
5. INFORMATION ON THE TCB GROUP

5.1 Incorporation And Principal Activities

Our Company was incorporated in Malaysia on 28 May 2005 under the Act as a private limited company under the name Tomei Consolidated Sdn Bhd. On 17 August 2005, we were converted into a public company and assumed our present name.

Our principal activity is investment holding, whilst our subsidiaries are involved in the design, manufacturing and retailing of jewellery, and refining of gold and silver.

5.2 History Of TCB Group

The history of our Group can be traced back to the establishment of a partnership in 1968 with the commencement of design and manufacturing of jewellery on a small-scale basis. In 1973, Soon Hin was incorporated to take over the operation of the partnership. The business grew and ventured into establishment of the first retail outlet in Campbell Shopping Complex in Kuala Lumpur. Subsequently in the same year, our Group commenced distribution of jewellery.

In 1977, TGJH was incorporated to better reflect the business of our Group. As part of the business expansion plan to cater for the growing retailing operations, YXG and TGJM were incorporated in 1987 and 1989 respectively to undertake our design and manufacturing activities. The manufacturing concern was mostly to cater to our own retail requirements. It also enables our Group to control quality and more importantly, create unique designs and products that best meet the contemporary needs and preferences of customers.

In 1997, GPMI was incorporated to expand our design and manufacturing operations. Subsequently in 1998, GPMI joint ventured with its business partner Eugen Schofer GmbH & Co to manufacture gold and silver chains. In the same year, our Group also successfully developed and manufactured white gold jewellery internally.

As at 11 May 2006, our Group operates 39 retail outlets and 1 kiosk throughout Peninsular Malaysia.

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

5.3 Changes In Share Capital

Our authorised share capital is RM100,000,000 divided into 200,000,000 ordinary shares of RM0.50 each. The present issued and paid-up share capital is RM55,696,000 comprising 111,392,000 ordinary shares of RM0.50 each. Details of the changes in our issued and paid-up share capital since our incorporation are as follows:

Date of Allotment/Split	No. Of Ordinary Shares Allotted/ Split	Par Value RM	Consideration	Cumulative Issued And Paid-Up Share Capital RM
28 May 2005	2	1	Cash	2
22 July 2005	4	0.50	Share split	2
19 April 2006	111,391,996	0.50	Shares issued at an issue price of RM0.50 per share pursuant to the Acquisitions and Disposals	55,696,000

5.4 Business Overview

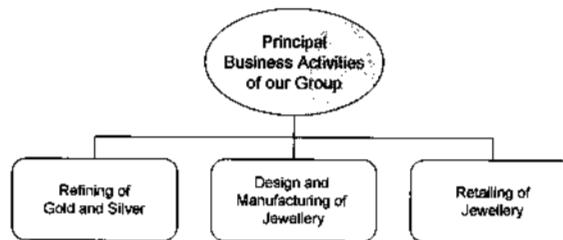
Our corporate structure upon Listing is highlighted in Section 2.1 of this Prospectus. Our principal activity is investment holding, whilst our subsidiaries are involved in the design, manufacturing and retailing of jewellery; and refining of gold and silver.

As at the date of this Prospectus, we do not have any associated company.

The principal activities of our subsidiaries are provided in Section 5.6 of this Prospectus.

5.4.1 Principal Activities

The business activities of our Group is depicted in the diagram below:



Our Group is an integrated manufacturer and retailer of jewellery. Our Group's principal business activities are as follows:

- (i) design and manufacturing of jewellery;
- (ii) retailing of jewellery; and
- (iii) refining of gold and silver.

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

Other secondary business activities of our Group comprises:

- (i) trading of gold bars and gemstones; and
- (ii) property investment.

Our Group has its own design team, a manufacturing plant located in Kuala Lumpur, Malaysia and a distribution network comprising 39 retail outlets and 1 retail kiosk throughout Peninsular Malaysia.

Items designed and manufactured in-house are as follows:

- (i) Jewellery
 - gemstone jewellery;
 - gold jewellery (including yellow and white gold); and
 - platinum jewellery.
- (ii) Gold and silver chains
 - casting chains;
 - meter chains; and
 - others (include value-added chains and basic chains).

Our Group also uses various types of precious metals and gemstones for its range of jewellery as follows:

- (i) gold (including yellow and white gold);
- (ii) silver;
- (iii) platinum;
- (iv) semi-precious stones; and
- (v) precious stones.

5.4.2 Technology

The key technologies used by our Group include the following:

(a) Refining

(i) Refining Of Gold

The technology used by our Group in its gold refining process is the aqua regia process.

The general procedure for the aqua regia process is to initially remove as much impurities as possible, and subsequently use aqua regia solution comprising nitric acid, hydrochloric acid and water to dissolve all the gold and other remaining impurities, whereby the impurities are subsequently removed, and the resultant gold is precipitated as gold powder.

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

(ii) Refining Of Silver

Our Group uses acid for the silver refining process. Generally, it is best for the silver to have as large a surface area as possible, which makes for much faster dissolutions for example, the melting of silver and pouring into the form of shots and open-up granules are usually practised.

It is also critical that the composition of gold is not more than 20% of the total weight of the material to be refined. Otherwise, the gold will interfere with the dissolving process.

The melted silver is then put into a bucket and 150 ml of nitric acid is added for every ounce of metal in the bucket. The acid will react strongly to the metal through the form of bubbling and foaming. The bucket must be large enough to accommodate the reaction.

When the acid stops foaming and all the metal appears to be dissolved, the acid is then poured into another bucket. The solids must not be poured into the new bucket along with the acid otherwise they will contaminate the final silver.

Subsequently, one ounce of silver precipitant crystal is added into the acid for every 40 ounces of silver that is dissolved. As the acid reacts with the silver precipitant crystal, it will form a white precipitate, which is silver and it will sink to the bottom of the acid. The acid is then poured off and neutralised. The silver is then washed with water, dried and melted.

(b) **Manufacturing**

There are two main methods of manufacturing jewellery and our Group utilises both of these following methods:

- (i) individually hand-made; and
- (ii) mass production.

The individually hand-made method primarily uses the skills of a craftsperson with simple tools. As such, technology play a less important role while the skills of the craftsperson is more important.

For mass production, technology plays a more important role. Depending on the manufacturing process, different technologies are utilised. Our Group utilises the following methods for its manufacturing processes:

- (i) lost wax casting;
- (ii) stamping; and
- (iii) chain making.

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

The technology involved in lost wax casting include the following:

- (i) mould making (master and copies);
- (ii) wax injection;
- (iii) creating a refractory mould using special investment powder; and
- (iv) casting using vacuum method.

Stamping technology normally incorporates a three-dimensional mould and die set to provide the shape of the item to be stamped by machine. Symmetrical pairs of stamped parts are normally required for one item and they are then soldered together. Coins and medals are also made through the stamping method, although they would not require any soldering.

In addition, there are other critical processes used in the manufacturing of jewellery, including:

- (i) stone setting; and
- (ii) finishing.

Generally there are various methods for stone setting, including:

- (i) prong setting;
- (ii) channel setting;
- (iii) pave setting; and
- (iv) bead setting.

Generally, stone setting require higher skills as gemstones (including diamonds) can get chipped during the setting process. Metal claws, grains, beads or rims need to be bent and pushed into place over the stones.

While the metal must be pressed sufficiently firmly on the stones for the stone to be held securely, too much pressure may also chip or completely shatter the gemstone.

The production of chain on high-speed automatic machines is a type of continuous mass production process to produce chains ranging from 50 to 200 links per minute. The chain production process is based on chopping, bending and twisting gold alloy wires around the die or formers into a continuous series of intertwined links. The die and tooling can be changed to alter the style or size of links produced.

(c) Assaying

Assaying is the process of measuring the gold content of an item. Assaying technology is very important particularly for those involved in gold refining. Gold and its various alloys as the raw material will need to be assayed for its gold content to determine the fineness (caratage). On completion of the refining process, the content of the finished product would also need to be assayed to accurately determine its gold content for certification purposes. In situations where gold alloys are created, assaying would be required to be undertaken to accurately determine the gold content.

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

There are many methods and technologies involved in the assaying of gold. Our Group uses the density measurement method as preliminary assessment. In some situations, we would send our jewellery to Fedmas Assay Office Sdn Bhd ("Fedmas") for more definitive assessment of the purity of the gold content. The density measurement method measures the density of the elements or alloy content through differences in weight. Gold is one of the heaviest metals with a density of 19.32 g/cm³ compared to silver and copper with a density of 10.5 g/cm³ and 8.9 g/cm³ respectively.

(d) Creating Gold Alloys

Gold alloys are created when gold is mixed with one or more other elements, mainly metals. Gold alloys are created mainly to obtain the following variations:

- (i) colour;
- (ii) physical and mechanical properties; and
- (iii) gold content providing a wider price range.

Pure gold is deep yellow in colour and is soft and malleable. However, different colours, and physical and mechanical properties can be obtained by creating gold alloys. Examples of different colours of gold alloy are yellow, pale yellow, deep yellow, rich yellow, pink/rose, red and white.

Changes to physical and mechanical properties of gold alloy include strength, hardness, tensile strength, elongation, malleability, melting point, ductility and density.

Some of the elements added to gold to create alloys include silver, palladium, copper, nickel, zinc, tin and manganese.

However, the most common metals added to gold are silver and copper because of the similar crystal structure (face centred cubic), which enables ease of mixing over a large range of compositions. Other elements are often added to these three metals to obtain various colours, physical and mechanical properties, and pricing.

The technology behind creating gold alloys is the ability to combine different elements in the precise proportion to provide the desired colour, physical and mechanical properties, and price range.

(e) Jewellery Design And Technology

Technologies involved in jewellery design rely on material, production and finishing technologies, in addition to artisanship.

In many situations, design is dictated by the available types of technology utilised. For example, a designer who designs a three-dimensional item will use stamping technology, while intricate designs may need to use electroforming technology.

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

Our Group also uses various types of decorative techniques for surface, texture, line and pattern creation in the manufacturing of jewellery. Some of these include:

- (i) electroplating, where a metal is coated with gold by electrical means;
- (ii) granulation, where small balls of gold are used to form shapes on embossed metal;
- (iii) sand blasting, where the work is held against a stream of sharp sand driven by a jet of compressed air to produce a matted or frosted finished on the surface of the precious metal; and
- (iv) diamond cutting/milling, where the surface of the piecework is gone through number of deep cuts to achieve a more shiny reflective effect.

5.4.3 Patents, Trademarks And Franchises

We have registered the following trade marks in Malaysia, the details of which are as follows:

Trade Mark	Issuing Authority	Trade Mark No.	Duration Of Trademark	Description Of Goods Under Trade Mark
"Tomei"	Registrar of Trade Marks	93002642	24 June 2000 until 20 April 2010	Stationery included in Class 16 of the Trade Marks Act, 1976
"My Diamond"	Registrar of Trade Marks	01016380	27 December 2001 until 27 December 2011	Business management and business administration; all included in Class 35 of the Trade Marks Act, 1976
"Grazia"	Registrar of Trade Marks	04001555	12 February 2004 until 12 February 2014	Chain jewellery included in Class 14 of the Trade Marks Act, 1976

We have applied for the following trade marks in Malaysia, the details of which are as follows:

Trade Mark	Application No.	Date of Application	Description Of Goods Under Trade Mark Applied For
"Tomei" *	90002996	14 May 1990	Bracelet, bangle, ring, necklace, earring, pendent all included in Class 14 of the Trade Marks Act, 1976

Note:

- * The trade mark agent has made an application to change the name of the applicant for the said trade mark application from TGJC to TGJH

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

Trade Mark	Application No.	Date of Application	Description Of Goods Under Trade Mark Applied For
"Tomei"	06006280	18 April 2006	The bringing together, for the benefit of others, of a variety of goods especially jewellery, precious stones, precious metal, watches, lighters, pens, gifts, and souvenir items, enabling customers to conveniently view and purchase those goods in a retail store; all included in Class 35 of the Trade Marks Act, 1976
"TH Jewelry"	04011037	31 July 2004	Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes, jewellery, precious stones, horological and chronometric instruments, all included in Class 14 of the Trade Marks Act, 1976
"TH Jewelry"	04011039	31 July 2004	Advertising, business management, business administration, office functions, all included in Class 35 of the Trade Marks Act, 1976
"My Diamond"	01016381	27 December 2001	Platinum, gold, carat gold (18K, 14K, 9K), 925 silver jewellery with/without setting of diamond, pearl, jade, sapphire, ruby, precious and semi-precious stones, all included in Class 14 of the Trade Marks Act, 1976

Our Group obtained approval as a registered franchisor of jewellery retail outlets and jewellery under the names of "Tomei", "My Diamond" and "TH Jewelry" from the Ministry of Entrepreneur and Co-Operative Development. The registration has been effective since 22 February 2005.

TGJH was selected as a franchisor under the "Program Pembangunan Francais" of Ministry of Entrepreneur and Co-Operative Development, for the period between 13 February 2006 and 31 March 2008. The said "Program Pembangunan Francais" is aimed to promote and develop the "Masyarakat Perdagangan" and "Perindustrian Bumiputera". Under the said programme, TGJH will assist interested franchisee (assigned by the Ministry of Entrepreneur and Co-Operative Development) in carrying out the franchise businesses.

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

We have also obtained a sub-licence for the “Baby Looney Tunes” character jewellery. The details of the arrangement are as follows:

Licensor	Salient Terms of the Agreement with Licensor
Warner Bros. Consumer Products Inc., United States of America	Sub-licensed to manufacture, distribute and sell the products under the Baby Looney Tunes copyrighted characters within Malaysia. Products to include rings, necklaces, earrings, bracelets, brooches, pendants, key chains and chains. Copyrighted characters include Baby Bugs Bunny, Baby Lola Bunny, Baby Daffy Duck, Baby Sylvester, Baby Tweety, Baby Tasmanian Devil, Baby Wile E. Coyote, Baby Road Runner, Baby K-9 and Baby Marvin the Martian. Royalty payments are based on 4.5% of net invoice billings of each licensed article or the minimum per article royalty, whichever is higher. The minimum per article royalty ranges from USD0.60 to USD2.00 depending on the type of products and materials, which are specified in the agreement. Present contractual agreement is from 1 May 2005 to 31 October 2007.

5.4.4 Approvals, Major Licences And Permits

The principal licences/permits/certificates obtained for the activities of our Group are as follows:

GPMI has been granted a licence for manufacturing of jewellery of precious metals pursuant to the Industrial Co-ordination Act, 1975 from 29 July 1998 and has obtained approval for Generalised System of Preferences on 26 May 2003 from the MITI for European Union only. The eligible products are as follows:

- (i) semi-manufacturing silver chain;
- (ii) semi-manufacturing gold chain; and
- (iii) gold precious metal finished goods.

TGJM had on 17 November 2005 obtained the Certification on CEPT from MITI in respect of exports of ‘finish gold jewellery with precious stones’ to Brunei, Indonesia, Philippine, Singapore, Thailand, Vietnam, Laos and Myanmar.

TGJM and YXG have been granted manufacturing licences from MIDA on 11 and 12 August 2005 respectively for the manufacturing of jewellery.

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

5.4.5 Production Process

There are four main processes in the gold refining and manufacturing of jewellery:

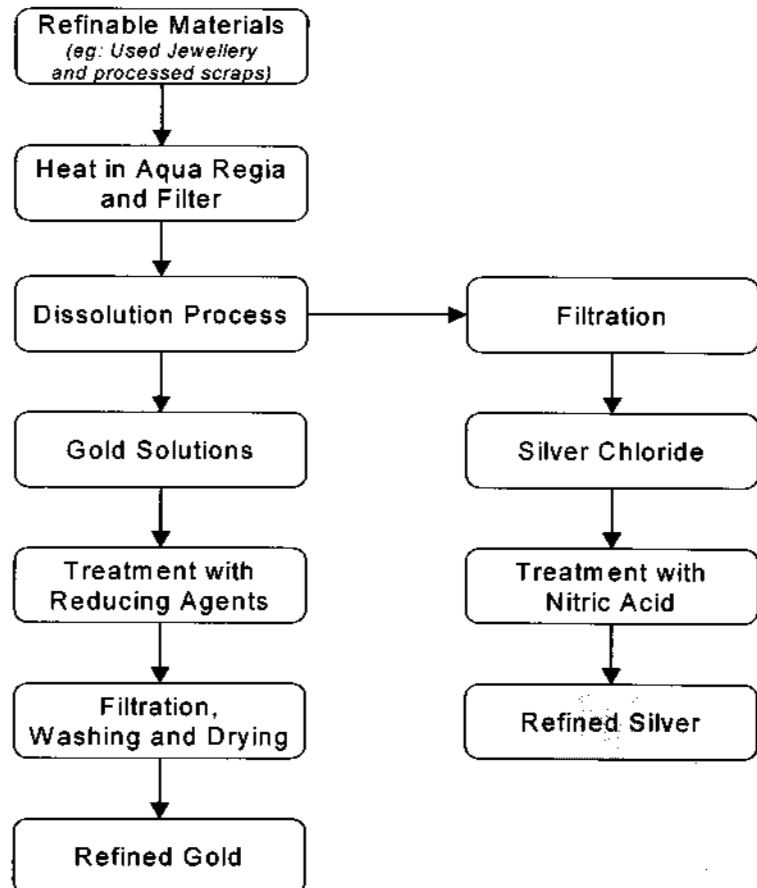
- (a) Refining processes of gold and silver;
- (b) Mass production of jewellery - Stamping Process;
- (c) Mass production of jewellery -Lost Wax Casting Process; and
- (d) Individual hand-made production of jewellery

(a) Refining Processes Of Gold And Silver

Our Group adopts the following processes for our refining operations:

- (i) aqua regia process for our gold recovery and refining; and
- (ii) silver refining in acid, which is quite a common method to recover or refine silver.

Refining Of Gold And Silver



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

(i) Refining Of Gold

The essential steps in the process are to dissolve the refinable materials such as used jewellery or scraps in aqua regia (a mixture of strong nitric acid and hydrochloric acids), and to selectively precipitate gold from the resulting solution.

Gold and most other metals will dissolve in aqua regia. However, silver will form a silver chloride precipitate. Due to the reaction of silver, it is necessary to restrict the amount of silver in the start material to be refined to a maximum of 10%.

Sometime, pre-treatment has to carried out prior to the process, therefore the optimum is to blend batches of high silver content material with those of low or no silver content prior to dissolution or to treat with nitric acid initially to remove silver.

To aid the dissolution in aqua regia, it is usual to melt and granulate the material first. This is to provide as large a surface area as possible, and to heat the acid to speed up the dissolution process. Silver chloride is removed by filtration.

The solution is then treated with a reducing agent to precipitate pure gold. Some of the reducing agent used by our Group includes ferrous sulphate, sulphur dioxide and sodium bisulphate.

In this way, high purity gold powder is produced, which needs to be filtered, washed and dried, and then is usually melted and granulated for subsequent use.

(ii) Refining Of Silver

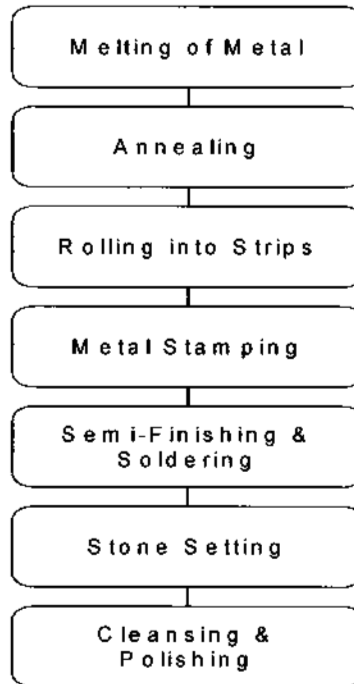
The process of refining silver is to dissolve the silver scrap in nitric acid. The acid with dissolved silver is poured into another container. The non-dissolvable contaminants are left behind.

Subsequently, by adding silver precipitant crystals to the acid, it will turn back to silver. The silver is washed with water, dried and melted for subsequent use.

5. INFORMATION ON THE TCB GROUP (Cont'd)**(b) Mass Production Of Jewellery - Stamping Process**

Stamping process is one of two means of mass production of jewellery undertaken by our Group. It involves fabricating a large quantity of one specific product design at a time through a series of stamping of metal strips using moulds and dies.

The stamping process is depicted in the figure below:



The stamping process for manufacturing jewellery begins after the final design has been approved or selected. Gold or other precious metals in its initial bar or strip form is first heated in a furnace to melt the metal.

The metal is then put through an annealing process. This process involves the heating of the metal up to a temperature below the melting point of the metal ranging between 550°C and 600°C. At this temperature, it will make the metal soft enough to work on.

The soft metal is then rolled into strips and flats. During the rolling process, the metal will become hard and brittle, and therefore it has to be annealed regularly. The metal has to be heated in an annealing furnace or with a torch until it becomes cerise red to rearrange the atoms in an orderly way and to make the metal soft and malleable again.

The strips of flat metal are then stamped to produce the required shape and size for the piece of jewellery.

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

The stamping machine uses hydraulics to punch the desired shape and size using moulds and dies.

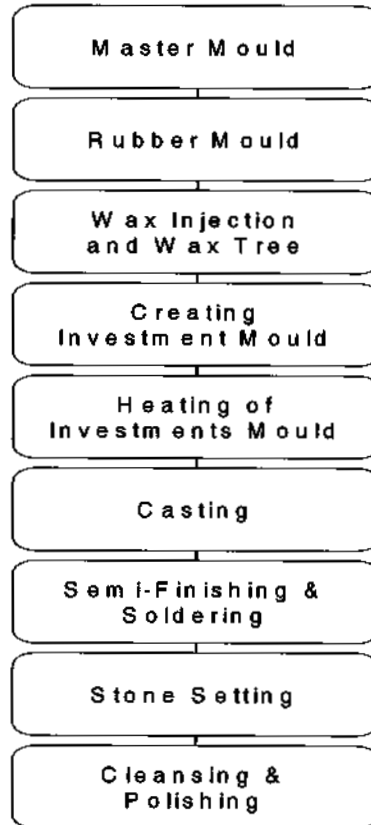
In most situations, the stamping process creates two matching halves that will require to be soldered together.

The addition of clasps and pins are then soldered on before other precious stones are set on the piece of jewellery. It then goes through a final process of cleaning and polishing.

(c) Mass Production Of Jewellery - Lost Wax Casting Process

Lost wax casting, sometimes also known as investment casting is one of two means of mass production of jewellery undertaken by our Group.

The lost wax casting process is depicted in the figure below:



Firstly a master mould is made of the original designed piece of jewellery. The master mould is commonly made from hard metal alloy, usually comprising silver and gold.

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

From this master mould, several rubber mould copies are made. This is done by surrounding the master mould with sheet rubber in a mould frame. It is then placed in a heated press and vulcanised. On cooling, the rubber sheet is then cut into half, thus releasing the master mould.

The rubber mould is used to make many copies of the master mould in wax. This is done by injecting molten wax into the rubber mould cavity. On cooling, the wax is removed to give a copy of the original master mould in wax. These wax copies are then joined together in a tree formation, sometimes referred to as an investment casting tree, which look like a "Christmas Tree".

The investment casting tree is then suspended in a metal flask, and "investment" powder, which has been mixed with water to form a slurry, is poured around it. Investment powder is similar to plaster of paris.

The investment is vibrated to remove any air bubbles, and allowed to set. Once set, it is inverted and placed into an oven, and the temperature is slowly increased so that most of the wax melts, leaving a void, which will eventually become a jewellery component.

Once melting has been completed, the oven or kiln temperature increased again, so that any residual wax is burnt out. One of the requirements of good casting wax is that it will burn cleanly without leaving any residue of ash. The flask is now ready for casting.

Thereafter, the next few steps would depend on the design of the jewellery and may incorporate some combination of the following:

- (i) cutting;
- (ii) grinding;
- (iii) soldering; and
- (iv) setting of gemstones (precious or semi-precious).

Once all the components of the jewellery are in place, it goes through the cleansing and polishing process to bring the jewellery to its final polished state. The finishing and polishing processes are semi-auto and manual using machines, and are carried out for each individual jewellery.

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5. INFORMATION ON THE TCB GROUP *(Cont'd)*

5.4.6 Competitive Strengths and Advantages

Our Group's competitive strengths and advantages are as follows:

(i) **Integrated Manufacturer And Retailer Of Jewellery**

Our Group is a fully integrated manufacturer of jewellery with mid-stream activities including gold and silver refinery process, design and manufacturing of jewellery to downstream activities of retailing.

The integration of activities not only enables our Group to maximise on economies of scale but to maintain a high standard of quality in our products.

(ii) **Product Quality**

Our Group places significant emphasis on the quality of our products with the aim of achieving total customer satisfaction. This is reflected by the fact that our Group has been certified with ISO quality standards. In addition, our Group also undertakes rigorous internal processes including an in-house gold refinery to achieve the level of gold purity required, analysis testing on precious metals to ensure the accuracy of caratage and internal valuation of precious gemstones to maintain a certain level of quality.

Furthermore, consistent quality checks on the final product are all ultimately aimed at maintaining the highest standard of product quality to customers.

(iii) **Diverse Range Of Jewellery To Cater To Different Target Customers**

Our Group has the capability to provide a diverse range of jewellery, including gold and gemstone jewellery to cater to different end-consumers including:

- Various gold and gemstone jewellery designs that appeal to the various market segments. This is reflected in the range of designs of jewellery in our Group's "Tomei", "My Diamond" and "TH Jewelry" outlets.
- An extensive range of gold jewellery including rings, bracelets, chains, earrings, brooches, bangles and anklets that caters to the mainstream market segment. These are reflected in the Tomei retail outlets.
- To-date, our Group has accumulated approximately 36,000 designs over the 38 years of operations. There are approximately 1,500 active designs that are used for our manufacturing operations and retail outlets.

By having such a diverse range of products will enable our Group to meet a larger segment of its customers.

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

(iv) Extensive Network Of Retail Outlets

Our Group has an extensive network of retail outlets. As at 11 May 2006, our Group has 39 retail outlets and 1 kiosk throughout Peninsular Malaysia.

Store Name	Number Of Retail Outlets	Number Of Kiosks
Tomei	30	-
My Diamond	6	1
TH Jewelry	3	-
Total	39	1

Our distribution strengths are demonstrated in the coverage of the various geographical markets operates in Peninsular Malaysia including:

State	Number Of Retail Outlets	Number of Kiosks
Selangor	16	1
Kuala Lumpur	11	-
Malacca	1	-
Johor	3	-
Perak	3	-
Putrajaya	1	-
Kedah	1	-
Penang	2	-
Negeri Sembilan	1	-
Total	39	1

(v) Strong Representation In Shopping Complexes And Specialised Retail Outlets

In line with our Group's strategy, all of our Group's retail outlets and kiosks are located in high traffic areas in shopping complexes and specialised retail outlets such as hypermarkets.

As at 11 May 2006, we have 39 retail outlets and 1 kiosk located in various shopping complexes and specialised retail outlets throughout Peninsular Malaysia.

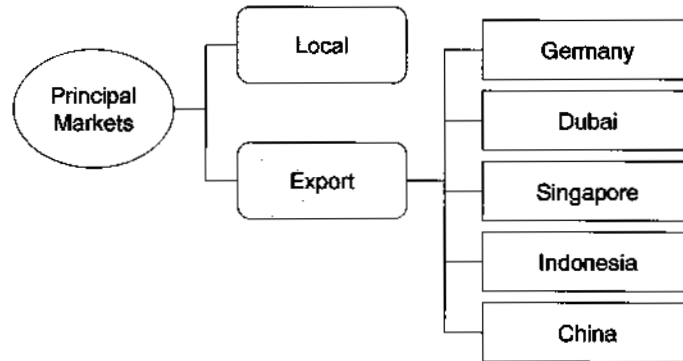
(vi) Market Reputation And Established Track Record

Our Group comes with an extensive track record with 38 years of history since the commencement of its operations. As a result, our Group has developed a market reputation as an established player in the jewellery industry. This provides its customers with the comfort and assurance of the product quality that is associated with our Group. In the jewellery industry, market reputation is important in gaining the trust and confidence of customers particularly in the assessment of caratage of precious metals and gemstones.

5. INFORMATION ON THE TCB GROUP *(Cont'd)*

5.4.7 Principal Market

The principal markets of our Group comprised both local and export markets and this is as depicted in the diagram below:



Although the local market contributed approximately 98.16% of our Group's total revenue for the FYE 31 December 2005, these are segmented into two types of customers:

- (i) retail customers; and
- (ii) trade customers.

The remainder approximately 1.84% of our Group's total revenue was through direct exports. For the FYE 31 December 2005, we direct export our in-house manufactured jewellery to the following export countries:

Export Countries	Revenue Contribution RM'000	Proportion of Group Revenue (%)
Germany	1,902	1.18
Dubai	524	0.32
Singapore	320	0.20
Indonesia	225	0.14
China	5	.1
Export Revenue	2,976	1.84

Note:

1 Negligible

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

For the FYE 31 December 2005, our Group's revenue from the local markets can be segmented as follows:

States	Revenue Contribution RM'000	Proportion of Group Revenue (%)
Kuala Lumpur	74,941	46.36
Selangor	60,508	37.43
Perak	6,070	3.75
Penang	4,967	3.07
Johor	3,123	1.93
Malacca	3,084	1.91
Putrajaya	2,974	1.84
Kedah	2,502	1.55
Negeri Sembilan	514	0.32
Local Revenue	158,683	98.16

Approximately 98.16% of the revenue of our Group was derived from the local market and this was spread across nine (9) states and territory within Peninsular Malaysia.

Within Klang Valley, Selangor and Kuala Lumpur combined represented the highest revenue contribution having accounted for 83.79% of total Group revenue for the FYE 31 December 2005.

The large revenue contribution from Kuala Lumpur and Selangor was mainly because our Group has most of the retail stores within Selangor and the Federal Territory of Kuala Lumpur. As at 11 May 2006, there are 27 retail outlets and 1 kiosk located within Kuala Lumpur and Selangor representing 70% of total retail outlets and kiosk within our Group.

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

Most of our Group's retail outlets and kiosk are located in shopping malls and specialised retail centres. As at 11 May 2006, the 39 retail outlets and 1 kiosk of our Group were located in the following shopping complexes and specialised retail centres:

State	Location
Selangor	The Mines Shopping Fair, Seri Kembangan
	1-Utama Shopping Centre, Petaling Jaya (3 retail outlets)
	Sunway Pyramid Mega Mall, Subang (1 retail outlet and 1 kiosk)
	IOI Mall, Puchong
	Subang Parade, Subang
	PKNS Complex, Shah Alam
	Klang Parade Shopping Centre, Klang
	Bukit Raja Shopping Centre, Klang
	Giant Hypermarket, Klang
	Shaw Centre Point, Klang
	Giant Kelana Jaya
	The Curve Shopping Centre, Petaling Jaya
	Giant Superstore Bandar Puteri, Puchong
	Giant Prima Saujana, Kajang
Kuala Lumpur	Suria KLCC (2 retail outlets)
	Sungei Wang Plaza
	Mid Valley Megamall
	Bukit Bintang Plaza
	Maju Junction
	Berjaya Times Square
	Carrefour Wangsa Maju
	Cheras Leisure Mall, Cheras
	Jusco Metro Prima, Kepong
	Lot 10 Shopping Centre
Malacca	Mahkota Parade
Johor	Jusco Permas Jaya, Johor Bahru
	Giant Plentong
Perak	Jusco Tebrau City Shopping Centre
	Tesco Ipoh
Putrajaya	Kinta City Shopping Centre, Ipoh
	Giant Tambun, Ipoh
Kedah	Alamanda Putrajaya
Kedah	Tesco Sungai Petani
Penang	Tesco Penang
Penang	Giant Hypermarket, Bayan Baru
Negeri Sembilan	Jusco Seremban 2

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

5.4.8 Types, Sources And Availability Of Raw Materials

All the raw materials used by our Group are sourced directly either from manufacturers or suppliers.

Gold Bar

Gold bars are one of the major raw materials used by our Group for the manufacturing of jewellery including gold jewellery and gemstone jewellery. Gold bars represented approximately 32.6% of the total raw material and finished product purchases of our Group for the FYE 31 December 2005. The price of gold has been on the uptrend for the past few years since 2001. As at 11 May 2006, the price of gold is USD714.30/Ounce (*Source: Bloomberg*). Our Group currently sources all of our gold bars from local suppliers or dealers. These local suppliers or dealers import gold bars into Malaysia. As gold bars are regarded as a commodity, they are easily available from other local suppliers or globally. In Malaysia, the import of gold (including gold plated with platinum) unwrought or in semi-manufactured form amounted to approximately RM5.1 billion in 2005. (*Source: Independent Assessment of the Jewellery Industry prepared by Vital Factor Consulting Sdn Bhd*)

The major import source countries for gold are as follows:

- (i) Switzerland;
- (ii) Japan;
- (iii) Singapore;
- (iv) Hong Kong; and
- (v) United Arab Emirates.

(*Source: Independent Assessment of the Jewellery Industry prepared by Vital Factor Consulting Sdn Bhd*)

As there are ample sources of supply of gold bars, the threat in supply is minimised. To date, the management of our Group has not encountered any major problems in sourcing gold bars as a major raw material from suppliers.

Finished Products

Our Group also buys a significant amount of finished products from other suppliers. This is a common practice in the jewellery industry. Some of these finished products are further worked on by our Group to value-add to the jewellery including setting of precious and semi-precious stones.

The need to purchase finished products from third parties is due to the following:

- (i) it is part of management's objective to provide a wide range of choice of jewellery to meet the diverse needs of our customers. As such, it is not practical for our Group to manufacture such a wide range of products for retailing; and
- (ii) our Group focuses mainly on manufacturing our own design of jewellery that either involves higher value-adding or higher margin.

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

For the FYE 31 December 2005, our Group has approximately 50 local suppliers of finished jewellery products, which represented approximately 30.0% of total Group purchases of raw materials and finished jewellery products combined. As our Group sources from a range of suppliers and manufacturers of jewellery, our Group is therefore not dependent on any one single supplier for finished jewellery. This is reflected by the fact that purchases of finished products are widely distributed among approximately 50 local suppliers for the FYE 31 December 2005.

There are 58 companies issued with manufacturing licences for manufacturing of jewellery. Of these, there are 24 companies which have commenced their manufacturing operations. As such, there are sufficient alternative jewellery manufacturers for our Group to source for finished products. (Source: *Independent Assessment of the Jewellery Industry prepared by Vital Factor Consulting Sdn Bhd*)

As gold is a major raw material for the manufacturing of yellow gold and white gold jewellery, we will be exposed to fluctuations in world price.

5.4.9 Quality Control Procedure

(a) Necessity Products

Jewellery may not be regarded as necessity products, however it is a common item found in most households. This is partly due to the fact that, in addition to aesthetic reasons, jewellery is also regarded as a popular form of investment especially gold jewellery.

Results from the household expenditure survey in Malaysia also indicate a growth in expenditure on jewellery. The average annual household expenditure on jewellery, rings and precious stones grew at an average annual rate of approximately 3.0% between 1993/94 and 1998/99. (Source: *Independent Assessment of the Jewellery Industry prepared by Vital Factor Consulting Sdn Bhd*)

Growth in household expenditure on jewellery indicates a continuing market demand for these types of items.

(b) Product Quality

In line with our Group's emphasis and commitment on quality, our Group is certified with the ISO accreditations in Quality Management Systems for our retailing of jewellery from Lloyd's Register Quality Assurance Kuala Lumpur. The valid period is between 23 September 2003 and 30 September 2006.

The ISO Quality Management Standards encompass the following:

- (i) ISO 9001:2000;
- (ii) EN ISO 9001:2000;
- (iii) BS EN ISO 9001:2000; and
- (iv) MS ISO 9001:2000.

This quality accreditation provides customers with assurance of our Group's compliance with quality management systems.

5. INFORMATION ON THE TCB GROUP *(Cont'd)*

In addition, our Group also adopts the following approaches to ensure that certain quality standards are maintained internally:

- (i) in-coming raw materials and finished products are thoroughly inspected by standard of fineness, weight and quantity;
- (ii) our Group uses density measurement technique for assaying the content of gold before using it in the manufacturing process. Similarly, all mixtures of precious metals have to undergo a similar analysis;
- (iii) all precious gemstones have to undergo a sorting process depending on quality and cut of gemstones. As at 11 May 2006, our Group has three (3) skilled and experienced gemologists;
- (iv) an in-house refinery process, which enables our Group to use refined gold and silver in every batch as opposed to using scrap. The use of refined gold and silver will ensure that the physical properties of gold and silver will remain consistent and ultimately impact on the quality of the final product;
- (v) our Group has our own internal quality assurance to ensure that the standard of quality of the final product is maintained; and
- (vi) our Group has a pool of highly skilled craftsmen that focuses on the manufacturing of gemstone jewellery, which specifically on stone setting with precious and semi-precious stones. As at 11 May 2006, our Group has a total of 18 craftsmen in our operations.

5.4.10 R&D

Policies On R&D

R&D plays an important role for our Group, particularly in creating and sustaining competitive advantages through the following:

- (i) continuous improvement in product quality to ensure customer satisfaction;
- (ii) increase production effectiveness, efficiency and productivity to minimise costs;
- (iii) continuously enhance existing products to better meet the needs of customers; and
- (iv) creating new products and designs to address areas of growth and opportunities.

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

Achievements In R&D

Over the years, our Group has successfully undertaken R&D and is able to produce the following products at consistent quality as reflected in our current product portfolio:

- (i) Jewellery
 - (a) gemstone jewellery;
 - (b) gold jewellery (including yellow and white gold); and
 - (c) platinum jewellery.

- (ii) Gold and silver chains
 - (a) casting chains;
 - (b) meter chains; and
 - (c) others include value-added chain and basic chains.

Each of the above type of products has different alloy composition depending on the designs and colour to be achieved. For the FYE 31 December 2005, these in-house designed and manufactured jewellery contributed RM108.8 million of revenue for our Group.

Our Group also uses various types of precious metals and gemstones for our range of jewellery as follows:

- (a) gold (including yellow and white gold);
- (b) silver;
- (c) platinum;
- (d) semi-precious stones; and
- (e) precious stones.

In addition, the different types of chains currently manufactured by our Group includes the following:

- (a) casting chains are commonly made by hand;
- (b) meter chains are produced using high-speed machines;
- (c) value-added chains are produced using a combination of skilled craftsperson and machines;
- (d) basic chains refer to the complete finished product in individual pieces; and
- (e) others (including stamping chain).

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5. INFORMATION ON THE TCB GROUP *(Cont'd)*

On Going And Proposed R&D

Our Group recognises the importance of undertaking continuous R&D to maintain and enhance our competitive advantages. The constant enhancement of competitive advantages is critical in a highly competitive market place, which is critical in helping our Group to sustain our business growth and success in the long term.

Being an integrated jewellery manufacturer and retailer, our Group has the capabilities and facilities to undertake in-house R&D activities. Many jewellery retailers that do not undertake manufacturing would have to rely on third party manufacturers to provide them with new products and designs. However, any new products and designs would not be exclusive to any one retailer.

One other major advantage that our Group has with our in-house R&D and manufacturing facilities is that our Group can react very quickly to changes in consumer preferences and jewellery trends without having to rely on third parties.

Our Group's R&D activities are undertaken by our subsidiary, GPMI. As at 11 May 2006, our Group has three (3) R&D personnel.

Our Group undertakes R&D in five main areas:

- (i) utilisation of different materials;
- (ii) product design;
- (iii) new product development;
- (iv) utilising of new techniques; and
- (v) fabrication of tooling.

(a) **Materials**

Precious metal alloys, especially gold alloys, provide our Group with significant scope to create new products. This is because alloys can provide a wide range of colours, physical and mechanical properties, and price range. The combination of these three main areas enables our Group to create products that are unique and accurately target various consumer groups.

Although many of the compositions of alloys are well documented, our Group would need to undertake our own R&D for the following reasons:

- (i) The actual alloy needs to be produced physically to see if the resultant colour is appealing, the material is conducive to various manufacturing processes, and the impact of implementation for mass production;
- (ii) The combinations in terms of elements and their respective ratios are virtually unlimited. As such, there continues to be a significant scope for our Group to create our 'own' desired alloys that may not be well documented;
- (iii) Our Group constantly has to meet the requirements and specifications of our own retailers. In some situations, our Group requires materials that our Group has not previously used before. As such, R&D has to be undertaken to meet retailers' requirements and specifications; and

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

- (iv) As our Group undertakes our own in-house product design, R&D in materials play a key role in supporting new product designs.

(b) Product Design

Jewellery is primarily purchased for its aesthetic values in addition to its inherent investment value. As such, jewellery as with any fashion items, would constantly require new designs to ensure that our Group continues to meet the changing needs and preferences of consumers.

Product design is a key success factor in the jewellery industry. Designs could come in various forms, including, among others, the following:

- (i) colour;
- (ii) shape;
- (iii) pattern;
- (iv) material;
- (v) combination of materials;
- (vi) finishing; and
- (vii) method of manufacturing.

Our Group emphasises significantly on product design in our R&D activities. To-date, our Group has accumulated approximately 36,000 designs over the 38 years of operations and at any one point in time, approximately 1,500 active designs are used in our manufacturing operations and retail outlets.

(c) New Products

Our Group proposes to undertake R&D to extend the current range of chains by manufacturing new designs of chains such as hollow chains. Currently, our Group manufactures gold and silver chains including casting chains, meter chains and others such as value-added chains and basic chains.

The areas of R&D to be undertaken by our Group are focused on the manufacturing process as follows:

- (i) casting and rolling of gold alloy strips;
- (ii) forming strip around a base metal core using special die;
- (iii) converting wire into chains either on an automatic machine or by hand;
- (iv) soldering chain links; and
- (v) dissolving out base metal core.

(d) Utilising New Technology

Our Group intends to deploy new technology, namely "electroforming" to expand on the existing processes. This process is used in the production of a three dimensional shape by electroplating a thick gold deposit onto a shape, and to produce lightweight and an entire new range of hollow jewellery.

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

To-date, some the processes utilised by our Group are as follows:

- (i) mould making;
- (ii) stamping;
- (iii) casting;
- (iv) electroplating;
- (v) stone setting;
- (vi) chain construction;
- (vii) head and shank assembly;
- (viii) alloying metals;
- (ix) individual item detailing; and
- (x) finishing including polishing and sandblasting.

Electroforming is the process of controlling the metal deposit from the anode metal, through electrolyte solution, onto an electro-conductive surface. A skin of metal is built-up into a rigid structure.

Some of the areas of R&D include assessing the types of equipment and materials that are required to undertake the electroforming process and this includes:

- (i) rectifier;
- (ii) tank or bath container (acid resistant, with lids and measurements marked on the side);
- (iii) bus bars (these are metal bars that support the anodes and cathodes);
- (iv) filtration system (to help maintain the chemical balance of the bath to promote circulation, which assist in plating and filtering out surface debris);
- (v) agitation system (to provide a constant source of circulation);
- (vi) heater (the bath needs to be kept at a temperature between 75 and to 80 degrees Fahrenheit. Heat assists the chemical process);
- (vii) anodes (should be around 1.5 to 2.5 times the cathode area/size); and
- (viii) bath solutions, including liquid copper sulphate, sulphuric acid, hydrochloric acid or muriatic acid, brighteners and distilled water.

Our Group proposes to adopt the electroforming technology to produce lightweight and an entire new range of hollow jewellery by 2007.

The amount spent for the last three (3) financial years are as follows:

FYE 31 December	2003	2004	2005
R&D capital expenses (RM)	13,420	8,959	12,789
R&D operating expenses (RM)	106,428	122,710	273,753
Total R&D expenses (RM)	119,848	131,669	286,542
Total R&D expenses as a proportion of our Group's total revenue (%)	0.10%	0.09%	0.18%

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

5.4.11 Interruption In Business For The Past Twelve (12) Months

Our Group has not experienced any significant interruptions in our business activities which have had any significant effect on our operations during the last twelve months.

5.4.12 Employees

As at 11 May 2006, our Group has a workforce of 508 employees. The average number of years of service of our Group's employees is approximately three (3) years. None of the employees of our Group belong to any labour union and our Group enjoys a cordial relationship with our employees. There has not been any industrial dispute in the past between our employees and management. Our employees can be generally segregated into the following categories:

Category	Bumiputera	Chinese	Indian	Other Malaysian	Foreigner	Total
(i) Management and Professional	1	68	1	-	-	70
(ii) Sales and Marketing	23	240	3	-	-	266
(iii) Technical and Supervision	1	20	-	-	-	21
(iv) Clerical	5	106	-	-	-	111
(v) Factory Floor Workers:						
- Skilled Workers	6	17	4	-	2	29
- Semi-skilled Workers	-	-	-	-	-	-
(vi) General Workers	9	2	-	-	-	11
TOTAL	45	453	8	0	2	508

Our Group provides constant training and development programmes for our employees which includes in-house workshops to empower our employees on new developments of the jewellery manufacturing and retailing industry. The main objective of our Group's training and development programmes is to encourage overall productivity and efficiency.

Some of the staff training programmes implemented and/or to be implemented by our Group for the twelve (12) months prior to 11 May 2006 and for the twelve (12) months period immediately thereafter are as follows:

No.	Type of Training	Targeted staff	Duration	Trainer/facilitator	Implementation
1.	Orientation – Brief on background and history of the company, the founder and management staff, business of company, organisation chart, functions of department, company policies and procedures	All new employees	0.5 day	Human resource personnel	Implemented and on-going
2.	Product Knowledge A - Introduction to Diamonds and Jewelry metals	All retail personnel	2.5 days	In-house gemologist	Implemented and on-going

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

No.	Type of Training	Targeted staff	Duration	Trainer/ facilitator	Implementation
3.	Product Knowledge B - Training on other precious stones and selling skills	All retail personnel who has attended Product Knowledge A training programme	2 days	In- house gemologist	Implemented and on-going
4.	Art of Management - To enhance management knowledge for all managers	Retail manager, managers	3 days (5 hours per day) video show	Managing Director/ senior manager, human resource	Implemented and on-going
5.	New system or equipment training	Staff from respective department related to the new implementation	1 – 2 weeks depending on the complexity of systems	External trainer/ supplier	Implemented and when necessary basis
6.	New brand product - background information and distinction of new brand products	All retail managers, operations personnel, gemologist	3 hours on the job training	External trainer/ brand personnel	Implemented and on-going, when necessary basis
7.	ISO training - training on various functions and roles of ISO auditors and management representative	Designated Personnel	3 days	Qualified external trainer	Implemented

5.4.13 Distribution Network And Marketing Strategies**Marketing Strategy**

Our Group's marketing strategies are focused on the retailing of jewellery supported by our in-house refinery, jewellery design and manufacturing facilities.

The major thrust of our Group's strategy is to:

- (i) position ourself as an established manufacturer and retailer of jewellery;
- (ii) continue to provide in-house designed jewellery that are available exclusively at our Group's retail outlets;
- (iii) continue to provide a wide range of gold and gemstone jewellery to meet the needs and requirements of the customers;
- (iv) focus on targeting the younger age groups by applying different branding, promotions, retail outlets and designs of jewellery that appeals to different target groups; and
- (v) continue to set higher standards by producing quality gold and gemstone jewellery products.

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

As part of our Group's business is in retailing, promotions play a key role in the success of our Group's marketing strategy. Some of the promotions strategy employed to create consumer awareness, build on the corporate image and brand building include:

- (a) Product advertisements and promotions on radio and television and also in various magazines and newspapers, for special events and periods such as "Valentine's Day", "Mother's Day", wedding and festive seasons; and
- (b) As part of our Group's strategy to promote our products and services and as well as identify likely consumer trends, our Group also actively exhibits and attends trade fairs. Some of the previous and future trade fairs participated and to be participated by our Group including are as follows:

Local - Participated

- Bridal Fair in 2004, Kinta City, Perak
- Malaysia International Jewelex in 2004, Kuala Lumpur
- Bridal Fair in 2005, Kepong, Kuala Lumpur
- Malaysia International Jewelex in 2005, Kuala Lumpur

Overseas - Participated

- Indonesia Jewellery Fair in 2005, in Jakarta, Indonesia
- Shen Zhen Jewellery Fair in 2005, China
- Indonesia Jewellery Fair in 2006, in Surabaya, Indonesia

Overseas - Future Participation

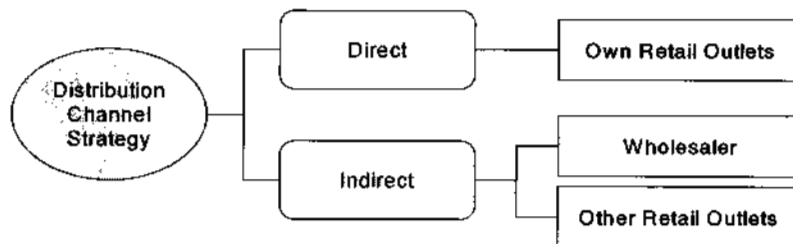
- Indonesia Jewellery Fair in Bandung, Indonesia
- Barcelona International Fair, Spain

- (c) As part of our Group's promotions strategy in creating brand awareness, our Group also holds temporary retail kiosks at the foyer of various shopping complexes.

For the FYE 31 December 2005, our Group spent approximately RM1.7 million for the advertisement and promotional activities.

Distribution Channel Strategy

Our Group utilises the following types of distribution channel strategy:



5. INFORMATION ON THE TCB GROUP *(Cont'd)*

Our Group primarily utilises direct channels of distribution through our own established network of 39 retail outlets and 1 kiosk throughout Peninsular Malaysia. Thus, the direct sales approach enables our Group to work closely with our customers, especially retail customers to have a better understanding of their preferences and needs, to serve as feedback mechanism for continuous creation and sourcing new designs and products that meet these preferences and needs. Our Group also utilises indirect distribution channels, however this is primarily for the wholesale and trade business.

5.4.14 Production/Operation Capacities and Output

Our Group's current manufacturing capacity, production and utilisation rates are as follows:

Products	Current Capacity (Kg/per month)	Current Production (Kg/per month)	Utilisation %
Refining	120	70	58
Jewellery	120	70	58
Chains	600	200	33*

Note:

* Depending on the designs, 30% of chain machines are usually running at any one time as different machines caters to different designs

Our Group's manufacturing of jewellery is undertaken at our production facility in the following location:

Location of Production Facility

8, 10, 14 and 27, Jalan 2/131A
Project Jaya Industrial Estate
Batu 6, Jalan Kelang Lama
58200 Kuala Lumpur

Our Group's manufacturing facility is able to handle approximately 100% increase in production of similar designs with minimum need for additional capital investments for its current products. This provides our Group with significant room for expansion, especially as our Group gears up to manufacture jewellery for third parties as well as for export.

5.4.15 Principal Assets

Our inventories are our principal assets which are kept at retail outlets, retail kiosk and manufacturing facilities occupied by our Group. The details of properties occupied by us together with other landed properties, equipment and machineries of our Group are set out in Section 9 of this Prospectus.

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

5.4.16 Key Achievements/Milestones/Awards Of The TCB Group

Some of the key achievements and recognitions received by our Group are as follows:

- (i) In 2001, our Group manufactured and sponsored the crown used in the Miss Malaysian World 2001 beauty pageant. This was the most expensive crown used in a beauty pageant and was recorded in the Malaysia Book of Records in 2001;
- (ii) Rank ninth in the Golden Bull Awards in 2003;
- (iii) SMI-Digi ICT Adoption Awards of Certificate of Achievement in SMI Recognition Awards Series 2003 by SMI Malaysia;
- (iv) Fair Price Shop Awards 2003 by the Ministry of Domestic Trade and Consumer Affairs;
- (v) Golden Earl Awards of Global Top Enterprise in 2004 by Chinese Enterprise Development Association, China;
- (vi) Superbrand Status 2003/2004 by Superbrands Malaysia;
- (vii) Fair Price Shop Awards 2005-2006 awarded by the Ministry of Domestic Trade and Consumer Affairs; and
- (viii) Fair Price Shop Excellence Awards 2005-2006 awarded by the Ministry of Domestic Trade and Consumer Affairs.

5.4.17 Syariah Status

TCB has voluntarily submitted an application to the SC for a Syariah compliance review to be carried out by the SAC of the SC as part of the process of determining our Syariah status at IPO.

The SAC of the SC has classified TCB Shares as Syariah-compliant based on the proforma consolidated results for the FYE 31 December 2004 and the Syariah criteria adopted by the SAC of the SC.

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

5.5 Listing Scheme

In conjunction with the listing of TCB Shares on the Second Board of Bursa Securities, we undertook the following exercises which were approved by the SC and the MITI on 27 March 2006 and 13 March 2006 respectively. The details of the aforesaid exercises are as follows:

5.5.1 Revaluation/Disposal of Properties**(a) Revaluation Of Properties In TGJC**

As part of the Listing Scheme, the two (2) properties of TGJC with the addresses of Lot G 050, Ground Floor, Sungei Wang Plaza, Jalan Bukit Bintang, 55100 Kuala Lumpur and Nos. 30, 30B and 30C, Jalan Walter Grenier, Off Jalan Imbi, 55100 Kuala Lumpur have been revalued by C H Williams Talhar & Wong Sdn Bhd and the market values are RM5,800,000 and RM900,000 respectively.

The revaluation surplus net of deferred taxation of RM3,547,840 (including 5% deferred tax provided on the revaluation surplus of RM2,193,205 as at 31 December 2004) has been incorporated in the accounts of TGJC for the FYE 31 December 2005.

A summary of the aforementioned properties owned by TGJC together with its market value and net revaluation surplus is provided in Section 5.5.1 (c) of this Prospectus.

(b) Revaluation/Disposal Of Properties In Soon Hin And TGJ (KL)

As part of the Listing Scheme, the two (2) properties situated at Lot G 049, Ground Floor, Sungei Wang Plaza, Jalan Bukit Bintang, 55100 Kuala Lumpur (owned by Soon Hin) and Lot G 051, Ground Floor, Sungei Wang Plaza, Jalan Bukit Bintang, 55100 Kuala Lumpur (owned by TGJ (KL)) have been revalued by C H Williams Talhar & Wong Sdn Bhd and the market values are RM3,200,000 and RM3,000,000 respectively.

The total revaluation surplus of RM3,740,000 has been incorporated in the accounts of Soon Hin and TGJ (KL) for the FYE 31 December 2005.

These two (2) properties were then disposed to BASB via two (2) conditional SPAs dated 21 November 2005 between Soon Hin and TGJ (KL) respectively with BASB for a total cash consideration of RM6,200,000 based on the market value of the properties.

The said disposals were completed on 26 May 2006.

Based on the valuation reports dated 11 October 2005 prepared by C H Williams Talhar & Wong Sdn Bhd, an independent registered firm of professional valuers, the combined market value of the properties is RM6,200,000. The total audited net book value of the properties is RM2,460,000 as at 31 December 2004.

A summary of the properties revalued and disposed by Soon Hin and TGJ (KL) together with its market value and revaluation surplus is provided in Section 5.5.1 (c) of this Prospectus

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

(c) Land And Buildings Included In The Valuation Exercise

The list of land and buildings included in the valuation exercise is tabulated as follows:

No.	Registered Owner/ (Beneficial Owner)	Lot No./ Title No. And Address	Description/ Existing Use	Net Book Value As At 31 December 2004 (RM)	Market Value (RM) And Date Of Valuation	Net Revaluation Surplus/ (Deficit) (RM)
1	Sungei Wang Plaza Sdn Bhd (TGJC)*	Lot 1197, Section 67 Bandar of Kuala Lumpur, District of Kuala Lumpur Address: Lot G 050, Ground Floor, Sungei Wang Plaza, Jalan Bukit Bintang, 55100 Kuala Lumpur	A corner unit shoplot within the Ground Floor of Sungei Wang Plaza	2,040,000	5,800,000 9 September 2005	3,572,000 Net of 5% deferred tax = 3,760,000* x 95% = 3,572,000
2	Soh Geok Lan – ¼ share TGJC – ¼ share TGJC – ¼ share TGJC – ¼ share (TGJC)	Lot 1000, Section 67 Bandar of Kuala Lumpur, District of Kuala Lumpur Address: Nos 30, 30B and 30C, Jalan Walter Grenier, Off Jalan Imbi, 55100 Kuala Lumpur	Ground, second and third floors of an intermediate four storey flat	810,000	900,000 9 September 2005	85,500 Net of 5% deferred tax = 90,000* x 95% = 85,500
3	Sungei Wang Plaza Sdn Bhd (Soon Hin)*	Lot 1197, Section 67 Bandar of Kuala Lumpur, District of Kuala Lumpur Address: Lot G 049, Ground Floor, Sungei Wang Plaza, Jalan Bukit Bintang, 55100 Kuala Lumpur	A corner unit shoplot within the Ground Floor of Sungei Wang Plaza	1,230,000	3,200,000 9 September 2005	1,970,000#
4	Sungei Wang Plaza Sdn Bhd (TGJ (KL))*	Lot 1197, Section 67 Bandar of Kuala Lumpur, District of Kuala Lumpur Address: Lot G 051, Ground Floor, Sungei Wang Plaza, Jalan Bukit Bintang, 55100 Kuala Lumpur	An intermediate unit shoplot within the Ground Floor of Sungei Wang Plaza	1,230,000	3,000,000 9 September 2005	1,770,000#
	Total			5,310,000	12,900,000	7,397,500

Notes:

* The individual title has not been issued yet as the master title still vests with the developer

Market value less net book value

5. INFORMATION ON THE TCB GROUP *(Cont'd)*

Based on the net book value of our properties as set out in our audited financial statement as at 31 December 2004, the aggregate net revaluation surplus arising from the above revaluations of RM7,397,500 has been taken into account in determining the consideration for the Revaluation/Disposal of Properties by Soon Hin and TGJ (KL) and Disposal of TGJC by TGJH.

5.5.2 Acquisitions and Disposals

(a) Disposal Of TGJC By TGJH

TGJH had on 21 November 2005 entered into a conditional SPA with BASB for the disposal of the entire equity interest in TGJC for a cash consideration of RM6,884,683.

The disposal consideration was arrived at based on the audited NTA of TGJC as at 31 December 2004 of RM3,336,843 adjusted for the revaluation surplus of the two (2) properties in item 1 and 2 of Section 5.5.1 (c) which amounts to RM3,547,840.

(b) Acquisitions I By TR

TR had on 21 November 2005 entered into eight (8) conditional SPAs with the vendors of My Diamond, TGJ (SK), TGJ (RW), CP, TGJ (PT), TGJ (JB), TWF and TGJ (B) for the acquisitions of the following:

- (i) 100% equity interest in My Diamond;
- (ii) 100% equity interest in TGJ (SK);
- (iii) 100% equity interest in TGJ (RW);
- (iv) 100% equity interest in CP;
- (v) 100% equity interest in TGJ (PT);
- (vi) 100% equity interest in TGJ (JB);
- (vii) 100% equity interest in TWF; and
- (viii) 99.99% equity interest in TGJ (B)

for a total purchase consideration of RM2,059,818 satisfied by an issuance of a total of 4,119,636 new TCB Shares at par value.

The total purchase consideration of RM2,059,818 was arrived at based on the following:

- (i) the respective audited NTA of My Diamond, TGJ (SK), TGJ (RW), CP and TGJ (PT) as at 31 December 2004; and
- (ii) the par value of the existing issued and paid up share capitals of TGJ (JB), TWF and TGJ (B) of RM1.00, RM1.00 and BND1.00 respectively.

(c) Acquisitions By TCB

TCB had on 21 November 2005 entered into three (3) conditionals SPAs with the vendors of Soon Hin, TGJM and TR for the acquisitions of the entire equity interest in Soon Hin, TGJM and TR for a total purchase consideration of RM19,532,818 satisfied by the issuance of 39,065,636 new TCB Shares at par value.

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

(d) Acquisitions II by TR

TR (which became a wholly-owned subsidiary of TCB upon the completion of the Acquisitions by TCB), had on 21 November 2005 entered into two (2) conditional SPAs with the vendors of TGJ (MJ) and SRT for the acquisitions of the entire equity interest in TGJ (MJ) and SRT for a total purchase consideration of RM6,671,949 satisfied by the issuance of 13,343,898 new TCB Shares at par value.

The total purchase consideration of RM6,671,949 was arrived at based on the respective audited NTA of the acquiree companies as at 31 December 2004.

(e) Acquisitions By TGJ (MJ)

TGJ (MJ) (which became a 100% owned subsidiary of TR upon the completion of Acquisitions II by TR), had on 21 November 2005 entered into three (3) conditional SPAs with the vendors of TGJ (SA), TGJ (Subang) and TGJ (IOI) for the acquisitions of the following:

- (i) 32% equity interest in TGJ (SA);
- (ii) 40% equity interest in TGJ (Subang); and
- (iii) 40% equity interest in TGJ (IOI)

The said acquisition was satisfied by a total cash consideration of RM1,405,155 in the form of amount owing by TGJ (MJ) to the vendors.

The total purchase consideration of RM1,405,155 was arrived at based on the respective audited NTA of TGJ (SA), TGJ (Subang) and TGJ (IOI) as at 31 December 2004.

(f) Acquisition Of TGJH

TR had on 21 November 2005 entered into a conditional SPA with the vendors of TGJH for the acquisition of 100% equity interest in TGJH for a purchase consideration of RM24,310,466 satisfied by the issuance of 48,620,932 new TCB Shares at par value.

The total purchase consideration of RM24,310,466 was arrived at based on the adjusted NTA of the Former TGJH Group based on the audited NTA as at FYE 31 December 2004 after the Disposal of TGJC by TGJH.

(g) Disposals To TR

The vendors of TGJ (WM), TGJ (KL) and THJ had on 21 November 2005 entered into four (4) conditional SPAs with TR for the disposals of their equity interests in the aforesaid companies to TR.

The total disposal consideration of RM5,369,911 was arrived at based on the respective audited NTA of TGJ (WM) and THJ as at 31 December 2004 and the adjusted NTA of TGJ (KL) after the Revaluation/Disposal Of Properties In Soon Hin And TGJ (KL) satisfied by the following:

- (i) cash of RM2;
- (ii) issuance of 3,659,625 new TCB Shares at par value; and
- (iii) amounts of RM2,872,610 and RM667,486 owing to Soon Hin and TGJM respectively.

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

(h) Disposal Of J&G To TR

The vendors of J&G had on 21 November 2005 entered into a conditional SPA with TR for the disposal of their entire equity interest in J&G to TR for a disposal consideration of RM873,295 satisfied by the issuance of 873,295 new TCB Shares par value and cash consideration of RM436,647.50.

The disposal consideration was arrived at based on the audited NTA of J&G as at 31 December 2004.

(i) Disposals Of YXG And GPMI To TCB

The vendors of YXG and GPMI had on 21 November 2005 entered into two (2) conditional SPAs with TCB for the disposals of the entire equity interest in YXG and 61% equity interest in GPMI respectively for a total cash consideration of RM5,398,199.

The disposal consideration was arrived at based on the audited NTA of YXG and GPMI as at 31 December 2004.

(j) Acquisitions By TGJH

TGJH had on 21 November 2005 entered into three (3) conditional SPAs with the vendors of TGJ (Klang), TGJ (Sunway) and TGJ (KP) for the acquisitions as set out below:

- (i) Acquisition of the balance of 36.84% equity interest in TGJ (Klang) which it did not already own, satisfied by a cash consideration of RM746,377;
- (ii) Acquisition of the balance of 50% equity interest in TGJ (Sunway) which it did not already own, for a purchase consideration of RM780,017 satisfied by the issuance of 1,560,034 new TCB Shares at par value; and
- (iii) Acquisition of the balance of 30% equity interest in TGJ (KP) which it did not already own, for a purchase consideration of RM74,470, satisfied by the issuance of 148,940 new TCB Shares at par value.

The total purchase consideration of RM1,600,864 was arrived at based on the respective audited NTA of TGJ (Klang), TGJ (Sunway) and TGJ (KP) as at 31 December 2004.

The shareholdings of the vendors upon completion of the Acquisitions and Disposals are provided in Section 5.5.2 (k) of this Prospectus.

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

(k) Shareholding Structure of TCB Upon Completion of the Acquisitions and Disposals

Vendors	No. Of TCB Shares										Total	%	
	Before Acquisitions and Disposals	Disposal of TGJIC by TGJH	Acquisitions I by TR	Acquisitions by TCB	Acquisitions II by TR	Acquisitions by TGJ (MJ)	Acquisition of TGJH	Disposals to TR	Disposal of J&G to TR	Disposals of YXG and GPMI to TCB			Acquisitions by TGJH
Datuk Ng Teck Fong	-	-	2,469,945	38,990,350 ¹	12,623,234	-	32,587,477	3,602,568	-	-	-	90,273,574	81.04
Ng Yih Pyng	-	-	563,193	-	-	-	481,239	-	-	-	-	1,044,432	0.94
Ng Yih Chen	-	-	210,768	45	240,244	-	-	-	-	-	-	451,057	0.40
Ng Sheau Yuen	-	-	653,382	-	240,210	-	-	-	-	-	-	893,592	0.80
Ng Sheau Chyn	-	-	112,356	-	-	-	-	-	-	-	-	112,356	0.10
Datin Gan Sao Wah	-	-	-	75,237	240,210	-	15,234,559	57,057	-	-	-	15,607,063	14.01
Mohd Azhar Bin Md Dissa	-	-	109,992	-	-	-	-	-	-	148,940	-	258,932	0.23
Mah Keng Chee	-	-	-	-	-	-	93,460	-	-	-	-	93,460	0.09
Ngiong Ah Kow	-	-	-	-	-	-	224,197	-	-	-	-	224,197	0.20
Choong Yee Kong	-	-	-	-	-	-	-	-	873,295	312,007	-	1,185,302	1.07

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

Vendors	No. Of TCB Shares										Total	%	
	Before Acquisitions and Disposals	Disposal of TGJH	Acquisitions by TGJH I by TR	Acquisitions by TCB	Acquisitions II by TR	Acquisitions by TGJ (MJ)	Acquisition of TGJH	Disposals to TR	Disposal of J&G to TR	Disposals of YXG and GPMI to TCB			Acquisitions by TGJH
Choong Siew Mooi	-	-	-	-	-	-	-	-	-	-	312,007	312,007	0.28
Choong Kwei Mooi	-	-	-	-	-	-	-	-	-	-	312,007	312,007	0.28
Choong Yock Mooi	-	-	-	-	-	-	-	-	-	-	312,007	312,007	0.28
Choong Yee Vooi	-	-	-	-	-	-	-	-	-	-	312,006	312,006	0.28
Ho Chong Seng	-	-	-	2	-	-	-	-	-	-	-	2	.2
Klaw Yee Meng	-	-	-	2	-	-	-	-	-	-	-	2	.2
Khoo Siow Hui	2	-	-	-	-	-	-	-	-	-	-	2	.2
Philomena Annamah Veerasamy	2	-	-	-	-	-	-	-	-	-	-	2	.2
TOTAL	4	-	4,119,636	39,065,636	13,343,898	-	48,620,932	3,659,625	873,295	-	1,708,974	111,392,000	100.00

Notes:

- 1 Inclusive of 22,346,208 TCB Shares issued to NTFH which were then sold to Datuk Ng Teck Fong
- 2 Negligible

5. INFORMATION ON THE TCB GROUP (Cont'd)**5.5.3 Acquisition Of TCB Shares By TFC**

Upon completion of the Acquisitions and Disposals, TFC acquired 56.59% equity interest in TCB or 63,032,177 TCB Shares from Datuk Ng Teck Fong, Ng Yih Pyng, Ng Yih Chen, Ng Sheau Yuen, Ng Sheau Chyn and Datin Gan Sao Wah for a total purchase consideration of RM31,516,094.

The total purchase consideration of RM31,516,094 was arrived at based on par value of TCB Shares of RM0.50 per share satisfied by the following:

- (i) cash consideration of RM30,674,314; and
- (ii) the issuance of 84,178 new TFC Shares at an issue price of RM10 each.

The details are as follows:

Vendors	No. of TCB Shares after Acquisitions and Disposals	Equity Interest In TCB ← Acquired By TFC →		Mode Of Purchase Consideration	
		No. Of TCB Shares	%*	No. Of New TFC Shares Issued	Cash (RM)
Datuk Ng Teck Fong	90,273,574	45,404,916	40.76	24,300	22,459,458
Datin Gan Sao Wah	15,607,063	15,607,063	14.01	-	7,803,532
Ng Yih Pyng	1,044,432	563,193	0.51	28,160	-
Ng Sheau Yuen	893,592	893,592	0.80	9,000	356,796
Ng Yih Chen	451,057	451,057	0.41	17,100	54,528
Ng Sheau Chyn	112,356	112,356	0.10	5,618	-
	108,382,074	63,032,177	56.59	84,178	30,674,314

Note:

* Based on the enlarged issued and paid-up share capital of TCB upon completion of the Acquisitions and Disposals

The Acquisitions and Disposals and Acquisition of TCB Shares by TFC were completed on 19 April 2006.

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

5.5.4 Public Issue

TCB is undertaking a public issue of 14,608,000 new TCB Shares, representing approximately 11.59% of the enlarged issued and paid-up share capital of the Company upon Listing, at the Issue Price.

(a) Allocation Of The Issue Shares

The Issue Shares to be issued pursuant to the Public Issue will be allocated in the manner as follows:-

- 3,308,000 Issue Shares will be available for subscription by the eligible Executive Directors and employees of our Group via Pink Form Allocation;
- 5,000,000 Issue Shares by way of Private Placement to identified investors ; and
- 6,300,000 Issue Shares to the Malaysian Public via balloting.

(b) Status Of Issue Shares

The 14,608,000 new TCB Shares to be issued pursuant to the Public Issue shall, upon issue and allotment, rank pari passu in all respects with the existing issued and paid-up ordinary shares of TCB after the Acquisitions and Disposals.

5.5.5 Offer For Sale

In conjunction with the Public Issue, the Offeror will undertake an offer for sale of 37,800,000 TCB Shares at the Offer Price to Bumiputera investors approved by MITI.

The 37,800,000 TCB Shares offered by the Offeror pursuant to the Offer for Sale shall rank pari passu in all respects with the existing issued and paid-up ordinary shares of TCB.

5.5.6 Listing

Following the completion of the IPO, TCB shall seek approval for the listing of and quotation for the entire enlarged issued and paid-up share capital of the Company comprising 126,000,000 TCB Shares on the Second Board of Bursa Securities.

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