

5. RESTRUCTURING EXERCISE OF SHCB AND ESOS

5.1 Background Information on SHCB

SHCB was incorporated on 4 February 1960, as a limited company known as Seng Hup Electric Company Limited. Upon the introduction of the Companies Act 1965, Seng Hup Electric Company Limited changed its name to Seng Hup Electric Company Sdn Bhd. Subsequently on 30 August 1991, Seng Hup Electric Company Sdn Bhd converted its status into a public limited company under the name of Seng Hup Electric Company Bhd.

SHCB was listed on the Second Board of the KLSE on 30 September 1992. In 1995, SHCB adopted its present name, Seng Hup Corporation Bhd.

The authorised share capital of SHCB is 30,000,000 ordinary shares of RM1.00 each, out of which 19,998,000 ordinary shares of RM1.00 each have been issued and fully paid-up as at 28 July 1992.

SHCB has investment in ten(10) subsidiary companies and two(2) associated companies. SHCB and its subsidiary companies were principally engaged in the business of lighting equipment and related products and property investment.

On 9 September 1999, Mr Tan Kim Leong, JP and Mr Siew Kah Toong of BDO Binder were appointed as Special Administrators pursuant to Section 24 of the Pengurusan Danaharta Nasional Act 1998 to, inter-alia, manage the assets and affairs of SHCB.

On 27 August 2002, SHCB announced that it has entered into a Principal Agreement ("PA") with KEB, for the proposed acquisition of the entire issued and paid-up share capital of SEB, a subsidiary of KEB, from KEB and the other shareholders of SEB by a new company to be incorporated, to regulate and record the basic understanding of the key areas of agreement pending finalisation and approval of the workout proposal prepared by the SA, pursuant to Section 44 of the Pengurusan Danaharta Nasional Act 1998 as amended ("Workout Proposal").

On 30 September 2002 and 13 December 2002, SHCB entered into supplemental principal agreements with KEB ("Supplemental PA") to amend, modify and/or vary the PA. On 30 September 2002, a conditional sale and purchase agreement was entered into between KEB, MASB, ETSB, Salcon and SHCB for the Acquisition.

5.2 Restructuring Exercise

As part of the Restructuring Exercise of SHCB, the listing status of SHCB will be transferred to Salcon and subsequently Salcon will seek a transfer of the listing of and quotation for Salcon Shares from the Second Board to the Main Board of the KLSE upon completion of the Restructuring Exercise.

The Restructuring Exercise involves the following:

- (i) Share exchange by Salcon of the entire issued and paid-up share capital of SHCB involving the issuance of 833,250 new Salcon Shares to the existing shareholders of SHCB at an issue price of RM0.50 per Salcon Share on the basis of one (1) new Salcon Share for every twenty four (24) ordinary shares of RM1.00 each in SHCB held;
- (ii) Acquisition by Salcon of the entire issued and paid-up share capital of SEB from KEB, MASB and ETSB for a total consideration of RM80,198,000 satisfied by the issuance of 160,396,000 new Salcon Shares at an issue price of RM0.50 per Salcon Share;

5. RESTRUCTURING EXERCISE OF SHCB AND ESOS (Cont'd)

- (iii) Exemption to KEB, MASB, and ETSB from the obligation to extend an unconditional mandatory general offer for all the remaining Salcon Shares not already owned by them in Salcon after the Acquisition;
- (iv) Public issue by Salcon of 29,200,000 new Salcon Shares at an issue price of RM1.20 per Share as set out in Section 2.3 of this Prospectus;
- (v) Offer for sale by the Offerors of 17,920,000 Salcon Shares an offer price of RM1.20 per Share as set out in Section 2.3 of this Prospectus;
- (vi) Debt settlement to SHCB's creditors for the outstanding debts due from SHCB to such creditors;
- (vii) Transfer of listing status of SHCB on the Second Board of the KLSE to Salcon;
- (viii) Sale of the assets and business of SHCB and Crystal Palace Lighting (M) Sdn Bhd, a wholly owned subsidiary of SHCB;
- (ix) Disposal of the entire issued and paid-up share capital of SHCB to a special purpose vehicle for a consideration of RM1.00 and the subsequent liquidation of SHCB and all of its subsidiaries; and
- (x) Transfer of the listing of and quotation for Salcon Shares to the Main Board of the KLSE.

5.3 ESOS

The SC and the existing shareholders of Salcon had, on 26 December 2002 and 22 July 2003 respectively, approved the ESOS.

An extract of the salient features of the ESOS By-Laws (*the details and definitions of which are set out in the By-Laws attached herewith as Section 13*), are as follows:

5.3.1 Maximum Number of Shares Allowable Under the Scheme

By-Law

- 3.1 *The maximum number of new Salcon Shares which may be available under the Scheme shall not exceed in aggregate ten per cent (10%) of the total issued and paid-up share capital of the Company at any point in time of granting of the Options during the existence of the Scheme as referred to in Clause 19 hereof or such additional number that maybe permitted by the SC during the duration of the Scheme.*
- 3.2 *By-Law 3.1 shall not apply where the total number of new Salcon Shares which may be made available under the Scheme exceeds ten per cent (10%) of the issued and paid-up share capital of the Company during the existence of the Scheme resulting from the cancellation of the Company's own Shares purchased by the Company in accordance with the provisions of Section 67A of Companies Act, 1965. In such event, the provisions of By-Law 14.3 (d) shall be complied with and the Options shall remain valid and exercisable in accordance with the By-Laws of the Scheme.*
- 3.3 *The Company will during the Option Period keep available sufficient authorised and unissued shares to satisfy all Options, which may be exercised, in whole or in part during the Option Period.*

5. RESTRUCTURING EXERCISE OF SHCB AND ESOS (Cont'd)

5.3.2 Eligibility

By-Law

4.1 Subject to the discretion of the Option Committee, any employee who is a citizen or resident of Malaysia (including an Executive Director) or a foreigner of a member of the Salcon Group shall be eligible to participate in the Scheme if, as at the Offer Date, the employee:

- (a) has attained the age of eighteen(18) years;
- (b) is employed by a member of the Salcon Group (provided the member is not dormant) and has served such member of the Salcon Group for a continuous period of at least one (1) year and whose service of employment has been confirmed in writing. In the case of an Executive Director, he must be involved in the day to day management and is on the payroll of a member of the Salcon Group (provided the member is not dormant); and
- (c) is not a participant of or has not been offered option(s) under any other employees' share option scheme implemented by any other member of the Salcon Group which is in force for the time being.

In addition, where an employee (including an Executive Director) is serving under a fixed term employment contract, the contract must be for a duration of at least three (3) years and must be confirmed in writing.

4.2 Each Executive Director can be offered options under more than one Scheme depending on his sitting on the board of directors.

5.3.3 Offer

By-Law

5.1 The Option Committee may at its discretion at any time and from time to time within the Duration of the Scheme as it shall deem fit make an Offer to any Eligible Employee whom the Option Committee may in its discretion select, to subscribe during the Option Period for new Salcon Shares in accordance with the terms of the Scheme.

5.2 Nothing herein shall prevent the Option Committee from making more than one Offer to any Eligible Employee provided always that, the total aggregate number of new Salcon Shares to be so allotted to any Eligible Employee shall not be less than one hundred (100) new Salcon Shares and shall always be in multiples of one hundred (100) Salcon Shares. In any case, any eligible Executive Director's maximum entitlement shall be based on one sitting only irrespective of his sittings on more than one board within the Group.

5.3 Each Offer shall be made in writing by the Option Committee and shall state the number of new Salcon Shares which the Eligible Employee shall be entitled to subscribe, the price at which the Eligible Employee is entitled to subscribe for each new Salcon Share and the closing date for acceptance of the Offer.

5.4 No Option shall be granted to any Executive Director of the Company unless specific grant of Options to that Executive Director shall have previously been approved by the shareholders of the Company in a general meeting.

5. RESTRUCTURING EXERCISE OF SHCB AND ESOS (Cont'd)

5.5 *With the exception to Sub-Clause 10.2, the Offer shall automatically lapse and be null and void in the event of the Eligible Employee ceasing to be employed by the Salcon Group for any reason whatsoever prior to the acceptance of the Offer by the Eligible Employee in the manner set out in Clause 8 hereof.*

5.3.4 Maximum Allowable Allotment and the Basis of Allotment

By-Law

6.1 *Subject to Sub-Clause 3.1 hereof, the allocation to the eligible Executive Directors and senior management shall not exceed 50% of the new Salcon Shares available under the Scheme provided that the allocation is equitable throughout the various categories of employees. In addition, not more than 10% of the new Salcon Shares available under the Scheme should be allocated to any individual Executive Director or employee who, either singly or collectively, through his associates, holds 20% or more of the issued and paid-up capital of the Company.*

6.2 *Subject to any adjustments which may be made under Clause 14 hereof, the maximum number of new Salcon Shares that may be offered and allotted to an Eligible Employee shall be determined at the discretion of the Option Committee taking into consideration the performance, seniority and years of service of the Eligible Employee and no maximum allowable allotment to each Eligible Employee shall be fixed, subject always to Clause 3 hereof and the provisions of the SC Guidelines on ESOS relating to allocations to directors and employees.*

In the circumstances where the maximum allowable allotment as provided in the SC Guidelines on ESOS is amended by the SC from time to time, the Option Committee shall have the discretion to make the necessary adjustments so that the number of new Salcon Shares that may be offered to any one of the Eligible Employees shall be in accordance with the provisions of the SC Guidelines prevailing during the Option Period.

5.3.5 Option Price

By-Law

7. *The Option Price at which a Grantee is entitled to subscribe for each new Salcon Share shall be at a discount of not more than 10% from the five(5) day weighted average market price of Salcon Shares immediately preceding the Offer Date of the Option or at the par value of Salcon Shares, whichever is higher.*

5.3.6 Acceptance of the Offer

By-Law

8.1 *The Offer to participate in the Scheme shall be valid for acceptance for a period of thirty(30) days from the Offer Date or such longer period as may be determined by the Option Committee on a case to case basis at its discretion. The acceptance of an Offer shall be made by way of a written notice from the Eligible Employee to the Option Committee in the form prescribed by the Option Committee from time to time. In the event that the Eligible Employee fails to accept the Offer within the prescribed period, the Offer shall automatically lapse PROVIDED THAT the Option Committee shall not be precluded from making a new Offer to the Eligible Employee subsequently.*

5. RESTRUCTURING EXERCISE OF SHCB AND ESOS (Cont'd)

- 8.2 *Acceptance of the Offer by an Eligible Employee shall be accompanied by the payment of Ringgit Malaysia One (RM1.00) as non-refundable consideration for the grant of the Option.*
- 8.3 *Within fourteen(14) days after the due acceptance of the Offer in accordance with the provisions of Sub-Clauses 8.1 and 8.2 hereof, the Option Committee shall issue to the Grantee a certificate of Option in such form as may be determined by the Option Committee from time to time.*
- 8.4 *An Option shall be personal to the Grantee and cannot be assigned, transferred or otherwise disposed of in any manner whatsoever except as specified in By-Law 10.6.*
- 8.5 *The Option may be cancelled at the discretion of the Grantee by notice in writing to the Option Committee.*

5.3.7 Exercise of Options

By-Law

- 9.1 *Subject to Sub-Clause 9.2 hereof, an Option may be exercised by the Grantee by notice in writing to the Company in the prescribed form during normal business hours on the first Market Day of each week or as may be amended from time to time by the Option Committee during the Option Period in respect of all or any part of the new Salcon Shares comprised in the Option, provided that where an Option is exercised in respect of a part of the new Salcon Shares comprised therein, the number of new Salcon Shares of which such Option may be exercised shall not be less than one hundred (100) and shall be in multiples of one hundred (100).*
- 9.2 *Subject to Clause 14 hereof, the Option Committee may, at any time and from time to time, before or after an Option is granted, limit the exercise of the Option to a maximum number of new Salcon Shares and/or such percentage of the total new Salcon Shares comprised in the Option during such periods within the Option Period and impose any other terms and/or conditions deemed appropriate by the Option Committee in its discretion including amending/varying any terms and conditions imposed earlier.*
- The partial exercise of an Option shall not preclude the Grantee from exercising the Option for the remaining duration of the Option Period in respect of the balance of the new Salcon Shares comprised in the Option.*
- Any new Salcon Shares comprised in an Option not subscribed for in any year following the date on which the Option was granted, may be subscribed for in any subsequent year until and including the last year of the Option Period.*
- 9.3 *Every such written notice referred to in Sub-Clause 9.1 hereof must be in the form prescribed by the Option Committee from time to time and accompanied by a remittance (calculated in accordance with the provisions of Clause 7 hereof) for the full amount of the subscription monies for the new Salcon Shares in respect of which notice is given. Within ten(10) Market Days from the receipt by the Company of the aforesaid notice and remittance from the Grantee, the Company shall allot such new Salcon Shares to the Grantee accordingly, subject to and in accordance with the provisions of the Articles of Association of the Company, the Central Depositories Act and the Rules of the MCD.*

5. RESTRUCTURING EXERCISE OF SHCB AND ESOS (Cont'd)

- 9.4 *A Grantee who exercises his Option shall provide the Option Committee with the valid CDS account number, in the notice referred to in Sub-Clause 9.1. The new Salcon Shares to be issued pursuant to the exercise of an Option will be credited into the CDS account of the Grantee or his Authorised Nominee, as the case may be and a notice of allotment stating the number of shares credited into such CDS account will be issued and despatched to the Grantee or the Grantee's Authorised Nominee with a copy to the Grantee, as the case may be, within ten (10) Market Days from the date of receipt by the Company of the written notice of the exercise of the Option together with the requisite remittance. No physical share certificate(s) will be issued.*
- 9.5 *No Options shall be exercisable after the expiry of the Option Period.*
- 9.6 *In the event that a Grantee is subject to disciplinary proceedings (whether or not such disciplinary proceedings will give rise to a dismissal or termination of service) the Option Committee may, in its discretion, suspend and/or cancel the right of the Grantee to exercise his Option pending the outcome of such disciplinary proceedings. The Option Committee may impose such terms and conditions as the Option Committee shall deem appropriate having regard to the nature of the charges made or brought against the Grantee and the outcome of such disciplinary proceedings PROVIDED ALWAYS THAT:*
- (a) *in the event that such Grantee shall subsequently be found to be not guilty of the charges which gave rise to such disciplinary proceedings, the Option Committee shall reinstate the rights of such Grantee to exercise his Option PROVIDED THAT such reinstatement is within the Duration of the Scheme in accordance with Clause 19 hereof;*
- (b) *in the event such Grantee is found guilty resulting in the dismissal or termination of service of such Grantee, the Option shall immediately cease without notice, upon pronouncement of the dismissal or termination of service of such Grantee; and*
- (c) *in the event such Grantee is found guilty but not dismissed or termination of service is recommended, the Option Committee shall have the right to determine at its absolute discretion whether or not the Grantee may continue to exercise his Option or any part thereof and if so, to impose such terms and conditions as it deems appropriate, on such exercise.*
- 9.7 *Notwithstanding the provisions of Sub-Clause 9.3, the Board, the Option Committee, the Company and/or any officer of the Company shall not under any circumstances be held liable to any person for any cost, loss, expense, damages or liabilities, gains or profits foregone whatsoever or howsoever arising in any event relating to the delay on the part of the Company in procuring the KLSE to list the Shares subscribed for by a Grantee or for any delays in crediting the Shares into the Grantee CDS account or any other matter or dealing which is outside the control of the Company.*
- 9.8 *Subject to the discretion of the Option Committee, failure by the Grantee to comply with the procedure for an exercise of an Option as stipulated in Sub-Clauses 9.1 to 9.5 herein will invalidate the purported exercise of such Option by an Eligible Employee.*

5. RESTRUCTURING EXERCISE OF SHCB AND ESOS (Cont'd)

9.9 Every Option shall be subject to the condition that no new Salcon Shares shall be issued to a Grantee pursuant to the exercise of an Option if such issue would be contrary to any law, enactment, rules and/or regulations of any legislative or non-legislative body which may be in force during the Option Period or such period as may be extended.

9.10 The Company will undertake to keep available sufficient unissued Salcon Shares to satisfy all outstanding Options.

5.3.8 Ranking of New Salcon Shares

By-Law

16. The new Salcon Shares to be allotted upon any exercise of any Options granted shall upon allotment and issue, rank *pari passu* in all respects with the existing Salcon Shares PROVIDED ALWAYS that the new Salcon Shares so allotted will not be entitled to any dividends, rights, allotments and/ or other distributions declared prior to the allotment and issue unless such new Salcon Shares are specified as being credited to the Securities Account of the Grantee in the Record of Depositors maintained by the Company with the MCD and requested by the Company from the MCD for the purpose of determining persons entitled to such dividends, rights, allotments, and/ or distributions in accordance with the Company's Articles of Association.

5.3.9 Duration of the Scheme

By-Law

19.1 The Scheme shall come into force upon obtaining the following approvals:

- (a) the SC;
- (b) the KLSE for the listing of and quotation for the new ordinary shares to be issued pursuant to the exercise of Options;
- (c) the shareholders of the Company in general meeting;
- (d) the fulfilment of any conditions attached thereto and upon the adviser submitting to the SC the following additional requirements:
 - i. Final copy of the By-Laws of the Scheme; and
 - ii. Confirmation letter from the adviser confirming that the Company:
 - (A) has fulfilled the SC's conditions of approval for the Scheme and that the By-Laws do not contravene the Guidelines on Employee Share Option Schemes as stipulated under the "Policies and Guidelines on Issue/Offer of Securities ("Issues Guidelines"); and
 - (B) has obtained other relevant approvals for the Scheme and has fulfilled all conditions imposed therein.

5. RESTRUCTURING EXERCISE OF SHCB AND ESOS (Cont'd)

The date of the confirmation letter submitted by the adviser would signify the effective date for the launch/implementation of the Scheme ("Effective Date"). The scheme shall be in force for a duration of five(5) years from the Effective Date . The Company may, if the Board and the Option Committee deem fit, extend the Scheme for another five(5) years. Such extended Scheme shall be implemented in accordance with the terms of the By-Laws set out herein, save for any amendments and/or changes to the relevant statutes and/or regulations currently in force and shall be valid and binding without further obtaining the approvals of the abovementioned parties PROVIDED THAT the Company shall serve appropriate notices on each Grantee and/or make necessary announcements to any and/or all of the abovementioned parties within thirty(30) days prior to the expiry of the Scheme.

19.2 *Offers can only be made during and not after the duration of the Scheme."*

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6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT

6.1 Promoters and Substantial Shareholders

6.1.1 Particulars and Shareholdings

Name/Company	After the Public Issue and Offer for Sale*			
	Direct	%	Indirect	%
KEB	70,551,960	36.89	-	-
MASB	44,368,800	23.20	-	-
ETSB	27,555,240	14.41	-	-
Tan Sri Razali Ismail	45,000	0.02	44,368,800 ⁽¹⁾	23.20
Abdul Nasir Bin Adnan	40,000	-	44,368,800 ⁽¹⁾	23.20
Dato' (Dr) Teoh Seng Foo	45,000	0.02	70,551,960 ⁽²⁾	36.89
Dato' Lim See Teok	45,000	0.02	27,555,240 ⁽³⁾	14.41
Jaggit Singh a/l Tara Singh	45,000	0.02	27,555,240 ⁽³⁾	14.41

Notes:

* Includes the allocation of shares issued pursuant to the pink form allocation scheme

(1) Deemed interested by virtue of their substantial shareholdings in MASB

(2) Deemed interested by virtue of his substantial shareholdings in KEB

(3) Deemed interested by virtue of their substantial shareholdings in ETSB

KEB

KEB was incorporated on 8 August 1973 in Malaysia under the Companies Act, 1965. As at 15 July 2003, KEB has an authorised share capital of RM500,000,000 divided into 1,000,000,000 ordinary shares of RM0.50 each of which RM229,836,469 divided into 459,672,938 ordinary shares of RM0.50 each have been issued and paid-up. The principal activities of KEB are investment holding and provision of management services.

The directors and substantial shareholders and their respective shareholdings in KEB as at 15 July 2003 are as follows:

Name	Nationality/ Place of Incorporation	Direct interest		Indirect interest	
		No. of shares	%	No. of shares	%
Directors					
Dato' (Dr) Teoh Seng Foo	Malaysian	1,902,000	0.41	61,007,000*	13.27
Kee Lian Yong	Malaysian	-	-	-	-
Lee Teik Yang	Malaysian	-	-	-	-
Mohamed Saleh bin Gomu	Malaysian	-	-	-	-
Theng Book	Malaysian	-	-	-	-
Dato' Dr Loga Bala Mohan a/l Jaganathan	Malaysian	-	-	-	-

6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Name	Nationality/ Place of Incorporation	Direct interest		Indirect interest	
		No. of shares	%	No. of shares	%
Substantial shareholders					
Meda Capital Sdn Bhd	Malaysia	61,007,000	13.27		
Dato' (Dr) Teoh Seng Foo	Malaysian	1,902,000	0.41	61,007,000	13.27
Teoh Seng Aun	Malaysian	4,000,000	0.87	61,007,000	13.27
Teoh Seng Kian	Malaysian	-	-	61,007,000	13.27

Note:

* Deemed interested by virtue of their substantial shareholdings in Meda Capital Sdn Bhd

MASB

MASB was incorporated in Malaysia on 21 February 2002 under the Companies Act, 1965. As at 15 July 2003, MASB has an authorised share capital of RM1,000,000 divided into 1,000,000 ordinary shares of RM1.00 each of which RM1,000,000 divided into 1,000,000 ordinary shares of RM1.00 each have been issued and paid-up. The company is principally an investment holding company.

The directors and substantial shareholders and their respective shareholdings in MASB as at 15 July 2003 are as follows:

Name	Nationality	Direct Interest		Indirect Interest	
		No. of shares	%	No. of shares	%
Tan Sri Razali Bin Ismail	Malaysian	600,000	60.0	-	-
Abdul Nasir Bin Adnan	Malaysian	400,000	40.0	-	-

ETSB

ETSB was incorporated on 7 May 1997 in Malaysia under the Companies Act, 1965. As at 15 July 2003, ETSB has an authorised share capital of RM100,000 divided into 100,000 ordinary shares of RM1.00 each of which RM100,000 divided into 100,000 ordinary shares of RM1.00 each have been issued and paid-up. The company is principally an investment holding company.

The directors and substantial shareholders and their respective shareholdings in ETSB as at 15 July 2003 are as follows:

Name	Nationality	Direct interest		Indirect interest	
		No. of shares	%	No. of shares	%
Dato' Lim See Teok	Malaysian	76,000	76.0	-	-
Jaggit Singh A/L Tara Singh	Malaysian	24,000	24.0	-	-

KEB and MASB are investors in Salcon. Dato' Lim See Teok is the Chief Executive Officer of Salcon and has been actively managing SEB for the past five(5) years. Jaggit Singh is the director of the Water & Environmental Division and has more than twenty(20) years of water engineering experience.

6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

6.1.2 Changes in shareholdings in the Company for the past three(3) years

Save for Section 1.2 of this Prospectus, there are no significant changes of the Promoters' and substantial shareholders' shareholdings in the Company for the past three(3) years preceding the date of this Prospectus.

6.2 Directorships and Substantial Shareholdings of Promoters and Substantial Shareholders in All Other Public Companies for the Past Two Years Preceding 15 July 2003

Save as disclosed below, none of the Promoters and substantial shareholders have any substantial shareholdings in other public companies for the past two years preceding 15 July 2003:

KEB

Company	Direct Interest		Indirect Interest	
	No. of shares held	% held	No. of shares held	% held
Tomisho Holdings Berhad	6,019,000	14.48	500,000*	1.20
SEG International Bhd	21,520,025	27.19	2,235,000*	2.82
Meda Inc. Berhad	14,212,016	3.33	48,394,992*	11.33
SEB	10,200,000	51.00 [^]	-	-

Notes:

* Indirect interest held through Sawitani Sdn Bhd

[^] By the Sale and Purchase Agreement dated 19 November 1999 and subsequent supplemental agreements between ETSB and KEB, ETSB has agreed to purchase 3,800,000 fully paid ordinary shares of RM1.00 each in the capital of SEB constituting 19% of the entire issued and paid-up capital of SEB, the whole of which are charged to Southern Bank Berhad. The purchase was completed on 17 July 2003

MASB

Company	Direct Interest		Indirect Interest	
	No. of shares held	% held	No. of shares held	% held
SEB	6,000,000	30.0	-	-

6.3 Board of Directors

6.3.1 Particulars and Shareholdings

Name	Designation	Nationality	No. of Shares held after Public Issue and Offer for Sale*			
			Direct	%	Indirect	%
Tan Sri Razali Ismail	Chairman	Malaysian	45,000	0.02	44,368,800 ⁽¹⁾	23.20
Dato' (Dr) Teoh Seng Foo	Vice Chairman	Malaysian	45,000	0.02	70,551,960 ⁽²⁾	36.89
Dato' Lim See Teok	Chief Executive Officer	Malaysian	45,000	0.02	27,555,240 ⁽³⁾	14.41

6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Name	Designation	Nationality	No. of Shares held after Public Issue and Offer for Sale*			
			Direct	%	Indirect	%
Mr. Jagjit Singh a/l Tara Singh	Executive Director	Malaysian	45,000	0.02	27,555,240 ⁽³⁾	14.41
Mr Foo San Kan	Independent Non-Executive Director	Malaysian	45,000	0.02	-	-
Dato' Dr Freezailah Bin Che Yeom	Independent Non-Executive Director	Malaysian	45,000	0.02	-	-
Dato' Seri Megat Najmuddin bin Datuk Seri (Dr) Hj Megat Khas	Independent Non-Executive Director	Malaysian	45,000	0.02	-	-

Notes:

* Includes the allocation of shares issued pursuant to the pink form allocation scheme

(1) Deemed interested by virtue of his substantial shareholdings in MASB

(2) Deemed interested by virtue of his substantial shareholdings in KEB

(3) Deemed interested by virtue of their substantial shareholdings in ETSB

6.3.2 Profiles of Directors

Tan Sri Razali Ismail – Chairman, Non-Independent Non-Executive Director

BA (Hons), University of Malaya

Appointed on 21 July 2003. Tan Sri Razali Bin Ismail, aged 64, holds a Bachelor of Arts (Honours) from University of Malaya.

He is presently the Special Adviser to the Prime Minister, YAB Datuk Seri Dr Mahathir Mohamad, appointed Panel Member of the Board of Advisers for National Unity for 2000-2002, Chairman of Yayasan Salam (the Malaysian Peace Corps) and Chairman of a few other companies dealing with project development, chip technology, engineering, insurance and the environment. He is also a Chairman of the Malaysian Wetlands Foundation, Paya Indah Wetlands Sanctuary. He is an Honorary Fellow of the Institute for Environment and Development of the National University of Malaysia and appointed the Pro-Chancellor of University Sains Malaysia, Penang for the term from July 2001-2006. He is a Founding Member of the first Governing Council of War-torn Societies Project International based in Geneva in April 2000 and has been the United Nations Secretary-General's Special Envoy for Myanmar since April 2000. He was conferred Honorary Doctorate of Law by Universiti Kebangsaan Sarawak in August 2002 and appointed as President of World Wide Fund (WWF) Malaysia for a 5-year term with effect from 1 July 2003.

Tan Sri joined the Ministry of Foreign Affairs in 1962 and held various offices in India (1963-1966), France (1966-1968), the United Kingdom (1970-1972) and Laos (1974-1976). He was appointed Ambassador to Poland in 1978 with concurrent accreditation to the then German Democratic Republic, Czechoslovakia and Hungary before serving as the High Commissioner to India in 1982. He was made a Deputy Secretary-General of Political Affairs in the Ministry of Foreign Affairs in 1985.

6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

As the Permanent Representative of Malaysia to the United Nations from 1988 to 1998 and concurrent Ambassador to Cuba, Jamaica, Saint Lucia, Barbados, Trinidad and Tobago, Tan Sri served in various capacities in the World Body and was actively involved in several bodies, both within and outside the United Nations system, especially those dealing with development, the environment, human rights and reform of the United Nations. From 1989 to 1990, he headed the Malaysian delegation to the UN Security Council and served as its President, in June 1989 and again in July 1990. In 1989, he was Chairman of the Group of 77. He was elected Chairman of the Commission on Sustainable Development in 1993. Tan Sri was President of the Fifty-first Session of the United Nations General Assembly, 1996-1997. He received the first Elizabeth Haub Prize for Environmental Diplomacy by Pace University, New York in May 1999 and was conferred a Fellow of the Institut Tadbiran Awam Negara ("INTAN") in May 1999. He was conferred the "Ordre National du Merite" (National Order of Merit) by the French Government in November 2000. Presently, he is a director of several public listed companies (as shown in Section 6.3.3 of this Prospectus) and private limited companies.

Dato' (Dr) Teoh Seng Foo – Vice Chairman, Non-Independent Non-Executive Director

CA (M), FCMA (UK), DBA

Appointed on 21 July 2003. Dato' (Dr) Teoh Seng Foo, aged 47, is a Chartered Accountant of the Malaysian Institute of Accountants and a Fellow of the Chartered Institute of Management Accountants (UK). He was conferred the Honorary Doctorate in Business Administration by the University of Abertay, Dundee, United Kingdom on 2 November 2002.

He has vast experience in commerce and industry, having held senior management positions in multi-nationals such as Intel Technology, Woodward & Dickerson Inc, Tan Chong Motor Holdings Berhad, PricewaterhouseCoopers (formerly known as Coopers & Lybrand) and Esquel Group. In the years of his career, he is involved in several entrepreneurial and business development projects locally and overseas.

Presently, he is a director of several public listed (as shown in Section 6.3.3 of this Prospectus) and private limited companies.

Dato' Lim See Teok - Chief Executive Officer, Executive Director

MBA, CA (M)

Appointed on 21 July 2003. Dato' Lim See Teok, aged 45, is the Chief Executive Officer of the Salcon Group. An Accountant by profession, he obtained his Master in Business Administration (General Management) from the University of Bath, United Kingdom in 1991. Prior to joining SEB, his experience included many solid years in General Management, International Marketing as well as Finance and Operations with multi-national organisations and Malaysian conglomerates. Since joining SEB in 1997, Dato' Lim has steered the company towards becoming a regional player in water engineering in the Asian region.

6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Mr. Jagjit Singh a/l Tara Singh – Executive Director
BE (Mech) University of Roorke, India

Appointed on 21 July 2003. Mr. Jagjit Singh, aged 55, is a qualified Mechanical Engineer by profession. He started his career as a lecturer and subsequently proceeded to be a project engineer. To date he has more than 25 years of experience in the design and execution of water treatment and pumping projects for the public sector. He joined SEB in 1980 and currently heads the WED.

Over the past two decades Mr. Jagjit has actively participated and provided his expertise in the design, construction, commissioning, testing and handover of numerous large water supply projects in Malaysia and overseas. One of his notable achievement in Malaysia includes the implementation of the first water BOT project in Malaysia, the privatisation of Greater Ipoh Water Supply Scheme (Phase II) involving sourcing, treatment and supply of water to Lembaga Air Perak. He also led the team in the Binh An Water Supply Project where SEB is a lead partner in the first operational water BOT project in the Republic Socialist of Vietnam.

Mr. Jagjit also led the design and implementation of the first Integrated Dissolved Air Floatation System in Malaysia, utilising state-of-the-art technology in plant design as well as the largest sludge de-watering plant for the Johor River Water Supply Plant under the Public Utilities Board, Singapore.

Mr. Foo San Kan – Independent Non-Executive Director
FCA(E&W), CPA, CA, FITT

Appointed on 21 July 2003. Mr. Foo San Kan, aged 54, is a Chartered Accountant of the Malaysian Institute of Accountants. He is also a member of the Malaysian Institute of Certified Public Accountants, a fellow of the Institute of Chartered Accountants in England and Wales as well as the Malaysian Institute of Taxation.

Prior to his retirement at the end of 2002, Mr. Foo was the Managing Partner of Ernst & Young in Malaysia and its related firms from 1997 to 2002. He has 34 years of experience in the profession and has spent the last 29 years in various positions in the firm. During the course of his career, he was involved in various industries sectors including financial services, energy, utilities, plantations, property, construction, communications and entertainment. His professional experience covers almost all aspects of the accounting profession, including but not limited to audit, receivership, liquidation, taxation, secretarial, corporate advisory and management consultancy and all services related to the Labuan Offshore Financial Services Authority (LOFSA). As a Trust Officer and Auditor and Liquidator approved by the LOFSA, he was involved in the setting up and administration of offshore trust for clients, advising corporate structure, capital restructuring and liquidation involving offshore entities.

He is currently a director of Symphony House Berhad, a company listed on the MESDAQ Board of the KLSE, OSK-Signet Trustees Berhad and several other private limited companies in Malaysia.

6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Dato' Dr. Freezailah Bin Che Yeom (B.S.K, K.M.N, S.A.P, J.S.M, D.S.D.K, P.G.B.K) – Independent Non-Executive Director
PhD (Ecology), BSc (Forestry)

Appointed on 21 July 2003. Dato' Dr. Freezailah, aged 63, holds a First Class Honours degree in Forestry and a Doctor of Philosophy in Ecology from Edinburgh University, United Kingdom.

Dato' Dr. Freezailah has more than 40 years of experience in various fields of the forestry sector including holding several senior management positions. In 1987 he was elected to serve as the founding Executive Director of the UN-Sponsored International Tropical Timber Organisation (ITTO) based in Yokohama, Japan with the rank of Assistant Secretary-General on the UN-Scale. He provided leadership to the 57-member-country ITTO and nurtured its growth and development into a respected global body to promote the conservation, sustainable management and utilisation of the world's tropical forests. In recognition of his contributions to the forestry sector, the ITTO created the "Freezailah Fellowship Fund" on his retirement in 1999 and was conferred "Award of Excellence" by the Commonwealth Forestry Association and the Government of Japan among others. Dato' Dr. Freezailah is a Fellow of the Institute of Foresters Malaysia and Honorary Member of the Society of American Foresters. He has also addressed many important forestry fora.

Dato' Dr. Freezailah is currently Chairman of the Malaysian Timber Certification Council. He is active in various national and international organisations and initiatives dealing with forestry, conservation, environmental issues and related technological advances.

Dato' Seri Megat Najmuddin bin Datuk Seri (Dr) Hj Megat Khas – Independent Non-Executive Director

Appointed on 21 July 2003. Son of Dato' Seri Dr Hj Megat Khas Megat Omar, one of the country's first Malay doctors, Megat Najmuddin, aged 58, received his first education at Sekolah Melayu Jalan Douglas, and Anderson Primary, Ipoh. In 1957, he was accepted into the Malay College Kuala Kangsar and completed his Higher School Certificate in 1964. He continued his studies at the University of Singapore and graduated with an Honours in Law in 1970. During his school and university years, he was active in sports and student activities. At the university, he was Captain of the rugby team. He also represented Perak and Singapore and later Selangor and Malaysia in rugby. He soon started his own law firm Megat Najmuddin, Leong & Co. and practised with the firm until his retirement in 1986 due to business and political commitments.

Megat Najmuddin was elected to the Selangor State Legislative Assembly for two terms 1986 – 1990 and 1990 – 1995 for the Kelana Jaya Constituency. For ten years (1985 – 1994) he held the post of Head of the UMNO Petaling Jaya Division and the UMNO Subang Division for 1994/5. He led the Petaling Jaya and Subang Barisan Nasional Election Campaign from 1982 until 1995. Now he is concentrating more on family and business matters. He has retired from being the Permanent Chairman of UMNO Subang as well as being a municipal councillor. He presently sits on the UMNO Appeal Committee which advises UMNO Malaysia on disciplinary appeals. He was a Majlis Perbandaran Petaling Jaya / Majlis Perbandaran Subang Jaya Councillor for 20 years. He is now most active in the corporate sector and holds several important posts.

6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Dato' Seri Megat was appointed Executive Committee Member of the Federation of Public Listed Companies Berhad in August 1994 and elected President in October 1997. He represents this organisation in the High Finance Committee of the Ministry of Finance.

He was also one of the first members of the Management Committee of the Malaysian Institute of Corporate Governance, and was elected President in April 1998.

He was appointed as member of the 2nd National Economic Consultative Council 2 by the Prime Minister, where he is a member of the Human Resources Development Committee. In September 1999, he was appointed to the Capital Market Strategic Committee by the Finance Minister to produce the Capital Market Master Plan which was released early 2001. He was a member of the Corporate Debt Restructuring Committee. He is also a member of the Securities Commission's Capital Market Advisory Council. At the KLSE, he is a director of Securities Clearing Automated Network Services Sdn Bhd and Malaysian Share Registration Services Sdn Bhd. He also sits on various sub-committees of the KLSE.

Presently, he is a director of several public listed (as shown in Section 6.3.3) and private companies.

6.3.3 Directorships and Substantial Shareholdings of Directors in All Other Public Companies for the Past Two Years Preceding 15 July 2003

Save as disclosed below, none of the Directors have any directorships nor substantial shareholdings in other public companies for the past two (2) years preceding 15 July 2003:

Director	Company	Date of appointment/ (Date of resignation)	Direct		Indirect	
			No. of shares held	% held	No. of shares held	% held
Tan Sri Razali Bin Ismail	DKLS Industries Bhd	16.09.1999 (31.03.03)	500,000	0.61	-	-
	Leader Universal Holdings Berhad	16.09.1999	1,106,000	0.25	-	-
	Allianz General Insurance Malaysia Berhad (formerly known as Malaysia British Assurance Berhad)	25.09.2001	-	-	-	-
	IRIS Corporation Berhad	02.05.2002	118,846,667	14.25	-	-
	PLUS Expressways Berhad	06.05.2002	40,000	-	-	-
	Wah Seong Corporation Berhad	22.05.2002	200,000	0.06	-	-
	Transwater Corporation Berhad	29.04.1998 (16.12.2001)	-	-	-	-

6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Director	Company	Date of appointment/ (Date of resignation)	Direct		Indirect	
			No. of shares held	% held	No. of shares held	% held
Dato' (Dr) Teoh Seng Foo	SEG International Bhd	02.02.2001	-	-	23,755,025*	30.02
	Meda Inc. Berhad	28.12.2001	32,537,724	7.62	62,607,008**	14.66
	KEB	05.05.1997	1,902,000	0.41	61,007,000@	13.27
Mr. Foo San Kan	Symphony House Berhad	07.02.2003	-	-	-	-
	OSK-Signet Trustees Berhad	25.04.2003	-	-	-	-
Dato' Seri Megat Najmuddin bin Datuk Seri (Dr) Hj Megat Khas	Asian Pac Holdings Berhad	19.10.1994	1,857,000	0.53	-	-
	Seal Incorporated Berhad	30.12.2000 (31.01.2003)	-	-	-	-
	SEG International Bhd	02.02.2001	297	-	-	-
	MY-Infotech (M) Berhad	29.01.2002	-	-	12,921,817#	9.9
	Dialog Group Berhad	18.04.2002	-	-	-	-
	Pernas International Holdings Berhad	02.10.2002	-	-	-	-

Notes:

* Deemed interested through KEB (21,520,025 shares) and wholly-owned subsidiary of KEB, Sawitani Sdn Bhd (2,235,000 shares)

** Deemed interested through KEB (6,842,016 shares) and wholly-owned subsidiary of KEB, Sawitani Sdn Bhd (60,171,992 shares)

@ Deemed interested through Meda Capital Sdn Bhd

Held through nominees

6.3.4 Directors' Remuneration and Benefits

The remuneration paid to the directors of SEB and its subsidiary companies for services rendered to SEB and its subsidiary companies for the financial year ended 31 July 2002 amounted to RM1.36 million. For the financial year ending 31 July 2003, the amount payable to the Directors of Salcon and its subsidiary companies for services rendered in all capacities to Salcon and its subsidiary companies is estimated to be about RM1.56 million.

6.4 Audit Committee

Salcon has set up an Audit Committee on 22 July 2003 which comprise the following Board members:

Name	Designation	Directorship
Mr Foo San Kan	Chairman	Independent Non-Executive Director
Dato' Lim See Teok	Member	Chief Executive Officer, Executive Director
Dato' Dr Freezailah Bin Che Yeom	Member	Independent Non-Executive Director

6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

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

6.5 Key Management of the Salcon Group

6.5.1 Particulars and Shareholdings of the Key Management Team

Name	No. of Shares Held in Salcon After the Public Issue and Offer for Sale*			
	Direct	%	Indirect	%
Key Management				
Dato' Lim See Teok	45,000		27,555,240 ⁽¹⁾	14.41
Mr. Jaggit Singh a/l Tara Singh	45,000		27,555,240 ⁽¹⁾	14.41
Ir. Cheek Yeow Kwang	40,000		-	-
Ir. Lee Thim Loy	40,000		-	-
Ir. Low Ah Chye @ Low Beng Peow	40,000		-	-
Mr. Jamiluddin Amini Sulaiman	40,000		-	-
Mr. A Muruledharan	40,000		-	-
Mr. Wong Lim Ann	40,000		-	-
Mr. Wong Weng Loong	40,000		-	-
Mr. Eng Boon Chong	40,000		-	-
Mr. Mohamed Azri B. Mohamed Noordin	40,000		-	-
Mr. Chan Chow Hun	40,000		-	-
Ms Gladys Lim Chee Mei	40,000		-	-

Notes:

* Includes the allocation of shares issued pursuant to the pink form allocation scheme

(1) Deemed interested by virtue of their substantial shareholdings in ETSB

6.5.2 Profiles of the Key Management

Dato' Lim See Teok - Chief Executive Officer, Executive Director MBA, CA (M)

Dato' Lim See Teok, aged 45, is the Chief Executive Officer of the Salcon Group. An Accountant by profession, he obtained his Master in Business Administration (General Management) from the University of Bath, United Kingdom in 1991. Prior to joining SEB, his experience included many solid years in General Management, International Marketing as well as Finance and Operations with multi-national organisations and Malaysian conglomerates. Since joining SEB in 1997, Dato' Lim has steered the company towards becoming a regional player in water engineering in the Asian region.

6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Mr. Jagjit Singh a/l Tara Singh – Executive Director
BE (Mech) University of Roorke, India

Mr. Jagjit Singh, aged 55 is a qualified Mechanical Engineer by profession. He started his career as a lecturer and subsequently proceeded to be a project engineer. To date he has more than 25 years of experience in the design and execution of water treatment and pumping projects for the public sector. He joined SEB in 1980 and currently heads the WED.

Over the past two decades Mr. Jagjit has actively participated and provided his expertise in the design, construction, commissioning, testing and handover of numerous large water supply projects in Malaysia and overseas. One of his notable achievement in Malaysia includes the implementation of the first water BOT project in Malaysia, the privatisation of Greater Ipoh Water Supply Scheme (Phase II) involving sourcing, treatment and supply of water to Lembaga Air Perak. He also led the team in the Binh An Water Supply Project where SEB is a lead partner in the first operational water BOT project in the Republic Socialist of Vietnam.

Mr. Jagjit also led the design and implementation of the first Integrated Dissolved Air Floatation System in Malaysia, utilising state-of-the-art technology in plant design as well as the largest sludge de-watering plant for the Johor River Water Supply Plant under the Public Utilities Board, Singapore.

Ir. Cheek Yeow Kwang, KMN, PJK
Special Advisor, SEB
B.Sc (Hons), FIEM, FICE, FCIWEM, P.Eng, C.Eng,

Ir. Cheek Yeow Kwang, aged 69, was appointed to the Board of SEB on 18 March 1997 and currently is the Special Advisor of the company. He is a prominent Civil Engineer with more than 40 years of experience. He specialises in water supply engineering where he has been responsible for design, supervision and coordination of projects.

In addition, he has wide ranging experience in the administration and management of diverse projects, including financial evaluation of development and privatisation schemes, through his long career as Design Engineer, District Engineer, Senior Executive Engineer, Chief Executive Engineer, Deputy Director, Director and Consultant both in the public and private sectors. He has 26 years of experience in the government service (JKR), 5 years in consultancy and 12 years in the corporate field.

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6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)**Ir. Lee Thim Loy***Managing Director, ESB**B. Sc. Eng, M. Eng, P. Eng, MIEM, MCIWEM*

Ir. Lee Thim Loy, aged 54, has more than 29 years experience in the wastewater industry. Ir. Lee holds a Bachelor degree in Chemical Engineering from the National Taiwan University, Taipei in 1971, and a Master degree in Environmental Engineering from the Asian Institute of Technology, Bangkok in 1973. He is also a registered Professional Engineer with the Board of Engineers, Malaysia. His experience ranges from design and construction of Rotating Biological Contactor, oxidation ditch, activated sludge system, intermittently decanted extended aeration activated sludge system and aerated lagoon system for sewage treatment to wastewater treatment plants for industrial wastes. His portfolio includes involvement in several master plans and feasibility studies for sewerage in Malaysia. His capabilities extend into the treatment of palm oil wastes besides related environmental consultancy for industrial effluent surveys, wastewater flow analyses and wastewater feasibility studies. Ir. Lee's noteworthy experience includes involvement in the Palm Oil Waste Treatment Project in Malaysia and in Thailand, a project sponsored by the International Development Research Centre, Canada, and undertaken by the Asian Institute of Technology, Bangkok, in association with the Department of Environment, Ministry of Science, Technology and Environment, Malaysia.

Ir. Low Ah Chye @ Low Beng Peow*Executive Director, ESB**B. Sc. Eng, M. Eng, P. Eng, FIEM*

Ir. Low Beng Peow, aged 57, has been in the environmental engineering industry for more than 29 years. Ir. Low holds a Bachelor degree in Chemical Engineering from the National Taiwan University, Taipei in 1971, and a Master degree in Environmental Engineering from the Asian Institute of Technology, Bangkok in 1973. He is also a registered Professional Engineer with the Board of Engineers, Malaysia. Being a major contributor to the study of sewerage and sewage disposal, he plays a crucial role in ESB's successful implementation of various types of sewage treatment systems, laying of sewers and installation of vacuum sewage collection system. Ir. Low's noteworthy experience includes involvement in the multi-million ringgit Kuala Lumpur Sewerage Project financed by the International Bank for Reconstruction and Development and the preparation of the Shah Alam Sewerage and Sewage Disposal Master Plan.

Mr. Jamiluddin Amini Sulaiman*General Manager, WED**B. Sc. (Chemical Engineering)*

Mr. Jamiluddin, aged 36, holds a Bachelor of Science degree in Chemical Engineering from Brown University, Rhode Island, USA. At SEB, he has been involved in the construction of various water treatment plants, which include site management, design and operation. Prior to joining SEB, his experience includes carrying out detailed studies, preparation of design, tender documents/drawings and supervision of contracts in connection with the rehabilitation of 14 water treatment plants in Johor. While working in the United States, he was involved in developing technology for hazardous wastewater control, operating an inorganic testing laboratory as well as conducting various tests on water, wastewater, soil and sludge. At his present capacity, he oversees the overall project management and tendering for water and wastewater treatment projects.

6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Mr. A Muruledharan

*Head, Project Department, WED
B.E. (Mech)*

Mr. Muruledharan, aged 53, is a Mechanical Engineer. He has worked and was involved in the marketing, planning, design, supervision, co-ordination and implementation of water treatment plants, power plants and machine tools for more than 14 years prior to joining SEB. Having spent more than 10 years in the company, one of Mr. Muruledharan's many achievements was to successfully implement the Binh An Water Supply Project in Vietnam. Mr. Muruledharan is a joint Head of Department for projects within the WED.

Mr. Wong Lim Ann

*Head, Engineering Department
Dip. Mech*

Mr. Wong, aged 54, is a Mechanical Engineer by profession and has more than 20 years experience in the design and project execution of water projects. He has spent the last 13 years in SEB implementing key water projects such as Sg. Lebam, Bukit Sebukor, Sri Gading and Sg. Terip water treatment works. He was also involved in managing the supply, delivery and installation of the sludge treatment facilities for the Singapore Public Utilities Board Facilities at Johor River Waterworks. In his current capacity, he leads a team of engineers in carrying out engineering design work for water and wastewater treatment projects.

Mr. Wong Weng Loong

*Head, Contracts Department
Dip. C. Eng., Bachelor of Applied Science (Hons) Construction Management & Economics*

Mr. Wong, aged 44, has been involved in the commercial practice of the quantity surveying for approximately 21 years. He started his career in the Public Works Department having completed a scholarship on technical studies by the Public Services Department. He has been actively involved in contract management, project management, management contracting, as well as legal and cost control procedures. With commercial experience in Singapore, Thailand, Australia, apart from Malaysia, he also has extensive experience in areas such as tender adjudication, evaluation of contracting as well as contractual dispute resolution and arbitration. His latest contribution to the nation was the successful completion of the Light Rail Transit II (Putra) in Kuala Lumpur, a UEM-Renong-Ho Hup Construction project and the retail shopping centre for Kuantan Parade as well as part of the Coastal Waterfront City in Johor Bahru. Currently, he is much involved in the commercial aspects of water treatment projects undertaken by SEB both in Malaysia, Thailand and Vietnam.

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6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Mr. Eng Boon Chong

General Manager, AID

M. Sc, B. Sc (Mech)

Mr. Eng, aged 47, heads the Agro Industrial Division of SEB. He has been working in the area of palm oil mill construction for 20 years. Prior to joining SEB, he worked with a Consultant Engineer firm specialising in palm oil mill construction. As the General Manager of the Agro Industrial Division, his responsibilities include overall project management which involves feasibility studies, design, construction and commissioning of oil mills. Among his major accomplishments include the completion of the integrated palm oil complex in Nigeria and one of the largest palm oil mills (80 tonne FFB/hr) on a turnkey basis in Sabah. Besides that, he was also fully responsible in the turnkey construction of the PTIL palm oil mill in Andhra Pradesh, India within a record time of 13 months. Mr. Eng has been with SEB since 1989 and has been involved in many projects in Malaysia as well as overseas such as Indonesia, Myanmar and Ivory Coast.

Mr. Mohamed Azri B. Mohamed Noordin

Head, Electrical & Systems Control Department, WED

B. Eng (Hons.)

Mr. Azri, aged 40, an Electrical Engineer, holds a Bachelor degree from the University of Malaya. He has 15 years of experience in design, construction, commissioning and maintenance of installation in the Power, Process, Oil and Gas Industries. Specialising in Electrical and Instrumentation, he has been involved in various projects both in Malaysia and overseas. Prior to joining SEB, he was attached to Fluor Daniel International and was posted to Silterra Silicon Wafer Fabrication Project in Kulim, Kedah, a Design-Build Project in which he was involved in the design and construction of the facility.

Mr. Chan Chow Hun

Assistant General Manager, Corporate

MBA, CFA

Mr. Chan Chow Hun, aged 43, is a Chartered Financial Analyst charter holder and has a Master of Business Administration degree. In his current capacity, he undertakes business and corporate development as well as corporate advisory work. Previously, he was attached to the corporate advisory department of a Malaysian corporation, the regional Project Finance Division of a British merchant bank and the Business Consulting Division of an international accounting firm.

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6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Ms. Gladys Lim Chee Mei

Financial Controller

MBA, B. Econ., ACA, CA (M)

Ms Lim, aged 40, is a Chartered Accountant by training. She has 18 years of financial and management experience, in areas of planning, finance, accounting and system development in Malaysia, Australia, Hong Kong, China and India. She holds a Bachelor of Economics from Monash University, Australia and a Master of Business Administration from RMIT (Melbourne). Ms Lim started her career with KPMG (Kuala Lumpur) and Pricewaterhouse (Australia) and subsequently in Honda Australia Pty Ltd. Prior to joining SEB in 2000, she was involved in the project finance of infrastructure and power projects. Ms Lim is a member of the Institute of Chartered Accountants of Australia, Australian Society of Certified Public Accountants and Malaysia Institute of Accountants. As the Financial Controller of the Salcon Group, Ms Lim oversees the Group's financial functions.

6.6 Family Relationships

Save for Dato' (Dr) Teoh Seng Foo, Teoh Seng Aun and Teoh Seng Kian who are siblings, none of the substantial shareholders, Promoters, Directors, key management and key technical personnel or members of the management team are related to each other.

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7. MAJOR LICENCES AND PERMITS

Major licences under the possession of the Salcon Group are as follows:

No.	Types of Licence	Approving Authority	License Number	Date of Issuance	Date of Expiry	Remarks
1.	Class A: No fixed limit on value of works done. Detail of works as follow: <ul style="list-style-type: none"> - Civil engineering works - Building works - Mechanical, sanitary and water engineering works including supply of equipment. - Other specialist civil engineering works 	Pusat Khidmat Kontraktor Kementerian Pembangunan Usahawan	1002 A 85 0175	4/6/2003	15/5/2005	Not more than 49% foreign equity. If foreign equity is present, (regardless of percentage of holding), there must be a minimum of 30% equity from Bumiputera. <i>(This condition has been met)</i>
2.	Manufacturing licence	Ministry of International Trade and Industry	A012695	20/4/2001		<p>(a) At least 87% of the company's shares inclusive of the reserved minimum 30% at least, are to be purchased and held by Malaysian citizens. The company is to consult MITI prior to any allotment of the reserved shares.</p> <p>(b) The shares held by the non-Malaysian citizens are not to be sold without the prior written consent of the MITI.</p> <p>(c) Generally, the composition of the Board is to reflect the equity structure of the company. The company is to inform MITI on the appointment to the Board and any subsequent changes to the Board.</p> <p>(d) The company is to hire and train Malaysian citizens in order to reflect the multi-racial composition of resident for all levels of workforce.</p> <p><i>(These conditions have been met)</i></p>

Note: Both licences are held by SEB and do not contain any clause in respect of transferability.

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