Bin coal-fired power plant, Malaysia in 2004 and 2x700MW Jimah coal-fired power plant, Malaysia in 2006.

On 30 May 2010, we acquired a 49% equity interest in EVSC which is involved in civil construction. EVSC undertook its first project for the Emirates Park Towers, Dubai where it was involved in the reinforced concrete structure works. This was followed by Dubai Pearl and Opus Business Bay Project in Dubai, UAE.

In 2009, our Group expanded its business operations into India and was involved in the 2x600MW North Chennai power plant project and the Chhatrapati Shivaji International Airport (Phase 1) - South West Pier in Mumbai, India. The contracts were awarded to SEVM and EV India respectively.

Over the years, our Group has evolved from a structural steel erection specialist to a leading integrated structural steel turnkey contractor in the Middle East, India and South East Asia with a strong design and engineering division and fabrication facilities in Malaysia, UAE and Qatar. With this, we are able to provide total solutions with added value at every stage of the structural steel process, from design, fabrication through to the erection of steel structure.

We have completed many landmark projects in countries such as Malaysia, Thailand, Philippines, Indonesia, Hong Kong, Oman, Saudi Arabia, Bahrain, Qatar and UAE whilst maintaining our high standards of safety, quality, timely completion of projects and total client satisfaction. Some of the key projects completed by our Group are set out in Section 6.2.2 of this Prospectus.

As a testament to our Group's achievements, we have been conferred many awards which include the following:

Year awarded	Awards	Awarded by
2005	International Achievement Award	CIDB, Malaysia
2007	Best Steel Model	Tekla Structures, Middle East
2008	Safety & Health Excellence Award for Best Occupational Safety and Health Management	Malaysian Occupational Safety & Health Professionals Association
2008	Golden Construction Award	Trade Leaders' Club, Madrid, Spain
2008	Best Brand in Structural Steel Specialist	Brand Laureate Small Medium Enterprise's Chapter Award, Malaysia
2008	Gold Steel Award	Tekla Structures, Middle East
2009	Occupational Safety and Health Excellence Award 2009 – Steel Erection and Fabrication Sector	Malaysian Occupational Safety and Health Professionals Association
2009	International Star for Leadership in Quality Award in the Gold category	Business Initiative Directions, France
2010	Export Excellence Award (Services) 2009	MITI, Malaysia
2010	Best Sub-Contractor for Good Housekeeping	Sky Oryx Joint Venture, Qatar
2010	Environmental Contractor	Sky Oryx Joint Venture, Qatar

6.2 Business overview

6.2.1 Scope of services

Our scope of services includes the following:

- Structural steel design, design of connections, detailing, engineering and re-engineering for value addition;
- Structural steel supply and fabrication including protective treatment;
- Structural steel erection including metal decking and sheeting;
- Structural steel erection, installation of mechanical equipment, piping, cladding and electrical works for power plants, petrochemical and industrial plants; and
- Civil construction including mechanical, electrical and plumbing services.

We also provide technical services such as the following:

(i) Structural steel design, design of connections, detailing, engineering and re-engineering for value addition

Technical service	Description
Structural design	We provide complete design services ranging from conceptual stage design to connection design for various structures using appropriate software. We provide design services for complex profile structures and geometrical shapes using various types of sections such as circular hollow sections and open sections. Examples of circular hollow sections are pipes or tubes while open sections are I-beams, angles and channels.
Detailing works	We provide structural detailing works services which include preparation of detailed fabrication drawings using 3-D modelling software for all types of structures. These structures include complex geometrical shaped structures consisting of various rolled sections and plates. In addition, we carry out reinforcing bar detailing works.
Unfolding drawings	We provide services in unfolding drawings with 3-D curvatures for complex structures.
Value engineering services	We optimise the designed structures received from our clients or through the structural engineering consultants to provide value added engineering services, simplify construction methodology, reduce the tonnage (steel quantity) and overall project costs for our clients.

Our Group is equipped with structural design and detailing software, with 3-D modelling capabilities for structural design, connection design, temporary erection engineering for high-rise buildings, industrial structures, stadiums, bridges, airports, shopping malls and infrastructure projects. The 3-D modelling of structures and connections are synchronised with our CNC machines located in our fabrication plants.

We are equipped with software such as Staadpro, Etabs, and Fastrak for structural design and custom made spread sheets for connections. We also use software such as X Steel Tekla Structures, Bocad, CADS RC and AutoCAD for structural steel and reinforcing bar detailing. We have engineers with experience in analysing the intricacies associated with complex requirements and providing safe and economic solutions to our clients.

Our design team consists of about 50 experienced design engineers and 150 detailing personnel including experienced 3-D structural model creators and checkers with production capacity of 5,000MT of shop drawings per month.

Our Group is experienced in providing structural design and detailing services to our clients which conforms to British, American, Canadian, Australian, European and Indian Standards, Universal Building Code, International Building Code and Japanese Industrial Standards.

(ii) Structural steel supply and fabrication, including protective treatment

We source our raw steel material directly from reputable international steel mills and at times we procure from local and overseas stockists.

Our fabrication plants are strategically located and have a combined steel fabrication capacity of about 119,000MT per annum. For the FYE 2010, our fabrication plants and their respective capacities are as follows:

Fabrication Plants	Annual Fabrication Capacity (MT)
Rawang, Malaysia [1]	24,000
Al Qusais Industrial, Dubai, UAE	18,000
Hamriyah Free Zone, Sharjah, UAE	53,000
Industrial Area, Doha, Qatar	24,000
Total	[2] **119,000**

Notes:

(1) *Rawang plant was completed in November 2009 and fabrication activities have commenced in May 2010.*

(2) *The annual fabrication capacity of our combined fabrication facilities is measured in MT based on the production floor area, number of machines, production workers and the number of production operators manning the machines as at the end of the financial year 31 December 2010 being operational for a single shift plus overtime per day.*

The automated CNC manufacturing equipment such as the CNC band saw, CNC plasma and oxy/acetylene cutting machine in our fabrication plants are directly integrated and synchronised with our advanced 3-D modeling software in our design and detailing department. Data produced herein are downloaded to the CNC manufacturing machines, comprising of oxy-fuel and plasma plate cutters, plate drillers and pipe profile cutters which can automatically cut the steel plates according to the design/specifications from our 3-D modeling software.

We have an automated production line for section cutting, drilling, punching and marking with multi-drill heads, ensuring that all components are fabricated accurately and are easily identifiable throughout the fabrication process.

Fabrication works which are carried out by our Group, are in accordance with the internationally recognised ISO 9001 Quality Standards and follow the standards of quality, health, safety and environmental requirements.

Our Group produces high quality fabricated structural steel and has the accreditation and certification from ASME and the National Board of Boilers and Pressure Vessels Inspectors, USA. We have been certified with the following pressure code stamps:

Pressure code	Scope
U Stamp and U2 Stamp	Authorisation by ASME for the manufacture of Pressure Vessels under the ASME Code
S Stamp	Authorisation by ASME for the manufacture of Pressure Boilers
R Stamp	Authorisation by National Board of Boilers and Pressure Vessel Inspectors for metallic repairs and/or alterations and extended for field repairs and/or alterations
NB Stamp	Authorisation by The National Board of Boilers and Pressure Vessel Inspectors to apply the NB mark and register boilers, pressure vessels, or other pressure retaining items

Our Group has in-house capabilities and facilities to carry out protective treatment for steel work as required by the contract specifications.

(iii) Structural steel erection

Our Group has a diverse range of structural steel erection capabilities which includes but is not limited to the following structures:

- Multi-storied buildings
- Mall structures
- Stadiums
- Industrial structures
- Airport structures
- Power and petrochemical plants
- Bridges
- Roof structures such as large span convention centres and exhibition centres

Steel structures erection involves the following procedures:

(a) Survey

Pre-erection and post-erection surveys are carried out by our survey engineers with surveying equipments such as total stations and instruments. Periodical monitoring is carried out and any differential settlements and creeps are rectified from time to time. For heavy lifts erection, surveys are taken before and after de-props/slides.

(b) Alignment, bolting and welding

The structures are aligned as per the post-erection survey reports. The bolting works are carried out in accordance with applicable standards as per the project requirements. The site welding works are carried out by our qualified and certified welders.

(c) Handing over

After completion of the entire erection, welding and QA/QC activities, the structures are offered for inspection to client and consultants. Upon inspection, the structures are handed over to enable other parties to proceed with their works.

Our Group follows various steel erection methodologies as per site requirements and site constraints. Our engineering team studies the requirement and prepares the best suited methodology, which is effectively executed by our erection team. These various erection methodologies available are selected based on the availability of access, storage area, crane capacities, structure suitability, time and cost factors, road access permissions and transportation arrangements in accordance with the relevant laws.

Erection methodologies can generally be grouped as direct conventional or innovative. Further details of the erection methodologies are as follows:

(a) Direct conventional methods

For direct conventional methods, the steel members are lifted and placed in its final position either manually or by using a crane. The members are then aligned and bolted/welded to adjacent members. For long structures, it will be broken into segments for erection. The segments are lifted into position and supported by temporary towers. These segments are then aligned and bolted/welded. After completion of the erection, the temporary towers will then be removed.

(b) Innovative erection methods

These erection methods use the Strand-Jacking System and Launching methods, examples of which are as follows:

Innovative erection methods	Description	Used in projects
Strand-Jacking System	▪ A heavy-lift method used in areas where use of a crane is not possible or where the permanent structure has excessive length or weight ▪ A construction process whereby large steel members are lifted into position with computer-controlled synchronised hydraulic jacks ▪ Since multiple hydraulic jacks can be moved in unison and with great precision, heavy structures can be assembled at ground level and then lifted into position by incremental sliding/lifting method	▪ Sky Bridge at Petronas Tower (Malaysia) ▪ Burj Al Arab, Emirates Towers, Ski Dubai, Burj Khalifa, transfer trusses at the Index Building, International Financial Centre Gate Building (Dubai) ▪ Kingdom Center (Saudi Arabia)
Launching method	▪ Mainly used for erection of bridges by incremental launching until the final position is achieved ▪ Used in structures with extra-ordinary sizes where use of a crane is not possible eg. mall roofs	▪ Dubai Mall roof structures in the Entertainment Roof, Ice Rink, Galleria and Aquarium Buildings (Dubai)

(iv) Structural steel erection, installation of mechanical equipment, piping, cladding and electrical works for power plants, petrochemical and industrial plants

(a) Power plants

Our Group has the expertise in all areas of power plant construction works for coal-fired power plants. We have maintained our focus on coal-fired power plants as these plants are typically more complex and require higher expertise and substantial quantities of steelwork compared to gas-fired power plants. The engineering skills required for the design of temporary structures for such power plants are typically complex which we carry out in-house. Our Group's scope of work for power plants includes, among others, the installation of equipment, erection of steel structures, painting, piping, electrical and cladding works.

Some of the power plant projects completed by our Group are as follows:

Year of execution	Project	Location	Scope of work
2001	3x700MW Jana Manjung coal fired power plant	Perak, Malaysia	Structural steel erection, installation of mechanical equipment and piping works for boiler plant, fuel gas desulphurisation plant, coal and ash handling system and coal stockyard
2002	Tunku Jaafar Power Plant Rehabilitation Project	Negeri Sembilan, Malaysia	Erection of structural steel work
2004	3x700MW Tanjung Bin coal fired power plant	Johor, Malaysia	Structural steel erection, installation of mechanical equipment and piping works for boiler plant, pre-assembly and erection of coal bunkers
2006	2x700MW Jimah coal fired power plant	Negeri Sembilan, Malaysia	Structural steel erection, installation of mechanical equipment and piping works for boiler plant, electrostatic precipitator and fuel gas desulphurisation plant, pre-assembly and erection of coal bunkers

We are currently undertaking the 2x600MW North Chennai power station project in India. Our scope of work includes engineering, fabrication and erection of structural steel work for the turbine building, coal bunker, mill bay structure, pipe rack and auxiliary buildings.

(b) Chemical plants

Some of the chemical plant projects completed by our Group are as follows:

Year of execution	Project	Location	Scope of work
1998	Petronas Fertiliser Complex	Gurun, Malaysia	Erection of structural steel, alignment and bolting works
1998	Kertih Aromatics Project	Kertih, Malaysia	Erection of structural steel, equipment, tank and piping works

(c) Industrial plants

Year of execution	Project	Location	Scope of work
1999	Silicon Wafer Fabrication Facilities	Kulim, Malaysia	Site-assembly, strand-jacking and erection of structural steel, alignment and bolting works
2000	Thermal Energy Storage Tank, Kingdom Centre	Saudi Arabia	Engineering, supply material, fabrication and erection of storage tank
2001	MNLG Tiga	Bintulu, Malaysia	Erection of Structural Steel for Pipe Racks, Platforms and Access Ways

We are currently undertaking the Nakilat Ship Construction Facilities Phase 4 in Ras Laffan, Qatar which is designed to accommodate an electric overhead travelling crane with a capacity of 120MT which will be used to assemble ships inside the building. Our scope of work includes design, engineering, supply of material, fabrication, painting and erection of structural steel, roof, wall cladding works and installation of steel doors.

(v) Civil construction including mechanical and electrical services

EVSC and SEVM have previously undertaken and/or are currently undertaking the projects as follows:

Year of execution	Project	Location	Scope of work
2007	Emirates Park Tower (Package A and Package B)	Dubai, UAE	Reinforced concrete structural works
2009	Dubai Pearl	Dubai, UAE	Reinforced concrete structural works
2010	Opus Business Bay Project	Dubai, UAE	Reinforced concrete structural works
2010	PKT Logistics Warehouse	Shah Alam, Malaysia	Piling, reinforced concrete, structural steel, mechanical and electrical works
2010	Trump Tower	Mumbai, India	Civil works, design, fabrication and erection of structural steel

Year of execution	Project	Location	Scope of work
2010	Convention Center Extension and Link Bridge to Qatar Science and Technology Park – Education City	Doha, Qatar	Civil works – foundation works, connection design, and supply of material. Engineering, fabrication, site assembly and erection of structural steel work

6.2.2 Competitive strengths

We have established ourselves as one of the leading integrated structural steel turnkey contractors in UAE and Qatar and a power plant installation contractor. We have the following competitive strengths:

(i) Experienced senior management team

Our Group is led by our Executive Chairman and Group Managing Director, DAKN who has 29 years of experience in the structural steelwork industry and power plant construction. Our executive directors and key management team have an average of 20 years experience in the structural steel design, fabrication and erection as well as construction works for power plants. Our key executive directors and senior management team are supported by a strong operational team that is able to consistently deliver projects on time with quality and safety to ensure total client satisfaction. Our management team's expertise, commitment and up-to-date knowledge of the business have contributed to our steady growth over the years.

(ii) Proven performance and track record

We have established ourselves as one of the leading integrated structural steel turnkey contractor in the UAE and Qatar. In the UAE and Qatar, Frost & Sullivan has estimated that we have the largest market share of 26.5% based on annual fabrication capacity of structural steel in 2010.

Over the last 3 financial years, we were involved in major projects in the UAE, Qatar, India and Malaysia which generated total revenues of about RM2.35 billion.

We have worked on iconic structures such as the Petronas Twin Tower 2 and Kuala Lumpur International Airport in Malaysia, Burj Al Arab and Burj Khalifa in Dubai (UAE) and Capital Gate Building, Abu Dhabi (UAE), New Doha International Airport, Qatar and Kingdom Centre, Saudi Arabia. Please refer to the table below on the list of key projects completed by our Group.

We have built a track record as an established power plant installation contractor with projects such as the Jana Manjung, Tanjung Bin and Jimah power plants in Malaysia and the ongoing North Chennai power station in India.

We have proven capabilities in structural design, engineering, fabrication and erection which are recognised and valued by our clients, consultants and industry players. The award of the Capital Market Authority Tower contract in Saudi Arabia in 2010 (which is expected to be the tallest building in Saudi Arabia upon completion), is testament to our proven performance and track record.

6. BUSINESS OF OUR GROUP *(Cont'd)*

Some of the key projects completed by our Group are as follows:

Year Executed	Project	Location	Scope of work
Malaysia			
1994	Kuala Lumpur Tower	Kuala Lumpur	Erection of structural steel, alignment, bolting and installation of secondary steel
1994	Petronas Twin Tower 2	Kuala Lumpur	Fabrication and erection of structural steel, inclusive of embedded plates
1995	Petronas Twin Tower 2 – Sky Bridge	Kuala Lumpur	Site assembly and erection, alignment and bolting of the bridge connection Tower 1 and Tower 2
1995	Kuala Lumpur International Airport, Main Terminal Building and Contact Pier	Kuala Lumpur	Erection of structural steel, alignment, bolting and welding works
UAE			
1996	Burj Al Arab	Dubai	Erection methodology, site assembly, erection of structural steel, alignment, bolting and welding works
1998	Emirates Towers	Dubai	Site assembly, erection of structural steel, alignment, bolting and site welding works
2003	Marina Crown	Dubai	Structural design, supply material, fabrication and erection of structural steel including concrete core wall design and construction
2003	Dragon Mart	Dubai	Connection design, engineering, supply material, fabrication and erection of structural steel works
2003	Ski Dubai	Dubai	Erection of Ski Dome structure, structural design, supply material, fabrication and erection of temporary structural steel works
2004	DIFC Gate Building	Dubai	Connection design, engineering, supply material, fabrication, erection of structural steel works

6. BUSINESS OF OUR GROUP *(Cont'd)*

Year Executed	Project	Location	Scope of work
2005	Dubai Mall	Dubai	Connection design, engineering and detailing, supply of material, fabrication and erection of structural steel works
2006	Index Building	Dubai	Connection design, engineering, supply material, fabrication, site assembly and erection of structural steel works
2007	Burj Khalifa (Spire)	Dubai	Connection design, engineering, supply material, fabrication, site assembly and erection of structural steel work
2007	Capital Gate Building	Abu Dhabi	Connection design, engineering, supply material, fabrication, site assembly and erection of structural steel work
2008	Burj Khalifa (Annexe Building)	Dubai	Connection design, engineering, supply material, fabrication, site assembly, erection of structural steel work and metal decking
Qatar			
2005	Qatar Science and Technology Park	Doha	Connection design, engineering, supply material, fabrication, site assembly and erection of structural steel work
2006	Tornado Tower	Doha	Connection design, supply material, engineering, fabrication, site assembly and erection of structural steel work
2006	New Doha International Airport (Phase 1) – Main Terminal Building	Doha	Connection design, engineering, supply material, fabrication, site assembly and erection of structural steel work
2009	New Doha International Airport –AGL Substation Steel Roofs	Doha	Connection design, engineering and detailing, supply of material, fabrication and erection of structural steel works

Year Executed	Project	Location	Scope of work
2010	Convention Center Extension and Link Bridge to Qatar Science and Technology Park – Education City	Doha	Civil works – foundation works, connection design, and supply of material. Engineering, fabrication, site assembly and erection of structural steel work
Other Middle East countries			
2000	Kingdom Centre	Saudi Arabia	Structural redesign, engineering, supply material, fabrication, erection of structural steel, metal decking and fire proofing works
2002	Al Moayyed Tower	Bahrain	Erection of structural steel work
2005	Salalah Amphitheatre	Oman	Site assembly and erection of cantilever stadium roof structure
Others			
1993	Chartered Square	Thailand	Civil work – Formwork and concreting of core wall, erection of structural steel, alignment, bolting, deck installation and stud bolt welding
1994	Empire Tower	Indonesia	Erection of structural steel, alignment, bolting, welding, deck installation and stud bolt welding
1998	Hong Kong Airport – Extension C304 Project	Hong Kong	Site assembly, erection of structural steel, alignment and bolting works
1998	Mabalacat & Bambam bridges	Philippines	Erection of steel arch bridge for Bambam and plate girder for Mabalacat bridge

Some of the on-going key projects undertaken by our Group are as follows:

Year awarded	Project	Location	Scope of work
2006	New Doha International Airport (Phase 1) – Passenger Terminal Complex – Contract CP 18	Doha, Qatar	Connection design, engineering and detailing, supply of material, fabrication, site assembly and erection of structural steel works

6. BUSINESS OF OUR GROUP *(Cont'd)*

Year awarded	Project	Location	Scope of work
2008	Dubai Tower	Doha, Qatar	Connection design, engineering and detailing, supply of material, fabrication, site assembly and erection of structural steel works
2008	New Doha International Airport (Phase 2) – Erection of Structural Steel work for Concourse C	Doha, Qatar	Site assembly and erection of structural steel work for Concourse C including temporary engineering works
2008	Nakilat Ship Construction Facility – Port of Ras Laffan, Qatar	Doha, Qatar	Complete design and engineering including detailing, supply of material, fabrication, site assembly and erection of structural steel, roof and wall claddling works – design and built job
2008	Central Market Redevelopment	Abu Dhabi, UAE	Connection design, engineering and detailing, supply of material, fabrication, site assembly and erection of structural steel works
2008	The Gate District Towers	Abu Dhabi, UAE	Connection design, engineering and detailing, supply of material, fabrication, site assembly and erection of structural steel works for roof hat connecting Tower 3, 5 and 5, and Link Bridge 1
2009	South West Pier of Chhatrapati Shivaji International Airport	Mumbai, India	Connection design, engineering, material supply, fabrication, erection and fire proofing works
2009	2x600 MW North Chennai power station	Chennai, India	Engineering, fabrication and erection of structural steel work for turbine building, coal bunker, mill bay structure, pipe rack and auxiliary buildings
2010	Cleveland Clinic	Abu Dhabi, UAE	Connection design, engineering and detailing, supply of material, fabrication, site assembly, erection of structural steel works and fire proofing works

Year awarded	Project	Location	Scope of work
2010	Yas Island Development, Phase 1	Abu Dhabi, UAE	Design, supply, delivery, installation of 17 structural steel canopy structures inclusive of steel sub-frame roof of circular hollow section
2010	Algeria Oman Fertilizer Project	Algeria	Procurement, fabrication and supply of fabricated structural steel
2010	Capital Market Authority Tower	Saudi Arabia	Connection design, engineering and detailing, supply of material, fabrication, site assembly and erection of structural steel works
2010	New Doha International Airport (Phase 3) – CP51	Doha, Qatar	Structural steelwork including engineering (Connection design and detailing), procurement, fabrication, supply, primer painting, delivery to site and installation and metal decking
2010	Doha Convention Center and Tower	Doha, Qatar	Structural steelwork including engineering (Connection design and detailing with temporary engineering), procurement, fabrication, supply, painting, galvanization, delivery to site and installation, intumescent fire proofing and metal decking
2010	King Abdullah Petroleum Studies & Research Centre	Saudi Arabia	Structural steelwork including engineering (Connection design and detailing), procurement, fabrication, supply, primer painting, delivery to site and installation, intumescent fire proofing and metal decking
2010	Trump Tower	Mumbai, India	Civil works, design, fabrication and erection of structural steel
2010	Marathon Futurex	Mumbai, India	Fabrication, supply and erection of structural steel

6. BUSINESS OF OUR GROUP *(Cont'd)*

Year awarded	Project	Location	Scope of work
2010	BWE Energy India	Gujarat, India	Engineering and detailing, supply of material, fabrication, painting and loading of boiler steel structures and accessories
2010	BTG Erection Package for 2X300MW EMCO Thermal Power	Maharashtra, India	Complete erection including assistance in testing and commissioning of boiler, turbine, generator works (Mechanical electrical and, control and instrumentation works)
2010	2x660MW Coal Fired Thermal Power Plant	Andhra Pradesh, India	Complete erection including assistance in testing and commissioning of boiler, turbine, generator works (Mechanical electrical and, control and instrumentation works)
2010	Bank Kerjasama Rakyat Malaysia Office Tower	Kuala Lumpur, Malaysia	Supply, detailing, fabrication, painting and erection of structural steel
2011	Development of new Kuala Lumpur International Airport 2	Sepang, Malaysia	Design, supply and installation of structural steel works
2011	Sabah Oil & Gas Terminal	Sabah, Malaysia	Supply, fabrication and painting of structural steel works

Given our proven track record for a period of nearly 2 decades, we are firmly positioned as one of the leaders in the integrated structural steel turnkey industry in the UAE and Qatar.

The various recognitions, awards and accolades received by our Group and our participation in various landmark projects, bears testimony to our performance and track record.

(iii) Commendable safety track record

Our Group adheres strictly to safety requirements and over the years, we have developed a commendable safety track record as shown below:

Year	Safety recognition	Project	Clients
1998	Certificate of Safety and Health	Telekom Tower, Malaysia	Daewoo Corporation - Peremba Construction Sdn Bhd Joint Venture
1999	6,000,000 man-hours of work without lost time injury	Petronas Fertilizer Kedah Project, Malaysia	Project Management Consultants Consortium of OGP Technical Services and EIL Asia Pacific Sdn Bhd

Year	Safety recognition	Project	Clients
2006	5,000,000 man-hours without lost time injury	3x700MW Tanjung Bin coal fired power plant, Malaysia	Sumitomo Corporation. Zelan Berhad, Sumi-Power Malaysia Sdn Bhd, Tos Energy Malaysia Sdn Bhd, Ishi Power Sdn Bhd
2008	12,000,000 man-hours without lost time injury	2x700MW Jimah coal fired power plant, Malaysia	Department of Occupational Health and Safety
2009	4,000,000 man-hours without lost time injury	New Doha International Airport, Qatar	Sky Oryx Joint Venture formed by Taisei Corporation & Tepe Akfen Vie Investment Construction and Operation Co.
2010	1,000,000 man-hours without lost time injury	National Convention Centre – Extension project, Qatar	Qatar Petroleum and Qatar Foundation
2010	Certificate of Appreciation for the Safety Management System and achieving 30 Million man-hours without lost time accident	Burj Khalifa project, UAE	Bureau Veritas, Samsung-Besix-Arabtec JV and Hyder Consulting
2010	5,300,000 man-hours without any major incidents	Emirates Park Towers Hotel project, UAE	Brookfield Multiplex LLC
2010	5,000,000 man-hours without any lost time injury	Cleveland Clinic, UAE	SixCo-Samsung JV
2010	20,000,000 safe man-hours	Nakilat Ship Repair Yard, Qatar	Qatar Gas Transport Company Ltd and Qatar Petroleum
2011	6,000,000 man-hours worked without a lost time accident	New Doha International Airport, Qatar	Sky Oryx Joint Venture formed by Taisei Corporation & Tepe Akfen Vie Investment Construction and Operation Co.

In addition, our Group has been conferred awards in recognition of our safety track record by the Malaysian Occupational Safety and Health Professionals Association. Further details of such awards are set out in Section 6.1 of this Prospectus.

(iv) Integrated business model

Our business model is integrated from the structural design, engineering, fabrication to erection which are all performed in-house as a total solutions provider. Therefore, reliance on out-sourcing or sub-contracting works is minimal. We have design teams based in India, Dubai and Sharjah, UAE and Qatar and our fabrication facilities have a combined fabrication capacity of about 119,000MT per year. Having such integrated capabilities allows us to control the quality and schedule from the structural design to construction.

Our expertise in value engineering has enabled us to generate savings in raw material usage, time and ensuring constructability of complex landmark structures.

Our fabrication process uses software which is synchronised with our CNC plant and equipment. The precision of the fabrication process allows us to reduce wastage and ensure quality products are fabricated according to design specifications. Our planning process utilises software which ensures that our products are fabricated and delivered according to schedule.

With our substantial experience as a structural steel specialist and a power plant installation contractor, we are able to identify issues at the outset in relation to installation/erection methodology. As such, we are able to provide solutions to our client and consultant during the conceptual design stage. These factors are crucial to ensure the success of the project by avoiding cost overruns and schedule delays.

(v) Quality work

Our Group does not compromise on quality and places strong emphasis on delivering high quality work for all our projects. As a testimony of our commitment and achievement, our fabrication facilities have garnered ISO 9001 certifications as set out in Section 6.2.8 of this Prospectus. We have conscientiously enforced tight quality controls throughout structural design, engineering, fabrication, protective treatment and erection.

Our Group has well-trained and experienced QA/QC team to inspect and ensure that all works are carried out in accordance to the specification. These measures have enhanced our Group's image and enabled us to build a strong reputation which allows us to secure repeat business from our clients.

(vi) Excellent client relationship

Our Group has long standing relationship with major international clients with a long history of successful collaboration on many landmark projects. We are routinely invited by many international clients to participate in the bidding of their projects.

Some of the examples of our long standing collaboration are as follow:

Clients	Year	Projects	Location
Samsung Corporation	1994	Petronas Twin Tower 2	Malaysia
	2005	Burj Khalifa – Link Beams	Dubai, UAE
	2007	Burj Khalifa – Spire	Dubai, UAE
	2008	Burj Khalifa – Annex Building	Dubai, UAE
	2010	Cleveland Clinic	Abu Dhabi, UAE
Brookfield Multiplex L.L.C.	1997	Kuala Lumpur International Airport - Pan Pacific Link Bridge	Malaysia
	1998	Emirates Towers	Dubai, UAE
	2001	U.P Tower	Dubai, UAE
	2002	Grosvenor Hotel & Apartments	Dubai, UAE
	2002	DIFC	Dubai, UAE
	2004	DIFC Gate Building 5 to 6	Dubai, UAE
	2006	The Index Building	Dubai, UAE

6. BUSINESS OF OUR GROUP *(Cont'd)*

Clients	Year	Projects	Location
Brookfield Multiplex L.L.C. *(Cont'd)*	2007	Motor City	Dubai, UAE
	2008	Emirates Park Tower Hotel	Dubai, UAE
	2009	Opus Business Bay Project	Dubai, UAE
Arabian Construction Co.	2005	Rose Rayhaan Rotana Tower	Dubai, UAE
	2007	Al Shams Sky Tower	Abu Dhabi, UAE
	2007	Princess Tower	Dubai, UAE
	2008	Khalifa Central Market and Tower	Abu Dhabi, UAE
	2009	Pentominium Tower	Dubai, UAE
	2009	The Gate District Towers	Abu Dhabi, UAE
	2010	Central Market Redevelopment	Abu Dhabi, UAE
Al Habtoor Engineering Enterprises Co LLC	1996	Burj Al Arab Hotel	Dubai, UAE
	2002	Sheikh Zayed Cricket Stadium	Abu Dhabi, UAE
	2007	Capital Gate Building	Abu Dhabi, UAE
	2007	Dubai Tower	Qatar
	2009	Dubai Pearl – Phase 1	Dubai, UAE
Taisei Corporation	2002	Tuanku Jaafar Power Station – Port Dickson	Malaysia
	2006	New Doha International Airport	Qatar
	2008	New Doha International Airport - Concourse C	Qatar
Six Construct Ltd	2002	Emirates Palace Hotel	Abu Dhabi, UAE
	2002	Jebel Ali "K" Station Phase II	Dubai, UAE
	2003	Khalifa Stadium	Qatar
	2006	Tornado Tower	Qatar
	2010	Cleveland Clinic *	Abu Dhabi, UAE
	2010	Doha Convention Center and Tower^	Qatar
	2010	New Doha International Airport (Phase 3) – CP51^	Qatar
IHI Corporation/ Ishi Power Sdn Bhd	2004	3x700MW Tanjung Bin Power Plant	Malaysia
	2006	2x700MW Jimah Power Plant	Malaysia
Qatar Petroleum	2005	Qatar Science and Technology Park	Qatar
	2008	Nakilat Ship Construction Facility – Port of Ras Laffan	Qatar
	2009	Convention Centre Extension and link bridge to QSTP – Education City	Qatar

Notes:

* *Six Construct Ltd is part of the Samsung Consortium for this project.*

^ *Six Construct Ltd is part of the MIDMAC Consortium for these projects.*

(vii) Recognised brand name

We have established a reputable brand name with an impressive track record and positioned ourselves as one of the leading and reliable integrated structural steel turnkey contractor in the field of structural steelwork in the UAE and Qatar and a specialist in the construction of coal-fired power plants.

Our brand name "EVERSENDAI" is synonymous with safety, quality, timely completion and total client satisfaction.

In the industry, our brand name is associated with various landmark projects such as the sail-silhouetted Burj Al Arab Hotel, UAE, Burj Khalifa the world's tallest building, Rose Rayhaan Rotana Tower, the world's tallest hotel tower suites, UAE and the Petronas Twin Tower 2 in Malaysia, thus underlining our ability to satisfactorily meet our clients' demanding standards.

(viii) Solutions provider for complex structures

We provide innovative and creative solutions to construct complex structures such as Burj Al Arab, Kingdom Centre, Ski Dubai, Dubai Mall, Capital Gate and Burj Khalifa, among others.

For example, the Burj Al Arab, a unique architectural with complex engineering, comprised mainly an in-situ hybrid V-shaped concrete structure with exposed structural steel blended into it. The diagonal trusses weighed a total of 9,200MT which forms the exposed steel structure was lifted by our experienced erection team into position using our innovative erection methodologies to counter the challenging wind conditions which caused the diagonal trusses to sway while being lifted into position and thereafter secured into the main concrete structure of the building. All this was achieved by our team within a day.

The Kingdom Centre is currently the tallest building in Riyadh, Saudi Arabia. It comprises a central concrete tower which rises to a height of 180 metres, followed by a unique steel structure weighing 4,500MT called the Sculpture which rises to a final total height of 311 metres. Our experienced erection team was given the challenging task of constructing the 72 metres span, 250MT sky bridge which connects the top of the two towers of the Sculpture.

Another example of our competitive edge as a solutions provider for complex structure was demonstrated during our involvement in the lifting of the steel structure for the Ski Dubai, a 85 metres high snow dome which is one of the world's longest artificial ski slopes spanning 400 metres. The steel structure was first assembled at ground level and then lifted to a height of 62 metres simultaneously using 16 large jacks. It was the biggest 3,000MT single lift within the shortest time of 10 hours in the Middle East which was documented on the Discovery Channel.

We also executed the structural steelwork for the Burj Khalifa in Dubai, currently the world's tallest building at 828 metres. Structural steel was installed at certain levels in the building and the last 280 metres were constructed entirely from steel and we are the first structural steel company in the world to work above a height of about 595 metres. The execution of structural steelwork for such a complex structure requires precise design, fabrication and construction processes. In addition, performing erection work at such a height under strong wind and high temperature conditions is difficult and as such, demands a high level of precision from our erection team while maintaining quality and safety.

(ix) Skilled permanent employees

As at the LPD, our Group directly employs a combined workforce of more than 6,000 permanent personnel. Given our continuous project workload and leading position in the industry, our Group employs a pool of permanent staff who are well-versed with our work culture, procedures and operating standards.

(x) Recognition through awards

We have been recognised by various agencies for outstanding performance and achievements. These awards recognises our Group's achievements internationally, our continuous commitment to safety and quality, and our contribution to the construction industry and the Malaysian economy. A summarised list of our Group's notable awards is set out in Section 6.1 of this Prospectus.

6.2.3 Technology

We use various softwares for our design, detailing, fabrication and erection processes which complement the skills and expertise of our staff. This enables us to complete our projects effectively and efficiently.

As at the LPD, the software used in our processes are as follows:

Function	Software
<u>Structural Design</u>	
Structural design and custom made spread sheets for connections	STAAD Pro ETABS Fastrak AutoCAD X Steel Tekla Structures
Structural steel and reinforcing bar detailing	X Steel Tekla Structures Bocad CADS RC AutoCAD
<u>Fabrication</u>	
Cutting of plates	ProNest 7
Marking, drilling and cutting of plates	Shop Data Systems
Trimming	Bocad
Drilling of sections	PROFILE 111
Production planning and monitoring of progress	StruMIS
<u>Erection</u>	
Project planning and scheduling including allocation of manpower	Primavera P-6 and Microsoft Project
Production planning and monitoring of progress	StruMIS

6.2.4 Fabrication facilities

We have fabrication plants at Rawang in Malaysia, Dubai and Sharjah in the UAE and Doha in Qatar. The major types of machinery and equipment available at our fabrication plants as at the LPD are as follows:

Machinery and equipment	Description/purpose	No. of units
Welding machine	▪ Consist of stud welding machines used to weld studs without additional material such as welding electrodes ▪ Also has welding machines (mostly 500 Amps) used to combine two components together using welding electrodes	1,249

6. BUSINESS OF OUR GROUP *(Cont'd)*

Machinery and equipment	Description/purpose	No. of units
Grinding machine	▪ Consist of portable grinding machine required for the grinding works on any rough surfaces in-order to make it smooth and/or to make the surface defect free from all minor surface cracks	1,239
Drilling machine	▪ Consist of radial drilling machines and portable magnetic drilling machines	147
Cutting machine	▪ Consist of gas cutting machine, portable beam cutting machine, portable pipe cutting machine and concrete cutting machine	145
Material handling equipment	▪ Used to shift material during the fabrication process ▪ Consist of fork lifts, electric overhead travelling crane and gantry crane	89
Rolling, bending, rotating and camber machines	▪ Plate rolling machine used to curve/straighten steel plates ▪ Section bending machine used to bend "I"-section, channels and pipes ▪ Beam rotating machine used to rotate structures when required to complete the welding process in flat/horizontal positions instead of overhead welding process ▪ Cambering machines used to incorporate pre-cambering on rolled sections without introducing any heat. Camber is used in long spans to counter erection deflection due to load	10
Air compressor	▪ Used to produce compressed air required for the operations of various tools and equipment ▪ Consist of electric and diesel air compressor. Compressors are used to produce compressed air which is required for various tools and equipment to operate	59
CNC machines	▪ Used to saw/cut, drill, cope and cut plates, sections, angles, channels, tubes and hallow sections ▪ Consist of CNC band saw, CNC plasma and oxy/acetylene cutting machine, CNC drilling and 6 axis robotic arm with plasma and oxy/acetylene coping machine, gantry operated submerged arc welding machine	17
Iron worker	▪ 100MT capacity hydraulic iron worker machine is designed to punch holes on steel plates and shearing works	12
Surface preparation machines / equipment	▪ Used to blast clean steelwork prior to paint systems application ▪ Consist of blasting machines and manual blasting chambers	20
Straightening machine	▪ Consist of straightening machines with the capacity of 400MT of steel sections	1
Pressing machine	▪ Consist of hydraulic pressure machines and press brake machine that press and bend metal	2

Our fabrication capacity for the FYE 2010 and as at 31 March 2011 is as follows:

Fabrication plants	Annual fabrication capacity	Actual fabrication output for the FYE 2010	[3] % of utilisation for the FYE 2010	Quarterly fabrication capacity	Actual quarterly fabrication output as at 31 March 2011	[4] % of quarterly utilisation as at 31 March 2011
	(MT)	(MT)		(MT)	(MT)	
Rawang, Malaysia [1]	24,000	1,377	6%	6,000	1,295	22%
Al Quasis Industrial, Dubai, UAE	18,000	9,204	51%	4,500	2,775	62%
Hamriyah Free Zone, Sharjah, UAE	53,000	31,639	60%	13,250	9,802	74%
Industrial Area, Doha, Qatar	24,000	5,588	23%	6,000	3,550	59%
Total	**[2] 119,000**	**47,808**	**40%**	**29,750**	**17,422**	**59%**

Notes:

[1] *Rawang plant was completed in November 2009 and fabrication activities have commenced in May 2010.*

[2] *The annual fabrication capacity of our combined fabrication facilities is measured in MT based on the production floor area, number of machines, production workers and the number of production operators manning the machines as at the end of the financial year 31 December 2010 being operational for a single shift plus overtime per day.*

[3] *Percentage of utilisation for the FYE 2010 represents actual fabrication output over annual fabrication capacity.*

[4] *Percentage of utilisation as at 31 March 2011 represents actual quarterly fabrication output as at 31 March 2011 over quarterly fabrication capacity.*

Our total annual fabrication capacity allows us to bid and accept large structural steel orders. Clients with large structural steel work projects or orders will typically assess the capacity availability of various fabricators in their selection process. It would typically be preferable for clients to allocate the job to a single fabricator as opposed to a few fabricators as this would incur additional resources and costs in terms of project management resources to oversee all of the fabricators. We are able to allocate an additional 20% of our fabrication capacity for any large orders to cater for any unforeseen increase in demand due to changes in the order and or acceleration requirements.

We plan to utilise about RM50 million of the net proceeds from the Issue Shares to either establish a new fabrication facility or acquire an existing fabrication facility in India with an initial fabrication capacity of 36,000MT per annum. Subsequently, we intend to further increase the capacity of our plant to about 50,000MT per annum in line with the future growth of our India operations. We intend to allocate an additional RM33 million of the net proceeds from the Issue Shares for this purpose.

We intend to utilise another RM27 million from our IPO proceeds to purchase new plant and machineries such as gantry cranes, mobile cranes, CNC cutting and drilling machines and welding machines for our Middle East operations. All these plant and machineries will be utilised for our fabrication and erection processes.

We intend to utilise part of our IPO proceeds to enhance the production capabilities of our existing fabrication facility in Rawang, Malaysia by extending our existing facility and purchase of additional plant and machineries such as blasting machines, CNC cutting and drilling machines. The expected cost for the extension of the existing facilities and purchase of additional plant and machineries is about RM16 million and will be funded via our proceeds from the Issue Shares.

6.2.5 Raw materials

The main raw materials used by our Group is steel sections and plates which forms about 90% of the total raw material used in our steel fabrication plants. Others include consumables such as gases, electrodes, grinding wheels and blasting and paint materials. Generally, the costs of steel constitute about 25% to 35% of the value of the contract.

Since our inception, we have not experienced any major shortage of raw materials that has adversely affected our manufacturing schedule and our client delivery timeline.

The raw materials used for the fabrication plants in the Middle East are purchased via our principal suppliers which are Corus Middle East Ltd, Hanwa Co. Ltd. and Steel N People Ltd. The fabrication plant in Rawang Integrated Industrial Park, Malaysia sources its raw material from local stockist such as Hiap Teck Steel Manufacturing Sdn Bhd, Ann Yak Siong Hardware Sdn Bhd and Alpine Pipe Manufacturing Sdn Bhd.

We manage our raw steel price exposure by closely monitoring raw steel prices and obtaining quotes from reputable international mills/trading houses prior to submitting a bid. Immediately upon the award of the contract, orders are placed for about 95% of the required raw steel materials by locking in the quotes obtained earlier from these suppliers. This helps protect us against any steel price fluctuation from the time of bid submission to award of the contract. The information for material ordering is derived from the bill of quantities, material ordering drawings and other relevant information.

A discussion on the impact of fluctuations on the prices of our raw materials and intermediate parts and foreign exchange rates and the resulting impact on our operations has been set out in Sections 5.1(v) and 5.1(vi) of this Prospectus respectively.

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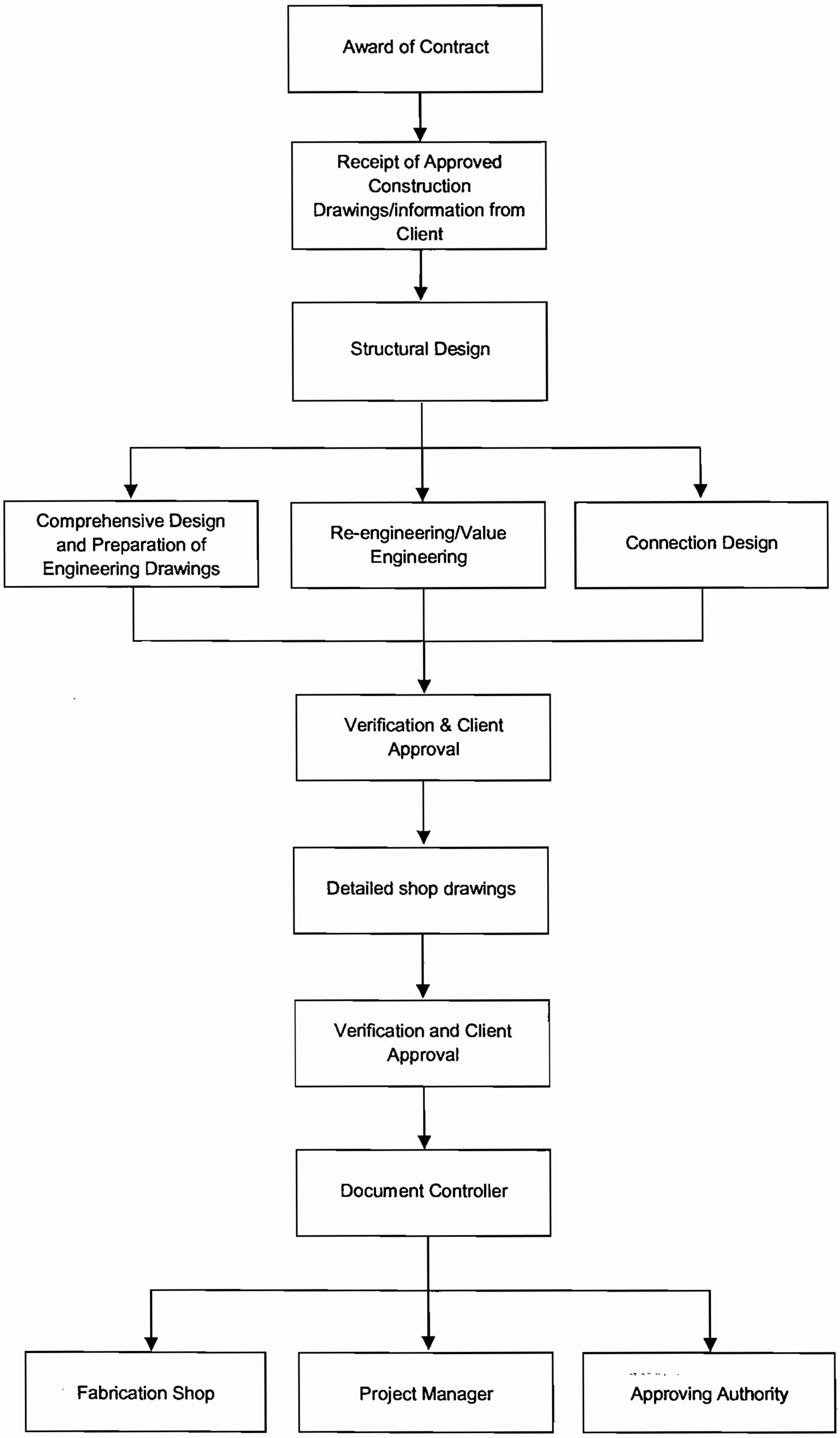
6.2.6 Process flow

(i) The following diagram illustrates the general process flow for structural steel design, detailing and re-engineering services upon award of contract:



(a) **Receipt of approved for construction drawings/information from client**

Upon receiving the order or award for a successful project tender, our clients will provide the Approved for Construction (**"AFC"**) drawings to us. Receipt of AFC drawings will enable us to commence planning and preparation for works which may include, among others, comprehensive design, re-engineering/value engineering, connection design and material procurement.

(b) **Structural design**

The design services provided by our Group can be generally categorised into comprehensive design, re-engineering/value engineering services and connection design.

(i) Comprehensive design

Clients without a prepared structural design would require comprehensive design services which involve design engineers developing the concepts, finalising the concepts with the client and carrying out member sizing and preparing the engineering drawings.

(ii) Re-engineering/value engineering

We perform re-engineering/value engineering services to achieve an overall reduction in the project cost for our clients by reducing the steel tonnage usage (if possible) and shortening of the project schedule through more efficient construction methodologies.

(iii) Connection Design

Where our clients have already completed the structural design, our scope would be to carry out development of the connection design based on the forces provided. Related wire frame models are developed by using design softwares such as STAAD Pro, ETABS, X Steel, Tekla Structures and Auto CAD.

(c) **Verification and client approval**

Once our structural designs are completed, they are reviewed and verified by our in-house engineering/design managers for accuracy and adequacy of the design prior to submission to our clients/consultants for their verification and approval.

(d) **Detailed shop drawings**

Upon approval of the design, our modellers will develop detailed 3-D models for the members using X Steel Tekla Structures modelling software and apply connections to finalise the model. Our model checkers will then review and verify the completeness of the models and ensure compatibility with the CNC machines before releasing the shop drawings to the client/consultants for their verification and approval.

(e) Document controller

Our document controller controls all incoming and outgoing documents/drawings, and also ensures all detailed shop drawings are properly documented in accordance with the ISO requirements. Our document controllers issues the approved detailed shop drawings to the fabrication shop, project manager and to the approving authority or as stipulated in the contracts.

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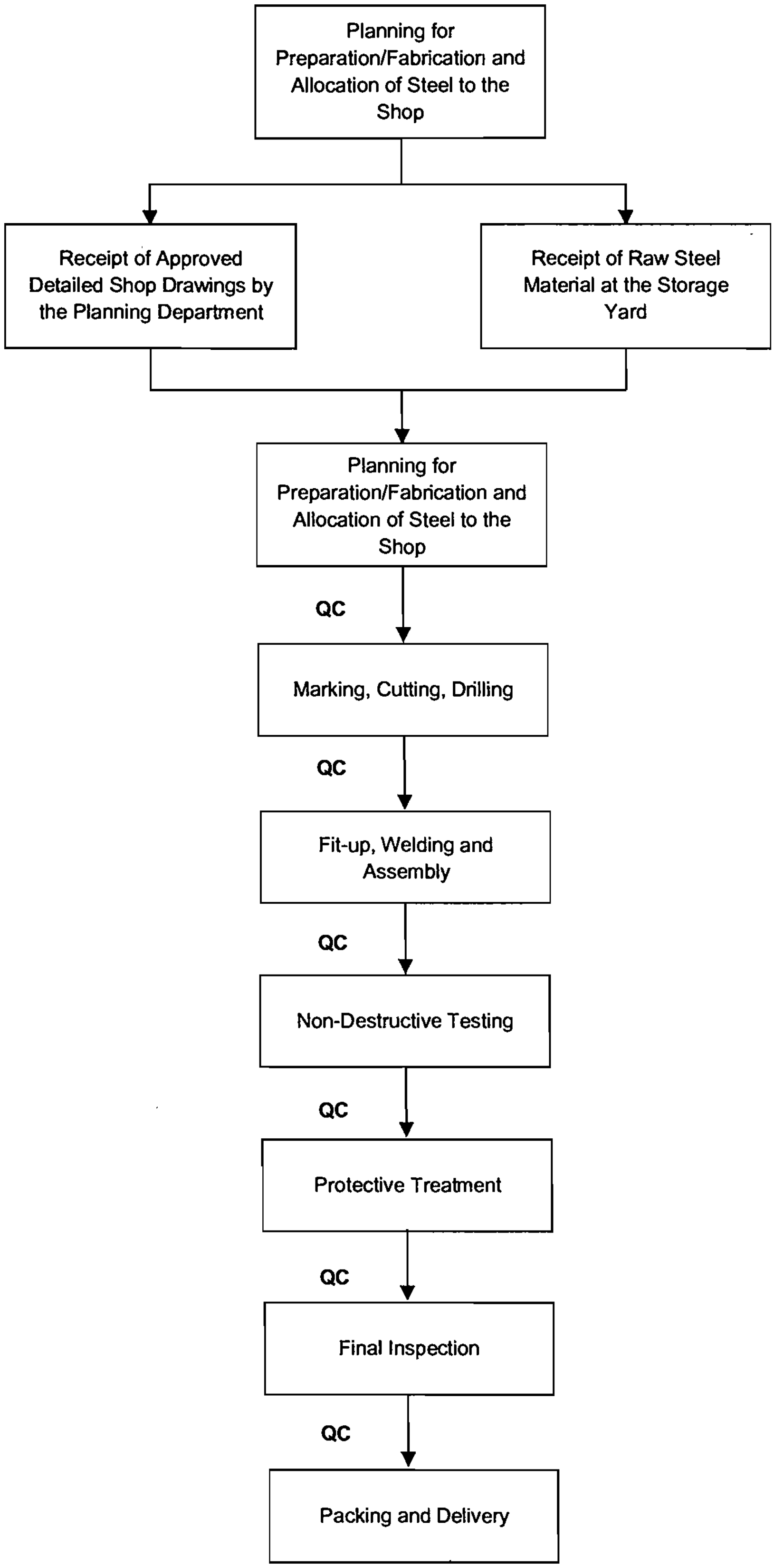
(ii) The following diagram illustrates the general process flow for structural steel supply and fabrication, including protective treatment at our steel fabrication facility:



Legend: QC – Quality Control

(a) Receipt of approved detailed shop drawings and raw steel material

Our document controller in the fabrication shop receives the approved detailed shop drawings and makes it available to the relevant departments. The raw steel material received from suppliers are inspected and stacked in the stockyard.

(b) Planning for preparation/fabrication

The planning department of the fabrication shop allocates raw steel material to the shop for preparation and fabrication, taking into consideration the project and fabrication shop schedules. The planning department also determines the optimal utilisation of the CNC machines.

(c) Marking, cutting and drilling

The raw steel is fed into the factory and then to the CNC machine using cranes and conveyer system. Then, the CNC machines analyses the dimension of the raw steel members against the drawing data information for compatibility. The CNC machines are linked to the computer aided design/3-D model system for downloading of cutting and drilling data. Thereafter, the CNC machines will precisely proceed with the marking, cutting and drilling of the raw steel members.

The CNC machines have significant advantages over manual cutting and drilling methods in terms of productivity and accuracy.

(d) Fit-up, welding and assembly

The cut and drilled members are then taken to the allocated bay using Electric Overhead Travelling cranes. The fitters will then mark on the members and tack weld the fittings to form the assembly. The various parts are then welded and/or bolted together to form the final component. Fully automatic welding machines are used for built-up sections with long run welds. Qualified welders equipped with semi-automatic welding machines will handle other welding activities. All joints are then inspected to determine compliance with shop drawings and project specifications.

(e) Non-destructive testing

Non-destructive testing is carried out based on the requirements of the applicable international codes and project specific quality plan. The testing shall be a combination of visual, ultrasonic, Magnetic Particle Inspection, Dye Penetrant, radiography and others.

(f) Protective treatment

The fabricated steel assembly is blast cleaned to project specifications. Blasting is carried out in the auto-blast machine using steel shots. Manual blasting is carried out in enclosed chambers using steel grit. Thereafter, a protective primer coat is applied followed by intermediate coat(s) and final coat. The painted components undergo an electronic dry film thickness check for compliance with project specifications at every coat.

Where the project specifications indicate the requirement for galvanisation, the fabricated steelwork components are sent to a third party galvanisation company.

(g) Quality control and final inspection

Thorough reviews and inspections of the materials and products are performed at each stage of the entire fabrication process. In the event that the material or product does not conform to project specific quality plan, the material are reworked on or if necessary, disposed.

Final inspection is carried out after the protective treatment process. Our Group imposes strict guidelines on its products to ensure that all products supplied to our clients are of an acceptable quality that meets the project specific quality plan.

(h) Packing and delivery

After final inspection, the finished products are packed appropriately as per the project specific quality plan requirements and delivered to the respective designation.

To avoid storing of finished products at our Group's premises, the production schedules are properly timed and sequenced with the erection/delivery programme.

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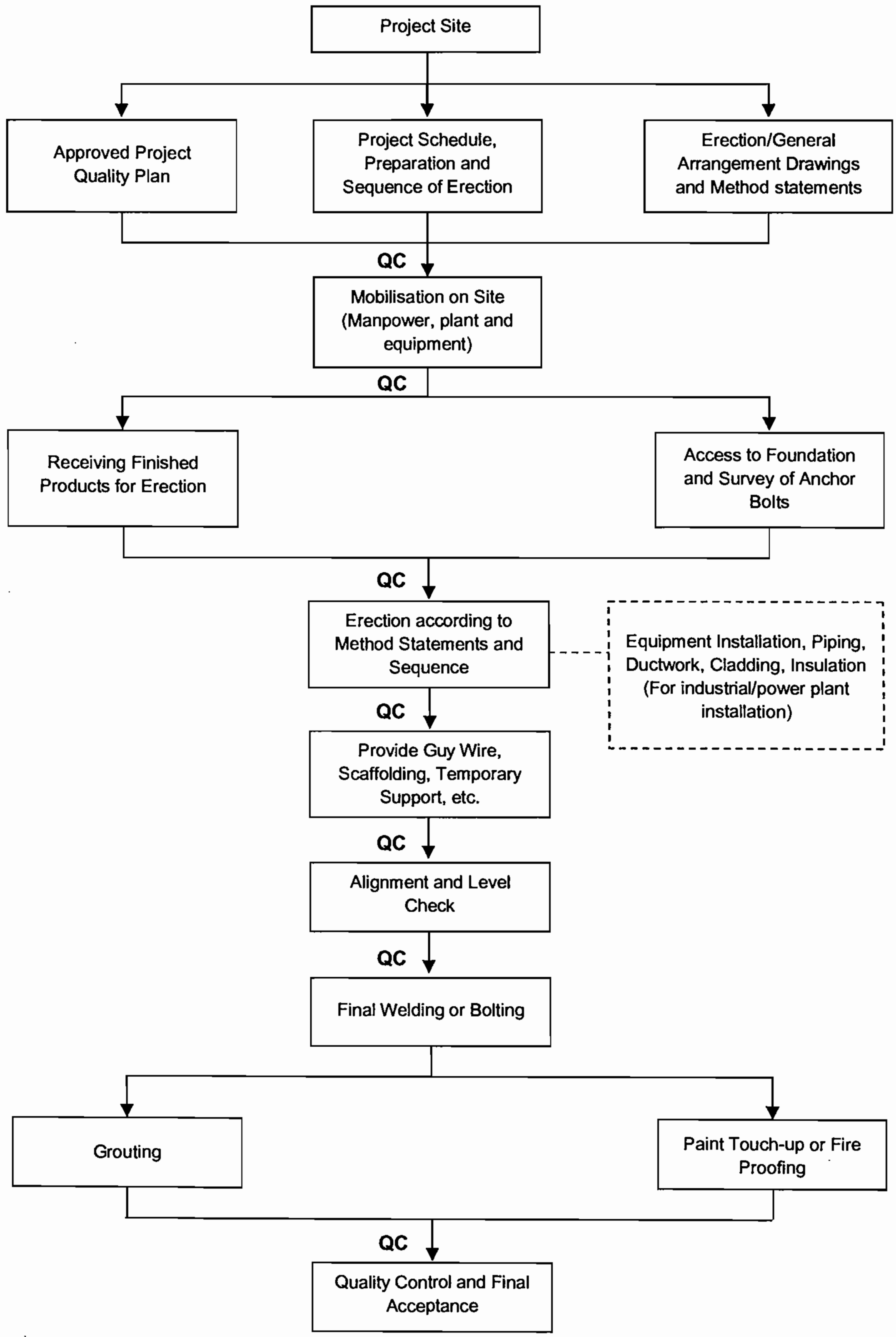
(iii) The following diagram illustrates the general process flow for structural steel erection and Industrial/Power Plant Installation at project site:



Legend: QC – Quality Control

(a) Approved project quality plan

Upon award of the contract, a project specific quality plan is prepared and submitted to our client for their review and approval. It is mandatory to follow the approved quality plan in all aspects for execution of the active project including steelwork erection.

(b) Project schedule, preparation and sequence of erection

A detailed project schedule indicating management, manpower, plant and equipment and sequence of erection is prepared on PRIMAVERA P-6/ Microsoft Project. This schedule is prepared taking into consideration the number of buildings/areas on a particular project together with the work breakdown structures/grids and jointly agreed with our client for implementation.

(c) Erection/general arrangement drawings and method statements

Specific detailed erection drawings together with the general arrangement drawings will enable the project team to plan and identify the finished products at the site storage yard. This allows the project team to prioritise the sequence as dictated by the project schedule to commence the steel erection activities.

(d) Mobilisation on site (manpower, plant and equipment)

Mobilisation of manpower, plant and equipment will be tailored to suit the project schedule requirements. Resources will be adjusted based on the quantum of work, interfacing requirements and number of areas to be worked on simultaneously. All this will be carried out using the project management softwares such as PRIMAVERA P-6 and Microsoft Project.

(e) Receiving finished products for erection

Finished products are received by the project team and unloaded, stacked and inspected at the site storage yard. Any damages and discrepancies will be documented and reported appropriately for rectification or replacement.

(f) Access to foundation and survey of anchor bolts

Our clients will provide us with access to the foundations constructed by others. At the outset, we will carry out a detailed survey of the anchor bolts for accuracy and alignment based on the approved foundation drawings. Any mismatches will be documented and reported appropriately for rectification or replacement.

(g) Erection according to method statements and sequence

It is imperative that the steel erection strictly follows the approved method statements and sequence to ensure safety and stability during construction. The method statements will also provide guidance to the project team for the successful execution of the project.

For industrial/power plants, the additional scope will involve the installation of equipment, piping, ductwork, cladding, insulation and other mechanical and electrical works.

(h) **Provide guy wire, scaffolding, temporary support**

Guy wires and temporary supports as indicated in the method statements are installed to provide stability during the entire construction phase to ensure safety to the partially constructed structure.

(i) **Alignment and level checks**

Upon completion of the steel erection and prior to the release of the temporary works, detailed survey is carried out to ensure that the alignment and levels are within the project quality plan tolerances. Any deviation beyond the tolerance levels will require appropriate re-alignment/rework.

(j) **Final welding and/or bolting**

Upon successful completion of the alignment and level checks, the connecting members are welded and/or bolted together. Joints are inspected for quality of components and welds before acceptance checking by the client.

(k) **Grouting**

Upon completion of all the steelwork erection activities including alignment, grouting works are carried out at the base plates.

(l) **Paint touch-up or fire proofing**

All damaged paint surfaces due to handling during transportation and erection are touched up according to the project quality plan.

We also carry out fire proofing (if required) based on requirements of the project specifications.

(m) **Quality control and final acceptance**

Thorough reviews and inspections of the material, products and adequacy of temporary works are carried out at each stage of the entire erection process. In the event that the material or product does not conform to project specific quality plan, the materials are reworked, or if necessary, disposed. Final inspection is carried out on a sectional basis after completion of the steelwork erection.

Our Group imposes strict guidelines on its products to ensure that all products supplied to our clients are of an acceptable quality and meet the project specific quality plan.

Upon completion of the erection process, the cranes and other equipment will be demobilised as per the project schedule.

6.2.7 Modes of marketing/distribution

Our Group sources a majority of our projects from Middle East, India and Malaysia. Our Group is able to offer an integrated structural steel turnkey solution and service to our clients. This is achieved with the assistance of our experienced management team, engineers, managers and other key personnel.

Our Group recognises that marketing plays an essential role in the success of our Group and attaches great importance to marketing. Our Group's Executive Directors and managers are actively involved in this process. Additionally, we also market our products and services via the following modes of marketing:

(i) Dialogues with main contractors

Our management, project managers and tendering personnel are in continuous dialogue with existing and new main contractors for business opportunities and actively monitor the status of new projects in the market. Our bids are submitted directly to main contractors and we generally do not have an exclusive arrangement with any specific main contractor. We are also frequently invited by the winning main contractor or sometimes directly by the client if the main contractor has not been appointed, to be part of the construction team. Some potential clients would invite us to review their designs and provide our views on the feasibility of their designs before approaching the main contractors. This would sometimes lead to an appointment of our Group as a nominated specialist sub-contractor directly by the client.

(ii) Project references and repeat clients

We often obtain project references through association with reputable main contractors. Project references will only be made when our clients are completely satisfied with our safety standards and quality of our services and products and our commitment to deliver on schedule. To this end, we would also leverage on our association with international main contractors such as Samsung Consortium, IHI Corporation, Arabian Construction Co., Taisei Corporation and Brookfield Multiplex L.L.C. for more project referrals with whom we have worked on several projects through the past decades in different countries.

Examples of our long standing collaboration are set out in Section 6.2.2(vi) of this Prospectus.

(iii) Media publications and directories

Our products and services are promoted extensively in popular trade directories, such as the annual directories of Master Builders Association of Malaysia, CIDB. In addition, our key landmark projects such as the Petronas Twin Tower 2, Burj Al-Arab, Capital Gate and Burj Khalifa have received wide coverage in international media.

(iv) Internet

Information about our Group and services can be viewed by our existing and potential clients via our website at www.eversendai.com.

(v) Trade exhibitions and trade shows

The international platform is important in our efforts to market our product and services and we will continue to attend and participate in international trade shows and exhibitions. We also participate in MATRADE trade events. Our participation has given us a good platform to build and promote the 'Eversendai' brand name.

We have recently participated in the following trade exhibitions and trade shows:

Year	Event	Organiser	Venue
2008	Sharjah Exposition	MATRADE	Sharjah Trade Exhibition Centre, Sharjah
2008	Energy Excellence Exhibition	Confederation of Indian Industries	India
2009	Malaysia Services Exhibition	MATRADE	Dubai, UAE
2009	11th International Expo & Summit CONSTRU India 2009	Winmark Services Private Limited, Mumbai, India	Mumbai, India
2009	Libya Build 2009	ATEX - International Exhibition Organizers	Libya
2010	Malaysia Services Exhibition	MATRADE	Dubai, UAE

6.2.8 Quality control procedures

Our Group places considerable emphasis on the quality of our product and services.

Our Group's QA/QC Department currently has a team of qualified personnel who are responsible for ensuring that the quality of material used throughout the projects are as specified in the project specifications.

It is also important that the quality of our finished products and services are in line with the international building codes and standards as required in the countries that we operate. There is an in-house quality control manual to which our Group adheres, unless the client specifies any additional quality control procedures which would in any case be covered in the project specific quality plan.

One of the prime functions of the QA/QC Department is to prepare and ensure compliance with the welding procedures. The quality of the final welded product is checked using testing techniques such as Visual, Radiography, Dye Penetrant and/or Ultrasonic, and/or Magnetic Particle Inspection techniques, based on the individual project requirements. The selection of the technique may depend on the type of weld, location and/or the requirements of the project specific quality plan. Apart from conducting in-house testing, we also carry out third party testing to ensure the transparency of these quality checks, which is welcomed by the approving authorities.

The QA/QC Department also ensures that the quality of the final product or service offered to our Group's clients is maintained throughout all stages including painting and installation.

6. BUSINESS OF OUR GROUP *(Cont'd)*

We have a certified quality management system in place and have so far garnered the following certifications for our fabrication facilities:

Date	Certification	Certified by	Scope of certification
Rawang, Malaysia			
July 2000 to July 2012	ISO 9001 : 2008 MS ISO 9001 : 2008	Lloyd's Register Quality Assurance	Design, engineering, supply, fabrication, erection, fire proofing and painting of structural steel works for buildings, industrial plants and bridges. Assembly and erection of coal fired power plant.
Dubai and Sharjah, UAE			
January 2011 to January 2014	ISO 9001 : 2008 ISO 14001 : 2004	SGS - UKAS Management Systems	Structural steel construction and project management including design and engineering, fabrication, blasting and painting, erection and fireproofing works.
December 2010 to December 2013	OHSAS 18001 : 2007	SGS – Swiss Certification	Structural steel construction and project management including design and engineering, fabrication, blasting and painting, erection and fireproofing works.
February 2011 to February 2014	ISO 9001 : 2008 ISO 14001 : 2004	SGS – UKAS Management Systems	Civil construction for multi storey residential and commercial buildings and industrial and infrastructure projects
February 2011 to February 2014	OHSAS 18001 : 2007	SGS – Swiss Certification	Civil construction for multi storey residential and commercial buildings and industrial and infrastructure projects
Doha, Qatar			
December 2010 to December 2013	ISO 9001 : 2008 ISO 14001 : 2004	SGS - UKAS Management Systems	Structural steel construction and project management including engineering design and detailing, procurement, fabrication, blasting, painting and fire proofing, erection and commissioning execution of civil construction.

Date	Certification	Certified by	Scope of certification
December 2010 to December 2013	OHSAS 18001 : 2007	SGS – Swiss Certification	Structural steel construction and project management including engineering design and detailing, procurement, fabrication, blasting, painting and fire proofing, erection and commissioning execution of civil construction.

Strict adherence to the quality procedures set by our quality management system has resulted in our Group receiving numerous letters of appreciation from satisfied clients for the quality of product and services provided by us.

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6.2.9 Major licences and permits

We have obtained all the necessary licences and permits, such as business licences, manufacturing licences, and factory and machinery operation permits for the operation of our businesses from the respective local and federal authorities. In the course of conducting our businesses, we have the following major licences and permits registered in our name which are relevant to the businesses of our Group:

Authority	Date of commencement	Date of expiry	Licence no./ permit no.	Nature of licences, permits, concessions and approvals	Equity conditions and/or major conditions imposed	Status of compliance
SEVM						
MITI	17 February 2010	Not applicable	A 017759	Manufacturing license to fabricate steel structures	▪ 100% shares to be held by Malaysians.	Complied
					▪ MITI shall be notified of any changes in the composition of the Board	Noted
CIDB	28 January 2010	27 January 2013	1971110-WP044350	Registration certificate as International Registered Contractor under Grade G7 which does not limit its tendering capacity	▪ Must be an active contractor.	Complied
					▪ Required to submit a copy of the contract within 1 month from the date of the award.	Noted
Kementrian Kerja Raya Malaysia	11 October 2009	10 October 2011	1407A 2001 0812	To permit the company to undertake work for the Works Department for Class C which allows for tendering in Malaysia, building works and other general engineering works.	▪ The license will be terminated if any shareholders hold more than 5% of RM50,000 of the shares of another company which is also registered with the Works Department.	Noted

6. BUSINESS OF OUR GROUP *(Cont'd)*

Authority	Date of commencement	Date of expiry	Licence no./ permit no.	Nature of licences, permits, concessions and approvals	Equity conditions and/or major conditions imposed	Status of compliance
SEVM *(Cont'd)*						
Kementerian Kewangan Malaysia	24 June 2010	23 June 2013	344173/357-01003130	To permit the company to undertake work for the Ministry of Finance in 10 categories of services and supplies.	None	Noted
SEVM India Branch ("Branch")						
Reserve Bank of India ("**RBI**")	31 March 2009	Not applicable	FE.CO.FID/26188/10.83.236 2008-09 and FE.CO.FID/31827/10.83.236/2009-10	The said approval permits the Branch to carry on the following activities: ▪ Export/ import of goods. ▪ Rendering professional or consultancy services. ▪ Carrying out research work, in which the parent company is engaged. ▪ Promoting technical or financial collaborations between Indian companies and parent or overseas group company. ▪ Representing the parent company in India and acting as buying/ selling agent in India. ▪ Rendering services in information technology and development of software in India. ▪ Rendering technical support to the products supplied by parent/ group companies.	▪ The Branch is not, without prior permission of RBI, permitted to expand its activities, undertake any new activity or carry on by itself or in partnership or by otherwise associating with others any activity of a trading, commercial or industrial nature other than what is approved by RBI. ▪ The entire expenses of the Branch will be met either out of the funds received from abroad through normal banking channels or through income generated by the Branch in India by undertaking permitted activities.	Noted Complied

6. BUSINESS OF OUR GROUP *(Cont'd)*

Authority	Date of commencement	Date of expiry	Licence no./ permit no.	Nature of licences, permits, concessions and approvals	Equity conditions and/or major conditions imposed	Status of compliance
Branch *(Cont'd)*						
					▪ Profits out of the operations in the Branch may be remitted out after payment of applicable taxes in India.	Noted
					▪ The income earned by the Branch from parties abroad has to be remitted to India through normal banking channels.	Complied
					▪ To submit to RBI annually a certificate from the auditor certifying that the branch office has undertaken only those activities which have been permitted by the RBI.	Complied
					▪ The Branch shall not undertake retail trading activities in India of any nature.	Complied
EV Sharjah Hamriyah Free Zone Authority, Government of Sharjah	05 July 2005	04 July 2011	1203	Industrial licence for steel fabrication and painting	None	None

6. BUSINESS OF OUR GROUP *(Cont'd)*

Authority	Date of commencement	Date of expiry	Licence no./ permit no.	Nature of licences, permits, concessions and approvals	Equity conditions and/or major conditions imposed	Status of compliance
EV Sharjah *(Cont'd)*						
Hamriyah Free Zone Authority, Government of Sharjah	09 August 2005	04 July 2011	1276	Commercial licence for the storage of temporary support steel structure, scaffolding and lifting tools and tackles	None	None
EVSC						
Department of Economic Development, Government of Dubai	12 July 2006	11 July 2011	583599	Licence for building contracting	None	None
Department of Economic Development, Government of Dubai	12 July 2006	11 July 2011	997236	Commercial register stating the registered activities of the company to be building contracting	None	None
Dubai Chamber of Commerce and Industry	12 July 2006	11 July 2011	109483	Dubai Chamber of Commerce and Industry Membership Extract	None	None
EV Dubai						
Department of Economic Development, Government of Dubai	13 August 1996	12 August 2011	243020	Industrial licence to carry out the following activities: ▪ Metal parts and erections contracting; ▪ Steel fabrication and welding workshop; ▪ Steel constructions contracting; ▪ Fire fighting and safety equipment installation; ▪ Insulation contracting; and	None	None

6. BUSINESS OF OUR GROUP *(Cont'd)*

Authority	Date of commencement	Date of expiry	Licence no./ permit no.	Nature of licences, permits, concessions and approvals	Equity conditions and/or major conditions imposed	Status of compliance
EV Dubai *(Cont'd)*				▪ Structural steel manufacturing		
Department of Economic Development, Government of Dubai	11 August 1996	12 August 2011	243020	Commercial register stating the registered activities of the Company to be: ▪ Metal parts and erections contracting; ▪ Steel fabrication and welding workshop; ▪ Steel and basic steel products trading; ▪ Steel constructions contracting; ▪ Fire fighting and safety equipment installation; ▪ Insulation contracting; and ▪ Structural steel manufacturing	None	None
Dubai Chamber of Commerce and Industry	13 August 1996	12 August 2011	39427	Dubai Chamber of Commerce membership	None	None
EV Abu Dhabi Department of Economic Development, Government of Abu Dhabi	13 October 2009	4 October 2011	1168256	Commercial licence to carry out the following activities: ▪ All kinds of building projects contracting; ▪ Steel construction contracting; ▪ Industrial establishment building contracting;	None	None

6. BUSINESS OF OUR GROUP *(Cont'd)*

Authority	Date of commencement	Date of expiry	Licence no./ permit no.	Nature of licences, permits, concessions and approvals	Equity conditions and/or major conditions imposed	Status of compliance
EV Abu Dhabi *(Cont'd)*						
				▪ Constructional and engineering contracting works related to technical projects – turn key; and ▪ On shore and off-shore Oil and Gas fields services		
Abu Dhabi Chamber of Commerce	20 January 2010	28 September 2011	484133	Membership certificate to practice the activities of: ▪ Onshore and offshore gas and oil and filed services; ▪ Technical project-related engineering and constructional contracting; ▪ Turn-key projects; ▪ Industrial establishment building contracting; ▪ Metal construction contracting; and General contracting of civil constructions	None	None
EV India						
Ministry of Commerce , Govt of India, New Delhi, India	17 September 2009	Not applicable	0410120029/0/ 22/00 (Cust. No. 091/ 2009)	License for Import and Export of Goods through this license only	None	None

6. BUSINESS OF OUR GROUP *(Cont'd)*

Authority	Date of commencement	Date of expiry	Licence no./ permit no.	Nature of licences, permits, concessions and approvals	Equity conditions and/or major conditions imposed	Status of compliance
EV India *(Cont'd)*						
Commercial Tax Department, Govt of Tamil Nadu, India	Valid from 24 August 2009 Registration dated 27 August 2009	Not applicable	Central Sales Tax (CST) No:1010788 Tax Identification No:33070987513	Certificate of Registration under the Central Sales Tax Act, 1956.	▪ If, at any time, the registered dealer (a) discontinues or sells or otherwise disposes of the whole or any part of any business carried on by it, or (b) changes its place of business or any of his places of business, or (c) opens a new place of business, or (d) changes the name of business carried on by him, he shall notify the fact to the concerned assessing authority within 30 days thereafter. ▪ When the ownership of the business is entirely transferred, any tax payable and the remaining unpaid at the time of transfer shall be recoverable from the transferor or the transferee as if they were the dealers liable to pay tax.	None

6. BUSINESS OF OUR GROUP *(Cont'd)*

Authority	Date of commencement	Date of expiry	Licence no./ permit no.	Nature of licences, permits, concessions and approvals	Equity conditions and/or major conditions imposed	Status of compliance
EV India *(Cont'd)*						
Director General of Foreign Trade, Government of India	22 December 2010	Not applicable	0410120029/0/ 22/00	Import/export license	▪ The Duty Credit Script under "Served from India Scheme" under Chapter 3 of the Foreign Trade Policy may be used for payment of customs duty on import of spares, office equipment and furniture, professional equipment, and consumables provided such goods are freely importable as per the Foreign Trade Policy. ▪ Period of Shipment specified to be 24 months and the Duty credit for a maximum amount of Rs.1045,962 is available for the Company to avail benefits.	None
Department of Revenue, Ministry of Finance	8 November 2010	Not applicable	AACCE2174N ED001	Central Excise Registration for operating as a Dealer of Excisable Goods for premises at Gala No. 1038, Kantilal Maganlal Estate, LBS Marg, Bhandup (W), Close to Nirmal Lifestyles, Mulund, Mumbai	▪ Certificate is valid only for specified premises and is not transferable.	None

6. BUSINESS OF OUR GROUP *(Cont'd)*

Authority	Date of commencement	Date of expiry	Licence no./ permit no.	Nature of licences, permits, concessions and approvals	Equity conditions and/or major conditions imposed	Status of compliance
EV India *(Cont'd)*						
Department of Revenue, Ministry of Finance	3 February 2011	Not applicable	AACCE2174N EM002	Central Excise Registration for manufacturing Excisable Goods for Plot No. B-5, B-6, Reddimangudi, Lalgudi Taluk, Trichy, Tamil Nadu	▪ Certificate is valid only for specified premises and is not transferable.	None
EV Qatar						
Ministry of Business and Trade, Qatar	23 June 2005	23 June 2013	30943	Company registration and license for to carry out commercial activities: ▪ Metal installation works ▪ Iron and other metal covering works ▪ Industrial equipment works mechanical/ engineering ▪ Contracting electromechanical and industrial works ▪ Coating aluminium and steel ▪ General civil construction contracting ▪ Trade in steel ▪ Trade in official uniforms	None	None
Ministry of Municipal Affairs and Agriculture, Doha Municipality, Qatar	27 July 2009	28 August 2011	51737	Commercial license for: ▪ Metal installation works, iron and other metal covering works Industrial equipment works	None	None

6. BUSINESS OF OUR GROUP *(Cont'd)*

Authority	Date of commencement	Date of expiry	Licence no./ permit no.	Nature of licences, permits, concessions and approvals	Equity conditions and/or major conditions imposed	Status of compliance
EV Qatar *(Cont'd)*				▪ Mechanical and engineering, electromechanical contracting works ▪ General construction contracting ▪ Aluminium and steel		
Qatar Chamber of Commerce and Industry ("**QCCI**")	23 March 2010	16 March 2014	01/10233	Membership Certificate from the QCCI	None	None
EV Saudi						
General Authority for Investment	19 February 2011	18 February 2012	102032019168	Service investment license which allows EV Saudi to implement steel construction contracts for all kinds of buildings, steel construction works related to oil and gas fields, industrial establishment building contracting, fire proofing applications and civil works	None	None

6.2.10 Licences, patents, trademarks, brand names, technical agreements, franchises and other intellectual property rights

We market our services under the trademark logo of "Eversendai". Our Company has, on 22 December 2009, filed for the registration of our logo with the word "Eversendai" (in series) with the Registrar of Trademarks, Malaysia.

As at the LPD, the following trademark applications have been gazetted:

Proprietor	Class	Description of class	Trademark logo
ECB	6	Steel fabrications; all included in Class 6	EVERSENDAI
ECB	37	Construction of structural steel buildings, airports, shopping malls, hotels, stadiums, steel bridges, roof structures, power plants and industrial plants; all included in Class 37	EVERSENDAI
ECB	40	Fabrication of steelwork, welding (custom assembling of materials for others), steel cutting, drilling of materials; all included in Class 40	EVERSENDAI
ECB	42	Engineering consulting services, engineering design; all included in Class 42	EVERSENDAI

On 21 June 2010, ECB has filed applications for registration of trademarks in the Trademark Registry, India. As at the LPD, the following trademark applications are pending for approval:

Proprietor	Class	Description of class	Trademark logo
ECB	6	Steel fabrications; all included in Class 6	EVERSENDAI
ECB	37	Construction of structural steel buildings, airports, shopping malls, hotels, stadiums, steel bridges, roof structures, power plants and industrial plants; all included in Class 37	EVERSENDAI
ECB	40	Fabrication of steelwork, welding (custom assembling of materials for others), steel cutting, drilling of materials; all included in Class 40	EVERSENDAI
ECB	42	Engineering consulting services, engineering design; all included in Class 42	EVERSENDAI

Save as disclosed above, we do not have any material licences, patents, trade marks, brand names, technical assistant agreements, franchises and other intellectual property rights.

We rely on trademark, trade name and internet domain name registration to protect our intellectual property.

6.2.11 Research and development

Our Group does not have a formal research and development department for its operations. However, our management team holds discussions on latest development in erection methodologies, value engineering to develop innovative solutions that improve on our operations and meet the demanding requirements of our contracts, especially those involving iconic and challenging structures.

Group ensures that the engineering and design software and equipment used in our operations are comparable, if not better than those used by the industry in general to meet the requirements of our clients. As such, we do not require the setting up of a research and development department.

We periodically review our production processes to improve the quality and efficiency in the delivery of our products and services. This includes improving our fabrication and welding methods by updating the software and equipment used.

Our Group monitors the steel and power plant sectors closely for development of new innovations, processes or other technology and are prepared to implement changes if we believe that they are necessary to maintain or improve our quality, efficiency and business performance.

6.2.12 Key milestones/achievements/certification

Some of the key milestones of our Group are as follows:

Year	Key milestones
1993	SEVM was incorporated
1994	Awarded contract for the construction of Petronas Tower 2, Malaysia
1995	Awarded the contract for the structural steel erection works for Kuala Lumpur International Airport Main Terminal Building and Contact Pier
1996	Entered into the Middle East market with the award of the contract to erect the steel structure for Burj Al Arab
1997	Started a full-fledged engineering department to enhance our value proposition to our clients
1998	Awarded contract for structural steel erection works for office and hotel towers for Emirates Towers, Dubai.
2000	Obtained the ISO 9001:1994 certification from Lloyd's Register Quality Assurance Ltd
2000	Awarded contract for the installation of 3x700MW Jana Manjung Coal Fired Power Plant in Malaysia
2002	Awarded contract for the structural steel erection works of Al Moayyed Tower, Bahrain
2003	Acquired our first steel fabrication factory in Al Qusais, Dubai.
2004	Obtained ISO Certification for Dubai Operations from SGS, Switzerland
2004	Commenced the construction of our fabrication plant at Hamriyah Free Zone, Sharjah in UAE
2005	Awarded contract to build Rose Rayhaan Rotana Tower in Dubai, the world's tallest hotel tower suites
2006	Awarded contract for roof steel work for Dubai Mall, one of the world's largest shopping mall
2006	Commenced the construction of our fabrication plant in Doha, Qatar

Year	Key milestones
2008	Commenced the construction of our fabrication plant in Rawang Industrial Area, Malaysia
2009	Expanded our business operations to India via the 2x600MW power station project in North Chennai and the Chhatrapati Shivaji International Airport (Phase 1) - South West Pier in Mumbai
2010	Commenced operations at our fabrication plant in Rawang Industrial Area, Malaysia
2010	ECB acquired a 49% equity interest in EVSC

6.2.13 Interruptions in business for the past 12 months

There has been no interruption in the form of trade disputes or major operational breakdown occurring within and outside our Group that may significantly impair our Group's business performance during the past 12 months preceding the date of this Prospectus.

6.2.14 Principal markets

The revenue contribution of the principal markets of our Group for the last 3 financial years is set out in the table below:

Location	FYE 2008 RM'000	%	FYE 2009 RM'000	%	FYE 2010 RM'000	%
Doha, Qatar	277,371	35.4	529,074	64.8	266,350	35.8
Dubai, UAE	270,902	34.6	166,832	20.4	62,450	8.4
Abu Dhabi, UAE	143,973	18.4	99,737	12.2	240,232	32.2
Malaysia	91,016	11.6	10,282	1.2	71,488	9.6
India	-	-	11,136	1.4	35,480	4.8
Saudi Arabia	-	-	-	-	47,257	6.3
North Africa	-	-	-	-	21,669	2.9
Total	**783,262**	**100.0**	**817,061**	**100.0**	**744,926**	**100.0**

For the FYE 31 December 2010, Qatar and the UAE contributed 35.8% and 40.6% of our Group's total revenue respectively. Our current principal markets are predominantly in Abu Dhabi, UAE and Doha, Qatar. We have secured increasing number of projects in Abu Dhabi, UAE and Doha, Qatar as illustrated in Section 5.1(ii) of this Prospectus.

We expanded our business operations to the Indian market and for the FYE 31 December 2010, it contributed 4.8% of our Group's total revenue. We were involved in the construction of both the 2x600MW power plant project in North Chennai and South West Pier of Chhatrapati Shivaji International Airport (Phase 1) in Mumbai, India. As at the LPD, we are involved in the construction of Trump Tower, Marathon Futurex, BWE Energy India and BTG Erection Package for 2x300MW EMCO Thermal Power in India.

Furthermore, we have expanded our business operations into Saudi Arabia which has contributed 6.3% of our Group's total revenue for the FYE 31 December 2010. As at the LPD, we are involved in the construction of Capital Market Authority Tower and King Abdullah Petroleum Studies & Research Centre in Saudi Arabia.

6.2.15 Seasonality

Our revenue is not affected by any seasonality in the demand of our products and services.

6.2.16 Employees

We work towards providing a safe working environment for our employees. As at the LPD, we have total staff strength of 6,424 employees as depicted in the table below.

Employee breakdown by years of service, as at the LPD

	Years of service			
Employment category	**< 1 year**	**1 to 5 years**	**> 5 years**	**Total**
Management and professionals	10	45	39	94
Engineering/Executive	190	429	76	695
Supervisory	76	331	113	520
Administration and clerical	37	71	8	116
Construction workers (Skilled)	719	1,884	187	2,790
Construction workers (Semi-skilled)	228	329	128	685
General workers	363	1,139	22	1,524
Total	**1,623**	**4,228**	**573**	**6,424**

Our employees are primarily responsible for a variety of functions including engineering (structural design and detailed shop drawings), fabrication, erection and administration operations of our Group. The majority of our Group's employees are construction workers accounting for about 54.09% of our total staff. Our Group on average employed 1,020 contract/temporary employees for the most recent year 2010.

None of our employees belong to any union. There has also been no major dispute between the employees and Management for the past 12 months.

We have a strong emphasis on safe working environment and we believe in fostering a pleasant relationship with employees within our Group. We also offer training programmes to enhance our employees' capabilities and potential. For example, our skilled workers are required to undergo practical production training and where relevant, be certified as competent site workers especially for the welders.

We focus on staff training through structured and effective training programmes. Performance reviews are conducted on an individual basis to ensure and evaluate the effectiveness of all training programmes developed. We recognise the importance of staff training and development in order to equip our employees with the necessary knowledge and skills to perform their tasks effectively. This is a critical aspect of our efforts to promote an effective and efficient workplace and a safe working environment for our employees.

With the ISO 9001:2000 and MS ISO 9001:2000 certifications, we continuously educate our staff to adopt and maintain high quality standards through our Quality Management System. Training courses are provided to train new staff and to keep them updated with the latest developments. Other trainings include accounting and administrative training for administrative staff to strengthen their skills and knowledge and Project Management Professional for project managers and senior management personnel. Our Group also conducts safety induction program for our employees prior to the commencement of new projects.

The table below lists some of the training and development programmes completed by the relevant employees of our Group. The programmes encompass external and internal training as well as development programmes:

Year	Programme	Organisers
2007	Safety induction for construction workers	▪ National Institute of Occupational Safety and Health (**"NIOSH"**), Malaysia
2007	Site induction and training for new employees	▪ CIDB, Malaysia
2008	Site induction and training for new employees	▪ CIDB, Malaysia
2008	Safety related trainings	▪ Sky Oryx Joint Venture (**"SOJV"**) formed by Taisei Corporation & Tepe Akfen Vie Investment Construction and Operation Co. ▪ Overseas Bechtel Incorporated (**"OBI"**) ▪ Velosi Certification LLC (**"VELOSI"**)
2008	Erection and inspection of scaffolding	▪ Mirdif Security and Safety Consultants
2009	Site induction and training for new employees	▪ CIDB, Malaysia
2009	ISO – Auditor's/Safety related training	▪ SOJV ▪ OBI ▪ Technischer Ueberwachungs-Verein Suddeutschland (**"TUV"**)
2009	Basics of Tekla tool training for design engineers	▪ In-house
2009	Basic methodology to design industrial structures training for design engineers	▪ In-house
2009	Basics of reinforcing bar detailing training for reinforcing bar engineers	▪ In-house
2009	Member placement training in X Steel for X Steel editors	▪ In-house
2009	Hot work procedure training	▪ In-house
2010	Site induction and training for new employees	▪ CIDB, Malaysia
2010	Training for scaffold structure erection/inspection	▪ Claymore Security and Safety Consultant

Year	Programme	Organisers
2010	Integrated management system awareness training programme	▪ AARKAYS BIZ Solutions FZE – management consultancy and training
2010	Project safety policy and environment policy addressing	▪ In-house
2010	Refresher course on IS 800-2007 for senior design engineers	▪ William Hare India Private Limited
2010	Primavera up-gradation training for P6 version 7 for planning engineers	▪ KLG Systel – IT Solutions Provider
2010	Training for model checking using reports (Report and template files)	▪ In-house
2010	Training in erection methodology	▪ In-house
2010	Training for framing system in steel for design engineers	▪ In-house
2010	Training for connection application in X Steel for X Steel editors	▪ In-house

6.2.17 Location of business

Our location of principal assets and principal place of business are as follows:

Company	Address	Purpose	Approximate built-up area (sq. ft.)
ECB	Lot 19956, Jalan Industri 3/6 Rawang Integrated Industrial Park 48000 Rawang Selangor Darul Ehsan, Malaysia	Investment holding and provision of management services	109,700
SEVM	Lot 19956, Jalan Industri 3/6 Rawang Integrated Industrial Park 48000 Rawang Selangor Darul Ehsan, Malaysia	Engineering, fabrication, design and erection of mechanical and structural works	109,700
SEVM (India Branch)	Plot no. 2/12, Poonthottam 1st Street, Nanganallur Chennai 600 114 Tamil Nadu, India	Engineering, fabrication, design and erection of mechanical and structural works	5,500
EV Dubai	#33 Al Qusais Industrial Area #1 Road #204, 19th Street P.O. Box 29537 Dubai, UAE	Metal parts fixtures contracting, steel fabrication and welding workshop and steel structure contracting	968,760
EV Sharjah	P.O. Box 42531 Hamriyah Free Zone Sharjah, UAE	Steel fabrication and painting	1,734,823
EV Abu Dhabi (Registered Office)	P.O. Box 107729 Abu Dhabi, UAE	Contractor for buildings, industrial establishments and steel structures	-

6. BUSINESS OF OUR GROUP *(Cont'd)*

Company	Address	Purpose	Approximate built-up area (sq. ft.)
EV Qatar	P.O. Box 35283 Doha, Qatar	Engineering, blasting, painting, fabrication, design and erection of mechanical and structural steelwork	290,626
EV India	TNPL Building, 1st Floor Office no. 67, Mount Road, Guindy Chennai 600032 India	Business of building, contractors and engineers etc	5,487
EV Singapore (Registered Office)	42B Horne Road Singapore 209066	General contractors and general building engineering services	-
EVSC (Registered Office)	P.O. Box 113914 Dubai, UAE	Engineering and contracting services	-
EV Saudi (Registered Office)	No. 3, Al Masif, P.O. Box 305150 Riyadh, Saudi Arabia	Steel construction contracts for all kinds of buildings, steel construction works related to oil and gas fields, industrial establishment building contracting, fire proofing applications and civil works.	-

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6.3 Major customers

Our Group's major customers that contribute 10% or more of our Group's total revenue for each of the last 3 financial years are as follows:

No.	Customer	Country	Products/services	Length of relationship (years)	% of total revenue	Revenue (RM'000)
FYE 2008						
1.	Sky Oryx JV (Taisei TAV Tepe Akfen JV)	Qatar	Structural steel design, fabrication and erection of steel structures	3	12.8%	100,136
2.	Al Habtoor Engineering Enterprises Co LLC	Dubai, UAE	Structural steel fabrication and erection	6	12.4%	96,852
3.	Nasa Multiplex LLC	Dubai, UAE	Concrete works, structural steel fabrication and erection	10	12.3%	96,388
4.	Al Habtoor Al Jaber JV	Qatar	Structural steel design, fabrication and erection of steel structures	1	10.4%	81,420
FYE 2009						
1.	Qatar Petroleum	Qatar	Structural steel design, fabrication and erection of steel structures	2	32.4%	264,581
2.	Qatar Foundation	Qatar	Structural steel design, fabrication and erection of steel structures	1	16.7%	136,151
3.	Sky Oryx JV (Taisei TAV Tepe Akfen JV)	Qatar	Structural steel design, fabrication and erection of steel structures	4	15.2%	124,349
FYE 2010						
1.	SixCo-Samsung JV	Abu Dhabi, UAE	Structural steel fabrication and erection of steel structures	> 9	20.5%	152,484
2.	Qatar Foundation	Qatar	Structural steel design, fabrication and erection of steel structures	2	16.9%	126,178

Given the nature of the contracting business, we are not dependent on any major customer. Our relationships with the customers are on project basis where contracts are normally awarded after competitive bidding or direct negotiation.

Our Group has long standing relationship with major international clients with a long history of successful collaboration on many landmark projects. We are routinely invited by many international clients to participate in the bidding of their projects.

6.4 Major vendors

Our Group's major vendors (including raw materials, direct labour and subcontract services) that contribute 10% or more of our Group's total direct cost for each of the last 3 financial years are as follows:

No.	Vendor	Country	Products supplied/ services	Length of relationship (years)	[1] % to total direct cost	Direct cost (RM'000)
FYE 2008						
1.	Corus Middle East [2]	UAE	Steel	11	14.57%	78,148
FYE 2009						
1.	Corus Middle East [2]	UAE	Steel	12	19.9%	111,734
FYE 2010						
1.	Hanwa Co. Ltd. Dubai (Branch)	UAE	Steel	4	17.14%	69,058
2.	Steel N People Ltd	UAE	Steel	5	13.30%	53,592
3.	J & P (O) Ltd	Qatar	Subcontractor	2	13.18%	53,128
4.	Corus Middle East [2]	UAE	Steel	13	10.59%	42,693
5.	Hanwa Steel Supply Middle FZE	Qatar	Steel	1	10.38%	41,812

Notes:

[1] *Direct cost is derived from total cost of sales less rental of premises, staff cost, depreciation, provision for back charges and fixed assets written off.*

[2] *Corus Middle East is a trading company of Tata Steel UK Limited located in the UAE. Corus Middle East procures raw steel materials from their mills in Europe and/or from other prominent mills that they have agreements with.*

6.5 Governmental laws, decrees, regulations or other requirements which may affect the repatriation of capital and remittance of profits

In Malaysia, a Malaysian resident is permitted to make payment of profits, dividends, fees, rental and royalties to a non-Malaysian resident in Malaysian Ringgit or foreign currency without registering the same with the Controller of Foreign Exchange (**"Controller"**) or obtaining the prior permission of the Controller. However, the Bank Negara Malaysia's Circular dated 1 August 2007 requires payments exceeding RM200,000 or its equivalent in foreign currency per transaction to comply with the reporting requirement.

In UAE, Qatar and Singapore, there are no exchange rules or regulations of the repatriation of profits.

In Saudi Arabia, there are no restrictions of the repatriation of capital and remittance of profits.

In India, repatriation of capital and revenue is permitted under the current exchange control regulations for foreign investors, subject to payment of applicable income/dividend distribution tax.

6.6 Relevant laws and regulations

6.6.1 Malaysia

(i) CIDB Act 1994

Pursuant to the CIDB Act 1994, no contractor shall undertake to carry out and complete any construction works unless it is registered with the CIDB and holds a valid certificate of registration issued by CIDB. SEVM holds a valid certificate of registration from CIDB.

(ii) Occupational Safety and Health Act, 1994 ("OSHA")

The OSHA regulates the safety, health and welfare of persons at work. Every employer shall ensure, so far as is practicable, the safety, health and welfare at work of all its employees. SEVM has a safety team in place in compliance with OSHA requirements.

(iii) Factories and Machinery Act, 1967 ("FMA")

The FMA regulates factories and machineries by way of registration and examination of such machinery to ensure the maintenance of health and safety standards, including the welfare of all parties involved. Pursuant to the FMA, no person shall install or cause to be installed any machinery in any factory or any machinery in respect of which a certificate of fitness is prescribed, except with the written approval of the inspector. SEVM has obtained the requisite certificates of fitness for all of its relevant equipments.

(iv) Industrial Coordination Act 1975 ("ICA")

Fabrication of steel structures is considered a manufacturing activity which comes under the purview of the ICA. Pursuant to the ICA, no person shall engage in any manufacturing activity unless he is issued a licence in respect of such manufacturing activity. SEVM has obtained the manufacturing licenses issued by the Ministry of International Trade and Industry through its agency, the Malaysian Industrial Development Authority.

(v) Employment Act 1955 ("EA")

The EA regulates all employment and labour matters including contracts of service, payment of wages, employment of women, rest days, hours of work, termination, lay-off and retirement benefits and keeping of registers. All SEVM's workers (including foreign workers) are employed under terms which comply with the minimum conditions of employment.

(vi) Employees Provident Fund Act 1951 ("EPF Act")

The EPF Act requires all employers and employees to contribute to the Employees Provident Fund ("EPF") at the rates of 12% and 11% respectively of the employees' monthly wages. However, this requirement is not applicable to expatriates, domestic servants and who are paid from the private account of the employer. They can however elect to contribute to the EPF. SEVM has contributed to the EPF consistently every month.

(vii) Employment of Foreign Workers

In Malaysia, foreign workers can be employed only in manufacturing, construction, plantation, agricultural, and services sectors. Only nationals from Indonesia, Thailand, Cambodia, Nepal, Myanmar, Laos, Vietnam, Philippines, Pakistan, Ceylon, Turkmenistan, Uzbekistan, Kazakhstan and India are allowed to work in these sectors. Most of the foreign workers of SEVM are from India and Myanmar and they hold valid work permits.

(viii) Street, Drainage and Buildings Act 1975 ("SDB Act")

According to the SDB Act, no one can occupy or be allowed to occupy any part of a building unless a certificate of completion and compliance has been issued according to the SDB Act. The certificate of completion and compliance for the property in Malaysia has been obtained.

(ix) Environmental Quality Act 1974 ("EQA")

The EQA and regulations made thereunder contains provisions and regulations for the prevention, abatement, control of pollution and enhancement of the environment. No person shall deal with the Scheduled Waste as defined in the EQA unless prior approval of the Director General of Environment Quality is obtained. SEVM confirms that it does not violate any provisions of the EQA.

6.6.2 United Arab Emirates

Our subsidiaries, where relevant, are compliant in all material respects with the laws of the UAE to the extent that they are relevant to the business and operations in the UAE.

(i) Companies Law

The Companies Law requires each company to have a UAE national shareholder which holds at least 51% of the shares of such company. The memorandum of association of a company may not contain provisions to the effect that a shareholder is not entitled to any profits. However, the memorandum of association may allocate profits to shareholders in a different percentage to their shareholding. It is a commonly established principle that the maximum allowable profit split is 90/10 in favour of the non-national partner in Abu Dhabi (in very limited circumstances) and 80/20 in Dubai. Further details on the ownership laws in the UAE are set out in Section 5.1(iv) of this Prospectus.

(ii) Federal Law No. 18 of 1993 ("UAE Commercial Code")

The UAE Commercial Code governs banking and commercial transactions in the UAE. The provisions of the UAE Commercial Code apply to traders and to all commercial business undertaken by any person.

The UAE Commercial Code contains provisions on who may lawfully conduct business in the UAE, subject to certain exemptions for GCC nationals or companies operating in free zones. No one other than UAE nationals may do so unless in conjunction with UAE partners in line with the requirements of the Companies Law which stipulates a minimum 51% local ownership. Further details on the ownership laws in the UAE are set out in Section 5.1(iv) of this Prospectus.

(iii) Federal Law No. 8 of 1980 ("Labour Law")

The Labour Law is prescriptive and codifies significant areas that might usually be found in an employment contract. It covers all aspects of the employer-employee relationship including matters related to employment contracts, restrictions on employment of juveniles and women, maintenance of records and files, wages, working hours, leave, safety and protection of employees, medical and social care, codes of discipline, termination of employment contracts, end of service benefits, compensation for occupational diseases, labour inspections, penalties and employment related accidents, injuries and deaths. A failure to comply with any of the compulsory elements of the Labour Law can result in up to 6 months imprisonment or a fine for the directors of the company in breach.

No non-national may be recruited for work in the UAE without the approval of the Labour Department and having obtained a work permit.

(iv) Federal Law No. 5 of 1985 ("UAE Civil Code")

Contractors and design consultants in the UAE are liable, without fault, for the cost of rectifying structural defects that appear in a building or structure within 10 years of handover, in what is known as Decennial Liability. This is the effect of articles 880 to 883 of the UAE Civil Code.

Decennial Liability is strict, in other words it is not necessary to prove any negligence or breach of contract. The key points to note about Decennial Liability in the UAE are as follows:

(a) Trigger events are total or partial collapse of a building and/or a defect threatening the stability or safety of a structure;

(b) Liability lasts for 10 years following handover;

(c) No fault is necessary in order for liability to arise;

(d) Contractors and consultants are jointly liable;

(e) Compensation is payable to the client;

(f) Liability attaches notwithstanding that the collapse or defect is caused by sub-surface conditions or that the client approved the defective work;

(g) Claims for compensation must be commenced within 3 years from the collapse or discovery of a defect;

(h) Agreements purporting to exclude Decennial Liability are void; and

(i) Buildings or structures, the life cycle of which is less than 10 years, are exempt.

For contractual claims other than claims for Decennial Liability (for example for negligent design or defective workmanship), liability continues for a period of 10 years from the due date for fulfilment of the obligation (i.e. usually in the context of a construction contract, completion of the works or the end of the defects liability period, depending on the nature of the claim).

(v) Local Order No. 3 of 1999

Local Order No. 3 of 1999 regulates construction works in the Emirate of Dubai (Order). This Order applies to the construction of buildings (including any steel constructions). It provides that no public or private, natural or corporate person may carry out any whole or partial permanent or temporary constructions works or change the features of a plot or a property without first obtaining a licence from the Governmental Buildings and Housing Department (**"Construction Licence"**). Other than the lands leased by the Government, the term of a Construction Licence shall be six months from the date of issue. A Construction Licence can be cancelled if the construction works have not commenced within three months of the issue of the Construction Licence or stop for more than three consecutive months.

The Order also provides that the Construction Licence will only be issued if the applicant makes certain financial deposits with the Dubai Municipality (to ensure that the work commences and is performed in accordance with the terms of the Construction Licence and that the applicant will indemnify any damages to third parties arising out from the construction works). The amounts and terms of such financial deposits, and the circumstances of forfeiture of such deposits are determined by the Dubai Municipality from time to time. The Order provides for the technical conditions which have to be met as a requirement to obtain the Construction Licence. Some of the requirements shall be fixed by the Dubai Municipality from time to time.

Under the Order, in principle the contractor and the engineer are jointly liable for the performance and safety of the construction works during and after the performance of the construction works. Such liability shall extend to the buildings adjacent to the site where such works are carried out and to any public utility in connection with any consequent damages. The Contractor shall also be liable for any defaults committed on the construction sites, whether such defaults are committed by the owner or any third parties, from the date of handover of the site to the contractor until any of the events that may terminate the contractual relationship between the contractor and the owner arise, unless the contractor suspends the work on the site and notifies the Governmental Buildings and Housing Department. The Order provides for the rules in relation to monitoring and inspection of construction works and any penalties to be applied in case of default.

(vi) Exchange Control

There are no exchange rules or regulations of the repatriation of profits in the UAE.

6.6.3 Qatar

EV Qatar is compliant in all material respects with the laws of Qatar to the extent that they are relevant to the business and operations in Qatar.

(i) Commercial Companies Law No. 5 of 2002 ("Companies Law")

Although the Companies Law provides that every company incorporated in Qatar will have Qatar domicile and nationality, it also clearly states that this does not necessarily lead to such companies being entitled to privileges which are reserved for Qatari citizens. The articles of association of a company may not contain provisions to the effect that a shareholder is not entitled to any profits. However, it may allocate profits to shareholders in a different percentage to their shareholding. It is a commonly established principle that the maximum allowable profit split is 95/5 in favour of the non-national partner in Qatar.

(ii) Foreign Investment Law No. 13 of 2000 ("Foreign Investment Law")

Under the Foreign Investment Law, foreign owners are restricted to hold a maximum of 49% of a company's capital. In certain circumstances up to 100% may be permitted, for example where the company operates in the industries of agriculture, tourism, natural resources, education etc or the company involves in projects that contribute towards Qatar's development plans.

(iii) Labour Law No. 14 of 2004 ("Labour Law")

The Labour Law covers all aspects of the employer-employee relationship including matters related to employment contracts, restrictions on employment of juveniles and women, maintenance of records and files, wages, working hours, leave, safety and protection of employees, medical and social care, codes of discipline, termination of employment contracts, end of service benefits, compensation for occupational diseases, labour inspections, penalties and employment related accidents, injuries and deaths. A failure to comply with any of the obligatory laws in the Labour Law can result in up to 6 months imprisonment or a fine for the managers of the company in breach.

No non-national may be recruited for work in the Qatar without the approval of the Labour Department and having obtained a work permit and there is a positive obligation to employ Qatari nationals.

(iv) Qatari Civil Code No. 22 of 2004 ("Qatari Civil Code")

Under Articles 711 to 715 of the Qatari Civil Code, contractors and design consultants in Qatar are liable, without fault, for the cost of rectifying structural defects that appear in a building or structure within 10 years of handover. This is known as Decennial Liability which is a strict liability. For contractual claims other than claims for Decennial Liability (for example for negligent design or defective workmanship), liability continues for a period of 15 years from the due date for fulfilment of the obligation (i.e. usually in the context of a construction contract, completion of the works or the end of the defects liability period, depending on the nature of the claim).

The key points to note about Decennial Liability in Qatar are as follows:

- Trigger events are total or partial collapse of a building and/or a defect threatening the stability or safety of a structure;
- Liability lasts for 10 years following handover;
- No fault is necessary in order for liability to arise;
- Contractors and consultants are jointly liable;
- Compensation is payable to the client;
- Liability attaches notwithstanding that the collapse or defect is caused by sub-surface conditions or that the client approved the defective work;
- Claims for compensation must be commenced within 3 years from the collapse or discovery of a defect;
- Agreements purporting to exclude Decennial Liability are void;
- Buildings or structures, the life cycle of which is less than 10 years, attract liability for the duration of that life cycle; and
- Contractors/consultants are unable to pass the risk of Decennial Liability down to their sub-contractors/sub-consultants.

(v) Exchange Control

There are no exchange rules or regulations of the repatriation of profits in Qatar.

6.6.4 India

(i) Factories Act, 1948 ("Factories Act")

The Factories Act applies to a place where manufacturing operations are carried on. It provides, *inter alia*, for licensing of factories, and contains provisions relating to health, safety, welfare of the workers in factories. It also contains provisions relating to hazardous processes, working hours of workers, annual leave to be provided by factories and for certain related matters. At present, EV India and SEVM India Branch ("**Branch**") are not directly engaged in any manufacturing activities currently and hence, this law is not immediately relevant.

(ii) The Building and Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 ("Building and Construction Workers Act")

The Building and Construction Workers Act regulates the employment and conditions of service of building and other construction workers. Employer shall provide safety, health and welfare measures for the building and construction workers. EV India holds certificates of registration dated 8 November 2010 and 15 February 2011 under the aforesaid law issued by the Registering/Licensing Officer, Government of Maharashtra. Also, Branch has obtained registration dated 21 February 2011 under the aforesaid law issued by the Inspectorate of Factories, Chennai and registration dated 3 November 2010 valid until 4 August 2012 and 11 October 2010 valid until 11 October 2012 under the said law issued by the Registering officer Government of Tamil Nadu.

(iii) The Building and Construction Workers' Welfare Cess Act, 1996 ("Building Cess Act")

The Building Cess Act provides for levy and collection of a cess at the rate of 1% to 2% of the cost of construction as may be levied by the Central Government from time to time. Such cess is payable by the employer in relation to such work. The cess under this law is payable on completion of the project or on completion of every year of the project (where the project takes more than a year to complete). The relevant employers/owners in the projects are expected to discharge such obligations.

(iv) Contract Labour (Regulation and Abolition) Act, 1970 ("Contract Labour Act")

The Contract Labour Act regulates the employment of contract labour (i.e. where a person is hired in relation to the work of an establishment by another person called contractor) in certain establishments and for abolition of engagement of contract labour in certain circumstances and for related matters. EV India has obtained contract labour licenses dated 16 March 2011 and 28 November 2010 both of which remains valid until 31 December 2011, under the said law, issued by Registering/Licensing Officer, Government of Maharashtra. Further, Branch has obtained contract labour license dated 27 December 2010 (renewed on 23 November 2009), valid until 31 December 2011 under the said law, issued by Registering/Licensing Officer, Government of Tamil Nadu and two more contract labour licenses dated 4 October 2010 both valid until 3 October 2011, under the above referred law, issued by Registering/Licensing Officer, Government of Chinna Chkkikulam, Madurai.

(v) Inter State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 ("Inter-State Migrant Act")

The Inter-State Migrant Act regulates the employment of inter-state migrant workmen and provides for registration of certain establishments and licenses to be obtained by the contractor employing workmen more than the prescribed limit. Branch has obtained license dated 27 December 2010 which is valid until 31 December 2011, under the said law, issued by Registering/Licensing Officer, Government of Tamil Nadu. EV India has informed that they are in process of applying for registration for the projects at Warora and Mumbai.

(vi) **Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act of India")**

Under the EPF Act of India, an employee is required to pay contribution towards the fund (generally at 12% of the basic salary, dearness allowance and retaining allowance) and an employer is required to an equal contribution, subject to a cap on salary of Rs6,500 per month. EV India and Branch has obtained registration under this law from the Ministry of Labour, India and makes applicable contributions under this law.

(vii) **Employees State Insurance Act, 1948 ("ESI Act")**

The ESI Act provides certain benefits to employees in factories and certain other establishments, in the case of sickness, maternity and employment injury and for related matters. It applies to an establishment employing not less than 20 persons, under normal circumstances. Employer is required to contribute a certain amount (at present 4.75% of the wages) and an employee is required to contribute a certain amount (at present 1.75% of wages). Only employees that are paid less than a prescribed amount as salary are included in this ESI Act (being Rs15,000 per month from May 2010 and Rs10,000 before May 2010). EV India has obtained registration under this law from the Employees' State Insurance Corporation for relevant workers and makes applicable contributions under this law. For the project at North Chennai Thermal Power Station site at Athipattu, Pooneri Taluk, Chennai, ESI Act is not applicable since the location is not a notified area. In respect to the Tamil Nadu Tuticorin projects, even though the area is notified as a covered area, this law is not applicable to the Branch since the Employees State Insurance Corporation has issued a notification to the effect that construction agencies/offices of builders are not required to be covered given the migratory nature of the workers in such industry.

(viii) **Minimum Wages Act, 1948**

Under the Minimum Wages Act, 1948 the appropriate government may fix the minimum amount or rates of wages that are to be paid in relation to specified employments and the employers are required to ensure that such minimum wages are paid. The minimum wages or rates of wages payable to for different categories of work may be fixed by the relevant government based on the extent of skill required for a particular category of work. EV India confirms that it is compliant in all material aspects with the said law.

(ix) **Payment of Wages Act, 1936**

The Payment of Wages Act, 1936 applies to factories and certain other establishments as notified by the appropriate Government of India and in relation to wages payable to an employed person in respect of a wage period, if such wages for the wage period do not exceed Rs6,500 per month or such higher sum as may be notified by the Central Government of India from time to time. This law contains provisions relating to deductions that may be made from wages and for related matters. EV India confirms that it is compliant in all material aspects with the said law.

(x) Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 provides for payment of minimum bonus (being 8.33% of the salary) that may be payable even if the establishment does not earn profits and also provides for the maximum bonus (being 20% of the salary) that may be paid. Employees drawing salary up to Rs10,000 per month are eligible to get bonus though for calculation of bonus maximum salary is considered as Rs3,500 per month. EV India has paid bonus to its employees for the first completed financial year.

(xi) Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 provides for a scheme for the payment of gratuity to employees (who has served the employer for a continuous service of 5 years) engaged in factories and certain other establishments. The gratuity is payable at the time of resignation, retirement, superannuation, death or disablement due to accident or sickness. EV India is in the process of creating trust in relation to such obligations and is in the process of effecting appropriate insurance policies based on actuarial valuation. For the time being, EV India makes provisions in its books for this purpose.

(xii) Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act provides that no person shall establish any industry, operation or process, or any treatment and disposal system that is likely to discharge sewage or trade effluent into a stream or well or sewer or on land, without the previous consent of the State Board. Given the nature of operations carried out by EV India and Branch which are not involved in any manufacturing activity, this law may not be immediately relevant.

(xiii) Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act provides that no person shall, without the previous consent of the State Board, establish or operate any industrial plant in an air pollution control area. Given the nature of operations carried out by EV India and Branch which are not involved in any manufacturing activity, this law may not be immediately relevant.

(xiv) Environment (Protection) Act, 1986

The Environment (Protection) Act, 1986 provides that no person carrying on any industry, operation or process shall discharge or emit any environmental pollutants in excess of prescribed standards. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with prescribed procedure. Given the nature of operations carried out by EV India and Branch which are not involved in any manufacturing activity, this law may not be immediately relevant.

(xv) Tax Laws

Apart from the law relating to taxes on income viz., the Income Tax Act, 1961, depending on the activities of the company and the branch, various other laws such as the Customs Act, 1962, Customs Tariff Act, 1975, Central Excise Act, 1944, Central Excise Tariff Act, 1985, the Law relating to Service Tax, as contained in the Finance Act, 1994, Central Sales Tax Act, 1956 and the State law relating to Sales Tax/ Value Added Tax, would be applicable. EV India believes that it is compliant in all material aspects with the tax law.

(xvi) Exchange Control Laws

A person may sell or draw foreign exchange to or from an authorized person if such sale or draw is a current account transaction. This is however subject to any restrictions that the Central Government may impose from time to time. Repatriation of capital and revenue is permitted under the current exchange control regulations for foreign investors. EV India believes that it is compliant in all material aspects with the exchange control law.

6.6.5 Saudi Arabia

(i) Exchange Laws

There are no restrictions of the repatriation of capital and remittance of profits in Saudi Arabia.

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(Prepared for inclusion in the Prospectus)

FROST & SULLIVAN

Frost & Sullivan Malaysia Sdn Bhd (522293W)
Suite E-08-15, Block E, Plaza Mont' Kiara,
2 Jalan Kiara, Mont' Kiara,
50480 Kuala Lumpur,
Malaysia.
Tel: +603.6204.5800 Fax: +603.6201.7402
www.frost.com

The Board of Directors

Eversendai Corporation Berhad

Lot 19956, Jalan Industri 3/6

Rawang Intergrated Industrial Park

48000 Selangor

Dear Sirs,

Executive Summary of the Independent Market Report on the Structural Steel Building Industry in the United Arab Emirates (UAE) and Qatar, and an Overview of Other Selected Markets in Asia

This Executive Summary of the Independent Market Report on the Structural Steel Building Industry in the United Arab Emirates (UAE) and Qatar, and an Overview of Other Selected Markets in Asia is prepared by Frost & Sullivan Malaysia Sdn Bhd ("Frost & Sullivan") for inclusion in the Prospectus of Eversendai Corporation Berhad ("Eversendai" or the "Company") in connection with its listing on the Main Market of Bursa Malaysia Securities Berhad.

For and on behalf of Frost & Sullivan Malaysia Sdn Bhd:

Dennis Tan
Director

Bangalore Kolkata | Bangkok Kuala Lumpur San Antonio | Beijing London Sao Paulo | Bogota Melbourne Seoul | Buenos Aires Mexico City Shanghai | Cape Town Mumbai Singapore | Chennai NewYork Sydney | Delhi Oxford Tokyo | Dubai Palo Alto Toronto | Frankfurt Paris

The market research process for this study has been undertaken through secondary or desktop research, as well as detailed primary research, which involves discussing the status of the industry with leading industry participants and industry experts. The research methodology used is the *Expert Opinion Consensus Methodology*. Quantitative market information could be sourced from interviews by way of primary research and therefore, the information is subject to fluctuations due to possible changes in the business and industry climate.

This market research was completed in May 2011

This report is prepared for inclusion in the Prospectus of Eversendai Corporation Berhad (ECB) for submission to the Securities Commission Malaysia and other relevant parties including potential shareholders.

Frost & Sullivan has prepared this report in an independent and objective manner and has taken adequate care to ensure the accuracy and completeness of the report. We believe that this report presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and does not purport to be exhaustive. Our research has been conducted with an "overall industry" perspective and may not necessarily reflect the performance of individual companies in the industry. Frost & Sullivan shall not be held responsible for the decisions and/or actions of the readers of this report. This report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in this report or otherwise.

For further information, please contact:

Frost & Sullivan Malaysia Sdn Bhd
Suite E-08-15, Block E, Plaza Mont' Kiara
2, Jalan Kiara, Mont' Kiara
50480 Kuala Lumpur.

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1.1 MARKET SEGMENTATION

The construction industry can be divided into two key major segments, namely the construction of buildings and infrastructure. The construction of buildings can be further categorised into three categories, namely commercial, residential and industrial. Commercial buildings are used for business purposes and this includes office buildings, warehouses, hotels or retail outlets. Residential buildings are meant for dwelling purposes. Industrial plants on the other hands are buildings or structures used for carrying out industrial activities such as manufacturing factories, water treatment plants, power plants and hydro-chemical plants.

The construction of buildings constitutes civil works, structural works and mechanical and electrical (M&E) works. There are 2 main types of building materials used to construct the skeleton of buildings, which essentially holds the building together. These 2 types of building materials are reinforced concrete and structural steel. Reinforced concrete is concrete that has been reinforced with steel bars. Reinforcing bars made of steel are commonly used for this purpose and these bars are placed in the mould. Concrete which is a mixture of cement, sand and water are poured into the mould and forms the skeleton of the building. Steel reinforcing bars act as the spine of the concrete which provides extra tensile strength to the concrete.

1.2 STRUCTURAL STEEL BUILDING INDUSTRY

Structural steel is increasingly becoming popular as an option for structural works. Structural steel is steel fabricated into shapes and sizes in accordance with the requirements of the architects and building design. As steel is manufactured in a controlled factory environment, its quality can be guaranteed. The different types of buildings will have different structural steel quantity requirements, which are then erected to form the skeleton of the building. Today, structural steel has been gaining popularity globally as the leading structural framing material, with countries competing against each other to build the world's tallest building.

The cost component on structural works depends on the type of building structure. Frost & Sullivan has identified that structural works constitutes approximately 20.0 percent of a commercial or residential building and approximately 60.0 percent of an industrial project.

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1.3 INDUSTRY DYNAMICS

1.3.1 Risks and Challenges

Difficulty in securing borrowings

Due to the effects of the financial crisis, banks are more stringent and pose more restrictions on loan applications. Although the liquidity position of financial institutions in the Middle East has shown improvements, and these institutions are beginning to show signs that they will lend again, they will undoubtedly be more cautious about a loan applicant's ability to service the debt. Securing finances will be most challenging for new contractors who do not have a track record in the construction industry.

Risks of delay in project completion

A booming construction industry will face issues such as shortages in construction equipment, raw material and other resources, and the lack of skilled labour, which may potentially delay the delivery schedule of construction projects. These issues can lead to a loss of efficiency and result in higher financing costs or costs in terms of maintaining equipment and keeping a workforce in place. Therefore the credibility of a company lies in its ability to complete a project on time, while fulfilling all the safety standards and the terms outlined in the construction agreement.

Safety standards

Safety standards are imperative in the construction of buildings, especially high rise and complex structural steel buildings. It is important to note that various countries would have their individual specific regulatory system governing the issue of safety. For instance, the Dubai Municipality Building Construction has issued a safety code known as the 'Code of Construction Safety Practice'. This code outlines safe working practices and the responsibilities of contractors, sub-contractors, consultant engineers and employees at construction sites. The code states that consultant engineers and contractors are responsible for the overall safety of construction site throughout the implementation of a construction project.

1.3.2 Barriers to Entry

High working capital requirement and late payment

The nature of construction work requires high working capital and healthy cash flow. Costs are incurred prior to commencement of a project and even at the tender or bidding stage. Contractors are exposed to net cash outflows by having to pay upfront expenses to secure raw material such as steel. Suppliers of raw material and equipment demand advance payments to ensure contractors do not default on payments. It is noted that steel, as the key raw material in this industry, forms 30.0 percent to 40.0 percent of the total contract value of the development project. Hence new contractors will need to pay a rather sizeable advance payment to steel suppliers. These contractors may only experience net cash inflows in the later stages of the project as payments can only be invoiced to clients based on deliverables or project milestones. It is also noted that new players in the industry will face difficulties obtaining project financing without a past project execution track record or a healthy loan repayment history with financial institutions.

Besides that, large capital is also required to establish fabrication facilities in this industry. Large capital outlay is required to finance the rental or purchase of land, set up the factory building and equip the building with the necessary machinery or equipment for the steel fabrication process.

Prior established track record

Most consortium bidders or main contractors will only choose to work with a steel contractor who has an established track record, especially in terms of safety, reliability, quality and strong working relationship. This is critical for them as they are responsible for the timely completion of the projects. The safety and quality of the work done will directly impact the consortium bidders or main contractors themselves. Hence, this would pose a strong challenge to new entrants as they will need time and opportunity to establish their credentials in this market.

Long established business networking and relationship

Building a viable and strong business networking is not an easy task for a new entrant as this process takes time. The business networking and relationship here involves the likes of the many consortium bidders, general or structural and civil contractor and process/trade or specialized contractor in the market. Once the business relationship has bonded to a comfortable stage where trust and confidence is well-established, it would be difficult to break this partnership. New entrants to the industry may find it very hard to influence such established relationships, and it will be equally hard gaining trust and confidence from other industry stakeholders. Further to that, without the comfort of an established business relationship, other issues may crop up, like the collection of payment for completed jobs. This factor is a strong deterrent for any potential entrants.

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Specific industry expertise, skill and know-how

It is important for key players in the structural steel building segment to possess specific industry expertise and skills. Structural steel construction requires specific technical know-how and business processes. Hence, new entrants might find it very difficult to cope with the long learning process and also bear the costs involved in acquiring these skills and expertise. Thus, new entrants require time to fully familiarize themselves with the engineering skills, workings and processes required. This factor poses a medium entry barrier to potential entrants.

Dedicated and committed workforce

Players in the construction industry need to have a dedicated and committed workforce. This is important to ensure smooth operations and timely project delivery. Interruptions in the work schedule due to erratic manpower supply can adversely affect the construction cost of the project. The economic and subsequent construction industry boom in the Middle East have attracted many foreign talents. Expatriate workers account for almost 100 percent of the workforce in the private sector.

Socio-cultural differences in the Middle East

The Middle Eastern region holds on to culture as an important cornerstone in their daily lives, and even in business dealings. Core Asian cultures such as respect, integrity and religious values are important to this society. Islam is the major religion in this region and it pervades every aspect of life for this society. Hence new players to the industry in this region must learn to respect this religion and its teachings, and the local cultural practices.

1.4 KEY DEMAND CONDITIONS

1.4.1 Industry Drivers

Strong economic growth in the United Arab Emirates (UAE) and Qatar has led to construction boom

From 2000 to 2007, the average oil price hovered at above USD26.0 per barrel, but soared to USD140.0 per barrel in middle of 2008, resulting in impressive oil revenues for these countries and faster economic growth for the oil rich countries in the region. After a brief dip in 2009, global crude oil prices hovered between USD70.0 to USD95.5 per barrel throughout 2010 before increasing to over USD100.0 per barrel in early 2011. As at 20 May 2011, crude oil prices were traded globally at approximately USD108.0 per barrel.

The high oil revenues improved the external trade and current account balances of the UAE and Qatar, leading to fiscal surpluses. Revenues from crude oil trade have been injected into the domestic economy via public spending on development projects, providing the impetus for growth of several other sectors such as manufacturing and construction. Several mega projects have been undertaken in the Middle East since year 2000, and many more are in the pipeline.

The increasing purchasing power of the population in these countries has attracted international investments. In light of this increased attention the Governments have taken steps to reform their investment and tax codes to be more investor friendly. The UAE is viewed as a favoured regional hub among the other countries in this region. The high economic growth and prospects in this region has led to a massive inward migration of foreigners and migrant workers, causing the population of these countries to increase tremendously. Along with the increase in population, the demand for residential and commercial properties has also risen.

Within the UAE, both Dubai and Abu Dhabi are key Emirates. Dubai has experienced tremendous economic growth over the last decade, and now is beginning to face slowdowns in its economy. Dubai was relatively affected more compared to other Emirates, especially in the real estate market. However, Dubai's economy has since begun recovering and the Emirate achieved a 2.5 percent year on year growth in the first 9 months of 2010.

The landscape in Abu Dhabi is different from that of Dubai, as this Emirate has been affected to a lesser degree by the sub-prime and global economic crisis. Abu Dhabi is ranked among the top 10 oil producers globally, with an estimated 9.0 percent of global proven oil reserves. This city has the fifth largest gas reserves in its soils. Abu Dhabi is increasingly appearing as a prominent Emirate for modern city planning. As the Government places importance on economic development and large scale investments within this city, opportunities are expected to emerge for the construction sector. The prospects for this city appear brighter over the coming years.

Lower construction costs

The countries in the Middle East, including UAE and Qatar, are experiencing recovery in the aftermath of the global financial crisis. Since July 2008, the prices of construction materials such as cement and aluminium have dropped by approximately 30.0 percent. Reinforcement steel bars were traded globally at an average price of USD623.0 a tonne in 2010, compared to the USD1,550.0 in July 2008. Labour supply has also fallen during the same period. In light of the lower construction cost, developers in the UAE and Qatar have taken the opportunity to re-tender selected projects. Presently, the Middle East has the highest number of energy projects planned and hence the competition between players in the industry is expected to be high. Infrastructure development is also expected to be a key growing segment in this region as Governments look into boosting spending to promote their economies.

Government initiatives supporting foreign direct investment (FDI) and construction

Despite the competition from other countries in the Gulf Arab region, UAE remains as one of the main recipients of FDI in the Middle East. Between 2004 and 2008 alone, FDI inflows to the UAE stood at approximately USD51.5 billion, ranking the UAE only second to Saudi Arabia. Qatar received USD17.4 billion in FDI during this period, with its capital Doha alone benefiting USD5.4 billion in investments.

The UAE Government has taken concrete steps over the years to liberalise the economy of the UAE and in certain cases, allowing foreign ownership of projects, in a bid to remain as the preferred investment destination in the Middle East. By keeping spending high, allowing foreign participation in more sectors and introducing new incentives, the Government's efforts appear to be bearing positive results.

A key contributor to the UAE economy's growth has been in the Government's move to allow foreign participation via investment and ownership in selected sectors. Presently UAE's laws stipulate that foreigners can only own up to 49.0 percent of a company registered in the UAE. The controlling share must be owned by a national of the country. However in an effort to remain competitive, the Government has designated areas classified as "free trade zones". Companies located in this area can have up to 100.0 percent foreign ownership. The Jebel Ali Free Trade Zone, which is one of the success stories for the country, has more than 6,400 companies from approximately 120 countries (as at April 2010). Foreign investors will also be able to hold ownership of up to 100.0 percent for companies investing more than USD272,479.0 (AED1.0 million).

In July 2008, the Qatar Government announced that it has USD125.0 billion worth of projects to be completed by 2015, ranging from infrastructure to residential and commercial developments. The Government has encouraged local players in the construction industry to form joint ventures with renowned international companies, in an effort to ensure that these projects are delivered on time. The infrastructure construction segment has received renewed commitment by the Central Government. Qatar's Expansionary Budget 2009 - 10 outlines spending on strategic infrastructure developmental projects to boost the economy.

Demand from key end-user sectors

The construction industry is highly dependent on demand from other sectors, such as tourism, real estate, manufacturing and energy. The construction industry in Qatar for instance, is highly spurred by the country's economy and booming tourism and real estate industry. In light of this, the country has various highly publicized projects in various stages of construction. Among them are:

- New Doha International Airport (worth USD5.5 billion)
- Lusail real estate project (worth USD5.0 billion)

- Ras Laffan (worth USD3.9 billion)
- Energy City (worth USD2.5 billion)
- Pearl Island (worth USD2.5 billion)
- Qatar Convention Centre (worth USD1.5 billion)
- World Trade Centre (worth USD150.0 million)

The Government of Qatar predicts that its tourism industry will grow by 150.0 percent over the next few years and has taken steps to develop tourism as a key income generator for the country. In catering to this large growth, total hotel rooms are expected to grow by 300.0 percent and many large luxury hotels are expected to be established in the country, driving the demand for building construction materials.

Tourism is also an important income generator for the UAE Government. Dubai alone has 70.0 percent of the country's total hotels and the Emirate's revenue from tourism surpasses its revenue from oil. Dubai aimed to attract 15.0 million tourists by end 2010. Abu Dhabi is also emerging as a major tourism destination in the UAE, with hotels being planned for construction on the Yas and Saadiyat Islands. In 2009, The Tourism Development and Investment Corporation awarded a contract worth USD544.0 million (AED2.0 billion) for the construction of the St Regis resort and residence on Saadiyat Island.

Key players in the building construction industry will stand to benefit from the growing demand from other sectors in the UAE and Qatar over the forecast period.

1.4.2 Industry Restraints

After-effects from the global financial crisis

The global financial crisis and high oil prices in 2008 led to a real estate crunch in cities such as Dubai. As Dubai faced liquidity issues in 2009, Abu Dhabi increasingly appeared as a more prominent player in the real estate and construction market. While Abu Dhabi has also been exposed to economic issues as Dubai, this Emirate has proven to be more resilient in dealing with the crisis. Demand in Abu Dhabi is primarily driven by its local Government's consumption and its efforts of promoting the Emirate as a major tourism hub through improvements in the infrastructure and major construction projects. The Abu Dhabi Economic Vision 2030, a plan drafted by the Government which outlines the long term development plan for the Emirate, will drive the construction sector as it involves developing Abu Dhabi's surrounding islands, creating a new capital city, building a comprehensive public transport system and becoming the cultural and sports hub of the country.

Dubai has since experienced recovery in its economy in 2010 as the Emirate recorded a 2.5 percent year on year growth in the first 9 months of 2010. As a result of Government intervention and global economic growth, Qatar's economy rebounded in 2010, with a 16.0 percent year on year growth rate.

Labour issues

The majority of workers in the private sector labour workforce in Middle Eastern economies such as the UAE and Qatar are foreign workers. Both of these economies are heavily reliant on imported services and labour. Many of the skilled workers in the construction industry originate from countries such as India, Egypt, Malaysia and Pakistan. Among the issues faced by these workers are poor quality of accommodation, failure by companies to make prompt salary payments and heavy interest payments demanded by recruitment agencies in the home countries of these migrant workers. Many of these migrant workers receive monthly wages of less than USD200.0. The safety of working conditions in the construction industry in the Middle East has also come under global scrutiny lately.

As there is no Ministry of Labour in Qatar, labour issues fall under the jurisdiction of the Department of Labour, Ministry of Civil Services Affairs and Housing (MCSAH). Both the UAE and Qatar Government maintain a non-involvement stand on the labour issues faced in the construction industry. As these countries look into safer working conditions for migrant workers, the implementation of labour laws and the creation of a minimum wage policy, the impact of this factor is expected to decrease over the forecast period.

1.5 PRODUCT SUBSTITUTION

Every building requires a strong structure as a frame. It is upon this frame that other construction materials are attached on to, to eventually form the building. As such, there is no substitute for building structures presently available in the market. However, within the building materials industry, contractors and property developers have 2 options for structure construction. These parties can select from either structural steel or reinforced concrete.

While reinforced concrete is the more common option in the industry, structural steel has proven to offer advantages such as time cost savings as pre-fabrication can be done offsite prior to installation at the construction site. Time cost savings can be derived from being able to complete construction of structural steel buildings in significantly shorter time (i.e. the opportunity cost).

1.6 RELIANCE AND VULNERABILITY TO IMPORTS

The construction industry in the UAE and Qatar is reliant on imports in terms of building construction materials and skilled labour. Raw materials such as steel are imported either directly from manufacturers in Japan, Taiwan, China, India, South Korea and Western Europe or via locally based traders in these two countries.

The construction industry in the UAE and Qatar is reliant on foreign imports of steel as this region does not have its own established steel industry value chain. In view of that, construction costs are impacted by the global fluctuating steel prices and transportation costs. However it must be noted that in the absence of a steel industry value chain in the Middle East, this reliance on imported structural steel is not considered unusual or out of the ordinary.

1.7 KEY SUPPLY CONDITIONS

Lower construction cost

During the bullish economy in mid 2008, soaring oil prices caused an increase in material prices. However, in light of the recent global economic crisis, construction costs for raw materials such as cement and steel bars had since fallen. In July 2008, steel bar was traded at USD1,550.0 per tonne compared to the 2010 figures of USD545.0 per tonne and USD595.5 per tonne in UAE and Qatar respectively. The Abu Dhabi Statistics Centre reported that cement prices declined by 13.5 percent in 2009 compared to 2008. However, costs of raw materials have since stabilized and marginal increases have been seen.

The lower construction cost acts as an impetus for industry stakeholders such as developers and local governments to proceed with previously postponed construction projects, in the hopes of gaining cost savings. The Governments of Abu Dhabi, UAE and Qatar have now commenced awarding major contracts.

Availability of raw materials and heavy equipment and machinery

The high demand for real estate development and construction projects has created an incidental demand for raw materials, and heavy and moving equipment in the construction industry. The heavy and moving equipment sector has shown dramatic growth in the recent years, with Germany, Japan and the United States emerging as key exporters of construction equipment and building material machinery. China and India have also witnessed increased imports in terms of heavy machinery for the construction sector. The availability of heavy equipment and machinery for the construction industry is viewed as an important key supply condition, which affects the overall completion of construction projects.

Raw materials such as steel are also key components, especially taking into account the fact that UAE and Qatar do not produce structural steel. Hence it is a usual practice among the bigger players in the structural steel market such as Eversendai Corporation Berhad (ECB) to import steel from global steel suppliers and carry out fabrication works at their plants in the UAE and Qatar.

1.8 KEY INDUSTRY PLAYERS

The construction industry in the UAE and Qatar is competitive with many players present at the different stages of the value chain. The structural steel building industry in UAE and Qatar is likewise competitive as local players have to compete against international players for construction projects. It is noted that very few players in the industry offer total integrated solutions across the structural steel building industry value chain. In the Middle East, key players that offer end-to-end solutions include ECB, Cleveland Bridge, William Hare and Tiger Steel Engineering. Most of the local players in the market primarily compete in the fabrication space. The Governments of UAE and Qatar encourage local firms to form joint ventures with international firms when bidding for landmark projects in the country. This is to facilitate knowledge transfer and also facilitate the entry of foreign players into the local market. It is also noted that players such as ECB have a distinct advantage over the competition as they posses dedicated fabrication facilities for projects executed in the Middle East. Some of the key foreign players in the building construction industry in the UAE and Qatar are described below.

- Cleveland Bridge UK Limited (Cleveland Bridge)
- Eversendai Corporation Berhad (ECB)
- Severfield – Rowen Plc (Severfield – Rowen)
- Tiger Steel Engineering LLC (Tiger Steel Engineering)
- Unger Steel Middle East FZE (Unger Steel)
- Victor Buyck Steel Construction NV (Victor Buyck)
- William Hare Group Limited (William Hare)
- Yongnam Holdings Ltd (Yongnam Holdings)

1.9 MARKET SHARE

1.9.1 Market Share by Fabrication Capacity

Frost & Sullivan notes that ECB is one of the major players in this segment, with proven capabilities of offering a total end-to-end solution from the designing phase to structural erection. In 2010, the Group had a 26.5 percent market share in terms of annual structural steel fabrication capacity in the UAE and Qatar. ECB positions itself against other international integrated structural steel fabricators in the UAE and Qatar. It is also noted that the Group has an advantage compared to some of the players in this market, as ECB has its own dedicated fabrication facilities in Dubai and Sharjah (UAE) and Doha (Qatar), with a total annual fabrication capacity of 95,000 tonnes of steel.

Estimated Structural Steel Fabrication Capacity (UAE and Qatar), 2010

Company	Estimated Fabrication Capacity (tonnes of steel per annum)	Type of Service Solution	
	UAE and Qatar	Partial	Fully Integrated
ECB [(a)]	95,000	X	✔
Company A [(b)]	65,000 – 85,000	X	✔
Company B [(c)]	50,000	X	✔
Company C [(d)]	48,000	X	✔
Company D [(e)]	30,000 – 50,000	X	✔
Company E	Nil [(g)]	X	✔
Company F	Nil [(g)]	X	✔
Company G	Nil [(g)]	X	✔
Other steel fabricators [(f)]	50,000	✔	✔

Note:

Company A, B, C and D consists of Cleveland Bridge, Tiger Steel Engineering, Unger Steel and William Hare ranked in no particular order

Company E, F and G consists of Severfield – Rowen, Victor Buyck and Yongnam Holdings ranked in no particular order

[(a)] ECB

[(b)] Fabrication capacity at Facility A: provided in Company A's website; fabrication capacity at Facility B: estimated based on comparison of fabrication floor space between sites at Facility A and Facility B

[(c)] Company B's website

[(d)] Company C's website

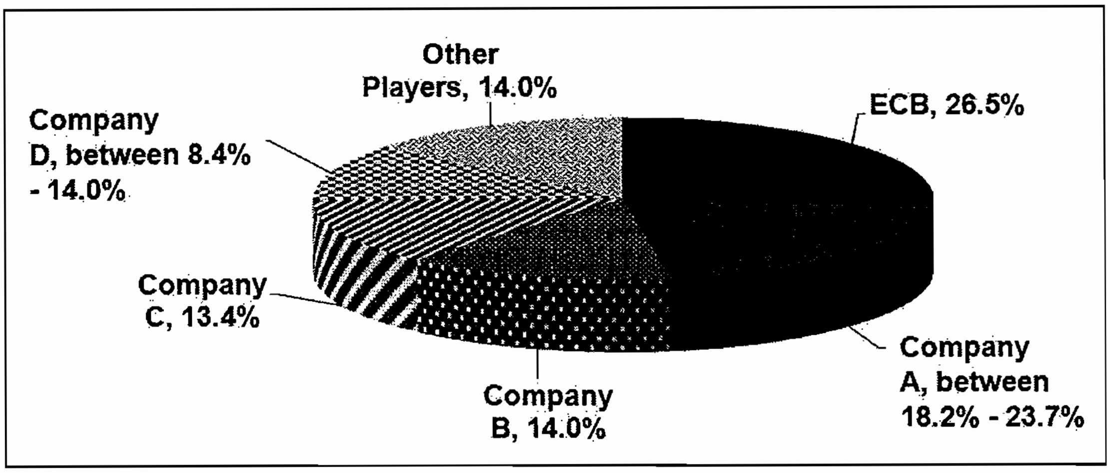
[(e)] Estimated based on comparison between Company D's UK facility and its distribution partner in the Middle East

[(f)] Other steel fabricators comprise of various players with estimated fabrication capacities of between 5,000 to 10,000 tonnes per annum, based on estimates from various industry sources

[(g)] Players in the table above which do not have fabrication facilities in the UAE and Qatar operate in these countries primarily by importing steel from their fabrication facilities outside these countries, and / or purchasing from local fabricators

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

Estimated Market Share for ECB based on Annual Fabrication Capacity of Structural Steel (UAE and Qatar), 2010



Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

1.9.2 Market Share by Structural Steel Consumption

Structural steel is used in the construction of residential, industrial and commercial buildings. Consumption of structural steel is a measurement of the amount of structural steel used within a country, taking into consideration the imports and exports value of structural steel. Approximately 50.0 percent of the structural steel in the UAE and Qatar is consumed by the oil and gas sector, and between 25.0 percent and 30.0 percent is consumed by the construction sector. The remainder is consumed by the infrastructure sector.

In 2008, ECB's actual fabrication output of structural steel was 50,067 tonnes. Based on that, the market share for ECB in 2008 was 27.1 percent in the structural steel industry within the construction sector in the UAE and Qatar. The remaining 72.9 percent was shared between other players present in the structural steel building industry such as Cleveland Bridge, William Hare, Severfield – Rowen, Yongnam Holdings, Tiger Steel Engineering, Victor Buyck and other local players. This **fabrication output** is on par with the **fabrication capacity** of 3 out of the 4 other major players with domestic fabrication facilities, making ECB one of the leading structural steel fabricators in the UAE and Qatar in 2008.

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Estimated Consumption of Structural Steel within the Construction Sector (UAE and Qatar), 2008

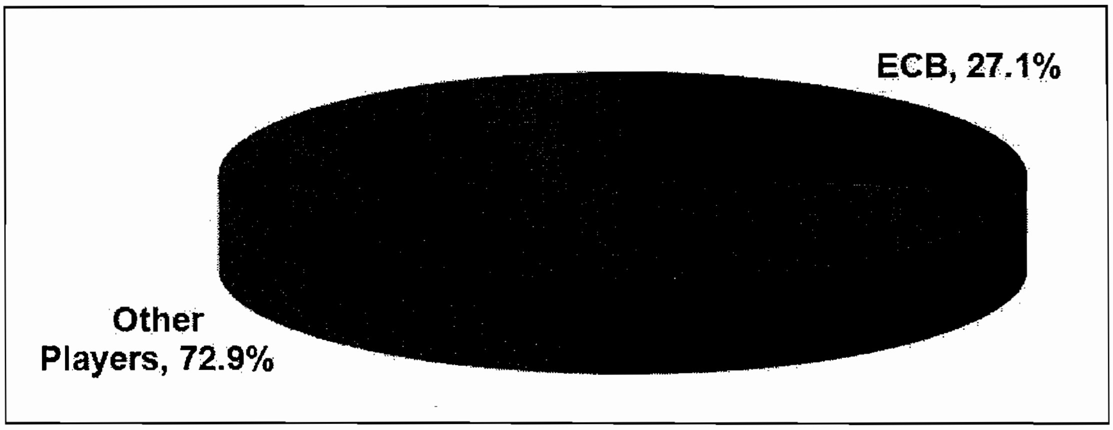
	Estimated Consumption (tonnes)
UAE and Qatar	
Estimated total structural steel consumption within the construction sector	185,000
ECB's actual production	50,067
ECB's market share* (%)	27.1

Notes:

1. *ECB's actual production in the UAE and Qatar was 51,584 tonnes in 2009 and 46,431 tonnes in 2010*
2. *Data on the total structural steel consumption within the construction sector for UAE and Qatar in 2009 and 2010 was not publicly available at the time of publication of this report*

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

Estimated Market Share for ECB in the Structural Steel Industry within the Construction Sector, Based on Fabrication Output (UAE and Qatar), 2008



** Data on the total structural steel consumption within the construction sector for UAE and Qatar in 2009 and 2010 was not publicly available at the time of publication of this report*

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

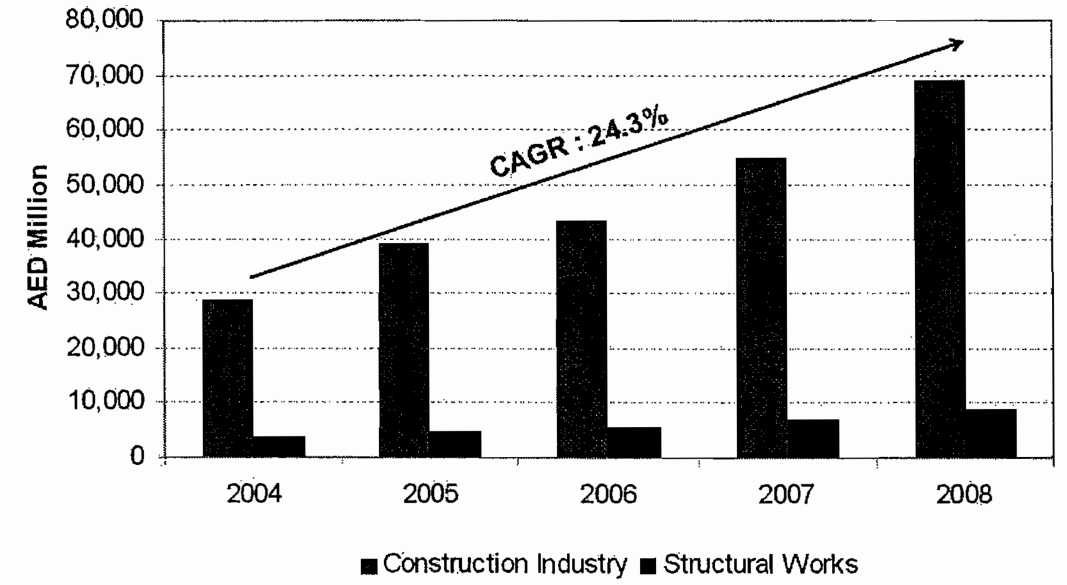
1.10 Analysis of the United Arab Emirates (UAE)

1.10.1 Industry Size and Growth Trends

The construction industry in the UAE has grown rapidly over the years 2004 to 2008, recording growth rates of more than 10.0 percent annually. Growth in the construction sector was mainly spurred by the booming economy prior to 2008, population growth, and government intervention on public interest infrastructure projects and construction projects for the oil and gas sector. The construction industry recorded a compound annual growth rate (CAGR) of 24.3 percent over the same period. Official data on the construction industry in 2009 and 2010 has yet to be made publicly available by UAE's Department of Statistics.

Historical growth in the structural works building industry in the UAE has closely reflected the growth rates of the construction sector. The structural works building industry has been witnessing steady growth rates of more than 10.0 percent from 2004 to 2008, and a CAGR of 24.3 percent for the same period. The industry size for this industry grew by 26.0 percent in 2008 compared to the previous year, to hit the USD2.4 billion (AED8.6 billion) mark.

Size of the Construction Industry and Structural Works Building Industry Based on GDP (UAE), 2004 – 2008



Year	Industry Size (AED million)		Growth Rate (%)
	Construction Industry	Structural Works	
2004	28,985	3,587	
2005	39,000	4,826	34.6
2006	43,525	5,386	11.6
2007	54,882	6,792	26.1
2008	69,218	8,566	26.1

CAGR 2004 – 2008 = 24.3%

** The structural works building industry size is derived from the GDP of the construction industry and cost contribution from structural works in residential, commercial and industrial construction projects.*

** Data on the construction and structural works building industry for UAE in 2009 and 2010 was not publicly available at the time of publication of this report*

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

1.10.2 Industry Outlook

The construction industry in the UAE is expected to grow during the forecast period as the Central Government strives to reduce its economic dependency on crude oil in the coming years. The real estate sector is expected to spur growth in the construction sector. Abu Dhabi is a rapid development location, with demand for residential and commercial construction projects fueling the demand for the structural steel building industry. The increase in population and tourism is also viewed as driving factors for this market. However it is noted that the outlook for the construction industry and structural works building industry was affected in 2009 as a result of the sub-prime crisis in Dubai.

It is noted that within the UAE, Abu Dhabi and Dubai are two major markets in the construction industry. Dubai is a relatively mature market, which had recorded tremendous growth prior to 2008. Abu Dhabi is increasingly becoming more prominent as a key market for the construction sector in the UAE. The Emirate presently faces a situation of undersupply in terms of both residential and commercial structures to serve both its local and expatriate population. This surging demand is expected to drive the construction sector in Abu Dhabi. "Plan Abu Dhabi 2030" is an effort by the local Emirate Government to fully conceptualize the structured development framework for this Emirate. This plan outlines the development of a central business district, a secondary business district and mixed-use development area within the Emirate.

The growth of the structural works industry in the UAE is expected to be slower in 2009, and this is a result of the global financial and debt crisis impacting the real estate sector in Dubai. The construction sector recovered in 2010 and is expected to continue its recovery into 2011. Undersupply of residential and commercial structures in Abu Dhabi will still persist in the long term, hence surging demand is expected to drive the construction sector in Abu Dhabi.

In line with all these factors, Frost & Sullivan estimates that the structural works building industry will grow from USD2.8 billion (AED10.1 billion) in 2009 to USD5.6 billion (AED20.4 billion) in 2013 at a CAGR of 19.3 percent. The lower CAGR of 19.3 percent is mostly a result of lower growth rates in 2008 and 2009; growth levels are expected to reach pre-2008 levels after 2010.

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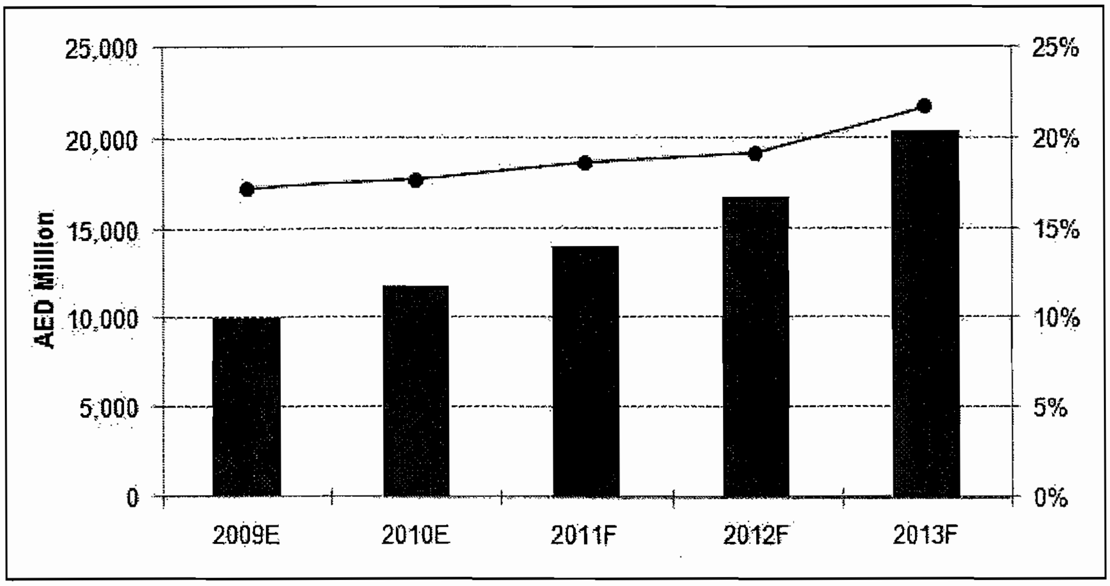
Forecast Industry Size of the Structural Works Building Industry (UAE), 2009E – 2013F



Year	Industry Size (AED million)	Growth Rate (%)
2009E	10,047	17.3
2010E	11,829	17.7
2011F	14,043	18.6
2012F	16,723	19.2
2013F	20,358	21.7

CAGR 2009 – 2013 = 19.3%

E = estimate

F = forecast

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

1.10.3 Relevant Laws and Regulations

Federal Law No. 5 of 1985 ("the UAE Civil Code")

Contractors and design consultants in the UAE are liable, without fault, for the cost of rectifying structural defects that appear in a building or structure within 10 years of handover, in what is known as "decennial liability". This is the effect of articles 880 to 883 of the UAE Civil Code.

Decennial liability is strict, in other words it is not necessary to prove any negligence or breach of contract. The key points to note about decennial liability in the UAE are as follows:

- Trigger events are total or partial collapse of a building and/or a defect threatening the stability or safety of a structure;

- Liability lasts for 10 years following handover;
- No fault is necessary in order for liability to arise;
- Contractors and consultants are jointly liable;
- Compensation is payable to the client;
- Liability attaches notwithstanding that the collapse or defect is caused by sub-surface conditions or that the client approved the defective work;
- Claims for compensation must be commenced within 3 years from the collapse or discovery of a defect;
- Agreements purporting to exclude decennial liability are void; and
- Buildings or structures, the life cycle of which is less than 10 years, are exempt.

For contractual claims other than claims for decennial liability (for example for negligent design or defective workmanship), liability continues for a period of 10 years from the due date for fulfilment of the obligation (i.e. usually in the context of a construction contract, completion of the works or the end of the defects liability period, depending on the nature of the claim).

Local Order No. 3 of 1999

Local Order No. 3 of 1999 regulates construction works in the Emirate of Dubai (Order). This Order applies to the construction of buildings (including any steel constructions). It provides that no public or private, natural or corporate person may carry out any whole or partial permanent or temporary constructions works or change the features of a plot or a property without first obtaining a licence from the Governmental Buildings and Housing Department ("Construction Licence"). Other than the lands leased by the Government, the term of a Construction Licence shall be six months from the date of issue. A Construction Licence can be cancelled if the construction works have not commenced within three months of the issue of the Construction Licence or stop for more than three consecutive months.

The Order also provides that the Construction Licence will only be issued if the applicant makes certain financial deposits with the Dubai Municipality (to ensure that the work commences and is performed in accordance with the terms of the Construction Licence and that the applicant will indemnify any damages to third parties arising out from the construction works). The amounts and terms of such financial deposits, and the circumstances of forfeiture of such deposits are determined by the Dubai Municipality from time to time. The Order provides for the technical conditions which have to be met as a requirement to obtain the Construction Licence. Some of the requirements shall be fixed by the Dubai Municipality from time to time.

Under the Order, in principle the contractor and the engineer are jointly liable for the performance and safety of the construction works during and after the performance of the construction works. Such liability shall extend to the buildings adjacent to the site where such works are carried out and to any public utility in connection with any consequent damages. The Contractor shall also be liable for any defaults committed on the construction sites, whether such defaults are committed by the owner or any third parties, from the date of handover of the site to the contractor until any of the events that may terminate the contractual relationship between the contractor and the owner arise, unless the contractor suspends the work on the site and notifies the Governmental Buildings and Housing Department. The Order provides for the rules in relation to monitoring and inspection of construction works and any penalties to be applied in case of default.

Source: Lawrence Graham

1.10.4 Key Projects, Market Trends and Development

The prospects for Abu Dhabi are clearly improving and the city is emerging as a key development area in the UAE market. The UAE Government has clearly had a strong hand in shaping the current and future trajectory of Abu Dhabi and remains committed to its expansive development plans, funded by five years of budget surpluses. Short-term prospects for growth in the real estate sector have been affected by diminishing end-user and investor confidence, but the medium to long term outlook appears sound. Dubai too is growing, though its real estate and construction industry is viewed to be more mature than that in Abu Dhabi. Growth in these cities is expected to be driven by population growth and diversification in non-oil revenue generating sectors such as tourism, energy and infrastructure development.

Construction projects in the UAE were put on hold in 2008 and 2009 due to the global financial crisis affecting Dubai's real estate sector, which led to lowered liquidity in the market. At the end of 2009, a total of USD213.9 billion worth of projects were currently in progress, while USD444.0 billion worth of projects were put on hold in the UAE.

Selected Major Key Projects Presently Under Development (UAE), 2010

Projects	Commencement Year	Developer	Estimated Project Value (USD billion)	Type of Development
Abu Dhabi International Airport Expansion	2005	Abu Dhabi Aviation and Etihad Airways	7.0	Commercial
Al Raha Beach	2006	Aldar Properties PJSC	15.0	Mixed use
Yas Island	2007	Aldar Properties PJSC	39.0	Commercial and residential

7. EXECUTIVE SUMMARY OF THE INDEPENDENT MARKET RESEARCH REPORT *(Cont'd)*

Projects	Commencement Year	Developer	Estimated Project Value (USD billion)	Type of Development
Najmat Abu Dhabi, Al-Reem Island	2008	Reem Developers (a fully owned subsidiary of Reem Investments PJSC)	8.0	Commercial
Masdar City	2008	Mubadala Development Company	22.0	Commercial
Cleveland Clinic	2009	Mubadala Development Company	1.9	Commercial
Dubai Pearl	2009	Al Fahim Group	4.0	Commercial and residential
Dubai Festival City	2009	Al Futtaim Group	5.0	Commercial
Dubai RTA, Emirates Roads Masterplan	2009	Dubai Road Transport Authority	12.0	Infrastructure
Burooj Properties	2009	Burooj Properties LLC	24.0	Commercial and residential
Saadiyat Island	2009	Tourism Development & Investment	28.0	Commercial
Capital District	2009	Urban Planning Council, Abu Dhabi	40.0	Commercial
Ghantoot Green City	2010	International Capital Trading Company (ICT)	10.0	Commercial and residential
Khalifa City	2010	Abu Dhabi Municipality	40.0	Commercial
Abu Dhabi Metro	2011	Department of Transport	7.0	Commercial
Zayed Sports City Stadium	*In planning*	Capitala (a joint venture company between Mubadala Development Company, Abu Dhabi and CapitaLand Limited, Singapore)	6.0	Commercial

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

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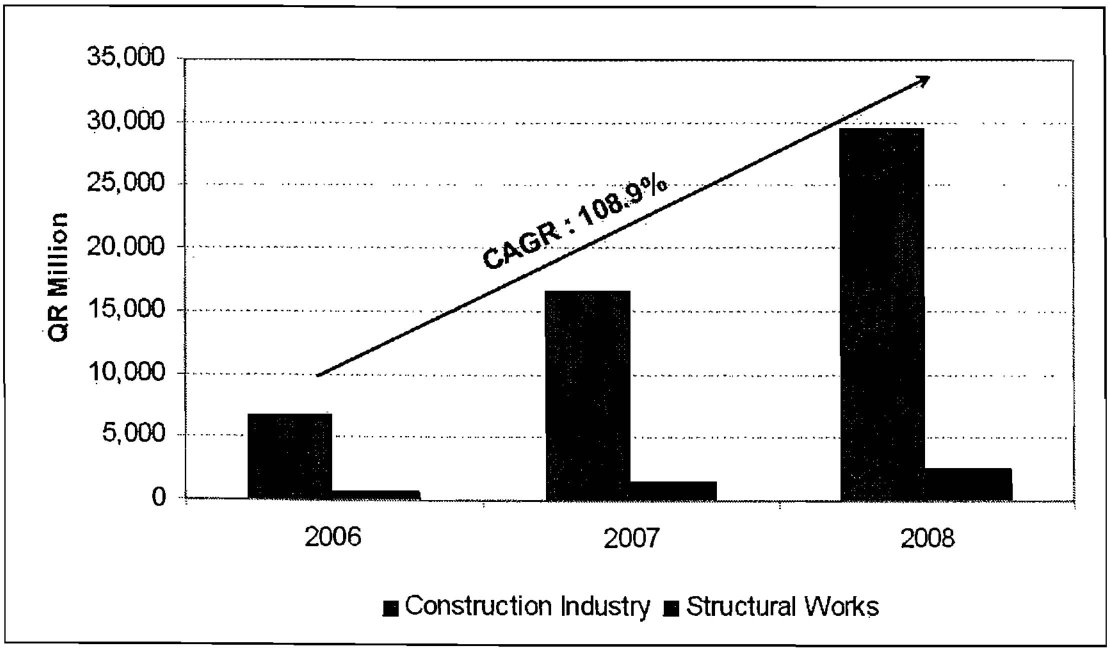
1.11 ANALYSIS OF QATAR

1.11.1 Industry Size and Growth Trends

The construction industry in Qatar has grown at a remarkable pace from 2006 to 2008. Growth in this sector is mainly driven by the increasing population, high per capita GDP and industrial expansion in the crude oil and natural gas sectors. The construction industry recorded a CAGR of 108.9 percent over the period of 2006 to 2008. Official data on the construction industry in 2009 and 2010 has yet to be made publicly available by the Qatar Statistics Authority.

Historical growth in the structural works building industry in Qatar has also grown in tandem with the construction industry. The structural works building industry witnessed a growth rate of 146.6 percent in 2007 compared to 2006, as a result of the economic boom experienced by this country. Qatar also experienced this economic growth in the first 3 quarters of 2008, causing the structural works building construction industry to grow by 77.0 percent throughout that year. Qatar's structural works building industry grew from USD0.2 billion (QR0.6 billion) in 2006 to USD0.4 billion (QR1.4 billion) in 2007 and USD0.7 billion (QR2.5 billion) in 2008, at a CAGR of 108.9 percent between 2006 and 2008.

Size of the Construction Industry and Structural Works Building Industry Based on GDP (Qatar), 2006 – 2008



Year	Industry Size (QR million)		Growth Rate (%)
	Construction Industry	Structural Works	
2006	6,805	561	
2007	16,780	1,384	146.6
2008	29,693	2,450	77.0

CAGR 2006 – 2008 = 108.9%

** The structural works building industry size is derived from the GDP of the construction industry and cost contribution from structural works in residential, commercial and industrial construction projects from 2006 to 2008*

** Data on the construction and structural works building industry for Qatar in 2009 and 2010 was not publicly available at the time of publication of this report*

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

1.11.2 Industry Outlook

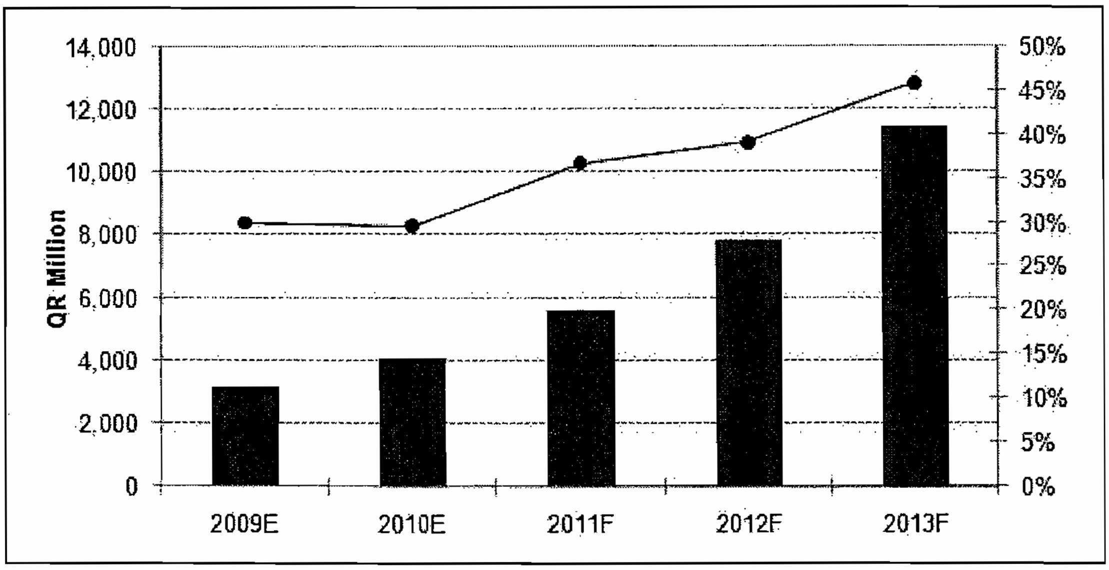
Frost & Sullivan estimates that the structural works building industry in Qatar will grow from USD0.9 billion (QR3.2 billion) in 2009 to USD3.2 billion (QR11.5 billion) in 2013 at a CAGR of 37.7 percent. At the end of 2008 and throughout 2009, Qatar was impacted by the global economic crisis, causing the country to experience a lower economic growth rate of 9.0 in 2009, compared to the 15.8 percent in 2008. The construction industry also experienced a contraction of 23.1 percent in 2009 compared to 2008. This affected the structural works building industry, which experienced a slower growth rate of 30.0 percent in 2009 compared to the 77.0 percent growth rate in 2008.

However the prospects for 2010 to 2013 appear positive in light of the efforts taken by the Central Government to drive demand in the construction sector and other key end user segments. It is noted that the Government has plans to invest over USD60.0 billion to develop oil and gas related ventures and its supporting infrastructure, as Qatar strives to become the leading liquefied natural gas provider (LNG) globally. The country is also placing importance on the energy sector and its related supporting infrastructure due to the electricity shortages experienced in the country. It is noted that the Government plays an important role in the industry and has taken concrete steps to diversify its economy from being dependent on the oil and gas sector. As the Government begins to adopt more open business policies, the demand for commercial property, hotels and other business related infrastructure is expected to increase.

The structural works building industry is expected to rebound in 2011 as FIFA has announced its decision to appoint Qatar as the host country for the 2021 FIFA Confederations Cup and 2022 FIFA World Cup tournaments. In FIFA's Bid Evaluation Report of Qatar as a host city for the FIFA World Cup, FIFA outlined Qatar's plans to construct 9 new stadiums and carry out major renovations on an additional 3 stadiums, namely the Khalifa International Stadium, El-Gharafa Stadium and Al-Rayyan Stadium, between 2012 and 2020. The design phase for these stadiums is expected to commence in 2011. The total construction and renovation cost for these stadiums is expected to be approximately USD3.0 billion.

In its bid to FIFA, Qatar has indicated that all of these stadiums will be connected to the city centers via public transportation links, including rail and road. In catering to the anticipated high influx of tourists during the tournament, a total of 140 new properties are expected to be built by 2020, including the Al-Wakrah cruise ship project with 6,000 rooms. While the FIFA bid report details an expenditure budget of USD900.2 million for both tournaments, the Qatar First National Investment Bank announced in March 2011 that it projects the investment in accommodations and infrastructure to be worth USD12.4 billion and USD44 billion respectively over the period of 2011 and 2020.

Forecast Size of the Structural Works Building Industry (Qatar), 2009E – 2013F



Year	Industry Size (QR million)	Growth Rate (%)
2009E	3,184	30.0
2010E	4,128	29.6
2011F	5,645	36.8
2012F	7,856	39.2
2013F	11,459	45.9

CAGR 2009E – 2013F = 37.7%
E = estimate
F = forecast

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

1.11.3 Relevant Laws and Regulations

Qatari Civil Code No. 22 of 2004 (the "Qatari Civil Code")

Under Articles 711 to 715 of the Qatari Civil Code, contractors and design consultants in Qatar are liable, without fault, for the cost of rectifying structural defects that appear in a building or structure within 15 years of handover. This is known as "decennial liability" which is a strict liability. For contractual claims other than claims for decennial liability (for example for negligent design or defective workmanship), liability continues for a period of 15 years from the due date for fulfilment of the obligation (i.e. usually in the context of a construction contract, completion of the works or the end of the defects liability period, depending on the nature of the claim).

The key points to note about decennial liability in Qatar are as follows:

- Trigger events are total or partial collapse of a building and/or a defect threatening the stability or safety of a structure;
- Liability lasts for 10 years following handover;
- No fault is necessary in order for liability to arise;
- Contractors and consultants are jointly liable;
- Compensation is payable to the client;
- Liability attaches notwithstanding that the collapse or defect is caused by sub-surface conditions or that the client approved the defective work;
- Claims for compensation must be commenced within 3 years from the collapse or discovery of a defect;
- Agreements purporting to exclude decennial liability are void;
- Buildings or structures, the life cycle of which is less than 10 years, attract liability for the duration of that life cycle; and
- Contractors/consultants are unable to pass the risk of decennial liability down to their sub-contractors/sub-consultants.

For contractual claims other than claims for decennial liability (for example for negligent design or defective workmanship) liability continues for a period of 15 years from the due date for fulfilment of the obligation (i.e. usually in the context of a construction contract, completion of the works or the end of the defects liability period, depending on the nature of the claim).

Source: Lawrence Graham

1.11.4 Key Projects, Market Trends and Development

The Government of Qatar is creating a long term vision for its nation, with strong fundamentals of economic, social and physical growth. The core of this vision is in creating sustainable societies for both the local and expatriate population, based on elements of heritage, culture, innovation, favourable economic prospects and quality of life. Proceeds from the reinvestment of the nation's crude oil and gas revenues, past economic achievement and strong leadership will enable this vision to become a reality. The real estate sector is an important sector which will play role in achieving this vision.

Selected Major Key Projects Presently Under Development (Qatar), 2010

Projects	Commencement Year	Developer	Estimated Project Value (USD billion)	Type of Development
Education City	2003	Qatar Foundation for Education, Science and Community Development	8.3	Commercial
New Doha International Airport	2004	Civil Aviation Authority	11.0	Commercial
Lusail City	2005	Qatari Diar Real Estate Investment Company	16.2	Residential, commercial and industrial
The Pearl Island	2006	United Development Company	15.0	Residential and commercial
Barwa Al-Khor	2006	Barwa Al-Khor Company	7.0	Commercial and residential
Dubai – Doha Tower, Doha	2007	Sama Dubai	0.7	Commercial and residential
Al Waab City	2007	Nasser bin Khaled and Sons	3.2	Residential and commercial
Qatar National Railway System	2008	Qatar Railway Development Company (Qatari Diar with Deutsche Bahn)	25.0	Infrastructure
Mesaieed Port	2008	New Doha Port Steering Committee	5.5	Industrial
New Doha Port	2009	Higher Committee for the Coordination and Pursuance Executive Council	0.2	Industrial

Projects	Commencement Year	Developer	Estimated Project Value (USD billion)	Type of Development
Ras Girtas Power and Water Plant	2009	Ras Girtas Company	3.9	Industrial
Qatar Entertainment City	2009	Abu Dhabi Investment House (ADIH)	3.0	Commercial
Energy City Qatar	2010	Energy City Qatar	2.6	Residential, commercial and industrial
Doha Metro	2010	Ministry of Communications and Transport	3.0	Commercial
Qatar – Bahrain Friendship Bridge	2010	Qatari Diar Real Estate Investment Company	3.0	Infrastructure
Doha Convention Centre and Tower	2009	Qatari Diar Real Estate Investment Company	1.5	Commercial
Qatar National Bank Headquarters Building	2010	Qatar National Bank	0.3	Commercial

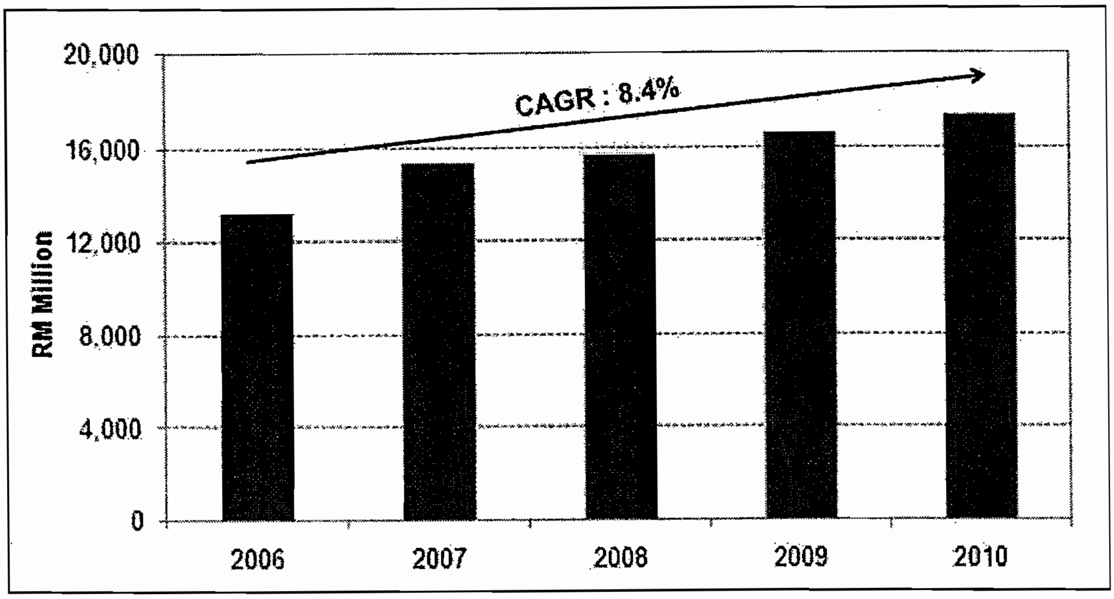
Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

1.12 BRIEF OVERVIEW OF MALAYSIA

While the last quarter of year 2008 and throughout 2009 was challenging for the construction industry in the face of the major economic crisis, the local market in Malaysia remained stable. Growth in the domestic economy for 2009 was mainly spurred by the manufacturing and construction sector, which grew by 11.4 percent and 5.2 percent respectively in 2010 as compared to 2009. This is the second highest recorded growth rate to date for the construction industry since 1997. Although the market witnessed an overall decline in revenue stream, the demand for new commercial and industrial buildings remained sturdy. In addition, the new construction plans of institutional buildings such as schools and hospitals, which are consistent with the Government's commitment in its education and healthcare policies, have strongly sustained the market.

The 5.2 percent growth in the construction sector in 2010 was mainly driven by external demand from regional countries and the private sector activity. Bank Negara Malaysia continues to favorably view the performance of the construction sector, as it continues to benefit from the implementation of the remaining projects under the 9th Malaysia Plan (9MP), the 10th Malaysia Plan (10MP) and the Economic Transformation Programme (ETP).

Size of the Construction Industry Based on GDP (Malaysia), 2006 – 2010



CAGR 2006 – 2010 = 8.4%

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

The structural steel industry in Malaysia is centered mainly on the country's construction and infrastructure needs. Nonetheless, the construction and infrastructure sector in Malaysia is largely driven by the use of reinforced concrete and is gradually becoming accustomed to structural steel. This augurs well for companies in the structural steel business.

1.12.1 Industry Growth Trends and Outlook

Socio-economic Growth

In Malaysia, the construction of non-residential and residential buildings constituted between 40.0 to 55.0 percent of the total construction market between 2006 and 2010. The revenues for the building construction industry reached approximately RM24.0 billion in 2008 and RM22.0 billion in 2009. Revenues for the building construction industry are expected to hit the RM30.0 billion mark by 2015.

Non-residential construction accounted for between 55.0 to 60.0 percent of the building construction market in terms of revenue and number of projects in 2008 and 2010, and residential building construction for the remaining portion of the market. The growth of the non-residential building construction appeared to traverse better than the residential building segment during economic downtime. The revenue growth of non-residential building construction is expected to be higher than residential building construction by an estimated 3.0 to 5.0 percent annually between 2010 and 2015. Additionally, the growth trend of the former segment in the recent years of economic volatility suggests that it performs better than the residential building segment.

The Government expects the construction sector to experience an annual growth of 3.7 percent during the 10MP (2011-2015), and contribute to 2.9 percent of the nation's economy in 2015. Development expenditure by the Government of Malaysia is expected to be approximately RM259.5 billion during this period. The Government has also expressed interest in attracting participation from the private sector and investors to engage in public projects such as the construction and management of schools, hospitals and other community infrastructure. This bodes well for the structural steel building industry as it will provide more opportunities for the selection of structural steel as the material of choice in building construction.

Demand from key end-user industries

The construction sector in Malaysia is also driven by the demand from various key end-user industries such as manufacturing, real estate and tourism. Malaysia's manufacturing sector is moving from one that is semi-skilled and low cost to a high technology and modern services sector. In accomplishing this, the Government is building the R&D capabilities of the country, its human resource development and also infrastructure development in the targeted growth areas of renewable energy, information and communication technologies (ICT), biotechnology, medical devices, and machinery and equipment. As Malaysia strives to fulfil this goal, the construction industry is expected to gain from the demand for additional infrastructure, industrial and commercial buildings.

The real estate sector in Malaysia has also been relatively shielded from the sub-prime crisis and growth in this sector has been relatively stable over the years. Presently the Government is keen on attracting more foreign investment, particularly from the United Kingdom, Singapore and India. The Government's move to deregulate foreign ownership of property is seen as a positive step in this direction. The commercial real estate segment is expected to grow, creating subsequent demand for the construction sector, as local and foreign companies expand their existing office locations, relocate to Malaysia, or open new ventures here. The residential real estate sector, and particularly the high end residential property segment, has witnessed growth of late due to the relocation of many foreign companies to Malaysia. The construction sector is expected to remain buoyant and thrive as a result of the demand from the real estate sector.

The future of Malaysia's building construction will see greater deployment of industrialized building systems (IBS) as it is heavily encouraged by the Construction Industry Development Board (CIDB) through the launch of the IBS Roadmap. Building components are manufactured off-site and then coupled or assembled together on-site or off-site with minimum installation work. Suppliers of precast concrete framing, panel and box systems, steel framework systems, prefabricated timber framing systems, steel framing systems and block work systems are likely to benefit from CIDB's endorsement of IBS.

Malaysia has a rapidly growing tourism industry, with revenues of RM56.5 billion in 2010. The tourism sector generated RM36.9 billion in gross national income (GNI) in 2009, and the Government further intends to develop this sector to contribute RM103.6 billion by 2020. The ETP has identified 12 entry point projects (EPPs) to stimulate tourism growth including investment in eco-tourism, new construction and refurbishment of hotels, resorts, shopping areas, holiday camps and recreational projects.

To further boost the growth of the country's healthcare tourism industry, the Government recently announced the provision of tax exemptions equivalent to 100.0 percent of the qualifying capital expenditure incurred for the first 5 years in the construction of new hospitals, or expansion, modernization, or refurbishment of existing healthcare centres. The tax exemption application period is between 2010 and 2014.

Under the 10MP, the Government is also giving due consideration to infrastructure development for the economic corridors, namely the Northern Corridor Economic Region, East Coast Economic Region, Iskandar Development Region, Sarawak Corridor Renewable Energy, Sabah Development Corridor and the greater Klang Valley region. To this end, several plans have been identified, including broadband, electricity and water supply expansions and highway development. The construction sector is set to benefit from the high impact projects under the 10MP, which are collectively worth approximately RM60 billion. Among the high impact projects are the development of an integrated urban mass rapid transit (MRT) system in Klang Valley, the construction of the high speed rail system which will connect Klang Valley to Singapore, and the development of commercial centers and public housing. The Government also has announced its intention to create a Green Technology Financing Scheme (GTFS) with RM1.5 billion in funds to promote investments in green technology, construction and innovation.

The 10MP also outlines the Government's initiatives to improve the generation capacity and transmission of electricity. The Government has further announced specific initiatives to increase electricity generation capacity in Malaysia. This includes:

- The commissioning of the Ulu Jelai and Hulu Terengganu hydroelectric plants with a combined capacity of 622 megawatts (MW) during the Plan period
- The commissioning of 2 gas fired power plants and 1 coal fired power plant in Sabah with a combined capacity of 700 MW
- The commissioning in stages of the Bakun Hydroelectric Project in Sarawak with a capacity of 2,000 MW

In addition, the Government has also approved a project to increase the capacity of TNB Janamanjung by 1,000 MW, which is estimated to cost between RM6.0 billion and RM7.0 billion. The construction of this project is expected to begin in the latter half of 2011 and be completed by end 2014. The Government has also opened bidding for a second 1,000 MW coal power plant extension project, in which the two contenders are MMC Corporation

Berhad (Tanjung Bin Plant) and Jimah Energy Ventures (Jimah Plant). This plant is expected to be operational in the first quarter of 2016.

1.12.2 Profile of Major Projects

In the 9MP, the expenditure on development was increased from RM200.0 billion to RM230.0 billion. During the 10MP, the Government committed to an allocation of RM259.5 billion on development expenditure for the period of 2011 to 2015. This additional sum will be channeled to financing priority projects such as the construction of rural roads and low cost housing. The Government has also allocated an estimated RM35.0 billion for infrastructure projects, including the extension of the mass rapid transit system in the Klang Valley. The structural steel building industry too will benefit from these incentives and financial support from the Central Government, especially across landmark commercial and infrastructure projects.

Structural steel is increasingly becoming the preferred choice in the construction and infrastructure sector. This is driven by the advantages of structural steel over reinforced concrete. The following are some of the factors driving the gradual adoption of structural steel in the construction and infrastructure sector in Malaysia:

- Structural steel is steel fabricated into shapes and sizes in accordance with the requirements of the architects and building design. As steel is manufactured in a controlled factory environment, its quality can be guaranteed.
- Structural steel is a cleaner form of construction material compared to concrete.
- Technological advancement in design programs has enabled engineers to detail and design 3-dimensional (3-D) simulation steel structure models. This enables engineers to conduct proper strength and wind tests. Structural steel erectors can also benefit as they are able to envision the structure that they are building and strategise erection plans systematically.

Selected Major Current and Planned Construction Projects (Malaysia), 2010

Projects	Commencement Year	Developer	Estimated Project Value (RM billion)	Type of Development
Putrajaya 3C5, 3C6 and 3C7 Project	2008	Putrajaya Holdings Sdn Bhd	0.8	Commercial
Penang Second Bridge	2008	Jambatan Kedua Sdn Bhd	4.3	Infrastructure
Low Cost Carrier Terminal Expansion	2008	Malaysia Airports Holdings Berhad	2.0	Commercial

Projects	Commencement Year	Developer	Estimated Project Value (RM billion)	Type of Development
Legoland Theme Park	2009	Iskandar Investment Berhad and Merlin Entertainment	0.7	Commercial
Cili Padi Gas Field, Teluk Ramunia	2009	Petronas and Sarawak Shell	0.6	Industrial
Integrated Transportation Terminal, Bandar Tasik Selatan	2009	Ministry of Transport, Malaysia	0.6	Commercial
KLCC Lot C	2009	KLCC Properties	0.7	Commercial
KLIA 2 (LCCT 2)	2009	Malaysia Airports Holdings Berhad	2.0	Infrastructure
The Waves (warehouse for PKT Logistics (M) Sdn Bhd)	2010	ECB	0.07	Industrial
TNB Janamanjung 1000 MW Coal Fired Power Plant Project	2011	Alstom Power System SA Consortium (EPCC)	1.8	Industrial

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

1.12.3 Competitive Overview

There are many players in the construction industry in Malaysia, offering various types of products and services. However, there is a much smaller percentage of players in the domestic market capable of offering integrated structural steel building solutions for commercial, residential and industrial projects. This industry comprises of selected dominant players competing on high end and high priced products and services. Most other players in the market dominate specific segments of the structural steel value chain. Key players in the structural steel building industry in Malaysia are:

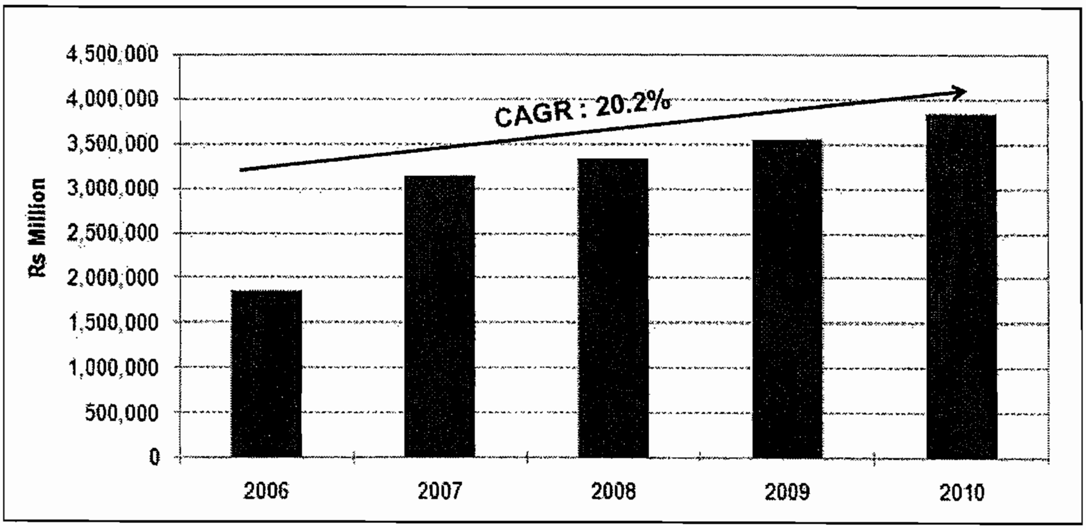
- Eversendai Corporation Berhad (ECB)
- Kencana Torsco Sdn Bhd (Kencana Torsco)
- Nam Fatt Corporation Berhad (Nam Fatt)
- STAMsteel Sdn Bhd (STAMsteel)
- Victor Buyck Steel Construction Sdn Bhd (Victor Buyck)

1.13 Brief Overview of India

The construction industry in India is one of the pillars of its economy and acts as a key channel for a substantial part of the nation's development investment. The industry is highly fragmented with a large number of unorganized players in the industry, which work on a subcontracting basis. Some complex infrastructure and industrial projects call for specific expertise, in which a single contractor may be inept to execute. As a result, the industry is witnessing rising joint ventures which help contractors to share professional and technological expertise. As the construction activity is very labour intensive, construction companies have been focusing on mechanization in recent years.

Over the past 4 years, the construction sector as a percentage of India's GDP has increased from 8.0 percent in 2006 to 8.4 percent in 2010. The multiplier factor between growth rates of construction and GDP has been approximately 1.5 times. The construction industry is expected to witness an effective investment of over USD224.0 billion (Rs.10 trillion) during the 11th Five Year Plan (2007 – 2012).

Size of the Construction Industry Based on GDP (India), 2006 – 2010



CAGR 2006 – 2010 = 20.2%

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

Construction accounts for approximately 50.0 percent of India's capital expenditure on projects in various sectors such as highways, roads, railways, energy, airports and irrigation among others. As India is one of the fastest growing economies of the world and one of Asia's most favored destinations for infrastructure investment opportunities, the Central Government has permitted FDI of up to 100.0 percent for the construction industry. This is to support the development of integrated townships and projects such as biotechnology and information technology (IT) parks. Due to this, there was an influx of international consultants and contractors with proven track record and expertise into India, and this trend is expected to continue due to the increasing infrastructure requirements particularly in the power utilities sector, expansion of existing airports and construction of new airports.

The industry is in place for growth due to its industrialization, urbanization, economic development and increasing expectations for better living standards. Domestic demand forms three quarters of this economy, with the growing middle income society creating a strong demand for basic goods and services. The India Foreign Trade Policy 2009-2014, which was launched in November 2009, expects an annual growth of approximately 25.0 percent in India's construction industry from 2009 to 2014.

The provisioning of infrastructure has made a promising start in the structural steel sector. Large projects for urban infrastructure, metro, housing and others are likely to attract massive investments both from the public and private sector, calling for high level of building expertise, adoption of state-of-the-art equipment, utilisation of large quantity of materials and resources, coupled with sophisticated management tools and project management skills from the construction industry. Therefore, the construction and infrastructure sector development poses a robust drive in the structural steel sector. This is also supported by a healthy economic growth. As India has strong public sector investments in infrastructure, this encourages private investments that are capable of boosting the overall economy.

1.13.1 Industry Growth Trends and Outlook

The increase in the share of the construction sector in GDP from 2002 to date has primarily been on the account of increased Government spending on physical infrastructure in the last few years, with programmes such as the National Highway Development Programme (NHDP) and Pradhan Mantri Gram Sadak Yojana (PMGSY) - Bharat Nirman Programme receiving a major boost of late. The construction industry is experiencing a great upsurge in the quantum of work load, and has grown at the rate of over 10.0 percent annually during the last 5 years.

During India's 10th Five Year Plan (2002 – 2007), many milestones were achieved by the Indian construction industry in the areas of institutional finance, human resource development, dispute resolution, procurement procedures, safety and quality in the construction industry, and disaster mitigation initiatives. The construction industry was accorded Industrial Concern Status under the Industrial Development Bank of India (Amendment) Act, thereby providing the much-needed impetus in terms of availability of finance to the construction industry.

The rapid growth of India's economy has placed a heavy demand on electric power. Reforms in this sector, to increase efficiency and competitiveness, have been under way for several years. While there has been some progress, the shortage of power and its lack of access continue to be a major constraint on the economic growth.

The projected gross electricity requirement by the end of year 2012 is 1,038 billion units (BU) and peak demand is estimated at 151,000 MW. In order to fulfil the estimated electricity demand requirement, the 11th Five Year Plan recommends a capacity addition programme of 78,577 MW from 2007 till 2012. The proposed capacity addition is three and a half times of that achieved in the Tenth Plan. India's Ministry of Power expects to spend approximately USD231.0 billion (Rs.1,031,600 crore) for this initiative during the implementation of the 11th Five Year Plan.

Additional Power Capacity Requirements (India), 2007 – 2012

Project	Central (MW)	State (MW)	Private (MW)	Total (MW)
Projects commissioned (as at 18 October 2007)	1,360	1,350	250	**2,960**
Projects under construction	28,765	16,342	7,378	**52,485**
New Projects	9,740	10,260	3,132	**23,132**
Total (MW)	**39,865**	**27,952**	**10,760**	**78,577**

MW: megawatt

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

The Government has since revised its initial target from 78,577 MW to 62,000 MW during the 11th Five Year Plan duration, which ends in March 2012. The Ministry of Power has announced the nation's need for an investment of USD300.0 billion in the electricity sector and welcomed foreign participation in growing the sector. While India has the fifth largest electricity generation capacity globally with more than 164,000 MW and the third largest transmission and distribution network globally, the nation still experiences shortages in meeting demand from the growing manufacturing and residential consumers.

In line with the above plan, there will be a flood of projects to support the power utilities sector in India with the Government of India potentially awarding projects to international consultants. During the Union Budget 2010 – 2011, India's Finance Minister announced several initiatives, aimed at further growing the power sector in India. These initiatives include:

- Increasing the plan allocation for the power sector, excluding the Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) project, from USD501.3 million in the period of 2009 – 2010 to USD1.2 billion in 2010 – 2011.
- The establishment of a Coal Regulatory Authority to create a level playing field in the coal sector.

- A 61.0 percent increase from USD139.4 million (2009 – 2010) to USD224.8 million (2010 – 2011) for the Ministry of New and Renewable Energy.
- To erect several solar, small hydro and micro power projects worth USD112.4 million in the Ladakh region of Jammu and Kashmir.

This provides international companies like ECB, which hold a proven track record and expertise in the structural steel industry with opportunities to further penetrate the power plant construction industry in the country. As the Group plans to gain a stronger foothold of the Indian structural steel industry, the power utilities sector will provide growth prospects for the Group.

The nation's economy registered a growth rate of 9.7 percent in 2010 after the brief economy slowdown in 2009. The construction industry, as an integral part of India's economy and a channel for a sizeable part of its development investment, is poised for growth as a result of industrialization, urbanization, economic development and rising expectations for improved quality of living. There are booming opportunities for the construction and expansion of airports, special economic zones, urban infrastructure and power utilities that include a substantial amount of structural steel work.

1.13.2 Profile of Major Projects

India is presently experiencing rapid growth in the construction sector as a result of the Central Government's initiative in driving developmental projects across the country. The 11th Five Year Plan saw an allocation of over USD224.0 billion for the construction sector, enabling the Government to carry out various large scale infrastructure projects across the nation.

Selected Major Current and Planned Construction Projects (India), 2010

Projects	Commencement Year	Developer	Estimated Project Value (USD billion)	Type of Development
Monorail System Project	2008	Mumbai Metropolitan Region Development Authority	0.4	Infrastructure
Navi Mumbai International Airport (NMIA)	2008	City and Industrial Development of Maharashtra Ltd	2.3	Commercial

Projects	Commencement Year	Developer	Estimated Project Value (USD billion)	Type of Development
Neotown	2009	Patel Realty India Ltd	2.6	Residential and commercial
Ratnagiri Supercritical Thermal Power Project	2009	JSW Energy	3.0	Industrial
Gujarat Power Projects	2009	Gujarat Power Corporation Ltd	2.1	Industrial
Bangalore Airport Expansion	2009	Bangalore International Airport Ltd	0.1	Commercial
India Tower	2010	DB Hospitality	0.1	Commercial
Bangalore Metro Rail Project	2010	Bangalore Metro Rail Corporation Ltd	1.4	Infrastructure
Rainbow Vistas	2010	Ashoka Developers & Builders Ltd and Cybercity Builders & Developers	0.1	Residential and commercial
Kolkata Aerotropolis	2010	Bengal Aerotropolis Projects Ltd (BAPL)	2.2	Infrastructure
Jaypee Niogrie Super Thermal Power Station	2010	Larsen & Toubro Limited and Mitsubishi Heavy Industry	1.3	Industrial
EMCO Thermal Power Project Maharastra	2010	GMR Group	0.6	Industrial
Tuticorin Thermal Power Station	2010	Bharat Heavy Electricals Limited	1.0	Industrial
Vallur Thermal Power Station	2010	Bharat Heavy Electricals Limited	0.5	Industrial
Thermal Power Plant, Chattisgarh	2010	GMR Group	0.3	Industrial
Imperial Tower	2010	Shapoorji Pallonji & Co Ltd	1.6	Commercial
Chennai Power	2011	Bharat Heavy	1.3	Industrial

Projects	Commencement Year	Developer	Estimated Project Value (USD billion)	Type of Development
Plant		Electricals Limited		
Krishnapatinam Ultra Mega Power Project	2011	Reliance Energy Limited	3.8	Industrial
Koradi Thermal Power Project	2011	Larsen & Toubro Limited	1.9	Indsutrial
Super Critical Coal Fired Power Project	2011	Ansaldo Coldaie Boiler India Private Limited	1.3	Industrial
Thermal Power Project, Gummudipoondi	2011	Accord Energy Corporation Private Limited	0.1	Industrial
Hazira Thermal Power Project	2011	ESSAR Group	0.3	Industrial
Trump Tower	2011	Rohan Lifescapes Limited	0.4	Residential
Chhatrapati Shivaji International Airport	2014	Mumbai International Airport Pvt. Ltd and Larson & Toubro Limited	2.0	Commercial

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

1.13.3 Competitive Overview

The construction industry is highly fragmented and labour intensive. It is noted that the larger portion of the local players in the market operate on a subcontracting business model. While there are many players offering their services at various levels of the structural steel building value chain, very few players have the ability to provide end-to-end solutions. Hence, this has proven to be an opportunity for foreign companies such as ECB to leverage on as they are penetrating the structural steel building industry in India. Key players in the structural steel building industry in India are:

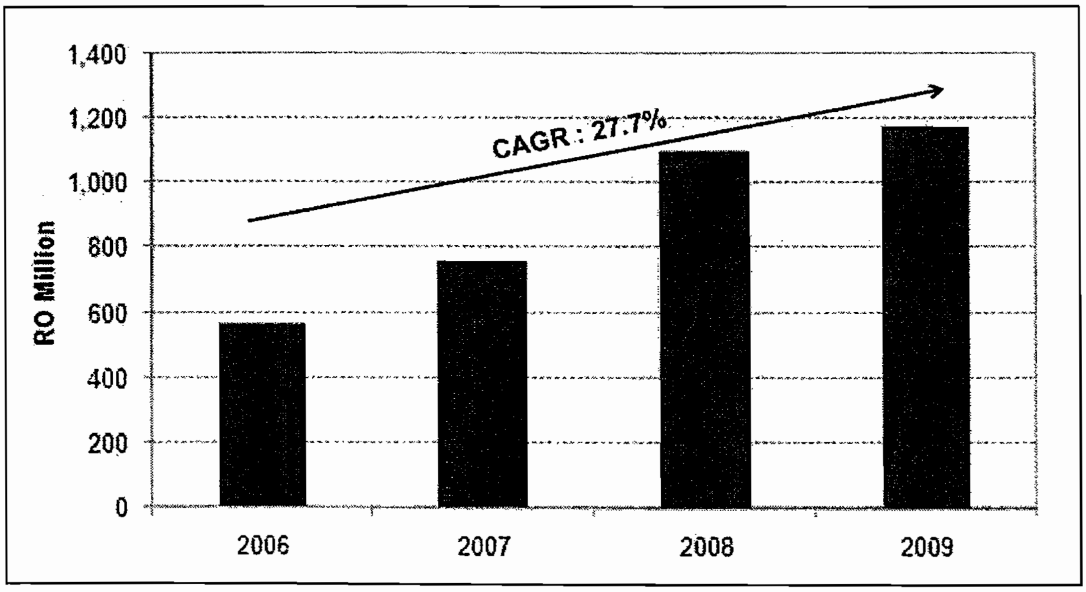
- Eversendai Corporation Berhad (ECB)
- JSW Severfield Structures Limited (JSW Severfield)
- Larsen & Toubro Limited (L&T)
- William Hare (India) Private Limited (William Hare)

1.14 BRIEF OVERVIEW OF OMAN

The construction industry in Oman, as in most of the GCC countries, remains robust despite the adverse economic conditions of late 2008 and 2009. This is driven by major expansions in infrastructure projects along with the construction of private and commercial buildings. In 2008, the construction sector contributed USD2.9 billion to the country's GDP. According to the Ministry of National Economy, Oman's GDP in quarter 3, 2009 increased by 17.3 percent compared to its previous quarter. This was due to the growth in the added value for oil activities, which led to better production levels, and the improved global oil prices in quarter 3 of 2009.

In 2010, Oman's economy grew by 3.2 percent year on year attributed to higher crude oil prices and public spending. The IMF anticipates a growth rate of 5.0 percent for this nation in 2011 on account of favourable oil prices, improving external environment and strong public investment program under the 8th Five Year Plan. Oman has been experiencing a construction boom in recent years, which has been fuelled by demand and strong government and private sector investments.

Size of the Construction Industry Based on GDP (Oman), 2006 – 2009



CAGR 2006 – 2009 = 27.7%

** Data on the construction industry for Oman in 2010 was not publicly available at the time of publication of this report*

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

The Government of Oman had allocated approximately USD5.0 billion (RO1.9 billion) towards investment expenditure in 2009. From this amount, the construction sector has received the bulk of the additional appropriations to an extent of USD2.7 billion (RO1.1 billion), which includes the construction, dualisation and rehabilitation of roads and bridges in the region.

The Government of Oman has taken steps to preserve its economy by reducing the country's dependency on oil, and investing in various industries such as LNG, minerals, manufacturing, tourism, ports and free trade zones, education, information technology, and agriculture and fisheries. The Central Government has also taken steps to encourage the inflow of foreign investments. Several large scale development and diversification projects have been launched by the Government in recent years, leading to a growth in the construction sector. The country's real estate sector has been spurred by the increasing surplus available from the high crude oil prices since 2008.

1.14.1 Industry Growth Trends and Outlook

Oman is currently committed to modernizing the country and diversifying its economy, as well as continuing its effort to maintain political stability. The Government of Oman is actively encouraging foreign direct investment into the country as part of its effort to promote industrial development and increased employment opportunities for Omani nationals in various sectors including construction. Oman is currently focusing on six industries in the private sector which include transport, storage and communications sector, finance, insurance and real estate and industrial.

There are many factors leading to the current rapid growth of the construction industry in Oman. This includes large investments by the Government of Oman in infrastructure, low interest rates, high liquidity, population growth, expansion in the economy and rising wages.

Another favourable factor leading to the growth of the construction industry in Oman includes the change made in the laws dealing with the ownership of property by foreigners. As per the new law, freehold designated property in the designated tourism resorts can be purchased by non-Omanis for residential or investment purpose. The drop in the prices of commodities used in construction has lured developers to step up their presence in the affordable housing sector.

The outlook for the construction industry in Oman is positive as the Government has announced its intention to spend USD78.0 billion in the nation's Eight Development Plan (2011 – 2015) to develop the oil and gas, infrastructure, construction, medical and education sectors.

1.14.2 Profile of Major Projects

There has been rapid expansion in Oman's building construction sector over the past few years as several large-scale development and diversification projects have been planned involving huge spending by the Central Government. This has resulted in continued expansion in the infrastructure, transportation and other sectors such as hotels and leisure facilities so that the building construction sector grows at the same pace as the tourism sector. Oman's goals have been set under its long-term development plans. By 2020 the Government aims to derive 3.0 percent of its GDP from the tourism sector and fill approximately 80.0 percent of tourism jobs with Omani citizens.

In order to increase revenues and limit the effects of mass tourism on traditional culture, the Sultanate is targeting the luxury tourism segment. Golf courses, high-end marinas, and an international-standard stadium for concerts and sports games are either in the works or already built. Integrated tourism complexes (ITCs), a combination of holiday villas, hotels, resorts and shopping centres, are some of the larger projects under way in the Sultanate today and are expected to become the lynchpins in future development. However, unlike other major tourism players in the region such as Dubai, Oman has opted for a more subtle style of development to avoid over-building. At the same time, it is seeking to increase capacity to meet its stated goals, with hotel additions and airline expansions under way to meet expected demand.

Selected Major Current and Planned Construction Projects (Oman), 2010

Projects	Commencement Year	Developer	Estimated Project Value (USD billion)	Type of Development
Al-Madina Azarqa, Blue City	2005	Al Sawadi Investment & Tourism Company	20.0	Residential
Muscat International Airport Expansion	2006	Oman Ministry of Transport and Communication	0.4	Commercial
Concert Theatre Muscat Project	2007	Oman Ministry of Palace Affairs	0.3	Commercial
International Maritime College, Sohar	2008	Ministry of Manpower	0.1	Commercial
Omagine Project	2008	Alfa International Holdings Corporation	1.6	Mixed use
Salalah International Airport Expansion,	2008	Oman Ministry of Transport and Communication	n/a	Commercial

Projects	Commencement Year	Developer	Estimated Project Value (USD billion)	Type of Development
Phase 1				
Duqm New Town	2008	Oman Tourism Development Company	20.0	Commercial
Cardiac Centre, Sultan Qaboos Hospital	2009	Ministry of Health	0.1	Commercial
Salalah IWWP Project	2010	SemCorp Utilities Pte Ltd, Oman Investment Corporation and Teejan General Trading Company LLC	1.0	Industrial

n/a: not available

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

1.14.3 Competitive Overview

There are few players in the structural steel construction industry in Oman. To date, there are no players in the market that are able to provide fully integrated solutions for the structural steel industry. The industry in Oman comprises of selected players which provide limited services within the structural steel value chain e.g. only structural steel fabrication or erection of structural steel buildings. There are significant gaps in the structural steel value chain in Oman, which actually provides opportunities for new players to penetrate the market. ECB for instance, is a player in this space and an integrated structural steel turnkey contractor. Opportunities are abundant in the structural steel industry for such players. Key players in the structural steel building industry in Oman are:

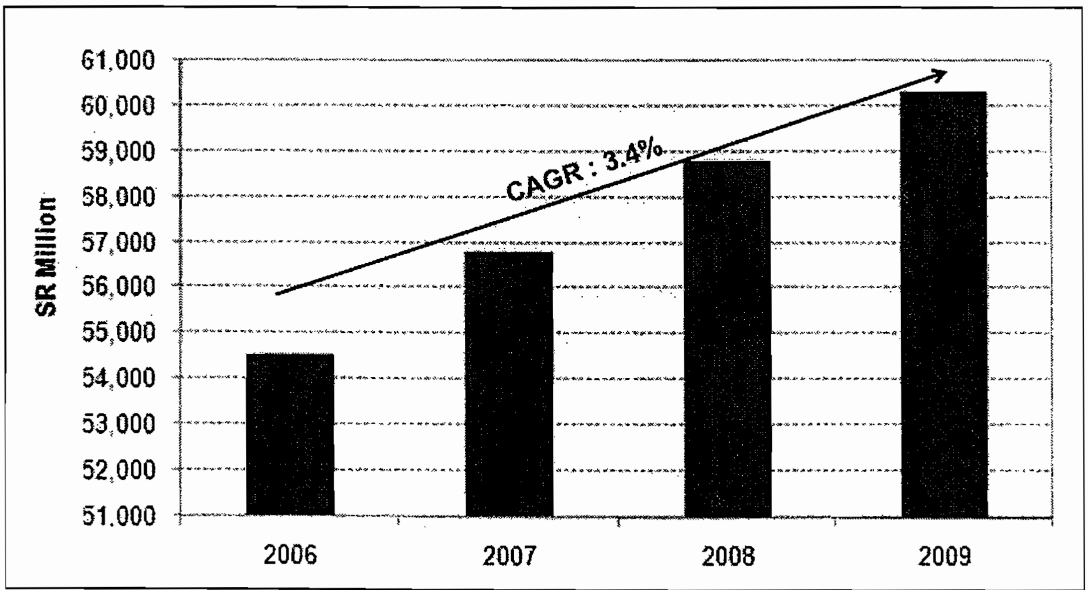
- Amana Group
- Eversendai Corporation Berhad (ECB)
- Gulf Structural Steel (GSS).

1.15 Brief Overview of Saudi Arabia

Saudi Arabia is the largest Arab economy and country in the Middle East. The country's economy is largely dependent on crude oil and the Central Government takes an active role in most economic activities. The construction sector is the third largest sector of the Saudi economy after oil, and ICT, and has experienced rapid growth in recent years. Saudi Arabia currently accounts for more than 50.0 percent of the total construction market in the GCC. The entry of large real estate developers from the UAE like Emaar Properties PJSC and Deyaar Development Company into Saudi Arabia post-2006 has contributed to the growth of the Saudi real estate and construction sector.

One of the crucial factors driving the building and construction industry is the growing population with increased per capita income. Saudi Arabia has a very young demographic profile with people aged below 20 years constituting almost 50.0 percent of its total population. This is driving the demand for affordable housing and at the same time touting the industry to record exceptional growth in the coming years. The Government has planned to invest USD400.0 billion on projects over the next 5 years, and will rely on public-private partnerships, in addition to public spending to finance these developments. Other factors driving the industry include the spillover revenues from the oil sector, steady growth in religious tourism, and the impending implementation of the new mortgage laws in addition to the upcoming Economic City developments in the country.

Size of the Construction Industry Based on GDP (Saudi Arabia), 2006 – 2009



CAGR 2006 – 2009 = 3.4%

** Data on the construction industry for Saudi Arabia in 2010 was not publicly available at the time of publication of this report*

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

The development in Saudi Arabia has been funded by revenues from the country's oil and gas sector. The Government of Saudi Arabia has taken steps to plan the development of the country into knowledge clusters and industrial parks. These efforts are in the aim of making Saudi Arabia one of the 10 most competitive economies in the world, and the Government views purpose built sites for large scale industry developments as the most efficient way of leveraging on its competitive advantage in achieving this goal.

The construction industry in Saudi Arabia is expected to grow, partly in line with the growing demand for residential, commercial, industrial and infrastructure construction. The construction sector will also play a main part in nation's development, through the National Industrial Cluster Development Program and the construction of the six Economic Cities. The Government will continue to be a major stakeholder in the construction industry, generating a large portion of the demand.

1.15.1 Industry Growth Trends and Outlook

In February 2009, the Government of Saudi Arabia announced its intention to pump USD400.0 billion into the economy over the next 5 years, executing infrastructure projects which will rely on public-private partnerships in addition to public spending, to finance these developments which require a substantial quantity of structural steel related works. The Government's intervention to spur domestic spending is viewed favorably as it acts as a catalyst to boost private spending.

The rapid growth rate of Saudi Arabia's major cities is also an important factor driving the construction industry, and particularly the structural steel sector. The creation of new airports, highways and even new cities has attracted construction professionals from all over the world. Saudi Arabian General Investment Authority is carrying out development strategy involving billions of dollars in expenditure, to build greenfield economic cities around the country. The 5 main areas for construction in Saudi Arabia are Jeddah, Riyadh, Al-Khobar, Yanbu and Hail.

Among the major growth drivers for the construction industry is the scale of development. The real estate sector has been predicted as one of the major factors driving the regional economic growth within Saudi Arabia. The real estate projects announced in Saudi Arabia like the six economic cities are mammoth and unprecedented in terms of size and cost involved. Four among these six economic cities will require an area of around 500.0 square kilometers for development. According to the activities scheduled in the 8th Development Plan, real estate activity is expected to register a CAGR growth of 5.8 percent during the period of 2004 to 2009, increasing the share of real estate in real Saudi Arabia's GDP from 6.8 percent in 2004 to 7.2 percent in 2009.

In March 2011, the country's ruler King Abdullah Bin Abdul Aziz announced a USD93.0 billion social handout on top of the USD37.0 billion announced in the previous month, to create new jobs, increase wages and construct houses for the needy population in the country. This new package, distributed in a bid to stave anti-government protests in the country, is the largest direct financial support to be given to the population of the country and is expected to increase the domestic circulation of money. Growth in the construction industry over the period of 2009 to 2013 is expected to be strongly driven by the Government driven infrastructure projects which are expected to be carried out between 2009 and 2013.

1.15.2 Profile of Major Projects

The construction industry in Saudi Arabia was previously driven by the Government. However, the Government is now looking into attracting participation from the private sector. The 2009 Budget allocated USD127.0 billion in continued investments in sustainable and balanced economic development projects. This capital budget is a 36.0 percent increase from the previous 2008 Budget, with 7.0 percent allocated to infrastructure development.

Selected Major Current and Planned Construction Projects (Saudi Arabia), 2010

Projects	Commencement Year	Developer	Estimated Project Value (USD billion)	Type of Development
King Abdullah Economic City (KAEC)	2006	Emaar Properties PJSC	50.0	Residential
Jazan Economic City	2006	MMC Corporation Berhad and Saudi Binladen Group	27.0	Residential
King Abdulaziz International Airport (KAIA)	2007	General Authority of Civil Aviation	4.5	Commercial
Landbridge Project	2008	Saudi Railway Organisation (SRO)	10.0	Infrastructure
Lamar Towers, Jeddah	2008	Cayan Investment and Development	0.6	Mixed use
Knowledge Economic City	2009	Knowledge Economic City Developers	8.0	Commercial
Haramain High Speed Rail Project	2009	Saudi Railway Organisation	4.0	Infrastructure
Capital Market Authority (CMA) Headquarters Tower, King Abdullah Financial District	2010	Central Market Authority	3.7	Commercial
Shams Al-Riyadh Development	2010	Dar Al-Arkan Real Estate Development Co	1.6	Residential
Mile Tower, Jeddah	2010	Kingdom Holding Co	15.0	Mixed use

Projects	Commencement Year	Developer	Estimated Project Value (USD billion)	Type of Development
Sudair City Development	2010	Saudi Industrial Property Authority (Modon)	40.0	Mixed use
Princess Noura bint Abdul Rahman University for Women, Riyadh	2010	Ministry of Finance; Ministry of Higher Education	11.5	Commercial
Prince Abdulaziz bin Mousaed Economic City	2010	Rakiza Holding Company and Al-Mal Investment Company	8.0	Mixed use
King Abdullah Petroleum Studies & Research Centre (KAPSARC)	2010	Mohammad Al Mojil Group Building	0.3	Commercial
Wasit Gas Plant Project	2010	SK Engineering & Construction Co. Ltd and Samsung Engineering Saudi Arabia Ltd.	1.9	Industrial
Shaybah Natural Gas Liquids Project	2011	KBR, Inc., and Samsung Engineering Saudi Arabia Ltd.	3.0	Industrial
Shuqaiq IPP Project, Phase 3	2014	Saudi Electricity Company	1.4	Industrial

Source: Extracted from the Independent Market Research report prepared by Frost & Sullivan

1.15.3 Competitive Overview

As Saudi Arabia is now a favourable place for long term investment, contractors previously working in Abu Dhabi, Dubai and Qatar are now penetrating this country and establishing facilities here. These are mostly in fabrication and contracting and there is a noticeable rise of many pre-cast plants and steel fabrication operations. Hence the structural steel industry in Saudi Arabia offers opportunities for new entrants to the market. ECB, as an integrated structural steel turnkey contractor will fit well in the value chain of this market and can also export fabricated steel by road from the factories in Qatar, Dubai and Sharjah. Key players in the structural steel building industry in Saudi Arabia are:

- HIDADA
- Zamil Steel Industries (Zamil Steel)

8. FUTURE PLANS AND PROSPECTS

8.1 Future plans and business strategy

We aim to further strengthen our competitive position as one of the leading integrated structural steel turnkey contractor in the UAE and Qatar and power plant installation contractors in the Middle East, South East Asia region and India. We intend to achieve this through further diversification and market expansion of our services and production facilities in order to tap the growth in demand of the construction and power generation industry.

In order to strengthen our position in the industries that we operate in, we intend to adopt the following strategies as part of our future plans:

(i) Enhance market penetration in existing markets and expand into new markets for structural steel services

We intend to solidify and strengthen our position as a leading player in our existing markets, as we believe that the markets in the Middle East, India and South East Asia offer us strong growth opportunities for our structural steel services.

(a) Middle East

Abu Dhabi is increasingly becoming a key market for the construction sector within the UAE. The UAE government has prepared the "Plan Abu Dhabi 2030" which outlines the development of a central business district, a secondary business district and mixed-used development within the Emirate. The "undersupply" situation for both residential and commercial structures coupled with strong surging demand is expected to drive the construction sector in Abu Dhabi.

Structural works building industry in Qatar will grow from USD0.9 billion (QR3.2 billion) in 2009 to USD3.2 billion (QR11.5 billion) in 2013 at a compound annual growth rate of 37.7%. The growth of the building construction industry in Qatar is driven by both economic development and population growth. As the Qatar government begins to adopt more open business policies, the demand for commercial property, hotels and other business related infrastructure is expected to increase.

The structural works building industry in Qatar is expected to rebound in 2011 as the International Federation of Association Football ("**FIFA**") has announced its decision to appoint Qatar as the host country for the 2021 FIFA Confederations Cup and 2022 FIFA World Cup tournaments. In FIFA's Bid Evaluation Report of Qatar as a host city for the FIFA World Cup, FIFA outlined Qatar's plans to construct 9 new stadiums and carry out major renovations on an additional 3 stadiums, namely the Khalifa International Stadium, El-Gharafa Stadium and Al-Rayyan Stadium between 2012 and 2020. The total construction and renovation costs for these stadiums is expected to be approximately USD3 billion.

One of the sectors that Qatar has focused on is niche tourism as a means of growth for the sector and the New Doha International Airport, which is one of the largest projects in Qatar today, is an integral part of this expansion plan.

The market drivers for the UAE and Qatar from 2009 to 2013 are expected to result from the economic boom, lower construction costs, government initiatives and demand from other sectors (e.g. tourism). The structural steel building industry in the UAE and Qatar are estimated to increase by a compounded annual growth rate of 19.3% and 27.1% respectively between 2009 and 2013.

8. FUTURE PLANS AND PROSPECTS *(Cont'd)*

In Saudi Arabia, one of the crucial factors driving the building and construction industry is the growing population with increased per capita income. The Saudi Arabian government has taken steps to plan the development of the country into knowledge clusters and industrial parks, with the aim of making Saudi Arabia one of the 10 most competitive economies in the world. The Saudi Arabian government views purpose built sites for large scale industry developments as the most efficient way of leveraging on its competitive advantage in achieving this goal. Saudi Arabian General Investment Authority is carrying out a development strategy involving billions of USD to build greenfield economic cities around Saudi Arabia with the main areas for construction being Jeddah, Riyadh, Al-Khobar, Yanbu and Hail. We expect the structural steel industry in Saudi Arabia to be strong over the next 5 years, and will rely on public-private partnerships, in addition to public spending to finance these developments.

In February 2009, the Saudi Arabian government announced its intention to pump USD400.0 billion into the economy over the next 5 years, executing infrastructure projects which will rely on public-private partnerships in addition to public spending, to finance these developments which require a substantial quantity of structural steel related works.

Oman's commitment to modernising the country and diversifying its economy, as well as continuing its effort to maintain political stability has reinforced our belief that it will be next location for us to expand our operations. The government of Oman is actively encouraging foreign direct investment into the country as part of its effort to promote industrial development and increase employment opportunities for Omani nationals in various sectors including construction. The increasing significance of construction activities in the growth of the economy is evident in areas such as transportation, housing, urban development and civil aviation. Notable projects that are planned or underway by the Omani government aimed at boosting infrastructure include a USD1.4 billion allocation for the Muscat Airport development, the USD20.0 billion residential-cum-resort Blue City, the Batinah Coastal Road and a major housing and rehabilitation scheme linked to the coastal road project. Among the important government projects are the modernisation and expansion of the Muscat and Salalah International Airport which has substantial amount of steelwork.

In addition to the above countries, the construction industries of other nations in the Middle East such as Kuwait and the Emirates of Ajman and Fujairah in the UAE have great potential for sustained growth. The energy, infrastructure and healthcare sectors are singled out for presenting the most lucrative business opportunities in these countries.

(b) India

The government of India has awarded a number of large infrastructure projects to multinational consortiums. This has led to an influx of international consultants and contractors with proven track records and expertise into India. We expect this trend to continue due to the increasing infrastructure requirement, particularly in the power utilities sector, expansion of existing airports and construction of new airports.

8. FUTURE PLANS AND PROSPECTS *(Cont'd)*

The construction industry in India is poised for growth due to its industrialisation, urbanisation, economic development and increasing expectations for better living standards. The India Foreign Trade Policy 2009 - 2014 which was launched in November 2009 expects an annual growth of about 25% in India's construction industry from 2009 - 2014. The International Monetary Fund has predicted that India will be the world's third largest powerhouse after China and the USA by 2025. Reforms have also been underway in the power sector to increase efficiency and competitiveness. The 11th Five Year Plan recommends a capacity addition programme of 78,577MW from 2007 until 2012. Under the plan, new power projects are to make up 23,132 MW of the 78,577MW capacity.

We are actively exploring various options to either acquire or establish a new fabrication facility in Tamil Nadu or Andhra Pradesh, India. We expect to establish our fabrication facility within 24 months from our IPO.

The establishment of our fabrication facility in India would provide better support for our marketing efforts and also enable us to capture a larger share of the Indian market, as it will increase our responsiveness and enhance our ability to control the quality, timeliness and costs of the fabricated steel products thus better meeting the needs of our customers in India.

(c) South East Asia

Since the official unveiling of the Economic Transformation Programme (**"ETP"**) by the Prime Minister of Malaysia on 25 October 2010, there has been a host of projects and initiatives announced across various industries, including construction, with a total investment of value of approximately RM794.5 billion. This has provided necessary impetus for the development of Malaysia post the global financial crisis and underscores the government's commitment to elevate Malaysia's economic standing.

We have identified and tendered for potential projects in Malaysia as well as in Singapore and Vietnam as at the LPD. Among the potential projects in Malaysia which we have tendered for are mechanical erection works for Jana Manjung Coal Fired Power Plant extension, mechanical erection works for Tanjung Bin/Jimah Coal Fired Power Plant extension, development of Sabah Oil and Gas Terminal and Brazilian Vale SA's iron ore distribution hub in Manjung, Perak.

Our fabrication plant in Rawang, Malaysia was built with the objective of increasing the fabrication capacity of our Group primarily to support our South East Asia operations, as well as to support our existing fabrication facilities in the Middle East.

(ii) To continue to secure landmark projects

As a leading integrated structural steel turnkey contractor in the Middle East, we intend to capitalise on our reputation, brand name, expertise, experience and proven track record to continue to bid for challenging, iconic and high value added projects.

We have the technical expertise, experience and creativity to successfully complete challenging projects while meeting our client's high expectations and demanding time schedules. Our success in securing the Cleveland Clinic project in Abu Dhabi in March 2010 is testament to our leading position in the structural steel industry in the UAE and Qatar. This landmark project is the first major construction project awarded in Abu Dhabi after the global financial crisis. The value for structural steelwork portion of the project is in excess of RM300 million.

8. FUTURE PLANS AND PROSPECTS *(Cont'd)*

Our proven track record in the Middle East includes structural steelwork for landmark projects such as:

Notable Projects	Location	Landmark
(a) Burj Khalifa	Dubai, UAE	World's tallest building
(b) Burj Al Arab	Dubai, UAE	World's second tallest hotel
(c) Capital Gate Building	Abu Dhabi, UAE	World's most inclined building
(d) Kingdom Centre	Riyadh, Saudi Arabia	Tallest building in Saudi Arabia
(e) New Doha International Airport	Doha, Qatar	Passenger terminal will be the largest building in Doha, Qatar when completed
(f) Dubai Mall	Dubai, UAE	One of the world's largest mall
(g) Ski Dubai	Dubai, UAE	First indoor ski resort in the Middle East

(iii) To expand our service offering through mechanical and electrical solutions for power plants

We plan to transform ourselves into an EPC contractor for balance of plant (excluding boilers and turbines) for coal-fired power plants by riding on our experience, expertise and track record in structural steel design, fabrication and mechanical equipment erection for such plants.

The industrialisation and urbanisation of India has brought about a spike in demand for energy that the current capacity will not be able to meet. We believe that the market in India can provide opportunities for us to work with other consultants and vendors to provide EPC services for tanks, piping, coal handling and ash handling works in relation to coal-fired power plants.

We are also assessing opportunities with potential partners such as EPC manufacturers of power plant equipment to fabricate and assemble steel parts/sections for power plant equipment such as boilers, turbines and generators. This can be achieved by leveraging on our fabrication facilities, together with the required machineries and equipment of our potential partners.

We expect this trend to continue due to the increasing infrastructure requirements, particularly in the power utilities sector.

8.2 Prospects

Despite the challenges in late 2008 and 2009 due to the global financial crisis, we have grown our revenue and profits attributable to equityholders after MI by 4.32% and 31.26% respectively for the FYE 31 December 2009 compared to the FYE 31 December 2008. We continued our growth trajectory by recording a further growth in profits attributable to equityholders after MI by 49.68% for the FYE 31 December 2010 compared to the FYE 31 December 2009.

We firmly believe that our increasing profitability reinforces our ability to continue to grow from strength to strength in the foreseeable future, as the demand for our products and services continues to grow.

As at the LPD, our order book (based on total contract value awarded less progress billings) for our projects amounts to about RM1.4 billion. Please refer to Section 6.2.2(ii) in this Prospectus for details of some of our on-going projects.

8. FUTURE PLANS AND PROSPECTS *(Cont'd)*

In addition to growing our Group's current operations by expanding our presence in the Middle East, South East Asia and India as described in Section 8.1 in this Prospectus, we have been identifying and assessing various plans that can leverage on our core expertise and experience in the structural steel and power plant installation segments.

For example, we have expanded our services to include structural steel fabrication for the petrochemical industry by leveraging on our experience and existing fabrication facilities. This will enable us to efficiently utilise any excess capacity in our existing fabrication facilities in Sharjah in the UAE, Doha in Qatar and Rawang in Malaysia as and when it arises.

Where suitable opportunities arise, we may consider expanding through acquisitions, joint ventures and strategic alliances which can provide us with access to new market segments, countries, services, resources and customers.

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9. INFORMATION ON OUR GROUP

9.1 History and background

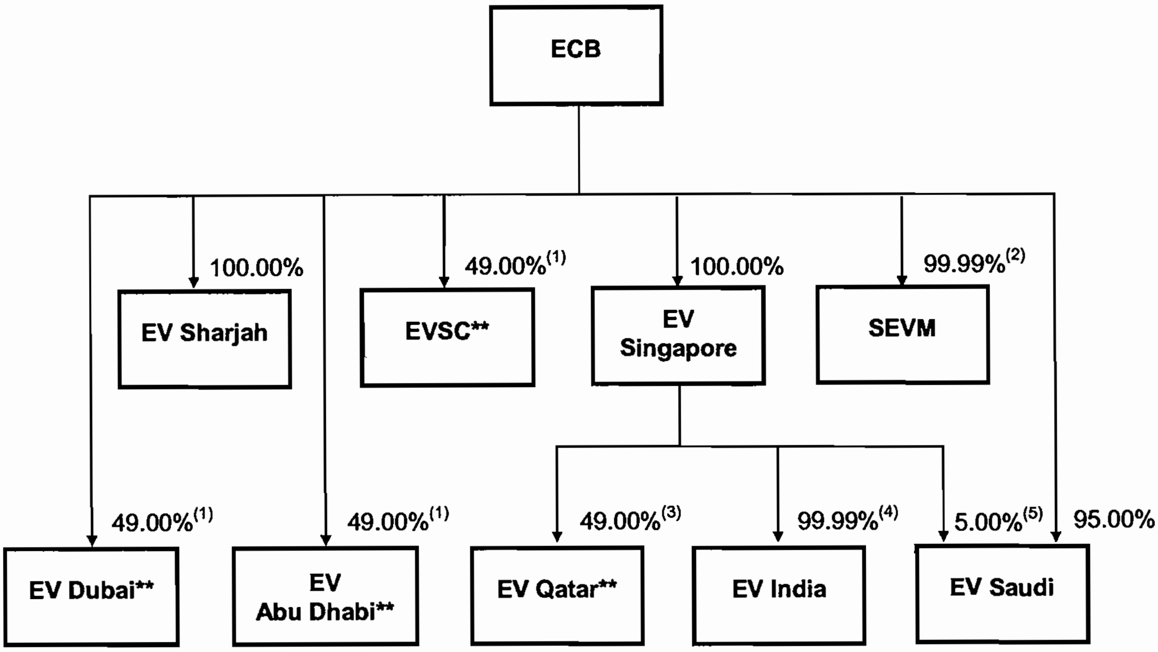
9.1.1 History and business

We were incorporated in Malaysia under the Act on 5 May 2003 as a private limited company under the name of Sendang Project Management Sdn Bhd. On 12 August 2003, we changed our name to Eversendai-Corporation Sdn Bhd. Subsequently, on 13 April 2010, we were converted into a public limited company and assumed our current name on 10 May 2010. We are an investment holding company and our principal activity is the provision of management services whilst the principal activities of our subsidiaries are as follows:

Name (Company no.)	Date/ Place of incorporation	Issued and paid-up share capital	Equity/ Profit sharing interest	Principal activities
			(%)	
EV Abu Dhabi (484133)	5 July 2009/ Abu Dhabi, UAE	AED300,000	49.00/ 100.00	Contractor for buildings, industrial establishments and steel structures
EV Dubai (47389)	19 May 1996/ Dubai, UAE	AED300,000	49.00/ 100.00	Metal parts fixtures contracting, steel fabrication and welding workshop and steel structure contracting
EV India (U45206TN2009 PTC072572)	14 August 2009/ India	Rs31,573,790	100.00/ 100.00	Business of builders, contractors and engineers etc
EV Qatar (30943)	22 June 2005/ Qatar	QR200,000	49.00/ 70.00	Engineering, blasting, painting, fabrication, design and erection of mechanical and structural steelwork
EVSC (997236)	10 May 2006/ Dubai, UAE	AED1,000,000	49.00/ 100.00	Engineering and contracting services
EV Saudi	4 April 2011/ Saudi Arabia	SAR1,000,000	100.00/ 100.00	Steel construction contracts for all kinds of buildings, steel construction works related to oil and gas fields, industrial establishment building contracting, fire proofing applications and civil works
EV Sharjah (0675)	5 July 2005/ Sharjah, UAE	AED150,000	100.00/ 100.00	Steel fabrication and painting
EV Singapore (201001097K)	14 January 2010/ Singapore	SGD1,045,000	100.00/ 100.00	General contractors and general building engineering services
SEVM (274156-X)	21 August 1993/ Malaysia	RM2,000,000	99.99/ 99.99	Engineering, fabrication, design and erection of mechanical and structural works

9.1.2 Group structure

An overview of our Group corporate structure is set out below:



Notes:

(1) *ECB owns a 49% equity interest but has an agreement in place with the shareholder holding 51% pursuant to which the shareholder assigns its rights to its 51% interest to ECB which results in ECB having an interest in 100% of the profits/losses, and upon liquidation, 100% of their assets to be distributed. ECB has full control of the Boards of Directors and shareholders' voting rights, and the ability to direct the financial and operating policies of these entities. These entities are considered subsidiaries of ECB and their financial results are consolidated in their entirety in ECB's financial statements. Further details on the ownership laws in the UAE are set out in Section 5.1(iv) of this Prospectus.*

(2) *ECB directly and indirectly holds all the shares save for 1 ordinary share which is held by a sibling of DAKN.*

(3) *ECB owns a 49% equity interest in EV Qatar. Since 1 January 2009, ECB is entitled to 70% of the profits/losses and upon liquidation, 70% of its assets to be distributed. ECB has full management powers and the ability to direct the financial and operating policies of the entity. As such, EV Qatar is considered a subsidiary of ECB. The balance 30% profit sharing in EV Qatar is held by QIG Industrial and is considered as minority interest for the purpose of consolidation in ECB's financial statements. Prior to 1 January 2009, ECB consolidated 100% of EV Qatar's financial statements based on the profit sharing arrangement with its previous partner, Consoil Co. WLL.*

(4) *1 equity share of EV India is directly held by ECB and SEVM each.*

(5) *50 equity shares representing 5% equity interest of EV Saudi is held in trust by DAKN as bare trustee for EV Singapore.*

** *Also denotes non wholly-owned subsidiaries where we control the respective board of directors or where we are entitled to exercise the majority of the voting powers in the corporation.*

9.1.3 Group shareholding and profit sharing structure in the UAE and Qatar

EV Sharjah is a wholly-owned subsidiary of our Group. There are no equity restrictions applying to this corporation which is established in Hamriyah Free Zone, Sharjah in the UAE.

We own 49% of the shares in EV Abu Dhabi, EV Dubai and EVSC. Our respective local sponsors own the balance 51% each in these corporations as local regulations require UAE nationals to have majority ownership of these corporations (Further details on the ownership laws in the UAE are set out in Section 5.1(iv) of this Prospectus). We, however, consider all these corporations our subsidiaries because we control the board of directors and have the right to vote all the shares in a general meeting of all these corporations. Further, we have management control in all these corporations.

The Articles of Associations of EV Abu Dhabi, EV Dubai and EVSC permit us to share 80% of the financial results of these corporations. We, however, have shareholders agreements with our respective local sponsors in EV Abu Dhabi, EV Dubai and EVSC which enable us to contractually consolidate 100% of the financial results of these corporations in return for payment of specified annual fees to the local sponsors. Our shareholders agreements also grant to us total ownership of the assets of these corporations on their liquidation or dissolution. Our shareholders arrangements include appropriate powers of attorney to vote on behalf of the shares of our local sponsors. We also have call options granted to us by the local sponsors entitling us to buy our local sponsors' respective 51% interest in EV Abu Dhabi, EV Dubai and EVSC at nominal prices.

We own 49% of the shares in EV Qatar and are entitled to 70% of its profits/losses. We are also entitled to 70% of its assets in a liquidation or dissolution. Our shareholders arrangements grant to us appropriate power of attorney to vote 21% of the shares in EV Qatar held by our local sponsors. EV Qatar does not have a board of directors but EV Singapore is the appointed General Manager and has full management powers.

9.1.4 Share capital and changes in share capital

Our present authorised share capital is RM500,000,000 comprising 1,000,000,000 ECB Shares and our present issued and paid-up share capital is RM306,650,000 comprising 613,300,000 ECB Shares.

Details of the changes in our issued and paid-up share capital since our incorporation are as follows:

Date of allotment	No. of ordinary shares allotted	Par value	Consideration	Cumulative issued and paid-up share capital
		(RM)		(RM)
05.05.2003	2	1.00	Cash	2
06.08.2004	27,999,998	1.00	Other than cash	28,000,000
23.05.2011	2,665,000	1.00	Capitalisation	30,665,000
24.05.2011	275,985,000	1.00	Bonus Issue	306,650,000
25.05.2011	613,300,000	0.50	Share Split	306,650,000

Our issued and paid-up share capital will subsequently increase from RM306,650,000 to RM387,000,000 comprising 774,000,000 ECB Shares after the offer of Issue Shares.

9.2 Our subsidiaries

9.2.1 SEVM

(i) History and background

SEVM was incorporated on 21 August 1993 under the Act as a private limited company under the name of Sendi Tulin Sdn Bhd and assumed its present name on 10 June 1994. It commenced business in 1993.

On 10 November 2008, SEVM set up a place of business in Chennai, India and on 31 March 2009, SEVM was granted branch status by the Reserve Bank of India.

(ii) Principal activities

SEVM is principally engaged in engineering, fabrication, design and erection of mechanical and structural works.

(iii) Substantial shareholder

	< -------- Direct -------- >		< -------- Indirect -------- >	
Shareholder	**No. of ordinary shares of RM1.00 each**	**%**	**No. of ordinary shares of RM1.00 each**	**%**
ECB	1,999,998	99.99	(1)1	*
DAKN	-	-	(2)1,999,999	99.99

Notes:

* *Negligible.*

(1) *Deemed interested by virtue of 1 ordinary share held by EV Singapore, our wholly-owned subsidiary.*

(2) *Deemed interested by virtue of his substantial shareholdings in ECB.*

(iv) Share capital

As at the LPD, the authorised share capital of SEVM is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of SEVM is RM2,000,000 comprising 2,000,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of SEVM since its incorporation up to the LPD are as follows:

Date of allotment	No. of shares allotted	Par value	Consideration	Cumulative issued and paid-up share capital
		(RM)		(RM)
21.08.1993	2	1.00	Cash	2
23.09.1994	200,000	1.00	Other than cash	200,002
09.07.1996	299,998	1.00	Cash	500,000
25.04.1997	500,000	1.00	Cash	1,000,000
24.10.1997	1,000,000	1.00	Cash	2,000,000

(v) Subsidiary and associated company

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

9.2.2 EV Sharjah

(i) History and background

EV Sharjah was incorporated on 5 July 2005 under Emiri Decree No. 6 of 1995 as a free zone establishment with limited liability. It commenced business in 2006.

(ii) Principal activities

EV Sharjah is principally engaged in steel fabrication and painting.

(iii) Substantial shareholder

EV Sharjah is our wholly-owned subsidiary. DAKN is deemed interested in 100% of EV Sharjah by virtue of his shareholding in ECB.

(iv) Share capital

As at the LPD, the authorised share capital of EV Sharjah is AED150,000 comprising 1 ordinary share of AED150,000. The issued and paid-up share capital of EV Sharjah is AED150,000 comprising 1 ordinary share of AED150,000.

There has been no change in the issued and paid-up share capital of EV Sharjah since its incorporation up to the LPD.

(v) Subsidiary and associated company

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

9.2.3 EVSC

(i) History and background

EVSC was incorporated on 10 May 2006 under the Federal Law No. 8 of 1984 of the UAE as a limited liability company under the name of Al Shafar Eversendai Contracting LLC and assumed its present name on 16 September 2007. It commenced business in 2007. On 30 May 2010, our Company acquired a 49% equity interest in EVSC from DAKN.

(ii) Principal activities

EVSC is principally engaged in engineering and contracting services.

(iii) Substantial shareholders

	< ---------- Direct ----------- >		< ---------- Indirect --------- >	
Shareholders	**No. of ordinary shares of AED1,000 each**	**%**	**No. of ordinary shares of AED1,000 each**	**%**
ECB	[(1)]490	49.00	[(2)]510	51.00
Mohammed Ahmad Alshafar	510	51.00	-	-
DAKN	-	-	[(3)]1,000	100.00

Notes:

(1) ECB acquired a 49% equity interest in EVSC pursuant to a sale and purchase agreement dated 30 May 2010. ECB is able to beneficially receive all of the profits and assets distribution of EVSC, and has full management powers and the ability to direct the financial and operating policies of these entities. As such, EVSC is considered a subsidiary of ECB and its financial results are consolidated in its entirety by ECB from 30 May 2010 onwards.

(2) Deemed interested by virtue of assignment of benefits of rights in shares, call option and power of attorney to vote on behalf of the shares held and owned by Mohammed Ahmad Alshafar.

(3) Deemed interested by virtue of his substantial shareholdings in ECB.

(iv) **Share capital**

As at the LPD, the authorised share capital of EVSC is AED1,000,000 comprising 1,000 ordinary share of AED1,000 each. The issued and paid-up share capital of EVSC is AED1,000,000 comprising 1,000 ordinary share of AED1,000 each.

There has been no change in the issued and paid-up share capital of EVSC since its incorporation up to the LPD.

(v) **Subsidiary and associated company**

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

9.2.4 EV Singapore

(i) **History and background**

EV Singapore was incorporated on 14 January 2010 under the Companies Act, Cap. 50 of Singapore as a private limited company. It commenced business on 25 January 2010.

(ii) **Principal activities**

EV Singapore is principally involved in the provision of general contracting and general building engineering services.

(iii) **Substantial shareholders**

EV Singapore is our wholly-owned subsidiary. DAKN is deemed interested in 100% of EV Singapore by virtue of his shareholding in ECB.

(iv) **Share capital**

The concept of authorised share capital and par value in Singapore has been abolished with effect from 30 January 2006. The issued and paid-up share capital of EV Singapore is SGD1,045,000 comprising 1,045,000 ordinary shares.

Details of the changes in the issued and paid-up share capital of EV Singapore since incorporation up to the LPD are as follows:

Date of allotment	No. of shares allotted	Consideration	Cumulative issued and paid-up share capital
			(SGD)
14.01.2010	2	Cash	2
27.01.2010	1,044,998	Other than cash	1,045,000

(v) **Subsidiary and associated company**

As at the LPD, EV Singapore owns 99.99% interest in EV India and 49.00% interest in EV Qatar which is considered as EV Singapore's subsidiary. It does not have any associated company.

9.2.5 EV Dubai

(i) History and background

EV Dubai was incorporated on 19 May 1996 under the Federal Law No. 8 of 1984 of the UAE as a limited liability company. It commenced business in 1996.

(ii) Principal activities

EV Dubai is principally engaged in metal parts fixtures contracting, steel fabrication and welding workshop and steel structure contracting.

(iii) Substantial shareholders

	< ---------- Direct ---------- >		< ---------- Indirect ---------- >	
Shareholder	**No. of ordinary shares of AED1,000.00 each**	**%**	**No. of ordinary shares of AED1,000.00 each**	**%**
ECB	[(1)]147	49.00	[(2)]153	51.00
Essa Saif Essa Ahmad Al Ali	153	51.00	-	-
DAKN	-	-	[(3)]300	100.00

Notes:

[(1)] *ECB owns a 49% equity interest in EV Dubai. ECB is able to beneficially receive all of the profits and assets distribution of EV Dubai, and has full management powers and the ability to direct the financial and operating policies of these entities. EV Dubai is considered a subsidiary of ECB and its financial results are consolidated in their entirety in ECB's financial statements.*

[(2)] *Deemed interested by virtue of assignment of benefits of rights in shares, call option and power of attorney to vote on behalf of the shares held and owned by Essa Saif Essa Ahmad.*

[(3)] *Deemed interested by virtue of his substantial shareholdings in ECB.*

(iv) Share capital

As at the LPD, the authorised share capital of EV Dubai is AED300,000 comprising 300 ordinary shares of AED1,000.00 each. The issued and paid-up share capital of EV Dubai is AED300,000 comprising 300 ordinary shares of AED1,000.00 each.

There has been no change in the issued and paid-up share capital of EV Dubai since its incorporation up to the LPD.

(v) Subsidiary and associated company

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

9.2.6 EV Abu Dhabi

(i) History and background

EV Abu Dhabi was incorporated on 5 July 2009 under the Federal Law No. 8 of 1984 of the UAE as a limited liability company. As at the LPD, EV Abu Dhabi has not commenced business.

(ii) Principal activities

EV Abu Dhabi will be principally engaged as a contractor for buildings, industrial establishments and steel structures.

(iii) Substantial shareholders

	<------- Direct ------->		<------- Indirect ------->	
Shareholders	**No. of ordinary shares of AED1,000.00 each**	**%**	**No. of ordinary shares of AED1,000.00 each**	**%**
ECB	(1)147	49.00	(2)153	51.00
Abdulla Abdulla Fadhel Saqer Alhammadi	153	51.00	-	-
DAKN	-	-	(3) 300	100.00

Notes:

(1) *ECB owns a 49% equity interest in EV Abu Dhabi. ECB is able to beneficially receive all of the profits and assets distribution of EV Abu Dhabi, and has full management powers and the ability to direct the financial and operating policies of these entities. EV Abu Dhabi is considered a subsidiary of ECB and its financial results are consolidated in their entirety in ECB's financial statements.*

(2) *Deemed interested by virtue of assignment of benefits of rights in shares, call option and power of attorney to vote on behalf of the shares held by Abdulla Abdulla Fadhel Saqer Alhammadi.*

(3) *Deemed interested by virtue of his substantial shareholdings in ECB.*

(iv) Share capital

As at the LPD, the authorised share capital of EV Abu Dhabi is AED300,000 comprising 300 ordinary shares of AED1,000.00 each. The issued and paid-up share capital of EV Dubai is AED300,000 comprising 300 ordinary shares of AED1,000.00 each.

There has been no change in the issued and paid-up share capital of EV Abu Dhabi since its incorporation up to the LPD.

(v) Subsidiary and associated company

As at the LPD, EV Abu Dhabi does not have any subsidiary or associated company.

9.2.7 EV India

(i) History and background

EV India was incorporated on 14 August 2009 under the Companies Act, 1956 of India as a private limited company. It commenced business in 2009.

(ii) Principal activities

EV India is principally engaged in the business of builders, contractors and engineers etc.

(iii) **Substantial shareholders**

Shareholder	< ---------- Direct ---------- > No. of equity shares of Rs10.00 each	%	< -------- Indirect -------- > No. of equity shares of Rs10.00 each	%
EV Singapore	3,157,377	99.99	-	-
SEVM	1	*	-	-
ECB	1	*	(1) 3,157,378	99.99
DAKN	-	-	(2) 3,157,379	100.00

Notes:

* *Negligible.*

(1) *Deemed interested by virtue of the shareholding of ECB in EV Singapore and 1 share held by SEVM.*

(2) *Deemed interested by virtue of his substantial shareholdings in ECB.*

(iv) **Share capital**

As at the LPD, the authorised share capital of EV India is Rs35,000,000 comprising 3,500,000 equity shares of Rs10.00 each. The issued and paid-up share capital of EV India is Rs31,573,790 comprising 3,157,379 equity shares of Rs10.00 each.

Details of the changes in the issued and paid-up share capital of EV India since its incorporation up to the LPD are as follows:

Date of allotment	No. of equity shares allotted	Par value	Consideration	Cumulative issued and paid-up share capital
		(Rs)		(Rs)
21.08.2009	100,000	10.00	Cash	1,000,000
05.02.2010	3,057,379	10.00	Cash	31,573,790

(v) **Subsidiary and associated company**

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

9.2.8 EV Qatar

(i) **History and background**

EV Qatar was incorporated on 22 June 2005 under the Companies Law No. 5 of 2002 of Qatar as a company with limited liability. It commenced business in 2005.

(ii) **Principal activities**

EV Qatar is principally engaged in engineering, blasting, painting, fabrication, design and erection of mechanical and structural steelwork.

(iii) Substantial shareholders

	< ---- Direct ---- >		<---- Indirect ---- >	
Shareholders	**No. of ordinary shares of QR1,000.00 each**	**%**	**No. of ordinary shares of QR1,000.00 each**	**%**
EV Singapore	(1) 98	49.00	-	-
QIG Industrial	102	51.00	-	-
ECB	-	-	(2) 140	70.00
DAKN	-	-	(3) 140	70.00

Notes:

(1) ECB owns a 49% equity interest in EV Qatar. From 1 January 2009 onwards, ECB is able to beneficially receive 70% of the profits and assets distribution of EV Qatar, and has full management powers and the ability to direct the financial and operating policies of the entity. As such, EV Qatar is considered a subsidiary of ECB. The balance 30% economic interest in EV Qatar is held by QIG Industrial and is considered as MI for the purpose of consolidation in ECB's financial statements. Prior to 1 January 2009, ECB consolidated 100% of EV Qatar's financial statements based on the profit sharing arrangement with its previous partner, Consoil Co. WLL.

(2) Deemed interested by virtue of the shareholding of ECB in EV Singapore, and by virtue of power of attorney to vote 21% of the shares held and owned by QIG Industrial.

(3) Deemed interested by virtue of his substantial shareholdings in ECB.

(iv) Share capital

As at the LPD, the authorised share capital of EV Qatar is QR200,000 comprising 200 ordinary shares of QR1,000.00 each. The issued and paid-up share capital of EV Qatar is QR200,000 comprising 200 ordinary share of QR1,000.00 each.

There has been no change in the issued and paid-up share capital of EV Qatar since its incorporation up to the LPD.

(v) Subsidiary and associated company

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

9.2.9 EV Saudi

(i) History and background

EV Saudi was incorporated on 4 April 2011 under the laws of Saudi Arabia as a limited liability company. As at the LPD, EV Saudi has not commenced business operations.

(ii) Principal activities

EV Saudi will be principally engaged in steel construction contracts for all kinds of buildings, steel construction works related to oil and gas fields, industrial establishment building contracting, fire proofing applications and civil works.

(iii) Substantial shareholders

	< ---------- Direct ----------- >		< ---------- Indirect ---------- >	
Shareholders	**No. of ordinary shares of SAR1,000.00 each**	**%**	**No. of ordinary shares of SAR1,000.00 each**	**%**
ECB	950	95.00	(1) 50	5.00
DAKN	(2) 50	5.00	(3) 950	95.00
EV Singapore	-	-	(4) 50	5.00

Notes:

(1) *Deemed interested by virtue of shares held in trust by DAKN as bare trustee for EV Singapore, a wholly-owned subsidiary of ECB.*

(2) *Shares held in trust by DAKN as bare trustee for EV Singapore.*

(3) *Deemed interested by virtue of his substantial shareholdings in ECB.*

(4) *Deemed interested by virtue of shares held in trust by DAKN as bare trustee for EV Singapore.*

(iv) Share capital

As at the LPD, the authorised share capital of EV Saudi is SAR1,000,000 comprising 1,000 ordinary shares of SAR1,000.00 each. The issued and paid-up share capital of EV Saudi is SAR1,000,000 comprising 1,000 ordinary shares of SAR1,000.00 each.

There has been no change in the issued and paid-up share capital of EV Saudi since its incorporation up to the LPD.

(v) Subsidiary and associated company

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

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10. INFORMATION ON PROMOTER/ SUBSTANTIAL SHAREHOLDER/ DIRECTORS/ KEY MANAGEMENT

10.1 Promoter and substantial shareholder

10.1.1 Particulars and shareholdings

As at the LPD, the direct and indirect interests of our Promoter and substantial shareholder in our Shares (with 5% or more shareholdings) before and after our IPO are as follows:

		Before IPO				After IPO			
		Direct		Indirect		Direct		Indirect	
Name	Nationality	No. of ECB Shares	%	No. of ECB Shares	%	No. of ECB Shares	%	No. of ECB Shares	%
DAKN	Malaysian	613,299,920	99.99	[1] 40	^	541,809,920	70.00	[1] 40	^

Notes:

[1] *Deemed interested in shares held by his spouse, Datin Puspawathy a/p Subramaniam and his son, Narishnath a/l Nathan.*

^ *Negligible.*

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10.1.2 Profile of Promoter and Substantial Shareholder

The profile of DAKN, our Promoter and substantial shareholder is set out in Section 10.2.2 of this Prospectus.

10.1.3 Persons Exercising Control over the Corporation

Save for our substantial shareholder, DAKN as set out in Section 10.1.1 of this Prospectus, we are not aware of any other person who, directly or indirectly, jointly or severally, exercises control over our Company.

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10.1.4 Changes in the shareholdings of our substantial shareholder for the past 3 years

The changes in the shareholdings of our Promoter and substantial shareholder for the past 3 FYE and up to the LPD are as follows:

Name	Nationality	As at 31 December 2008	%	As at 31 December 2009	%	As at 31 December 2010	%	As at the LPD	%
DAKN	Malaysian	27,999,998	99.99	27,999,998	99.99	27,999,996	99.99	27,999,996	99.99

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10. INFORMATION ON PROMOTER/ SUBSTANTIAL SHAREHOLDER/ DIRECTORS/ KEY MANAGEMENT *(Cont'd)*

10.2 Directors

10.2.1 Particulars and shareholdings

		Before IPO				After IPO			
		<---------- Direct --------->		<-------- Indirect ------->		<---------- Direct ---------->		<-------- Indirect --------->	
Name	Designation	No. of ECB Shares	%	No. of ECB Shares	%	No. of ECB Shares	%	No. of ECB Shares	%
DAKN	Executive Chairman/Group Managing Director	613,299,920	99.99	(1) 40	^	541,809,920	70.00	(1) 40	^
Nadarajan Rohan Raj	Executive Director/ Group Chief Operating Officer	-	-	-	-	1,000,000*	0.13	-	-
Narla Srinivasa Rao	Executive Director/Regional Director of Middle East	-	-	-	-	1,000,000*	0.13	-	-
Narishnath a/l Nathan	Executive Director/ Country Head of India	20	^	-	-	900,020*	0.12	-	-
Tan Sri Rastam Mohd Isa	Independent Non-Executive Director	-	-	-	-	-	-	-	-
Datuk Ng Seing Liong	Independent Non-Executive Director	-	-	-	-	-	-	-	-
Mohammad Nizar bin Idris	Independent Non-Executive Director	-	-	-	-	-	-	-	-

Notes:

(1) *Deemed interested in shares held by his spouse, Datin Puspawathy a/p Subramaniam and his son, Narishnath a/l Nathan.*

* *Assuming that the Pink Form Shares allocated are fully subscribed by the respective Directors.*

^ *Negligible.*

10.2.2 Profiles of Directors

DAKN, aged 55, is our Executive Chairman/Group Managing Director of our Company and was appointed to our Board on 12 August 2004. He built our Company from a modest structural steel erection specialist to one of the leading integrated structural steel turnkey contractor. Under his leadership, our Group has successfully completed the structural steel work for several high-profile projects namely, the Petronas Twin Tower 2 and Kuala Lumpur International Airport in Malaysia; Burj Al-Arab, Dubai Mall, Ski Dome and Burj Khalifa in Dubai, UAE; Capital Gate in Abu Dhabi, UAE; and the New Doha International Airport in Doha, Qatar. He was instrumental in establishing steel fabrication facilities in Rawang, Dubai, Sharjah and Doha with a combined annual capacity of 119,000MT and developing Eversendai to where it is today. He has won several notable industry awards which pay tribute to his contributions to the construction industry such as the Golden Construction Award 2008 from Trade Leaders Club, Madrid, Spain, Malaysian Entrepreneur of the Year 2008 from Ernst & Young, CEO of the Year Award in 2008 by CIDB and Brand Personality Award in 2009 by The Brandlaureate in the Asia Pacific. He is a council member of the Master Builders Association of Malaysia, one of the trustees for the Construction Industry Research Institute of Malaysia and is also a board member of the CIDB. He is also an active speaker and has been invited to deliver numerous speeches at various seminars, forums, universities and conferences.

Nadarajan Rohan Raj, aged 45, is our Executive Director and Group Chief Operating Officer. He was appointed to our Board on 12 August 2004. He graduated in 1988 from Mangalore University, Karnataka, India with a Bachelor's Degree in Civil Engineering and is also a Chartered Engineer. In 2010, he obtained his Master of Business Administration ("**MBA**") Post Graduate Degree from London Business School, UK. He has over 20 years experience in the structural steel industry spanning across the Middle East, India and South East Asia. He was with Kvaerner Construction *(formerly known as Trafalgar House group)* of the UK for a period of 12 years where he was seconded to Cleveland Bridge's structural steel division in the Middle East, Malaysia and India. He was responsible for the successful tendering, negotiation and execution of several major projects and was involved in the expansion of their steel fabrication facilities in Dubai, UAE and Seremban, Malaysia. His last position in Cleveland Bridge was as Managing Director of their Indian operations and Director of their Malaysian operations. Prior to joining us in 2003, he was with the Sembawang Group, Singapore for about a year where he was in charge of all commercial affairs related to the engineering and construction of an offshore gas processing facility for Occidental Petroleum that was eventually delivered and installed offshore at Ras Laffan, Qatar.

Narla Srinivasa Rao, aged 44, is our Executive Director and Regional Director for the Middle East operations. He was appointed to the Board on 26 May 2010. He graduated in 1987 with a Diploma in Mechanical Engineering and is currently pursuing an MBA Degree from Manchester Business School, UK. He started his career at Century Construction Pvt Ltd, India as a junior engineer where he gained valuable experience in fabrication and erection of structural steelwork, and hydro and coal-fired power plant construction. He joined our Group in 1993 as a Site Engineer and held various positions in our Group before being appointed to his current position in 2008. He has played a major role in the successful execution of several major landmark projects for our Group.

10. INFORMATION ON PROMOTER/ SUBSTANTIAL SHAREHOLDER/ DIRECTORS/ KEY MANAGEMENT *(Cont'd)*

Narishnath a/l Nathan, aged 29, is our Executive Director and Country Head for the Indian operations. He was appointed to our Board on 26 May 2010. He holds a Bachelor in Business Information Technology (Honours) Degree from Coventry University, UK and is currently pursuing an MBA Degree with the Manchester Business School, UK. He first joined EV Dubai in 2004 and was subsequently posted to EV Qatar in 2006 as its General Manager. His responsibilities as General Manager of EV Qatar include the setting up of our fabrication facility and the managing of several large scaled projects. During his tenure, he was also instrumental in securing several large contracts for the Group. He subsequently returned to EV Dubai in 2008 as its Deputy Commercial Director and held the post until 2009. His responsibilities as the Country Head/Executive Director of the Indian operations include managing and growing the entire Indian operations which is represented by 4 divisions i.e. Infrastructure, Engineering, Power and Fabrication.

Mohammad Nizar bin Idris, aged 69, is our Independent Non-Executive Director and was appointed to our Board on 1 June 2010. He obtained his Bachelor in Law (Honours) Degree from University of Singapore in 1967. He was admitted as an Advocate and Solicitor of the High Court of Malaya. He attended the Advance Management Programme by Harvard University, Boston in 1994. He started his career in the Judicial and Legal service of the Government. He was the Senior Federal Counsel responsible for tax and treasury matters. He left the government service to join the private sector. He joined Royal Dutch Shell ("**Shell**"). He worked for Shell in Malaysia, the Netherlands and in the UK. During his last posting in Shell in London, he was the Head of the Legal Division responsible for Shell's investments, joint ventures, mergers and acquisitions worldwide. Before retiring from Shell, he returned to Malaysia to assume the position of Deputy Chairman and Executive Director of the Shell Companies in Malaysia. He was also the Chairman of Shell Chemicals (TKSB). After his retirement he was appointed as a director on the boards of several companies. Currently, he is the Chairman of Fitters Diversified Bhd, Bechtel Bina Malaysia Sdn Bhd, CDC Management Sdn Bhd and CDC Consulting Sdn Bhd. He also sits on the board of Rotary MEC (M) Sdn Bhd. He is an independent non-executive director of Pacific & Orient Insurance Co Bhd.

Tan Sri Rastam Mohd Isa, aged 60, is our Independent Non-Executive Director and was appointed to our Board on 31 March 2011. He obtained his Bachelor in Social Science Degree from Universiti Sains Malaysia in 1974 and a Certificate of Diplomacy from the University of Oxford in 1977. He also obtained a Master of Arts Degree in International Relations and Strategic Studies from the University of Lancaster in 1986. Tan Sri Rastam began his career in the Malaysian Administrative and Diplomatic Service in 1974. Tan Sri Rastam was appointed as High Commissioner of Malaysia to Pakistan in October 1994. In November 1996, he became the first Malaysian Ambassador to Bosnia Herzegovina resident in Sarajevo. He was posted back to New York as Ambassador and Deputy Permanent Representative to the United Nations in May 1998. From September 1999 to March 2003, Tan Sri Rastam assumed the post of Malaysian Ambassador to the Republic of Indonesia. He returned to New York and served as Malaysia's Permanent Representative to the United Nations from March 2003 to August 2005. He served as Deputy Secretary General 1 at the Ministry of Foreign Affairs, Malaysia before being appointed as Secretary General. Tan Sri Rastam served as the Secretary General of the Ministry of Foreign Affairs, Malaysia from 8 January 2006 to 2 September 2010. He retired after serving for more than 36 years for the Malaysian government. He was appointed as an advisor for the Chief Minister's Department, Sarawak in November 2010. With more than 36 years of working experience at the Ministry of Foreign Affairs, Malaysia, Tan Sri Rastam gained vast experience in administration, management, diplomacy and international relations.

Datuk Ng Seing Liong JP, aged 57, is our Independent Non-Executive Director and was appointed to our Board on 18 June 2010. He holds a Diploma in Commerce from Tunku Abdul Rahman College. He is the Senior Partner of S. L. Ng & Associates. He is a Chartered Accountant, approved Company Auditor and Liquidator. He is a Member of Malaysian Institute of Accountants, Fellow Member of the Association of Chartered Certified Accountants UK, Associate Member of Institute of Chartered Secretaries & Administrators UK, Member of Malaysian Institute of Certified Public Accountants, Fellow Member of Institute of Co-operative and Management Auditors Malaysia and Fellow Member of Chartered Institute of Taxation, Malaysia. He has more than 25 years experience in Receivership and Liquidation. He was the President of Real Estate and Housing Developers' Association Malaysia from 2006 to June 2010. He is also the Managing Director of Kota Kelang Development Sdn Bhd, Chairman of Insolvency and Corporate Solutions Committee of CAS International and Director of CIDB. He is a member of MIA Insolvency Committee.

Family relationships

DAKN is the father of Narishnath a/l Nathan, our Executive Director and Country Head for the Indian operations. DAKN is the brother of Gopala Krishnan, our General Manager for EV Qatar.

Tan Sri Rastam Mohd Isa, Mohammad Nizar bin Idris and Datuk Ng Seing Liong have no family relationship with any director and/or substantial shareholder of our Group.

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10. INFORMATION ON PROMOTER/ SUBSTANTIAL SHAREHOLDER/ DIRECTORS/ KEY MANAGEMENT *(Cont'd)*

10.2.3 Directorships and substantial shareholdings of Directors in all other corporations for the past 5 years

Save as disclosed below, none of the Directors hold other principal directorships outside the Group at present and in the last 5 years up to the LPD.

Director	Name of company	Directorship	Date of appointment/ (resignation)	Principal activities	Direct No. of shares	Direct %	Indirect No. of shares	Indirect %
DAKN	Barracuda Advertising Sdn Bhd [1]	Company Director	27.03.2000	Dormant	75,000	50.00	-	-
	Botanical Extracts Sdn Bhd [1]	Company Director	16.02.1996	Dormant	174,999	69.99	-	-
	C. Barracudaa Communication Pte. Ltd (Singapore)	Company Director	10.02.1996/ (05.06.2008)	Dormant	513,000	85.50	75,000	[2] 12.50
	CIDB	Director	01.06.2009	Governing building contractors	-	-	-	-
	Eversendai Engineering Pte Ltd (Singapore)	Company Director	19.05.1988/ (02.12.2008)	Dormant	-	-	1,999,999	[2] 99.99
	EV Hong Kong [1]	Company Director	01.06.1998/ (14.05.2010)	Dormant	-	-	2	[2] 66.67
	EEPL*	Company Director	01.03.2010	Dormant	5,000	50.00	5,000	[2] 50.00
	Shineversendai Properties (M) Sdn Bhd[3]	Company Director	22.06.1996	Property investment	199,998	99.99	1	[2] ^
	Eversendai Engineering Sdn Bhd#	Company Director	29.11.1984	Dormant	120,000	24.00	-	-
	Excess Card Sdn Bhd	Company Director	02.05.1985	Dormant	1	50.00	1	@ 50.00
Nadarajan Rohan Raj	Cleveland Consulting (S) Pte Ltd	Company Director	07.07.2003	Consultancy	500	50.00	500	[4] 50.00
	EV Hong Kong [1]	Company Director	29.07.2004	Dormant	-	-	-	-

10. INFORMATION ON PROMOTER/ SUBSTANTIAL SHAREHOLDER/ DIRECTORS/ KEY MANAGEMENT *(Cont'd)*

Director	Name of company	Directorship	Date of appointment/ (resignation)	Principal activities	< ------ Direct ------ > No. of shares	%	< ------- Indirect ------ > No. of shares	%
Mohammad Nizar bin Idris	Bechtel Bina Malaysia Sdn Bhd	Chairman	06.01.1999	Project management, engineering and construction	300,000	30.00	-	-
	CDC Consulting Sdn Bhd	Chairman	09.02.2004	Business management consulting and training	30,000	30.00	-	-
	CDC Management Development (M) Sdn Bhd	Chairman	07.05.1999	Education	20,000	10.00	-	-
	Felda Global Ventures Holdings Sdn Bhd	Company Director	06.04.2010/ (31.12.2010)	Plantation and trading	-	-	-	-
	Fitters Diversified Bhd	Chairman	21.11.2000	Trading, manufacturing of fire safety equipment and fire prevention systems	-	-	-	-
	Pacific & Orient Insurance Co Bhd	Company Director	23.06.2009	Insurance	-	-	-	-
	Rotary MEC (M) Sdn Bhd	Company Director	18.12.1998	Electrical engineering	100,000	10.00	-	-
Tan Sri Rastam Mohd Isa	RVR Diagnostics Sdn Bhd	Chairman and Director	20.12.2010	Medical devices and biotech research	7,500	7.50	-	-
	Sime Darby Energy Sdn Bhd	Independent Non-Executive Director	31.12.2010	Oil and gas, and engineering	-	-	-	-
Datuk Ng Seing Liong	CIDB	Director	05.02.2007	Governing building contractors	-	-	-	-
	Intermont Holdings Sdn Bhd	Company Director	01.07.1998	Property management company	90,000	30.00	42,000	(5) 42.00
	Kota Kelang Construction Sdn Bhd	Company Director	05.03.1980	Housing contractor	150,000	17.64	187,500	(6) 75.00

10. INFORMATION ON PROMOTER/ SUBSTANTIAL SHAREHOLDER/ DIRECTORS/ KEY MANAGEMENT *(Cont'd)*

Director	Name of company	Directorship	Date of appointment/ (resignation)	Principal activities	< ------ Direct ------ > No. of shares	%	< ------- Indirect ------ > No. of shares	%
Datuk Ng Seing Liong *(Cont'd)*	Kota Kelang Development Sdn Bhd	Company Director	31.12.1982	Housing developer	600,000	75.00	-	-
	Linggi Oil Palm Realty Sdn Bhd	Company Director	28.03.1988	Planters & sellers of oil palm	121,477	18.76	-	-
	Ng Siak Khui Realty Sdn Bhd	Company Director	18.05.1977	Property management and investment holding company	148,146	17.21	-	-
	S. L. Ng Corporate Solutions Sdn Bhd	Company Director	01.03.2008	Provider for corporate recovery, restructuring services, forensic services and act as trustee	4	50.00	5	(7) 50.00
	S. L. Ng Tax Services Sdn Bhd	Company Director	09.09.1998	Business management consultant	1	50.00	1	(5) 50.00
	Sim Sin Construction Development Sdn Bhd	Company Director	18.05.1983	Property investment	85,000	21.25	-	-

Notes:

(1) *The company has been deregistered on 8 April 2011.*

(2) *Deemed interested by virtue of the shareholdings of his spouse, Datin Puspawathy a/p Subramaniam.*

(3) *The company is in the process of changing its name.*

(4) *Deemed interested by virtue of the shareholdings of his spouse, Liza Rohan.*

(5) *Deemed interested by virtue of the shareholdings of his spouse, Datin Yam Cheok Wan.*

(6) *Deemed interested by virtue of his substantial shareholdings in Kota Kelang Development Sdn Bhd.*

(7) *Deemed interested by virtue of the shareholdings of his spouse, Datin Yam Cheok Wan and his son, Ng Choon Jin.*

* *The company is the surviving entity from the merger of ECEPL with EEPL pursuant to the court order dated 1 November 2010. Pursuant to the court order, ECEPL has been dissolved without winding up. EEPL has changed its name to NPNS Enterprise Private Limited effective from 24 May 2011.*

\# *The company is in the process of winding up.*

@ *Deemed interested by virtue of the shareholdings of his brother, Duraisingam s/o Elumalay.*

^ *Negligible.*

10.2.4 Directors' remuneration and benefits

The aggregate remuneration and material benefits paid to our Directors for services rendered in all capacities to us for the FYE 31 December 2010 was about RM11.0 million. For the FYE 31 December 2011, the aggregate amount of remuneration and material benefits payable to our Directors for services rendered to us in the aforesaid capacities is estimated to be about RM11.5 million. The details of the banding of remuneration and material benefits of our Directors are as follows:

	< ———— Remuneration band (RM) ———— >	
Directors	**FYE 31 December 2010**	**FYE 31 December 2011**
DAKN	Band C	Band D
Nadarajan Rohan Raj	Band B	Band B
Narla Srinivasa Rao	Band B	Band B
Narishnath a/l Nathan	Band B	Band B
Mohammad Nizar bin Idris	-	Band A
Tan Sri Rastam Mohd Isa	-	Band A
Datuk Ng Seing Liong	-	Band A

Notes:
Band A: between RM50,001 to RM100,000
Band B: between RM800,001 to RM850,000
Band C: between RM8,400,001 to RM8,450,000
Band D: between RM8,650,001 to RM8,700,000

Save as disclosed above, there is no contingent or deferred compensation payable to any Director.

10.2.5 Benefits paid or intended to be paid or given to Promoter, Directors or substantial shareholder

Save as disclosed in Sections 4.3(ii)(b) and 10.2.4 of this Prospectus, no amounts or benefits were paid to any of our Promoter, Directors or substantial shareholder within the last 2 years preceding the date of this Prospectus.

10.2.6 Directors' tenure of office

Our Directors have been appointed to serve in office. Our Board comprises 4 Executive Directors and 3 Independent Non-Executive Directors and their respective terms of office up to the LPD are as follows:

Directors	Designation	Retirement from current term of office	No. of years served in office
DAKN	Executive Chairman/Group Managing Director	*	7
Nadarajan Rohan Raj	Executive Director/Group Chief Operating Officer	-	7
Narla Srinivasa Rao	Executive Director/Regional Director of Middle East	*	1

10. INFORMATION ON PROMOTER/ SUBSTANTIAL SHAREHOLDER/ DIRECTORS/ KEY MANAGEMENT *(Cont'd)*

Directors	Designation	Retirement from current term of office	No. of years served in office
Narishnath a/l Nathan	Executive Director/Country Head of India	^	1
Mohammad Nizar bin Idris	Independent Non-Executive Director	^	1
Tan Sri Rastam Mohd Isa	Independent Non-Executive Director	*	< 1
Datuk Ng Seing Liong	Independent Non-Executive Director	-	1

Notes:

^ *In 2012.*

* *These Directors will retire from their current term of office on our Company's forthcoming Annual General Meeting.*

In accordance with Article 128 of our Articles of Association, an election of our Directors shall take place each year during the annual general meeting. At every annual general meeting, all of our Directors are subject to retirement by rotation such that each Director shall retire from office once in every 3 years or, if their number is not 3 or a multiple of 3, the number nearest to 1/3 shall retire from office such that each Director shall retire from office once in every 3 years, and if there is only 1 Director who is subject to retirement by rotation, he shall retire. All Directors who retire from office shall be eligible for re-election.

10.3 Audit, Nomination and Remuneration Committees

10.3.1 Audit Committee

The Audit Committee of our Company was established on 21 April 2011. The members of the Audit Committee are appointed by our Board upon the recommendation of the Remuneration and Nomination Committee of our Company. The committee comprises at least 3 Non-Executive Directors, a majority of which are Independent. The committee is responsible for:

(i) monitoring the integrity of our Company's financial statements;

(ii) reviewing the independence and objectivity of our Company's independent auditor;

(iii) monitoring the performance of our Company's internal audit function; and

(iv) monitoring our Company's compliance with relevant laws, regulations and code of conduct.

The current members of our Audit Committee are as follows:

Name	Designation	Directorship
Datuk Ng Seing Liong	Chairman	Independent Non-Executive Director
Tan Sri Rastam Mohd Isa	Member	Independent Non-Executive Director
Mohammad Nizar bin Idris	Member	Independent Non-Executive Director

10.3.2 Nomination Committee

Our present Nomination Committee was established on 21 April 2011, and its members are appointed annually by our Board. It is primarily responsible for:

(i) recommending candidates for appointments to our Board, board committees, consultative panels, regulatory committees and key management positions;

(ii) establishing the performance criteria to evaluate the performance of each member of our Board and reviewing their respective performances;

(iii) formulating the nomination, selection and succession policies for members of our Board and board committees;

(iv) recommending to our Board the optimum size of our Board, and formalising a transparent procedure for proposing new nominees to our Board and board committees; and

(v) assisting our Board in reviewing on an annual basis the required mix of skills and experience of Non-Executive Directors.

The current members of our Nomination Committee are as follows:

Name	Designation	Directorship
Tan Sri Rastam Mohd Isa	Chairman	Independent Non-Executive Director
Datuk Ng Seing Liong	Member	Independent Non-Executive Director
Mohammad Nizar bin Idris	Member	Independent Non-Executive Director

10.3.3 Remuneration Committee

Our present Remuneration Committee was established on 21 April 2011, and its members are appointed annually by our Board. It is primarily responsible for:

(i) recommending to our Board the policy and framework for Directors' remuneration as well as the remuneration and terms of service of Executive Directors; and

(ii) evaluating performance and reward for the Directors.

The current members of our Remuneration Committee are as follows:

Name	Designation	Directorship
Mohammad Nizar bin Idris	Chairman	Independent Non-Executive Director
Tan Sri Rastam Mohd Isa	Member	Independent Non-Executive Director
Nadarajan Rohan Raj	Member	Executive Director

10.4 Key management

10.4.1 Particulars and shareholdings

Save for the particulars and shareholdings of DAKN, Nadarajan Rohan Raj, Narla Srinivasa Rao and Narishnath a/l Nathan which are set out in Sections 10.1.1 and 10.2.1 of this Prospectus, the details of our key management and their direct and indirect interests in our Shares before and after our IPO are as follows:

		Before IPO				After IPO			
		<--------- Direct -------->		<------- Indirect ------->		<--------- Direct -------->		<------- Indirect ------->	
Name	**Designation**	**No. of ECB Shares**	**%**	**No. of ECB Shares**	**%**	**No. of ECB Shares**	**%**	**No. of ECB Shares**	**%**
Chandrasegran a/l S. P. Uthirapathy	Regional Director of South East Asia	-	-	-	-	^ 250,000	0.04	-	-
Chan Fook Kwong	Chief Financial Officer	-	-	-	-	^ 50,000	0.01	-	-
Pardhasaradhi Chadalavada	Operations Director of Middle East and India	-	-	-	-	^ 200,000	0.03	-	-
Gopala Krishnan	General Manager of EV Qatar	-	-	-	-	^ 50,000	0.01	-	-
Rajagopal Damodharan	General Manager of EV Sharjah	-	-	-	-	^ 200,000	0.03	-	-
Kaliyappan Saravanan	General Manager for Infrastructure Division of EV India	-	-	-	-	^ 200,000	0.03	-	-
Natesan Subramanian	General Manager for Power Plant Division of EV India	-	-	-	-	^ 150,000	0.02	-	-
Thong Peng Fook	General Manager of SEVM	-	-	-	-	^ 150,000	0.02	-	-
Stephen Athisayamuthu	Deputy General Manager of EVSC	-	-	-	-	^ 200,000	0.03	-	-
Subramanian Pandirajan	Deputy General Manager of EV Qatar	-	-	-	-	^ 200,000	0.03	-	-

10. INFORMATION ON PROMOTER/ SUBSTANTIAL SHAREHOLDER/ DIRECTORS/ KEY MANAGEMENT *(Cont'd)*

		Before IPO				After IPO			
		<---------- Direct --------->		<-------- Indirect -------->		<---------- Direct --------->		<-------- Indirect -------->	
Name	**Designation**	**No. of ECB Shares**	**%**	**No. of ECB Shares**	**%**	**No. of ECB Shares**	**%**	**No. of ECB Shares**	**%**
Srinivas Rao Sarvade	Technical Director of Engineering Division of EV India	-	-	-	-	^ 200,000	0.03	-	-
Chinaaraj Babu	Deputy General Manager, Tendering of Middle East and India	-	-	-	-	^ 200,000	0.03	-	-
Pashmeena Bhatia	Financial Controller of EV Dubai	-	-	-	-	^ 200,000	0.03	-	-

Note:

^ *Assuming that the Pink Form Shares allocated are fully subscribed by them.*

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