

6. INFORMATION ON PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS & KEY MANAGEMENT

6.1 Promoter

6.1.1 Particulars and Shareholdings

The promoter of the Company is as follows:-

Name	Nationality/ Place of Incorporation	No. of Malton Shares Held After The Placement and Offer for Sale				No. of Warrants Held After The Placement and Offer for Sale			
		Direct	%	Indirect	%	Direct	%	Indirect	%
Malton Corporation	Malaysia	*121,914,928	35.0	-	-	*60,957,464	35.0	-	-

* Assuming the completion of the Placement and Offer for Sale. The respective shareholdings (and Warrant holdings) will increase proportionately with the number of Shares (and Warrants) not successfully placed/offered.

- Note:
- 1) The major shareholders shown above do not include the Bumiputera investors approved by MITI and placed under the Placement and Identified Public Places.
 - 2) Datuk Desmond Lim Siew Choon is the major shareholder of Malton Corporation.

6.1.2 Profile of Promoter

Malton Corporation is a company incorporated in Malaysia on 23 May 1996 under the Companies Act, 1965 as a private limited company under the name of Malton Hotel Management Sdn Bhd. It changed to its existing name on 5 June 2000. Its authorised and issued and paid-up share capital are RM100,000 comprising of 100,000 Shares. It is an investment holding company.

The Directors and major shareholders of Malton Corporation and their shareholdings in Malton Corporation as at 31 January 2002 are as follows:-

	No. of Shares			
	Direct	%	Indirect	%
Datuk Lim Siew Choon, Desmond	90,000	90.0	-	-
Datin Tan Kewi Yong, Cindy	10,000	10.0	-	-

6.1.3 Directorships and Major Shareholdings of Promoter in All Other Public Companies for the Past Two Years Preceding the Date of this Prospectus

Malton Corporation being the Promoter of the Offer for Sale, has no directorships and major shareholdings in all other public companies for the past two (2) years preceding the date of this Prospectus.

6.1.4 Changes in Promoter's Shareholdings in the Company for the Past Three (3) Years Preceding the Date of this Prospectus

As the Promoter acquired the Company only on 19 February 2002, there have been no prior changes in its shareholdings for the past three (3) years preceding 19 February 2002.

6. INFORMATION ON PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS & KEY MANAGEMENT (Cont'd)

The Promoter's shareholdings on and after 19 February 2002 are as follows:-

Name of Promoter	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
<i>As at 19 February 2002 (being the date of the completion of the Disposal)</i>				
Malton Corporation	174,176,464	100	-	-
<i>As at 21 February 2002 (being the allotment date of the Bonus Issue)</i>				
Malton Corporation	348,352,928	100%	-	-

6.2 Major Shareholders

6.2.1 Particulars and Shareholdings

The major shareholders of Malton after the Placement and Offer for Sale are as follows:-

Name	Nationality / Place of Incorporation	No. of Malton Shares Held After The Placement and Offer for Sale				No. of Warrants Held After The Placement and Offer for Sale			
		Direct	%	Indirect	%	Direct	%	Indirect	%
Malton Corporation	Malaysia	*121,914,928	35.0	-	-	*60,957,464	35.0	-	-
Datuk Lim Siew Choon, Desmond	Malaysian	-	-	*+121,914,928	35.0	-	-	*+60,957,464	35.0

* Assuming the completion of the Placement and Offer for Sale. The respective shareholdings (and Warrant holdings) will increase proportionately with the number of Shares (and Warrants) not successfully placed/offered.

+ Deemed interested by virtue of his substantial shareholding in Malton Corporation.

Note: The major shareholders shown above do not include the Bumiputera investors approved by MITI and placed under the Placement and Identified Public Places.

6.2.2 Profiles of Major Shareholders

Datuk Lim Siew Choon, Desmond, aged 41, was appointed to the Board on 12 December 2001 and assumed the position of Executive Chairman on 1 March 2002. Datuk Desmond Lim had his tertiary education in the United States of America majoring in Finance (Bachelor of Business Administration) at University of Central Oklahoma. Datuk Desmond Lim has more than 20 years experience in the corporate world, particularly in the construction and property development business.

From 1987, he managed and guided a real estate development and construction group called Khuan Choo, which has established a good track record in terms of earnings and profitability. In addition to his active involvement in property development, he is presently a Director of Paracorp Berhad, a company listed on the Main Board of KLSE.

6. INFORMATION ON PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS & KEY MANAGEMENT (Cont'd)

6.2.3 Directorships and Major Shareholdings of Major Shareholders in All Other Public Companies For the Past Two Years Preceding the Date of this Prospectus

Name of Major Shareholders	Name of Company	Year Appointed	Total No. of shares Held				Principal Activities
			Direct	%	Indirect	%	
Datuk Lim Siew Choon, Desmond	Paracorp Berhad (Incorporated in Malaysia)	1997	21,169,000	15.90	^3,000,000	2.25	Investment holding

6.2.4 Changes in Major Shareholders' Shareholdings in the Company for the Past Three (3) Years Preceding the Date of this Prospectus

As the major shareholder acquired the Company only on 19 February 2002, there have been no prior changes in its shareholdings for the past three (3) years preceding 19 February 2002.

The major shareholder's shareholdings on and after 19 February 2002 are as follows:-

Name of Major Shareholder	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
<i>As at 19 February 2002 (being the date of the completion of the Disposal)</i>				
Malton Corporation	174,176,464	100	-	-
Datuk Lim Siew Choon, Desmond	-	-	*174,176,464	100
<i>As at 21 February 2002 (being the allotment date of the Bonus Issue)</i>				
Malton Corporation	348,352,928	100	-	-
Datuk Lim Siew Choon, Desmond	-	-	*348,352,928	100

* Deemed interested by virtue of his substantial shareholding in Malton Corporation

6. INFORMATION ON PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS & KEY MANAGEMENT (Cont'd)

6.3 Directors

6.3.1 Particulars and Shareholdings

The Directors of Malton are as follows:-

Name	Nationality	No. of Malton Shares Held After The Placement and Offer for Sale				No. of Warrants Held After The Placement and Offer for Sale			
		Direct	%	Indirect	%	Direct	%	Indirect	%
Datuk Lim Siew Choon, Desmond	Malaysian	-	-	*+121,914,928	35.0	-	-	*+60,957,464	35.0
Datin Tan Kewi Yong, Cindy	Malaysian	-	-	-	-	-	-	-	-
Ho Yew Hong	Malaysian	^ 31,000	0.01	-	-	^ 15,500	0.01	-	-
Wan Azman bin Wan Kamal	Malaysian	^ 32,000	0.01	-	-	^ 16,000	0.01	-	-
Guido Paul Philip Joseph Ravelli	British	^ 32,000	0.01	-	-	^ 16,000	0.01	-	-

Notes:

* Assuming the completion of the Placement and Offer for Sale. The respective shareholdings (and Warrant holdings) will increase proportionately with the number of Shares (and Warrants) not successfully placed/offered.

+ Deemed interested by virtue of his substantial shareholding in Malton Corporation

^ Assuming they subscribe in full for their respective entitlement under the allocation to Directors and Employees of 1,746,000 Shares with 873,000 Warrants pursuant to the Offer for Sale

6.3.2 Profiles of Directors

The profile of Datuk Lim Siew Choon, Desmond is provided in section 6.1.2.

Datin Tan Kewi Yong, Cindy, aged 45, was appointed to the Board as an Executive Director on 19 February 2002. She received her tertiary education in the United Kingdom and gained more than 20 years of working experience. She was instrumental in setting successful business ventures including manufacture of office and industrial equipment, mail ordering business, bonded warehouses and trading and distribution of well-known international brands of kitchenware, and electrical appliances. Besides her personal involvement in the businesses, she has also acquired vast experience in marketing, finance and human resource management.

Ho Yew Hong, aged 36, was appointed to the Board on 1 March 2002 as an Executive Director. He graduated from Chisholm Institute of Technology Australia with a Bachelor of Business in Accounting in 1989, and obtained a Master of Business Administration from University of Strathclyde, United Kingdom in 1995. He is a member of the Malaysian Institute of Accountants.

In 1989, he joined KPMG Peat Marwick as an auditor. He left in 1992 to join Kee Huat Industries Berhad as the Accountant and was subsequently promoted to Group Accountant. In 1995 he joined Raycheah Construction and Consultancy Sdn Bhd as the Finance Manager and was eventually promoted to the position of Financial Controller. He joined the Group in 1997 as the Financial Controller and was later promoted to General Manager of Corporate Planning to head the corporate planning and finance division for the Group.

6. INFORMATION ON PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS & KEY MANAGEMENT (Cont'd)

Wan Azman bin Wan Kamal, aged 41, was appointed to the Board on 1 March 2002 as an Independent Non-Executive Director. He holds a Diploma in Quantity Surveying from Universiti Teknologi Malaysia and an Advanced Diploma in Quantity Surveying from Institut Teknologi Mara and is a Registered Quantity Surveyor with the Board of Surveyor, Malaysia and a member of the Malaysian Institute of Surveyors.

He began his career in 1982 as Technical Assistant with Jabatan Kerja Raya, Pahang. In 1986, he joined QS Associates, a firm of consultant quantity surveys and served as a Quantity Surveyor for 4 years. In 1990, he joined Sime UEP Properties Berhad as a Cost Controller and held position of Assistant General Manager. He left Sime UEP in 1997 to set up Nadi Cergas Sdn Bhd, a Pusat Khidmat Kontraktor Bumiputera Class A building and civil construction company. He is currently the Managing Director of Nadi Cergas Sdn Bhd.

Guido Paul Philip Joseph Ravelli, aged 50 was appointed to the Board as an Independent Non-Executive Director on 1 March 2002. Born in United Kingdom, he studied civil engineering at King's College, University of London. Graduating with a Bachelor of Science (Hons) degree in Civil Engineering, he furthered his studies at Ecole Centrale des Arts et Manufacturers, Paris, and was later conferred on Master of Science. Commencing his working career with a major building contractor in Paris, he soon elected to pursue an international career in the field of construction. Since joining Bouygues Construction in France in 1974, he has accumulated more than 28 years of experience in the development, implementation and management of building, public works and BOT projects in Finance, Portugal, Hong Kong and Malaysia. In 2000 the President of France conferred a national honour on him by making Paul Ravelli a Chevalier de l'Ordre National du Merite, in recognition of his contribution to the profession and to Franco-Asian business relations. Amongst the significant projects with which he has been associated are; Hong Kong, the HSBC Head Office, Pacific Place development, the National Stadium and the Convention & Exhibition Centre, and, in Malaysia, the KL Sentral Station.

6.3.3 Directorships and Major Shareholdings of Directors in All Other Public Companies for the Past Two Years Preceding the Date Hereof

Name of Directors	Name of Company	Year Appointed	Total No. of shares Held ('000)				Principal Activities
			Direct	%	Indirect	%	
Datuk Lim Siew Choon, Desmond	Paracorp Berhad (Incorporated in Malaysia)	1997	21,169	15.3	3,000	2.25	Investment holding
Datin Tan Kewi Yong, Cindy	Paracorp Berhad (Incorporated in Malaysia)	1997	10,192	7.7	3,000	2.25	Investment holding
Ho Yew Hong	-	-	-	-	-	-	-
Wan Azman bin Wan Kamal	-	-	-	-	-	-	-
Guido Paul Philip Joseph Ravelli	-	-	-	-	-	-	-

6.3.4 Changes in Directors' Shareholdings in the Company for the Past Three (3) Years Preceding the Date of this Prospectus

As disclosed in Section 6.2.4 of this Prospectus, Datuk Desmond Lim Siew Choon, a Director of Malton, has on 19 February 2002 acquired, via Malton Corporation, 174,176,464 Shares in Malton, representing 100% of the then paid up share capital of Malton.

Other than the above Director, no other Director has any prior changes in their respective shareholdings in Malton for the past three (3) years preceding the date of this Prospectus.

6. INFORMATION ON PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS & KEY MANAGEMENT (Cont'd)

6.3.5 Directors' Remuneration and Benefits

For the three(3) months period ended 30 September 2001, a total of RM230,500 was paid to the Directors of Malton Group for services rendered to the Company and its subsidiary companies.

6.4 Audit Committee

The main functions of the Audit Committee fall within the ambit of the KLSE Listing Requirements. The members of the Audit Committee are as follows:-

Name	Responsibility	Directorship
Wan Azman bin Wan Kamal	Chairman of Committee	Independent and Non-executive Director
Guido Paul Philip Joseph Ravelli	Member of Committee	Independent and Non-executive Director
Ho Yew Hong	Member of Committee	Executive Director

6.5 Key Management of the Malton Group

6.5.1 Particulars and Shareholdings of the Key Management Team

The key management of the Malton Group are as follows:-

Name	Nationality	No. of Malton Shares Held After The Placement and Offer for Sale				No. of Warrants Held After The Placement and Offer for Sale			
		Direct ^{^^}	%	Indirect	%	Direct ^{^^}	%	Indirect	%
Lim Choon Hai	Malaysian	31,000	0.01	-	-	15,500	0.01	-	-
Ooi Ah Heong	Malaysian	-	-	-	-	-	-	-	-
Che King Tow	Malaysian	31,000	0.01	-	-	15,500	0.01	-	-
Wee Beng Aun	Malaysian	31,000	0.01	-	-	15,500	0.01	-	-
Tan Teng Chye	Malaysian	42,000	0.01	-	-	21,000	0.01	-	-
Toh Lian Choo	Malaysian	36,000	0.01	-	-	18,000	0.01	-	-
Mohamed Fadzil bin Mohamed Ariffin	Malaysian	36,000	0.01	-	-	18,000	0.01	-	-
Chan Toong Yau	Malaysian	36,000	0.01	-	-	18,000	0.01	-	-
Tan Kok Leong	Malaysian	36,000	0.01	-	-	18,000	0.01	-	-
On Foo Weng	Malaysian	8,000	Neg	-	-	4,000	Neg	-	-
Tay Jin Kok	Malaysian	36,000	0.01	-	-	18,000	0.01	-	-
Lim Sek Ming (Ir)	Malaysian	36,000	0.01	-	-	18,000	0.01	-	-
Chan Siew Keng	Malaysian	18,000	Neg	-	-	9,000	Neg	-	-
Tan Ka Beng	Malaysian	36,000	0.01	-	-	18,000	0.01	-	-
Yong Chu Jian	Malaysian	18,000	Neg	-	-	9,000	Neg	-	-
Boo Kuan Loon	Malaysian	36,000	0.01	-	-	18,000	0.01	-	-
Poon Kim Yew	Malaysian	16,000	Neg	-	-	8,000	Neg	-	-

^{^^} Assuming they subscribe in full for their respective entitlement under the allocation to Directors and Employees of 1,746,000 Shares with 873,000 Warrants pursuant to the Offer for Sale

6. INFORMATION ON PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS & KEY MANAGEMENT (Cont'd)

6.5.2 Profiles of the Key Management

Lim Choon Hai, aged 44, is the Division Director of Business Development I. He holds a Bachelor of Science in Civil Engineering from the University of Manchester, England and is a member of the Institute of Engineers, Malaysia.

Upon graduation in 1982, he joined the Department of Drainage and Irrigation as a Civil Engineer. He left the government sector in 1985 to join Minconsult Sdn Bhd as a Structural Engineer. He was involved in the design and development of projects such as Shah Alam Town Centre, OG Heights Condominium, Fortune Court Apartment and other housing schemes. He gained his property development experience during his tenure with Farizar Development Sdn Bhd as Resident Engineer, and was subsequently promoted to Project Manager to oversee the development of the Kuchai Entrepreneur's Park in Jalan Kuchai Lama, Kuala Lumpur. He joined the Malton Group in 1989 to head the Business Development division.

Ooi Ah Heong, aged 50, is the Division Director of Business Development II. He has over 26 years in property development business and has vast experience ranging from low cost housing to high-end condo development, institutional buildings to shopping entertainment centers.

He graduated from University of Singapore (Building) in 1976 and joined Yong Dan Mohd Faiz, QS firm in Kuala Lumpur in the same year. As a Q.S he was involved in the construction of the UKM campus in Bangi. Later in 1979 he joined Tan & Tan Developments as a Project Manager for 4 years. During his tenure there he was in-charge of Desa Kudalari project, a high-end condominium in the heart of KL and was involved in resort development in Port Dickson. He then joined IOI Group as its General Manager in-charge of a mixed development Taman Mayang Jaya in Petaling Jaya. In 1989 he and others formed Pentadel Sdn Bhd, involved in salvaging projects that were stalled. In 1991 he joined Cheras Heights Development (a subsidiary of Perlis Plant Bhd) as its General Manager. During his tenure there he developed the Cheras Leisure Mall – a large shopping complex at Cheras and retrofitting of Shaw Parade at Kuala Lumpur. He was also involved in the Group's other property project like hotels, cinema and other related retail properties like Kerrys' stores. From 1995 to 2002 he was an adviser to various property developers including Khuan Choo Group, on business development opportunities in the property market. He joined the Group in 2002.

Che King Tow, aged 47, is the Division Director of Property Development. He is a registered real estate agent and a member of the Malaysian Institute of Estate Agents (MIEA) and the Real Estates and Housing Developer Association of Malaysia (REHDA). He has extensive experience in project management and development, project sales and marketing and in construction projects. He has been leading BRD since 1996.

Wee Beng Aun, aged 43, is the Division Director of Project and Construction Management. He holds a Bachelor of Civil Engineering from the University of Melbourne and is a member of the Board of Engineers, Malaysia. He was in Promet Fabricators Sdn Bhd from 1984 to 1987 working in the position of Project Engineer/Estimator. In 1987 he joined RM Douglas Construction (M) Sdn Bhd as Project Development Engineer. He was a Project Manager in the Group for a brief period in 1991 prior to joining Promet Construction Sdn Bhd as Commercial Manager. In 1994 he rejoined the Group as Project Director and was promoted to his current position in 2001.

6. INFORMATION ON PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS & KEY MANAGEMENT (Cont'd)

Tan Teng Chye, aged 46, is the Chief Operating Officer. He graduated from the University of Malaya in 1980 with a Bachelor of Arts (Hons) degree and was conferred with a Masters in Business Administration from the University of Bath, United Kingdom. His career commenced in 1980 with Rahim & Co. Chartered Surveyors Sdn Bhd as a Valuation Assistant. In 1982, he left to join IGB Corporation Berhad as a Property Executive. In 1984, he joined Island & Peninsular Berhad as a Property Development Manager and later moved to the Marketing Division as a Marketing Manager. He moved to Levett Bailey Hiller Parker in 1989 to become the Marketing Manager of this international real estate consultant before joining the Property Division of FACB Berhad in 1990 as a Senior Marketing Manager. He was promoted to Operations Director in 1993 and subsequently to Project Director in 1995. He joined the Group in 2001.

Toh Lian Choo, aged 49, is the Marketing Director, Marketing and Product Development. She has a Bachelor of Economics (Statistics) (Hons) from University Malaya. She obtained a Master in Business Administration from IMEDE, Lausanne in 1986. Upon graduation in 1976, she worked as a Leasing Officer in Amanah International Finance Bhd for a year. She then joined Kumpulan Guthrie Bhd in 1978 and rose to the rank of Marketing Manager for palm products. In 1987, she assumed the position of Assistant Vice President in Chemical Bank Pte. Ltd., Singapore. She joined Pierson Asia Ltd, Singapore (the merchant banking arm of ABN-AMRO Bank) as Assistant Vice President in 1988. In 1991 to 1992, she was a General Manager in Netwest Sdn Bhd. She took up the position of Product Development Manager in the Group in 1996 and was promoted to Marketing Director in 2000.

Mohamed Fadzil bin Mohamed Ariffin, aged 38, is the General Manager, Business Development. He graduated with a Bachelor of Science in Finance and Marketing from Southern Illinois University, United States of America in 1988 and completed a Masters in Business Administration program from Universiti Putra Malaysia in 1999.

Upon graduation, he joined MUI Insurance Sdn Bhd as a Marketing Executive before moving to Public Bank Berhad in 1989 as Senior Operations Officer. He left in 1992 to take up the position of Marketing Manager in Zhelcon Industries Sdn Bhd. In 1994 he joined UMBC Bank Berhad as a Senior Executive in Corporate Banking. He joined the Group in 1995 as Business Development Manager and was promoted to General Manager in 1998.

Chan Toong Yau, aged 45, is the General Manager, Property Development. He is a graduate from Universiti Sains Malaysia. He has a Bachelor of Science (Hons.) in Housing, Building and Planning, and a Master of Science in Project Management. He joined Panalex Sdn Bhd as Site Engineer in 1981. In the following year, he joined Aseania Development Sdn Bhd as Project Manager.

From 1991 to 1994, he was the General Manager of Sapphire Development Sdn Bhd, and he was responsible for implementation of construction projects of the firm. He joined the Group in 1995 as a Senior Project Manager and was promoted to General Manager in 1999.

Tan Kok Leong, aged 38, is the Assistant General Manager of Finance. He is a Certified Public Accountant, Malaysia and a member of the Malaysian Association of Certified Public Accountants (MACPA) and Malaysian Institute of Accountants (MIA). He worked in Azman, Wong, Salleh & Co. from 1989 to 1992 and held the position of Audit Supervisor before he left the firm in 1992. He then joined United Engineers (M) Bhd as Accountant until 1994. Prior to joining the Group, he was employed by the Kuala Lumpur office of the Industrialization Fund for Developing Countries (IFU), Denmark as the Area Manager from 1994 to 1996.

On Foo Weng, aged 33, is the Finance Manager. He graduated with a Bachelor of Accountancy from Universiti Utara Malaysia in 1994. He is a member of Malaysian Institute of Accountants.

6. INFORMATION ON PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS & KEY MANAGEMENT (Cont'd)

Upon graduation, he joined KPMG Peat Marwick as an Auditor for three years before transferring to the tax department as a Tax Consultant. In 1999, he joined Team Concepts Holding Ltd., a manufacturing company listed on the Hong Kong Stock Exchange, as the Accountant. He left Team Concepts in 2000 to join the Group as the Finance Manager.

Tay Jin Kok, aged 43, is a Project Manager. He graduated in 1987 from the University of Manchester Institute of Science and Technology (UMIST), United Kingdom with a Bachelor of Science in Construction Management. He is a graduate member of the Chartered Institute of Building, United Kingdom and an associate member of Malaysian Institute of Management.

Upon graduation he worked as a Project Co-ordinator with Syarikat Elektrik Superlight Sdn Bhd for four years. He then joined Maxisegar Sdn Bhd, a property developer, as a Senior Officer in the Quantity Surveying Department for a year before moving to Obayashi Corporation in 1991, as an Assistant Project Manager. In 1992, he joined McAlister and Company Limited Singapore as an Assistant Project Manager. From 1994, he was the Project Manager in Kasawa Sdn Bhd. He was recruited in 1996 as Project Manager.

Lim Sek Ming (Ir.), aged 49, is a Project Manager. He holds a Bachelor of Engineering (Honours) in Civil Engineering from the University of Malaya. He is a professional engineer (P.Eng) with the Board of Engineers, Malaysia and a Fellow Member (FIEM) of the Institution of Engineers, Malaysia.

He started his career with the Public Works Department (PWD) of Johor in the Water Supply (Design) Section in 1977. In 1979, he was transferred to the PWD of Kluang, Johor to take charge of the Water Supply Section and the extension contract of the Simpang Renggam Water Treatment Plant. In 1983, he was seconded to the National Housing Department of the Ministry of Housing and Local Authority to head the Northern Division. He was seconded to the Economic Planning Unit in the Prime Minister's Department in 1989 to plan and coordinate federal projects in Peninsular and East Malaysia. In 1991 he was transferred back to the PWD Head Office in Selangor. In 1993, he joined the construction firm, Kemajuan Pengalehan Bukit Sdn Bhd. In 1995, he moved to Hillcrest Gardens Sdn Bhd. He joined the Group in 1997 as a Project Manager.

Chan Siew Keng, aged 40 is a Project Manager. He graduated with a Bachelor of Engineering in Civil Engineering from Monash University, Australia in 1985. He also holds an Advance Diploma in Business and Management and a post-graduate Diploma in Business Administration from S.I.H.E, United Kingdom, an associated institute of the University of Wales, United Kingdom.

He joined IJM Corporation Bhd in 1989 as a Project Engineer and was subsequently promoted to Deputy Project Manager. In mid-1992 he worked in PPB Hartabina Sdn Bhd as a Resident Engineer before joining Sri Binaraya Sdn Bhd as Senior Engineer. In 1998 he joined Pembangunan Sulaiman-Zelleco JV Sdn Bhd as a Senior Construction Manager. He left to join the Group in 2000.

Tan Ka Beng, aged 31, is a Project Manager. He graduated from Tunku Abdul Rahman College with a Diploma in Technology (Building). He also holds a Master of Science in Construction Management and Economics from the University of Greenwich (UK) and is a graduate member of the Chartered Institute of Building (CIOB), UK. Upon graduation, he worked as a Site Quantity Surveyor in Samsung Engineering and Construction (M) Sdn Bhd. He joined Kajima (M) Sdn Bhd as a Contract Executive in 1995. He was employed by the Group in 1997 as Assistant Project Manager and promoted to his current position in 1999.

6. INFORMATION ON PROMOTERS, MAJOR SHAREHOLDERS, DIRECTORS & KEY MANAGEMENT (Cont'd)

Yong Chu Jian, aged 44, is a Project Manager. He graduated from Leeds Metropolitan University, UK with a Bachelor degree in Architecture. He started his career as a Project Architect in KHP Architects in 1984. Between 1991 and 1993 he was a Project Architect in DTP Architect and later on in ADDP Architect. He moved to Foga Display System Sdn Bhd to take the position of Administration/Operation Manager before joining the Group in 1996 as the Project Manager. He left the Group briefly in 1999 and returned in 2000.

Boo Kuan Loon, 30, is a Project Manager. He holds a Diploma In Building from Tuanku Abdul Rahman College. He joined FACB Berhad in 1993 as a Project Executive for two years before moving to Shimizu Corporation as a Trainee Site Supervisor. He joined Kumpulan Kerjaya Sdn Bhd in 1995 as a Site Supervisor and in 1996 left to join the Group as an Assistant Project Manager. He was promoted to Project Manager in 2000.

Poon Kim Yew, aged 32, is the Marketing and Building Manager. He has a Bachelor of Economic (Hons.) from Universiti Utara Malaysia. Upon graduation, he worked as Marketing Executive in Hong Leong Property Management Sdn Bhd. In 1995, he joined the Group as Project Executive cum Liaison Officer and was promoted to Marketing Manager cum Building Manager in 1997.

6.6 Declarations from the Directors and Key Management Team

No Director or key management of the Malton Group is or has been involved in any of the following events (whether in or outside Malaysia):-

- (a) a petition under any bankruptcy or insolvency laws filed (and not struck out) against such person or any partnership in which he was or is a partner or any corporation of which he was or is a Director or key personnel;
- (b) a conviction in a criminal proceeding or is a named subject of a pending criminal proceeding; or
- (c) was or is being the subject of any order, judgment or ruling of any court, tribunal or government body of competent jurisdiction permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

6.7 Family Relationship

- (a) Datin Tan Kewi Yong is the wife of Datuk Lim Siew Choon. Datuk Lim Siew Choon, Lim Choon Hai and Lim Choo Hoo are siblings.
- (b) Che King Tow and Che Kiong Seong are siblings. Toh Lian Choo is the wife of Che King Tow.

Save for the above, there is no family relationship among the other Promoters, Directors, major shareholders and key management of Malton Group.

6.8 Existing or Proposed Service Contracts

None of the Directors or key management of Malton Group have any existing or proposed service contracts with the Group which is not determinable by *notice without the payment of compensation* and no management agreements have been entered into or are proposed to be entered into by Malton Group.

7. APPROVALS AND CONDITIONS

7.1 Approvals and Conditions

The Restructuring was approved by the following authorities as follows:-

Authorities	Date
SC	• 3 October 2001 and 12 December 2001
MITI	• 14 August 2001 and 4 December 2001
FIC	• 17 July 2001 and 7 December 2001

The conditions imposed by the authorities and status of compliance are as follows:-

Conditions Imposed by SC	Status of Compliance
Malton Corporation must ensure that the unutilised cash in Malton amounting to RM188 million, which was previously earmarked for the repayment of borrowings of DRB-HICOM, is to be placed with a stakeholder and injected into Malton before the completion of the Acquisitions	Met
Malton must ensure that at least 25% of its issued and paid-up share capital is held by the public investors after the Restructuring is fully implemented	To be met
The Acquisition of KCR can only be implemented after the sale and purchase agreement between SS and SEA Development Corporation Inc. becomes unconditional	Met
Malton must ensure that the minimum land bank requirement of 1,000 acres is met before the issuance of the prospectus for the Offer for Sale	Met
DR must ensure that its contingent liabilities amounting to RM8,038,687 be discharged before the completion of the Acquisition of DR	Waiver from this condition obtained on 12 December 2001
Malton must present the final draft prospectus for SC's approval	Met
Malton must adhere to all provisions of the SC's Policies and Guidelines on Issue/Offer of Securities	Met
Malton must adhere to all conditions set by MITI, FIC and other relevant authorities relating to the Restructuring	To be met

7. APPROVALS AND CONDITIONS (Cont'd)

Conditions Imposed by SC	Status of Compliance
Gadek Capital (now known as Malton) is to ensure that it will always comply with the public shareholding spread requirement of at least 25% at all times during the exercise period of the warrants	To be met
Gadek Capital (now known as Malton) is to provide comprehensive disclosure on the following matters in the prospectus:-	
(a) implications on the EPS and NTA following the issuance and exercise of the Warrants;	Met
(b) details of the proposed utilisation of proceeds from the issue and exercise of the Warrants; and	Met
(c) the rights attached to each type of security.	Met
Malton Corporation is required to furnish an undertaking that:-	
(a) it will exercise the Warrants at the indicative price of RM1.60 per share, within the exercise period of the Warrants;	The variation to this condition has been sought for and is currently pending the SC's decision. See Section 3.1 of the Prospectus.
(b) it will not dispose the Warrants throughout the exercise period of the Warrants.	
Conditions (a) and (b) above shall not be applicable if the warrants are issued at fair value.	
The exercise price of the Warrants shall be determined in accordance with the SC's Policies and Guidelines on Issue/Offer of Securities; and	Met
The DR Vendors are to furnish an indemnity to Malton, against any losses resulting from the contingent liabilities which may arise from the failure of DR to complete the relevant projects prior to DR being acquired by Malton.	Met
Conditions Imposed by FIC	Status of Compliance
Malton is to have at least 30% Bumiputera equity interest at all times	To be met via the Offer for Sale and Placement
Malton is to obtain the approval of the SC and MITI	Malton obtained the approvals of the SC on 3 October 2001 and 12 December 2001 and the MITI on 14 August 2001 and 4 December 2001
Conditions Imposed by MITI	Status of Compliance
Malton is to obtain the approval of the SC and FIC	Malton obtained the approvals of the SC on 3 October 2001 and 12 December 2001 and the FIC on 17 July 2001 and 7 December 2001

7. APPROVALS AND CONDITIONS (Cont'd)

Conditions Imposed by MITI

All the 104,506,000 Shares, representing 30% of the issued and paid-up share capital of Malton are to be offered to Bumiputera investors as special shares, whereby its allocation will be determined separately by MITI after the approval of the SC has been obtained.

Status of Compliance

To be met upon acceptance of the MITI approved Bumiputera investors

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7. APPROVALS AND CONDITIONS (Cont'd)

7.2 Approvals, Major Licenses and Permits

Approvals under the possession of the Group are as follows:-

Approvals	Location of assets	Material Equity Conditions Imposed	Status of Compliance
FIC	BRD (Geran 36409, Lot 3783, Mukim and Daerah Klang, Selangor)	BRD to maintain at least 30% Bumiputera equity at all times.	Met *
FIC	KCD (Geran No. CT9616, Lot. No. 1875 in Serdang Baru, Mukim Petaling, Daerah Kuala Lumpur, Negeri Selangor)	KCD has to increase its paid-up share capital and to have at least 30% Bumiputera equity participation before 31 December 1996 or on commencement of development, whichever is earlier.	Met since 15.04.1997 through KCR's effective Bumiputera equity interest of 30% and conveyed to the FIC on 29.04.1997.
FIC	AC (H.S. (D) 23846, No P.T. 15, Seksyen 46, Kuala Lumpur)	AC has to maintain its 30% Bumiputera equity participation at all times and AC has to reduce its foreign equity participation to not more than 30% before 31.12.1995.	Met
FIC	PFDC (H.S.(D) 2568, P.T. 1203, Mukim Sungkai, Daerah Batang Padang, Perak	PFDC must obtain at least 30% Bumiputera equity and to reduce its foreign equity to 30% before 31 December 2002; and SS has to increase its paid-up share capital to at least RM300,000 within six (6) months from the FIC letter dated 22 June 2001 or upon completion of the 51% acquisition of equity interest in PFDC by SS, together with Ong Boon Siong and Ng Soon Hong, the 39% acquisition of equity interest in PFDC by SEADC from PPPNP and the acquisition of the subject property by PFDC (whichever is earlier)	To be met As at 26.11.01, SS has increased its paid-up share capital to RM300,000.00
Dewan Bandaraya Kuala Lumpur	AC (H.S. (D) 23846, No P.T. 15, Seksyen 46, Kuala Lumpur)	Pertaining to special incentives (Intensif Khas Ekuiti Bumiputera), where AC has to maintain 51% Bumiputera equity participation at all times.	Met*

* *Assuming upon completion of the Placement and Offer for Sale of 30% of the issued and paid-up share capital of Malton to Bumiputera investors*

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7. APPROVALS AND CONDITIONS (Cont'd)

Major licenses and permits under the possession of the Group are as follows:-

No.	Company / Authority	Type of license and/or permit	Date of issue	Date of expiry	Equity Conditions
1.	GD / Ministry of Housing and Local Government	Housing Developer's License	07.07.2000	04.07.2003	None
2.	BRD / Ministry of Housing and Local Government	Developer license for Phases 1A1 and 1A2 at Bukit Rimau	22.05.2001	21.05.2003	None
3.	BRD / Ministry of Housing and Local Government	Developer license for Phase IB at Bukit Rimau	21.04.2000	24.04.2003	None
4.	BRD / Ministry of Housing and Local Government	Developer license for Phase 3A1 at Bukit Rimau	11.11.2000	10.11.2002	None
5.	BRD / Ministry of Housing and Local Government	Developer license for Phase 3A2 at Bukit Rimau	11.11.2000	10.11.2002	None
6.	BRD / Ministry of Housing and Local Government	Developer license for Phase 3B1 at Bukit Rimau	11.11.2000	10.11.2002	None
7.	BRD / Ministry of Housing and Local Government	Developer license for Phase 3B2 at Bukit Rimau	11.11.2000	10.11.2002	None

No.	Company / Authority	Type of license and/or permit	Date of issue	Date of expiry	Equity Conditions
1.	GD/Ministry of Housing and Local Government	Advertising and sales permit	28.11.2001	27.11.2002	None
2.	BRD/Ministry of Housing and Local Government	Advertising and sales permit for Phase 1A1 and 1A2	12.9.2001	11.9.2002	None
3.	BRD/Ministry of Housing and Local Government	Advertising and sales permit for Phase 1B	3.10.2001	2.10.2002	None
4.	BRD/Ministry of Housing and Local Government	Advertising and sales permit for Phase 3A1	1.8.2001	31.7.2002	None
5.	BRD/Ministry of Housing and Local Government	Advertising and sales permit for Phase 3A2	1.8.2001	31.7.2002	None
6.	BRD/Ministry of Housing and Local Government	Advertising and sales permit for Phase 3B1	1.8.2001	31.7.2002	None
7.	BRD/Ministry of Housing and Local Government	Advertising and sales permit for Phase 3B2	3.10.2001	2.10.2002	None

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8. RELATED-PARTY TRANSACTIONS

8.1 Related-Party Transactions/Conflict of Interest**8.1.1 Promotions of any material assets acquired/to be acquired within two years preceding the date of this submission**

Save as disclosed below, none of the other Directors, major shareholders and/or key management of Malton Group and/or person(s) connected with such Directors, major shareholders and/or key management has any interest, direct or indirect, in the promotion of or in any material assets acquired or proposed to be acquired or disposed or proposed to be disposed of or leased or proposed to be leased to the Company or any of its subsidiaries within the two (2) years preceding the date of this Prospectus:-

Datuk Desmond Lim is deemed interested in the Acquisition of KCR by virtue of his substantial shareholdings and directorships in KCR and Malton. Datuk Desmond Lim, who was appointed on the Board on 15 February 2001 pursuant to the execution of the SSA, has abstained from all Board deliberations and voting on resolutions pertaining to the Acquisition of KCR.

By virtue of Datuk Desmond Lim's appointment onto the Board, the Acquisition of KCR is deemed a related party transaction. Arab-Malaysian, on behalf of the Company had on 27 March 2001 sought a waiver from appointing an independent adviser for the Acquisition of KCR under Chapter 10 Section 10.08 (4) of the new KLSE Listing Requirements. The approval from the KLSE was obtained on 31 May 2001.

8.1.2 Contracts, arrangements and transactions between Malton Group and the Directors, Major Shareholders and Key Management

Save as disclosed below, there are no existing and/or potential related party transactions or other subsisting contracts or arrangements, entered into by Malton and/or its subsidiaries and which is significant to the business of the Malton Group, which involves the interest, direct or indirect, of the Directors, major shareholders and/or key management of Malton Group and/or person(s) connected with such Directors, major shareholders and/or key management, as at the date of this Prospectus:-

The Malton Group has ongoing contracts with the following companies:-

- Damai Taktik Sdn Bhd
- Siab (M) Sdn Bhd
- Netwest Sdn Bhd
- Gifted Unity Sdn Bhd
- Darul Piramid Sdn Bhd

Lim Wing Khong who is a sibling of Datuk Desmond Lim, is a substantial shareholder and Managing Director of Damai Taktik Sdn Bhd. Between 1999 and 2000, RMC has awarded Damai Taktik Sdn Bhd the contracts for construction of several blocks of shops at SKCC and Menara Pertam office building up to values of RM21,748,936 and RM13,328,000 respectively. Damai Taktik Sdn Bhd has also been appointed the main contractor for the construction of Sri Bintang Kompleks via a novation agreement between RMC, the former contractor and Damai Taktik Sdn Bhd.

Che Kiong Seong who is a sibling of Che King Tow, and Wee Beng Aun, a division director, are substantial shareholders of the company which is the major shareholder of Siab (M) Sdn Bhd. BRD has appointed Siab (M) Sdn Bhd as the construction manager for the construction and completion of infrastructure works at the Bukit Rimau project.

8. RELATED-PARTY TRANSACTIONS (Cont'd)

Che Kiong Seong who is a sibling of Che King Tow, and Wee Beng Aun, a division director, are substantial shareholders of Netwest Sdn Bhd and substantial shareholders of the company which is the major shareholder of Siab (M) Sdn Bhd. DR has awarded Netwest Sdn Bhd contract of RM11 million for main building works for Parcel 2A of the Bandar Seri Alam project. DR has awarded Siab (M) Sdn Bhd contracts totalling RM48 million for various construction works at the Taman Seri Kenari project and several phases of the Bandar Seri Alam project.

Datuk Manan bin Md Said who is a director of KCR, KCD, GD, RMC, SS, PFDC and GH, is a substantial shareholder and director of Gifted Unity Sdn Bhd. RMC has been appointed by Gifted Unity Sdn Bhd as the turnkey contractor for the construction of a 2-storey office cum factory at Sungai Buloh at a contract price of RM7,278,447.75.

Datuk Manan bin Md Said who is a director of KCR, KCD, GD, RMC, SS, PFDC and GH, is a substantial shareholder and director of Darul Pyramid Sdn Bhd. RS has entered into a joint venture agreement with Darul Pyramid Sdn Bhd for the proposed development of industrial premises at Sungai Buloh for a consideration of 25% of total building units (with a gross development value of RM11,553,240).

By virtue of the relationship established, the above transactions are deemed to be related party transactions. However, the Board of Malton are of the opinion that the terms of the said transactions are fair and reasonable and were conducted on an arms-length basis and on commercial terms.

8.2 Interest in Similar Business

None of the Directors and/or major shareholders of the Malton Group has any interest, direct or indirect, in any business carrying on a similar trade as the Malton Group.

8.3 Declaration by the Advisers

Arab-Malaysian hereby confirms that there is no conflict of interest in its capacity as the Adviser in relation to the Offer for Sale.

Messrs Christina Chia Ng & Partners has given its confirmation that there is no conflict of interest in its capacity as the Solicitors in relation to the Offer for Sale.

Messrs HALS & Associates has given its confirmation that there is no conflict of interest in its capacity as the Auditors and Reporting Accountants in relation to the Offer for Sale.

Messrs Collier Jordan Lee & Jaafar Sdn Bhd has given its confirmation that there is no conflict of interest in its capacity as a Valuer in relation to the Offer for Sale.

Messrs Dass Mohamad Chartwell Brooke Hillier Parker Sdn Bhd has given its confirmation that there is no conflict of interest in its capacity as a Valuer in relation to the Offer for Sale.

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9. LANDED PROPERTIES

The landed properties owned by the Malton Group are set out below:-

No	Registered Owner/ Location	Description of Property	Existing use	Land area (acres)	Built-up area (sq. ft.)	Tenure (years) / Expiry Date	Approximate age of building (years)	Net Book Value / Cost (RM)	Open Market Value (RM)	Date of valuation
1.	KCR / Geran 34270, Lot 52005, Mukim and Daerah Kuala Lumpur, Wilayah Persekutuan	Ten (10) units of 3-bedroom condominiums	Investment	0.37	30,150 [^]	Freehold	2	13,577,200	14,100,000	01.03.01
2.	GD / P.T. No. 8668, HS(D) 42306, Mukim Batu Berendam, Daerah Melaka Tengah, Melaka	Development land under construction	Mixed development comprising 2-storey shops, 2-storey link houses and apartments.	23.8456	N/A	Leasehold 99 years (unexpired term: 97 years) / 04.11.2098	N/A	4,900,879	12,530,000	26.01.01
3.	PFDC / P.T. 1023, HS(D) 2568, Mukim Sungkai, Daerah Batang Padang, Perak	Agricultural (estate) land	Proposed mixed development comprising of luxurious homestead bungalows and vacant bungalow lots together with 9-hole golf course with club house	1,003.6	N/A	Leasehold 99 years (unexpired term: 94 years) / 12.05.2095	N/A	3,519,765	22,200,000	01.03.01
4.	KCD / C.T. 9616, Lot No. 1875, Mukim Petaling, Daerah Petaling, Negeri Selangor	Development land under construction	On-going mixed development comprising 1,2 and 3-storey shop offices	40	N/A	Freehold	N/A	10,319,305	26,500,000	26.01.01
5.	BRD / Geran 36409, Lot No. 3783, Mukim and Daerah Klang, Selangor	Development land under construction	Proposed mixed development comprises of bungalows, link houses, town villas, semi-detached houses, cluster homes and condominiums.	358.198	N/A	Freehold	N/A	42,613,192	130,300,000	26.01.01
6.	DR / 4 th Floor, Wisma Domain, No. 18A, Section 51A/223, 46100 Petaling Jaya, Selangor.	Office/Warehouse	Office	N/A	22,152	Leasehold 99 years (unexpired term: 66 years) / 08.09.2067	5	4,780,704	5,300,000	28.02.01
7.	KCR / Geran 10041/ M1/ Z2 / 1, Lot No. 1199, Section 57, Kuala Lumpur, Wilayah Persekutuan	Office	Office	N/A	7,631.62 (709 sq metres)	Freehold	18	4,494,107	4,500,000	01.03.01
8.	KCR / Unit 2-111A, 2 nd Floor, Endah Parade Shopping Mall, Bukit Jalil, Kuala Lumpur, Wilayah Persekutuan	Retail	Retail	N/A	462	Leasehold 93 years (unexpired term: 81 years) / 19.02.2083	3	312,417	*	*

* No independent valuation carried out

[^] Nett built-up area for all ten(10) units without the common area

10. FINANCIAL INFORMATION

10.1 Consolidated Profit and Dividend Record

The following table has been extracted from the Accountants' Report set out in Section 12 of this Prospectus and should be read in conjunction with the notes and assumptions thereto.

The summarised proforma consolidated results of the Malton Group for the past five (5) financial years ended 30 June 2001 and the three (3) months period ended 30 September 2001 have been prepared for illustrative purposes only after making such adjustments that are considered necessary and assuming that the present Malton Group structure had been in existence throughout the period under review:-

	-----Audited-----					
	<-----Financial Year Ended 30 June----->					3-months period ended 30 September 2001 RM'000
	1997 RM'000	1998 RM'000	1999 RM'000	2000 RM'000	2001 RM'000	
Turnover	105,107	134,138	169,824	207,964	218,979	38,857
EBIDTA	26,011	18,482	32,193	52,654	77,644	19,250
Interest expense	(873)	(1,149)	(1,443)	(3,383)	(3,219)	(751)
Depreciation	(1,584)	(1,875)	(1,793)	(1,768)	(1,773)	(355)
Operating profit	23,554	15,458	28,957	47,503	72,652	18,144
Exceptional item	-	-	-	(1,372)	(1,494)	(55)
PBT	23,554	15,458	28,957	46,131	71,158	18,089
Taxation	(7,997)	(5,435)	(749)	(11,452)	(22,408)	(5,156)
PAT	15,557	10,023	28,208	34,679	48,750	12,933
MI	(754)	281	(1,246)	(2,870)	(6,541)	(1,072)
PAT	14,803	10,304	26,962	31,809	42,209	11,861
No. of Shares assumed to be in issue #	348,352	348,352	348,352	348,352	348,352	348,352
Gross EPS (sen)	6.37	4.49	7.95	12.22	17.60	^19.01
Net EPS (sen)	4.25	2.96	7.74	9.13	12.12	^13.62
Dividend rate (%)	-	-	-	-	-	-

Notes:-

Assuming that the Acquisitions had taken effect throughout the years and the share capital of the Malton Group is 348,352,928 shares.

^ Annualised

i) The above results are arrived at after adjusting for significant inter-company transactions and minority interests in BRD (30.88%), AC (30%) and PFDC (49%).

ii) The financial year ends of AC (prior to 1998) and RMC (prior to 2000), GD (prior to 1998), BRD, DR and PFDC (prior to 2001) are not co-terminous with the Proforma Group year end of 30 June and consequently the results of these companies have been pro-rated, where appropriate, to arrive at the above results.

iii) All the accounts were reported on without any qualifications throughout the relevant periods under review.

10. FINANCIAL INFORMATION (Cont'd)

10.2 Segmental Analysis of Revenue and Profit

10.2.1 Analysis of Turnover and Profit

Analysis of turnover by companies:

	<-----Financial Year Ended 30 June----->					
	1997 RM'000	1998 RM'000	1999 RM'000	2000 RM'000	2001 RM'000	3-months period ended 30 September 2001 RM'000
KCR	46,757	58,152	116,410	132,148	97,941	32,283
BRD	24,155	16,793	30,104	71,428	107,266	15,891
DR	34,445	59,305	51,734	44,277	31,588	2,931
Total	105,357	134,250	198,248	247,853	236,795	51,105
Less: Consolidation adjustment	(251)	(112)	(28,424)	(39,890)	(17,816)	(12,248)
Group Turnover	<u>105,106</u>	<u>134,138</u>	<u>169,824</u>	<u>207,963</u>	<u>218,979</u>	<u>38,857</u>

Analysis of PAT by companies:

	<-----Financial Year Ended 30 June----->					
	1997 RM'000	1998 RM'000	1999 RM'000	2000 RM'000	2001 RM'000	3-months period ended 30 September 2001 RM'000
KCR	11,419	9,991	20,212	19,670	16,038	7,936
BRD	4,278	458	5,265	10,820	24,441	4,019
DR	(140)	(426)	6,455	7,944	7,554	1,568
Total	15,557	10,023	31,932	38,434	48,033	13,523
Less: Consolidation adjustment	-	-	(3,724)	(3,755)	717	(590)
Proforma PAT	<u>15,557</u>	<u>10,023</u>	<u>28,208</u>	<u>34,679</u>	<u>48,750</u>	<u>12,933</u>

10.2.2 Impact of Interest Rates on Operating Profits

The impact of interest rates on operating profits for the five (5) financial years ended 30 June 2001 and the three (3) months period ended 30 September 2001 is set out below:-

	<-----Financial Year Ended 30 June----->					
	1997 RM'000	1998 RM'000	1999 RM'000	2000 RM'000	2001 RM'000	3-months period ended 30 September 2001 RM'000
PBT	23,554	15,458	28,957	46,131	71,158	18,089
Interest expense	873	1,149	1,443	3,383	3,219	751
PBT before interest	<u>24,427</u>	<u>16,607</u>	<u>30,400</u>	<u>49,514</u>	<u>74,377</u>	<u>18,840</u>
Interest coverage ratio	<u>27.98</u>	<u>14.45</u>	<u>21.07</u>	<u>14.64</u>	<u>23.11</u>	<u>25.09</u>

It is to be noted that the interest coverage ratio for the period under review ranged from 14.45 times to 27.98 times.

10. FINANCIAL INFORMATION (Cont'd)

10.3 Directors' Declaration on Financial Performance

Save as disclosed in Sections 4 and 10.4 of this Prospectus, the Directors of Malton are of the view that the financial conditions and operations of the Company and its subsidiaries are not affected by any of the following :

- (i) any known trends, demands, commitments, events or uncertainties that have had or that the Group reasonably expects to have a material favourable or unfavourable impact on the financial performance, position and operations of the Malton Group;
- (ii) any material commitment for capital expenditure of the Malton Group;
- (iii) any unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of the Malton Group;
- (iv) any substantial increase in revenue of the Malton Group; and
- (v) any known events, circumstances, trends, uncertainties and commitments that are reasonably likely to make the historical financial statements not indicative of future financial performance and position of the Group.

10.4 Working Capital, Borrowings, Contingent Liabilities, Material Commitment and Litigation**(i) Working Capital**

The Directors of Malton are of the opinion that after taking into account the cashflow forecast, banking facilities available and cash available in the Group, the Group will have adequate working capital for its present and foreseeable requirements.

(ii) Borrowings

As at 30 September 2001, the total interest-bearing facilities of the Malton Group amounted to approximately RM64.136 million comprising of hire purchase facilities, revolving credit facilities, bank overdraft, bridging loans and term loans of which 21.6% is short-term borrowings. Malton Group does not have any non-interest bearing facilities as at the same date.

(iii) Contingent Liabilities

Save as disclosed below, as at 30 September 2001, the Directors of Malton confirmed that there are no contingent liabilities, which have become enforceable, or are likely to become enforceable which will affect the ability of the Company or any of its subsidiaries to meet its obligations as and when they fall due.

- a) Corporate Guarantee given or agreed to be given to financial institutions/banks in respect of loans/credit facilities extended to subsidiary companies, totalling RM7,235,000;
- b) Investment pledged to financial institution for loan granted to a subsidiary company for RM1,547,000;
- c) Bank guarantees given by third parties amounting to RM2,405,000 in relation to contract works; and

10. FINANCIAL INFORMATION (Cont'd)

- d) Letter of Guarantee from a subsidiary in favour of a supplier/third party in respect of the supply and continued supply of ready mixed concrete and the giving of credit to a sub-contractor/third party in relation to the construction and completion of the proposed 9-storey Menara Pertam. On 27 February 2002, a letter of revocation has been issued and will take effect one (1) month from the date of the letter.

(iv) Capital Commitment

Save as disclosed as at 30 September 2001, the Directors of Malton confirm that Malton Group has not incurred any capital commitment outside the ordinary course of business which upon becoming enforceable, may have a substantial impact on the financial position and/or business of the Group except for the balance of purchase consideration of subsidiary companies amounting to RM2,636,000.

(v) Material Litigation

Save as disclosed below, at at 27 February 2002 (being the last practicable date prior to the printing of this Prospectus), the Group is not engaged in any material litigation, either as plaintiff or defendant, which has a material effect on the financial position or business of the Group, and the Directors of Malton do not know of any proceedings pending or threatened against Malton and its subsidiaries or of any facts likely to give rise to any proceedings which might materially affect the financial position or business of the Group.

- a) A civil suit under Shah Alam High Court Suit No. 21-288-96 was filed by Assocorp Sdn Bhd (“Assocorp”) on 29 August 1996 against the State Government of Selangor as the first defendant, the Menteri Besar of Selangor as the second defendant and BRD as the third defendant wherein Assocorp has challenged the withdrawal by the State Government of Selangor of a process of land acquisition of all the piece of land held under Geran No. 36409, Lot 3783, Mukim and Daerah Klang, Negeri Selangor, which said land was subsequently owned by BRD, for the purpose of re-alienating the said land in favour of Assocorp. The case had been struck out by the Senior Assistant Registrar on 20 May 1997. Assocorp had filed a notice of appeal to the Judge in Chambers on 24 May 1997 and the said appeal is part heard and has not concluded yet. The solicitors acting for BRD in the case are of the opinion that there are decent grounds to have the appeal dismissed and the Directors of Malton verily believe that the case has no merit and the appeal will also be unsuccessful.
- b) A Companies Winding-Up Petition under Kuala Lumpur High Court Petition No.D1-28-16-2002 pursuant to Section 218 of the Companies Act, 1965 has been presented by BBR Construction Systems (M) Sdn Bhd (“BBRCS”) against RMC in respect of a claim for a sum of RM905,971.20 alleged to be due and owing by RMC to BBRCS for structural repair works for Sekolah Rendah Utara and Sekolah Menengah Utara on part of Lot Nos. 51018,4408,38 and lands in Taman Shamelin, Cheras, Kuala Lumpur. The hearing of the said winding-up petition has been fixed on 18 March 2002. The solicitors acting for RMC in the said winding-up action are of the opinion that RMC has good defences to the claim and is not liable to pay the amount claimed as there is not privity of contract between RMC and BBRCS. Furthermore, the said solicitors are of the opinion that BBRCS may not be able to sue in a Court of Law because of the existence of an arbitration clause in relevant letter of award. For these reasons, the solicitors acting for RMC in the winding-up action are also of the opinion that RMC has a good defence against the petition as the amount claimed is clearly disputed, and there being no judgement of court on the claim, the Winding-Up procedure adopted by BBRCS is inappropriate and will not succeed. The Directors of Malton also verily believe that the claim and the winding-up action will not succeed.

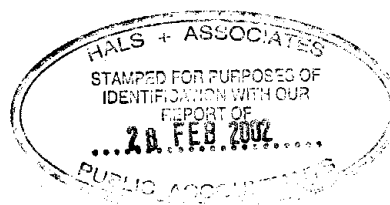
10. FINANCIAL INFORMATION (Cont'd)**10.5 Consolidated Profit Forecast and Assumptions for the Financial Year Ending 30 June 2002**
(Prepared for inclusion in this Prospectus)**MALTON BERHAD
CONSOLIDATED PROFIT FORECAST AND ASSUMPTIONS
FOR THE FINANCIAL YEAR ENDING 30 JUNE 2002**

The Directors of Malton Berhad ("Malton" or "the Company") forecast that, barring unforeseen circumstances, the consolidated profit before and after taxation and minority interests of the Company and its subsidiary companies ("the Group") for the financial year ending 30 June 2002 will be as follows:

Year ending 30 June	2002 RM'000
Consolidated profit before taxation	102,003
Taxation	<u>(28,900)</u>
Consolidated profit after tax but before MI	73,103
Minority interests	<u>(5,213)</u>
Consolidated profit after tax and minority interests	67,890
Pre-acquisition profits	<u>(16,483)</u>
Consolidated profit after tax, minority interests and pre-acquisition profits	<u>51,407</u>
Number of ordinary shares in issue	348,352,928
Net EPS (sen) – basic	14.76
– fully diluted	9.84

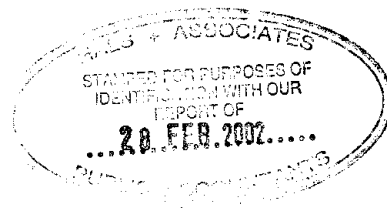
The principal bases and assumptions upon which the forecast have been prepared are as follows:

1. There will be no significant changes in the prevailing political conditions in Malaysia and elsewhere that may directly or indirectly affect the activities or performance of the Group and the market in which the Group operates.
2. There will be no significant changes in the prevailing economic conditions in Malaysia that may affect the Group's activities and performance.
3. There will be no significant changes in the present legislation or government regulations, including taxation which will adversely affect the activities of the Group or the market in which the Group operates.
4. There will be no significant changes in the price of materials, labour costs, sub-contractor costs and other overheads which will adversely affect the performance of the Group.
5. The necessary approvals from the relevant authorities in respect of the Group's projects will be obtained as scheduled. In addition, the contract sum, time frame of projects, volume and pricing of properties to be sold will be achieved as planned.
6. There will be no significant changes in the structure and principal activities of the Group.



10. FINANCIAL INFORMATION (Cont'd)

7. There will be no significant changes in the present management structure, operating and accounting policies adopted by the Group.
8. There will be no major industrial disputes or any abnormal factors which will adversely affect the Group's activities.
9. Financing facilities will be available to the Group at the prevailing interest rates as and when required.
10. The Company will propose a dividend of 3.5% less tax of 28% for the financial year ending 30 June 2002.



10. FINANCIAL INFORMATION (Cont'd)

10.6 Reporting Accountants' Letter on the Consolidated Profit Forecast of the Malton Group for the Financial Year Ending 30 June 2002
(Prepared for inclusion in this Prospectus)



28 FEB 2002

The Board of Directors
Malton Berhad
(formerly known as Gadek Capital Berhad)
Suite 1603, 16th Floor
Wisma Lim Foo Yong
No. 86, Jalan Raja Chulan
50200 Kuala Lumpur

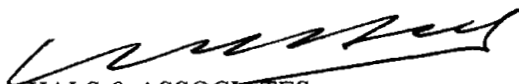
Dear Sirs

MALTON BERHAD *(formerly known as Gadek Capital Berhad)*
CONSOLIDATED PROFIT FORECAST FOR THE FINANCIAL YEAR ENDING 30 JUNE 2002


We have reviewed the accounting policies and calculations for the consolidated profit forecast of Malton Berhad ("the Company") and its subsidiary companies ("the Group"), for which the Directors are solely responsible, for the financial year ending 30 June 2002, as set out in the accompanying statement which we have stamped for identification, for the purpose of inclusion in the Prospectus.

In our opinion, the consolidated profit forecast, so far as the accounting policies and calculations are concerned, have been properly compiled on the basis of the assumptions made by the Directors as set out in the accompanying statements, and is presented on a basis consistent with the accounting policies normally adopted by the Group.

Yours faithfully



HALS & ASSOCIATES
AF 0755
Chartered Accountants (M)



SUBRAMANIAM SANKAR
No 925/02/04 (J/PH)
Partner

10. FINANCIAL INFORMATION (Cont'd)

10.7 Directors' Comments on Profit Forecast

For the financial year ending 30 June 2002, the Group is expected to register an increase in turnover by 15.9% to RM363 million while profit after tax and minority interest is expected to increase by 53% to RM68 million. The expected increase is due to new launches in the Group's property development projects and the commencement of work at new phases of the Group's project management projects.

In the coming years, the Group will be focused in property development, construction and project management. The Group intends to establish its reputation as a well-known property developer and professional project and construction managers. To this end, it will be on the look out for new land banks in the Klang Valley and other major cities in Malaysia. It will also be actively involved in rehabilitation projects and low/medium cost developments.

10.8 Dividend Forecast and Policy

Barring any unforeseen circumstances and on the basis of the consolidated profit forecast and on the assumption that the present basis for calculating taxation and the rates of taxation will remain unchanged, the Directors of Malton anticipate that they will be in a position to propose, based on the issued share capital of 348,352,928 Shares, a final gross dividend of 3.5% for the financial year ending 30 June 2002.

The final dividend represents a gross final dividend yield of 2.19% for the financial year up to 30 June 2002 based on the Offer Price. Therefore, the effective gross final dividend yield computed based on the period from the closing date of the Application assuming on 25 March 2002 to the financial year ending 30 June 2002 is 8.24%

It will be the policy of the Directors of Malton in recommending dividends to allow shareholders to participate in the profits of the Group as well as leaving adequate reserves for the future growth of the Malton Group.

The intended appropriation of the projected consolidated profit for the financial year ending 30 June 2002 will be as follows:-

	Financial Year Ending 30 June 2002 RM'000
Consolidated PBT	102,003
Less : Taxation	(28,900)
Consolidated PAT but before MI	73,103
Less : MI	(5,213)
Consolidated PAT after MI	67,890
Less : Pre-acquisition profits	(16,483)
Consolidated PAT after MI and pre-acquisition profits	51,407
Gross final dividend per Share (sen)	3.50
Gross final dividend yield based on the Offer Price (%)	2.19
Effective gross dividend yield based on the Offer Price (%)	*8.24
Net final dividend cover (times)	5.86

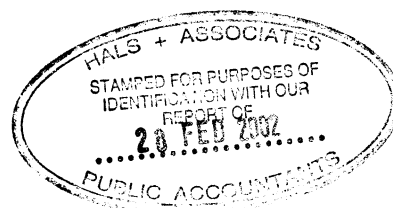
- *Computed based on the period from closing date of Application assuming on 25 March 2002 to the financial year ending 30 June 2002.*

Barring any unforeseen circumstances, the Director of Malton anticipates that they will in the position to propose, based on the issued share capital of 348,352,928 Shares a final gross dividend of 10% for the financial year ending 30 June 2003.

10. FINANCIAL INFORMATION (Cont'd)**10.9 Proforma Consolidated Balance Sheets Of Malton Berhad as at 30 September 2001**
(Prepared for inclusion in this Prospectus)**PROFORMA CONSOLIDATED BALANCE SHEETS OF MALTON BERHAD AS AT 30 SEPTEMBER 2001**

The proforma consolidated balance sheets of Malton as at 30 September 2001 set out below are provided for illustrative purpose only to show the effects of the restructuring scheme in Malton on the assumption that the transactions were completed on 30 September 2001:-

Note	Audited Balance Sheet as at 30 September 2001	Proforma (I)	Proforma (II)	Proforma (III)	Proforma (IV)		
	RM'000	RM'000	RM'000	RM'000	RM'000		
		14,316	14,316	14,316	14,316		
	FIXED ASSETS						
	INVESTMENT PROPERTY	13,577	13,577	13,577	13,577		
	DEVELOPMENT PROPERTY	58,028	58,028	58,028	58,028		
	OTHER INVESTMENT	293	293	293	293		
	CURRENT ASSETS						
	Gross amount due from customers	1,968	1,968	1,968	1,968		
	Development expenditure	59,448	59,448	59,448	59,448		
	Stocks	41,907	41,907	41,907	41,907		
	Trade debtors	138,863	138,863	138,863	138,863		
	Other debtors	50,887	50,887	50,887	50,887		
	Due from holding company	195,481	-	-	-		
	Tax recoverable	1,997	1,997	1,997	1,997		
	Fixed deposits	234,482	26,695	26,695	26,695		
	Cash and bank balances	1,062	224,946	221,946	500,628		
		433,022	546,461	543,711	822,393		
	CURRENT LIABILITIES						
	Gross amount due to customers	1,854	1,854	1,854	1,854		
	Trade creditors	68,507	68,507	68,507	68,507		
	Other creditors and accruals	52	11,468	11,468	11,468		
	Hire purchase creditors	270	270	270	270		
	Bank borrowings	13,578	13,578	13,578	13,578		
	Provision for taxation	46,846	46,846	46,846	46,846		
		52	142,523	142,523	142,523		
	NET CURRENT ASSETS	432,970	403,938	404,188	679,870		
		432,970	490,152	490,402	766,084		
	Represented By:						
	SHARE CAPITAL	2	174,176	174,176	348,352	348,352	522,528
	SHARE PREMIUM	3	121,732	121,732	3,250	250	104,756
	PROFIT AND LOSS	4	137,062	107,405	51,961	51,961	51,961
	SHAREHOLDERS' FUNDS		432,970	403,313	403,563	400,563	679,245
	MINORITY INTERESTS			23,792	23,792	23,792	23,792
	HIRE PURCHASE CREDITORS			357	357	357	357
	BANK BORROWINGS			49,931	49,931	49,931	49,931
	DUE TO DIRECTORS			12,567	12,567	12,567	12,567
	DEFERRED TAXATION			192	192	192	192
			432,970	490,152	490,402	487,402	766,084
	NET TANGIBLE ASSETS PER SHARE (RM)		2.49	2.32	1.16	1.15	1.30



10. FINANCIAL INFORMATION (Cont'd)**MALTON BERHAD
NOTES TO THE PROFORMA CONSOLIDATED BALANCE SHEETS**

The proforma consolidated balance sheets set out below are provided for illustrative purposes only to show the effects on the audited balance sheet of Malton Berhad ("Malton" or "the Company") as at 30 September 2001 had the restructuring scheme been effected on that date.

Proforma (I)

Proforma (I) incorporates the acquisitions by Malton of the following:-

- (a) the entire issued and paid-up capital of Khuan Choo Realty Sdn Bhd ("KCR") comprising 16,650,010 ordinary shares of RM1.00 each for a cash consideration of RM96,928,160;
- (b) approximately 69.12% equity interest of Bukit Rimau Development Sdn Bhd ("BRD") comprising 3,455,997 ordinary shares of RM1.00 each for a cash consideration of RM49,113,513.20, and the assignment to Malton the advances made to BRD by a Director and the holding company of BRD totalling RM30,886,486.80 for a cash consideration of the same amount; and
- (c) the entire issued and paid-up capital of Domain Resources Sdn Bhd ("DR") comprising 1,000,000 ordinary shares of RM1.00 each for a cash consideration of RM38,000,000.

CURRENT LIABILITIES

Gross amount due to customers

Trade creditors

Other creditors and accruals

Hire purchase creditors

Bank borrowings

Provision for taxation

	1,854	1,854	1,854	1,854
	68,507	68,507	68,507	68,507
52	11,468	11,468	11,468	11,468
	270	270	270	270
	13,578	13,578	13,578	13,578
	46,846	46,846	46,846	46,846
52	142,523	142,523	142,523	142,523
NET CURRENT ASSETS	432,970	403,938	404,188	679,870

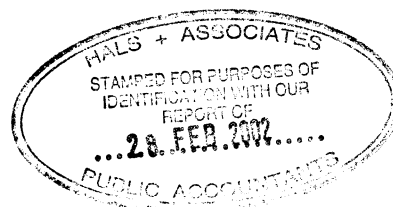
Proforma (III)

Proforma (III) incorporates Proforma (I) and (II) and the placement of 104,158,000 ordinary shares of RM1.00 each at a placement price of RM1.60 per share with 52,079,000 free detachable warrants in Malton, and the offer for sale of 122,280,000 ordinary shares of RM1.00 each at an offer price of RM1.60 per share with 61,140,000 free detachable warrants in Malton.

The listing expenses of RM3 million have been set off against share premium account.

Proforma (IV)

Proforma (IV) incorporates Proforma (I) to (III) and the exercise of all the warrants at an exercise price of RM1.60 per new ordinary share of RM1.00 each in Malton.



10. FINANCIAL INFORMATION (Cont'd)

2. Share Capital

	RM'000
Per audited balance sheet as at 30 September 2001	174,176
Bonus Issue ("Proforma II")	<u>174,176</u>
Proforma (II) and (III)	348,352
Full exercise of warrants ("Proforma IV")	<u>174,176</u>
Proforma (IV)	<u><u>522,528</u></u>

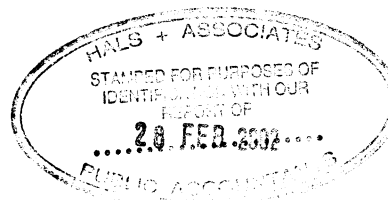
3. Share Premium

	RM'000
Per audited balance sheet as at 30 September 2001	121,732
Bonus Issue ("Proforma II")	<u>(118,732)</u>
	3,000
Issuance of warrants ("Proforma II")	<u>250</u>
Proforma (II)	3,250
Listing expenses ("Proforma III")	<u>(3,000)</u>
Proforma (III)	250
Full exercise of warrants ("Proforma IV")	<u>104,506</u>
Proforma (IV)	<u><u>104,756</u></u>

4. Profit and Loss

	RM'000
Per audited balance sheet as at 30 September 2001	137,062
Goodwill arising on acquisitions ("Proforma I") written off	<u>(29,657)</u>
Proforma (I)	107,405
Bonus issue ("Proforma II")	<u>(55,444)</u>
Proforma (II) to (IV)	<u><u>51,961</u></u>

5. The proforma consolidated balance sheets have been prepared on the accounting principles and bases consistent with those normally adopted in the preparation of audited accounts of the new subsidiaries of Malton.



10. FINANCIAL INFORMATION (Cont'd)

10.10 Reporting Accountants' Letter on the Proforma Consolidated Balance Sheets
(Prepared for inclusion in this Prospectus)



28 FEB 2002

The Board of Directors
Malton Berhad
(formerly known as Gadek Capital Berhad)
Suite 1603, 16th Floor
Wisma Lim Foo Yong
No. 86, Jalan Raja Chulan
50200 Kuala Lumpur

Dear Sirs

MALTON BERHAD *(formerly known as Gadek Capital Berhad)*
PROFORMA CONSOLIDATED BALANCE SHEETS AS AT 30 SEPTEMBER 2001

We have reviewed the presentation of the proforma consolidated balance sheets of Malton Berhad and its subsidiary companies as at 30 September 2001, together with the accompanying notes, for which the Directors are solely responsible, as set out in the Prospectus dated 8 March 2002 which we have stamped for identification, in connection with the re-quotation of Malton Berhad on the Main Board of the Kuala Lumpur Stock Exchange.

In our opinion, the proforma consolidated balance sheets of Malton Berhad as at 30 September 2001, which are provided for illustrative purposes only, have been properly compiled on the bases set out in the notes thereto.

Yours faithfully

HALS & ASSOCIATES
AF 0755
Chartered Accountants (M)

SUBRAMANIAM SANKAR
No 925/02/04 (J/PH)
Partner