

BACKGROUND INFORMATION ON ECMLC**1. HISTORY AND BUSINESS**

ECMLC was incorporated in Malaysia as a private limited company under the Act as ECM Capital Sdn Bhd on 7 May 2002 and changed its name to the present name on 31 March 2004.

The principal activity of ECMLC is the provision of management, investment advisory and investment consulting services. ECMLC began its operations on 7 May 2002 and is licensed by the SC to provide investment advisory services. ECMLC operates from its principal office in Kuala Lumpur. Its revenue is generated domestically and its client base mainly consists of domestic mid to large-cap public listed companies and corporations.

ECMLC does not own any property, plant and equipment.

2. SHARE CAPITAL**2.1 Authorised and issued and fully paid-up share capital**

The authorised and issued and fully paid-up share capital of ECMLC as at 14 April 2006 is as follows:

	No. of shares	Par value RM	Total RM
<i>Authorised share capital</i>			
Ordinary shares	5,000,000	1.00	5,000,000
<i>Issued and fully paid-up share capital</i>			
Ordinary shares	1,000,000	1.00	1,000,000

2.2 Movements in share capital

Details of the changes in the issued and fully paid-up share capital of ECMLC since its incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
07.05.02	2	Cash	2
17.05.02	999,998	Cash	1,000,000

3. SUBSTANTIAL SHAREHOLDERS

ECMLC is presently wholly-owned by ECM Libra.

4. DIRECTORS

The details of the Directors of ECMLC as at 14 April 2006 are as follows:

Name	Nationality	Designation
Dato' Kalimullah bin Masheerul Hassan	Malaysian	Director
Lim Kian Onn	Malaysian	Director
Chua Ming Huat	Malaysian	Director
Tan Kok Pin @ Kok Khong	Malaysian	Director
Lim Boon Soon	Malaysian	Director

5. SUBSIDIARY AND ASSOCIATED COMPANY

ECMLC has no subsidiary or associated company as at 14 April 2006.

6. PROFIT AND DIVIDEND RECORD

The audited results of ECMLC for the past 3 financial period/years ended 31 March 2005 and unaudited results for the 9-month financial period ended 31 December 2005 are summarised as follows:

	⁽¹⁾ Financial period ended 31 March 2003 RM'000	FYE 31 March 2004 RM'000	FYE 31 March 2005 RM'000	9 months ended 31 December 2005 RM'000
Revenue	1,000	11,344	11,219	7,676
PBT/(LBT)	(323)	4,265	5,344	3,204
Taxation	41	(2,232)	(493)	(1,209)
PAT/(LAT) ⁽²⁾	(282)	2,033	4,851	1,995
Shareholders' funds/NA	718	1,751	3,002	4,997
Total bank borrowings	-	-	-	-
Gross EPS/(LPS) (RM)	(0.32)	4.26	5.34	⁽³⁾ 4.27
Net EPS/(LPS) (RM)	(0.28)	2.03	4.85	⁽³⁾ 2.66
Dividend rate (%)	139	-	500	-

Notes:

(1) Based on financial period from the date of its incorporation of 7 May 2002 to 31 March 2003

(2) There were no exceptional or extraordinary items and minority interest throughout the financial period/years under review

(3) Annualised

Commentaries on past performance

- (a) ECMLC registered a loss in the financial period ended 2003 as it commenced operations during the period. The loss was mainly due to operating and start-up costs. During the FYE 31 March 2004 and 2005, ECMLC recorded a significant increase in profit due to an increase in the completion of advisory mandates.
- (b) For the financial period ended 31 December 2005, ECMLC recorded a proportionately lower net profit compared to the preceding financial year as a result of fewer mandates secured and completed during the period due to weak market conditions.

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BACKGROUND INFORMATION ON ECMLP**1. HISTORY AND BUSINESS**

ECMLP was incorporated in Malaysia as a private limited company under the Act as Synergy Transform Sdn Bhd on 21 April 1999. It subsequently changed its name to Libra Partners Sdn Bhd on 1 June 1999 and assumed its present name on 9 September 2002.

ECMLP is licensed by the Ministry of Housing and Local Government to provide credit services. ECMLP began its operations on 1 July 2002 and carries out its activities from its sole office in Kuala Lumpur.

ECMLP does not own any property, plant and equipment.

2. SHARE CAPITAL**2.1 Authorised and issued and fully paid-up share capital**

The authorised and issued and fully paid-up share capital of ECMLP as at 14 April 2006 is as follows:

	No. of shares	Par value RM	Total RM
<i>Authorised share capital</i>			
Ordinary shares	1,000,000	1.00	1,000,000
<i>Issued and fully paid-up share capital</i>			
Ordinary shares	500,000	1.00	500,000

2.2 Movements in share capital

Details of the changes in the issued and fully paid-up share capital of ECMLP since its incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
21.04.99	2	Cash	2
02.08.02	499,998	Cash	500,000

3. SUBSTANTIAL SHAREHOLDERS

ECMLP is presently wholly-owned by ECM Libra.

4. DIRECTORS

The details of the Directors of ECMLP as at 14 April 2006 are as follows:

Name	Nationality	Designation
Dato' Kalimullah bin Masheerul Hassan	Malaysian	Director
Lim Kian Onn	Malaysian	Director
Lim Boon Soon	Malaysian	Director

5. SUBSIDIARY AND ASSOCIATED COMPANY

ECMLP has no subsidiary or associated company as at 14 April 2006.

6. PROFIT AND DIVIDEND RECORD

The audited results of ECMLP for the past 5 financial period/years ended 31 March 2005 and unaudited results for the 9-month financial period ended 31 December 2005 are summarised as follows:

	FYE 30 June 2001 RM'000	FYE 30 June 2002 RM'000	(1)9 months ended 31 March 2003 RM'000	FYE 31 March 2004 RM'000	FYE 31 March 2005 RM'000	9 months ended 31 December 2005 RM'000
Revenue	(2)_	(2)_	(2)_	587	3,026	3,937
PBT/(LBT)	(4)	(2)	(3)_	291	1,133	1,424
Taxation	-	-	(2)	(70)	(266)	(416)
PAT/(LAT) ⁽⁴⁾	(4)	(2)	(2)	221	867	1,008
Shareholders' funds/NA/(Net liabilities)	(12)	(14)	485	706	1,573	2,581
Total bank borrowings	-	-	-	-	5,000	-
Gross EPS/(LPS) (RM)	(2,000)	(1,000)	<0.01	0.58	2.27	⁽⁵⁾ 3.80
Net EPS/(LPS) (RM)	(2,000)	(1,000)	<0.01	0.44	1.73	⁽⁵⁾ 2.69
Dividend rate (%)	-	-	-	-	-	-

Notes:

- (1) On 9 September 2002, ECMLP changed its name from Libra Partners Sdn Bhd to its present name, and concurrently changed its FYE from 30 June to 31 March
- (2) ECMLP has not commenced operations since the date of its incorporation up to 31 March 2003

- (3) *LBT is less than RM1,000*
- (4) *There were no exceptional or extraordinary items and minority interest throughout the financial period/years under review*
- (5) *Annualised*

Commentaries on past performance

- (a) No revenue was recorded for the financial years/period ended 2001, 2002 and 2003 as ECMLP had not commenced operations since its incorporation on 21 April 1999. ECMLP commenced operations in May 2003.
- (b) ECMLP recorded its first net PAT of RM0.221 million during the FYE 31 March 2004 from the provision of credit services.
- (c) ECMLP's net PAT improved 292% to RM0.867 million for the FYE 31 March 2005 as compared to the preceding financial year. The company's share financing loan base had increased significantly compared to the previous year and that led to improved financial results.
- (d) For the financial period ended 31 December 2005, net PAT improved 16% to RM1.008 million due to the increase in share financing loans.

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BACKGROUND INFORMATION ON ECMLCM**1. HISTORY AND BUSINESS**

ECMLCM is a private limited company incorporated in Malaysia under the Act on 17 January 1994 under the name MAC Ventures (Malaysia) Sdn Bhd. On 12 December 1994, it changed its name to Libra Capital Markets Sendirian Berhad and assumed its present name on 21 October 2004.

ECMLCM is a licensed fund management company. It began operations during the FYE 31 March 1995 upon obtaining a fund manager's license from the SC on 27 October 1994. ECMLCM carries out its activities from its sole office in Kuala Lumpur.

ECMLCM does not own any property, plant and equipment.

2. SHARE CAPITAL**2.1 Authorised and issued and fully paid-up share capital**

The authorised and issued and fully paid-up share capital of ECMLCM as at 14 April 2006 is as follows:

	No. of shares	Par value RM	Total RM
<i>Authorised share capital</i>			
Ordinary shares	5,000,000	1.00	5,000,000
<i>Issued and fully paid-up share capital</i>			
Ordinary shares	2,000,000	1.00	2,000,000

2.2 Movements in share capital

Details of the changes in the issued and fully paid-up share capital of ECMLCM since its incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
17.01.94	2	Cash	2
28.02.94	1,999,998	Cash	2,000,000

3. SUBSTANTIAL SHAREHOLDERS

ECMLCM is presently wholly-owned by ECM Libra.

4. DIRECTORS

The details of the Directors of ECMLCM as at 14 April 2006 are as follows:

Name	Nationality	Designation
Lim Kian Onn	Malaysian	Director
Saifuddin bin Sajad Hussein	Malaysian	Director

5. SUBSIDIARY AND ASSOCIATED COMPANY

ECMLCM has no subsidiary or associated company as at 14 April 2006.

6. PROFIT AND DIVIDEND RECORD

The audited results of ECMLCM for the past 5 FYE 31 March 2005 and unaudited results for the 9-month financial period ended 31 December 2005 are summarised as follows:

	FYE 31 March 2001 RM'000	FYE 31 March 2002 RM'000	FYE 31 March 2003 RM'000	FYE 31 March 2004 RM'000	FYE 31 March 2005 RM'000	9 months ended 31 December 2005 RM'000
Revenue	480	100	45	36	-	-
PBT/(LBT)	(18)	(16)	(1)	2	17	(73)
Taxation	-	-	-	(2)	(7)	-
PAT/(LAT) ⁽¹⁾	(18)	(16)	(1)	2	10	(73)
Shareholders' funds/NA	2,293	2,277	2,276	2,278	2,288	2,215
Total bank borrowings	-	-	-	-	-	-
Gross EPS/(LPS) (sen)	(0.90)	(0.80)	(0.05)	0.10	0.85	⁽³⁾ (4.87)
Net EPS/(LPS) (sen)	(0.90)	(0.80)	(0.05)	0.10	0.50	⁽³⁾ (4.87)
Dividend rate (%)	-	-	-	-	-	-

Notes:

(1) There were no exceptional or extraordinary items and minority interest throughout the financial years under review

(2) Denotes an amount less than RM1,000

(3) Annualised

Commentaries on past performance

- (a) Revenue comprises fees earned from the provision of fund management services. Revenue was on a decreasing trend for the FYE 31 March 2001, 2002, 2003 and 2004 due to reducing fund size under management. Net loss decreased as operating expenses reduced accordingly.
- (b) ECM Libra acquired ECMLCM on 18 October 2004 in line with its efforts to grow the group's asset management business. Operating expenses increased during the financial period ended 31 December 2005 due to increased staff costs.

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BACKGROUND INFORMATION ON ECMLH

1. HISTORY AND BUSINESS

ECMLH was incorporated in the Federal Territory of Labuan on 19 June 2002 under the Offshore Companies Act, 1990 as ECM Holdings Limited, and assumed its present name on 31 March 2004.

ECMLH began its operations on 19 June 2002, and its principal activities are that of investment holding and provision of advisory services. ECMLH, a Labuan based investment holding company has 3 subsidiaries, namely ECM Libra Investment Bank Limited (“ECMLIB”), ECM Libra Securities Limited (“ECML SecLtd”) and ECM Libra Investments Limited (“ECML Investments”) which are mainly involved in the provision of offshore investment banking services within and around the region, and the provision of stockbroking services in the Hong Kong Special Administrative Region. The ECMLH group provides services mainly to foreign and domestic mid to large-cap public listed companies and corporations. The ECMLH group’s revenue is largely generated from overseas.

ECMLIB was incorporated in the Federal Territory of Labuan on 29 August 2002 under the Off-Shore Companies Act, 1990 and licensed as an offshore investment bank by the Labuan Offshore Financial Services Authority to provide offshore investment banking services in the region. ECMLIB conducts its business from Labuan and also has a marketing office in Kuala Lumpur.

ECML SecLtd, a member firm of the Stock Exchange of Hong Kong, is principally involved in the provision of stockbroking services. It was incorporated in Hong Kong Special Administrative Region under the Companies Ordinance (Chapter 32) on 1 March 2002 as Wolverton Holdings Limited and was renamed as Libra Asia Limited on 3 May 2002. The entity later assumed its present name on 21 March 2003. It is licensed under the Securities and Futures Ordinance, Cap. 571 to deal in securities. ECML SecLtd is the securities sales and distribution division of the ECM Libra Group, and operates in Hong Kong with focus mainly on individuals and institutional clients. ECML SecLtd derives its revenue from commissions and brokerage fees earned from securities trading.

ECML Investments was incorporated in the British Virgin Islands on 2 July 2004 as Bigfield Investments Limited, and subsequently adopted its present name on 26 August 2004. ECML Investments is principally an investment holding company. It holds 29.2% equity interest in Westcomb Financial Group Limited (“Westcomb”), a company incorporated in Singapore. Westcomb group’s principal activities are the provision of corporate advisory, securities dealing and fund management services. Westcomb is listed on the SGX-ST Dealing and Automated Quotation System.

ECMLH and its subsidiaries do not own any property, plant and equipment.

2. SHARE CAPITAL

2.1 Authorised and issued and fully paid-up share capital

The authorised and issued and fully paid-up share capital of ECMLH as at 14 April 2006 is as follows:

	No. of shares	Par value USD	Total USD
<i>Authorised share capital</i>			
Ordinary shares	6,000,000	1.00	6,000,000
<i>Issued and fully paid-up share capital</i>			
Ordinary shares	1,316,000	1.00	1,316,000

2.2 Movements in share capital

Details of the changes in the issued and fully paid-up share capital of ECMLH since its incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/Type of issue	Total issued and paid-up share capital USD
19.06.02	100	Cash	100
28.10.02	1,315,900	Cash	1,316,000

3. SUBSTANTIAL SHAREHOLDERS

ECMLH is presently wholly-owned by ECM Libra.

4. DIRECTORS

The details of the Directors of ECMLH as at 14 April 2006 are as follows:

Name	Nationality	Designation
Dato' Kalimullah bin Masheerul Hassan	Malaysian	Director
Lim Kian Onn	Malaysian	Director
Chua Ming Huat	Malaysian	Director
Lim Boon Soon	Malaysian	Director

5. SUBSIDIARY AND ASSOCIATED COMPANY

The details of the subsidiaries and associated company of ECMLH as at 14 April 2006 are as follows:

Name	Date and country of incorporation	Principal activities	Issued and paid-up capital	Effective equity interest %
<i>Subsidiaries</i>				
ECM Libra Investment Bank Limited	29.08.02 / Labuan, Malaysia	Provision of offshore investment banking and related financial services	USD10,000,000	100.00
ECM Libra Securities Limited	01.03.02 / Hong Kong	Securities dealing	HKD10,000,000	100.00
ECM Libra Investments Limited	02.07.04 / British Virgin Islands	Investment holding	USD1	100.00
<i>Associated company</i>				
Westcomb Financial Group Limited	19.07.01 / Singapore	Investment holding	SGD2,996,002	29.22

6. PROFIT AND DIVIDEND RECORD

In accordance with Section 113A of the Offshore Companies Act, 1990, it is not a statutory requirement for the consolidated financial position and results of ECMLH and its subsidiaries to be presented in the audited financial statements. Hence, the results of ECMLH and its subsidiaries i.e. ECMLIB, ECML Sec Ltd and ECML Investments based on their respective audited financial statements are presented below.

6.1 ECMLH

The audited results of ECMLH for the past 3 financial period/years ended 31 March 2005 and unaudited results for the 9-month financial period ended 31 December 2005 are summarised as follows:

	⁽¹⁾⁽²⁾ Financial period ended 31 March 2003 RM'000	⁽²⁾ FYE 31 March 2004 RM'000	⁽²⁾ FYE 31 March 2005 RM'000	⁽²⁾ 9 months ended 31 December 2005 RM'000
Revenue	6,343	25,806	22,811	12
PBT/(LBT)	6,195	26,339	22,800	(6)
Taxation	(20)	(20)	-	-
PAT/ (LAT) ⁽³⁾	6,175	26,319	22,800	(6)

APPENDIX I(D)

	⁽¹⁾⁽²⁾ Financial period ended 31 March 2003 RM'000	⁽²⁾ FYE 31 March 2004 RM'000	⁽²⁾ FYE 31 March 2005 RM'000	⁽²⁾ 9 months ended 31 December 2005 RM'000
Shareholders' funds/NA	10,893	8,713	30,013	29,847
Total bank borrowings	-	-	-	-
Gross EPS (RM)	4.71	20.01	17.33	⁽⁴⁾ <0.01
Net EPS (RM)	4.69	20.00	17.33	⁽⁴⁾ <0.01
Dividend rate (%)	5.66	569.83	30.00	-

Notes:

- (1) Based on financial period from the date of its incorporation of 19 June 2002 to 31 March 2003
- (2) The financial information of ECMLH as set out above has been translated into RM from the original reporting currency in USD. The principal exchange rate for every unit of foreign USD ruling at balance sheet date used is RM3.80
- (3) There were no exceptional or extraordinary items and minority interest throughout the financial period/years under review
- (4) Annualised

Commentaries on past performance

- (a) ECMLH commenced operations in December 2002. Revenue for the financial period ended 31 March 2003 and FYE 31 March 2004 comprised fees earned from providing advisory services. ECMLH had acquired ECMLIB and ECML SecLtd on 29 August 2002 and 19 March 2003, respectively.
- (b) ECMLH's net PAT for the FYE 31 March 2004 showed a marked improvement of 326% to RM26.3 million as compared to preceding financial year mainly due to the significant increase of revenue generated from advisory services.
- (c) ECMLH registered net PAT of RM22.8 million for the FYE 31 March 2005. Revenue for the financial year was entirely made up of dividend income from a subsidiary.
- (d) There was no dividend income from any of its subsidiaries for the financial period ended 31 December 2005.

6.2 ECMLIB

The audited results of ECMLIB for the past 3 financial period/years ended 31 March 2005 and unaudited results for the 9-month financial period ended 31 December 2005 are summarised as follows:

	⁽¹⁾⁽²⁾ Financial period ended 31 March 2003 RM'000	⁽²⁾ FYE 31 March 2004 RM'000	⁽²⁾ FYE 31 March 2005 RM'000	⁽²⁾ 9 months ended 31 December 2005 RM'000
Revenue	1,201	6,000	9,667	6,399
PBT	981	4,128	7,213	2,940
Taxation	(20)	(20)	(20)	(20)
PAT ⁽³⁾	961	4,108	7,193	2,920
Shareholders' funds/NA	11,268	15,375	43,601	46,313
Total bank borrowings	-	-	-	-
Gross EPS (RM)	0.36	1.52	0.72	⁽⁴⁾ 0.39
Net EPS (RM)	0.35	1.51	0.72	⁽⁴⁾ 0.39
Dividend rate (%)	-	-	-	-

Notes:

- (1) Based on financial period from the date of its incorporation of 29 August 2002 to 31 March 2003
- (2) The financial information of ECMLIB as set out above has been translated into RM from the original reporting currency in USD. The principal exchange rate for every unit of foreign USD ruling at balance sheet date used is RM3.80
- (3) There were no exceptional or extraordinary items and minority interest throughout the financial period/years under review
- (4) Annualised

Commentaries on past performance

- (a) For the financial period ended 31 March 2003, ECMLIB's revenue was predominantly derived from gain on disposal of investment securities.
- (b) During the FYE 31 March 2004, ECMLIB's revenue was predominantly derived from gain on disposal of investment securities and income from lending activities. Net PAT for the financial year improved 327% to RM4.108 million due primarily to higher gains from investments and increased lending activities.
- (c) ECMLIB's net PAT for the FYE 31 March 2005 improved further to RM7.193 million as compared to the preceding year. This was mainly due to higher gains from disposal of investments.
- (d) Based on the net PAT of ECMLIB for the financial period ended 31 December 2005, the company registered a net PAT of RM3.893 million on an annualised basis. The lower PAT as compared to preceding year is mainly due to a lower investment income.

6.3 ECML SecLtd

The audited results of ECML SecLtd for the past 3 FYE 31 March 2005 and unaudited results for the 9-month financial period ended 31 December 2005 are summarised as follows:

	⁽¹⁾ FYE 31 March 2003 RM'000	⁽¹⁾ FYE 31 March 2004 RM'000	⁽¹⁾ FYE 31 March 2005 RM'000	⁽¹⁾ 9 months ended 31 December 2005 RM'000
Revenue	9	17,267	7,697	1,021
PBT / (LBT)	(31)	15,950	7,127	524
Taxation	-	-	-	(17)
PAT/(LAT) ⁽²⁾	(31)	15,950	7,127	507
Shareholders' funds/NA	4,841	20,762	5,076	5,585
Total bank borrowings	-	-	-	-
Gross (LPS) / EPS (RM)	<0.01	1.59	0.71	⁽³⁾ 0.07
Net (LPS) / EPS (RM)	<0.01	1.59	0.71	⁽³⁾ 0.07
Dividend rate (%)	-	-	468.23	-

Notes:

- (1) The financial information of ECML SecLtd as set out above has been translated into RM from the original reporting currency in HKD. The principal exchange rate for every unit of foreign HKD ruling at balance sheet date used is RM0.4872
- (2) There were no exceptional or extraordinary items and minority interest throughout the financial period/years under review
- (3) Annualised

Commentaries on past performance

- (a) ECML SecLtd was relatively dormant from the date of its incorporation up to the financial period ended 31 March 2003. Its loss position was attributable to one-off preliminary and pre-operating expenses.
- (b) For the FYE 31 March 2004, ECML SecLtd commenced full operations and thus, recorded a net PAT of RM15.950 million, a significant increase from the preceding year. Revenue was mainly generated from shares placement activities.
- (c) ECML SecLtd recorded a net PAT of RM7.127 million for the FYE 31 March 2004. The decrease in PAT was mainly due to the reduction of placement fees in deteriorating equity market conditions.
- (d) Based on the net PAT of ECML SecLtd for the financial period ended 31 December 2005, the company registered a net PAT of RM0.676 million on an annualised basis. The lower PAT was mainly due to the reduction of placement fee income in weak market conditions.

6.4 ECML Investments

The audited results of ECML Investments for the past financial period ended 31 March 2005 and unaudited results for the 9-month financial period ended 31 December 2005 are summarised as follows:

	⁽¹⁾⁽²⁾ Financial period ended 31 March 2005 RM'000	⁽²⁾ 9 months ended 31 December 2005 RM'000
Revenue	-	85
PBT	(4)	74
Taxation	-	-
PAT ⁽³⁾	(4)	74
Shareholders' funds/(deficit)/NA	(4)	71
Total bank borrowings	-	-
Gross EPS (RM'000)	(4.00)	⁽⁴⁾ 98.29
Net EPS (RM'000)	(4.00)	⁽⁴⁾ 98.29
Dividend rate (%)	-	-

Notes:

- (1) Based on financial period from the date of its incorporation of 2 July 2004 to 31 March 2005
- (2) The financial information of ECML Investments as set out above has been translated into RM from the original reporting currency in USD. The principal exchange rate for every unit of foreign USD ruling at balance sheet date used is RM3.80
- (3) There were no exceptional or extraordinary items and minority interest throughout the financial period/years under review
- (4) Annualised

Commentaries on past performance

ECML Investments was incorporated on 2 July 2004. During the financial period ended 31 March 2005, ECML Investments acquired a 29.22% equity stake in Westcomb, a company listed on Singapore's SGX-ST Dealing and Automated System, as a long term strategic investment of the ECM Libra Group. On a group basis, the net PAT from Westcomb shared by ECML Investments for the financial period was RM0.8 million.

BACKGROUND INFORMATION ON ECMLS**1. HISTORY AND BUSINESS**

ECMLS was incorporated under the Act as a private limited company on 19 September 1987 as BBMB Securities Sdn Bhd. It assumed its present name on 20 May 2004.

The principal activity of ECMLS is that of stockbroking. It commenced its operations in 1988. Through its subsidiaries, ECMLS is also involved in the provision of nominee services. ECMLS is a Participating Organisation of Bursa Securities and operates from its Principal Office in Kuala Lumpur. ECMLS has a branch office in Penang and Electronic Access Facility with Permitted Activities ("EAF-PA") in Ipoh and Kota Kinabalu.

Prior to 18 August 2000, the holding company and ultimate holding company of ECMLS were BBMB Securities (Holdings) Sdn Bhd and Bank Bumiputera Malaysia Berhad, both of which were incorporated in Malaysia. Pursuant to the merger of Bank Bumiputera Malaysia Berhad and Bank of Commerce Berhad, ECMLS was acquired by Khazanah Nasional Berhad, the Malaysian Government investment arm. Subsequently, on 30 March 2004, the company was acquired by South Peninsular Industries Berhad, presently known as ECM Libra Berhad.

The broad range of activities provided by ECMLS are as follows:

(a) Stockbroking

ECMLS provides dealing and broking services in equities and related instruments listed on Bursa Securities. ECMLS's large and diversified client base of local and foreign corporate institutions places ECMLS in a strong position in the local stockbroking industry. Backed by a strong team of dealers and supported by its team of research analysts, ECMLS provides comprehensive economic, industry and company research and market outlook.

On the retail side, ECMLS clientele are serviced by a team of about 86 remisiers and 32 paid dealers representatives. An experienced in-house research team ensures that ECMLS is able to provide up-to-date information and efficient research service to clients.

(b) Share Margin Financing

ECMLS has an established Margin Financing Department with an experienced team which currently serves its individuals and corporate margin clients. Margin accounts are granted selectively through a rigorous credit assessment. Margin facilities to clients are monitored regularly to ensure compliance with policies and strict adherence to Bursa Securities' Rules and Regulations.

(c) Corporate Finance Activities

ECMLS has recently established a Corporate Finance Department which provides corporate advisory work.

(d) Marketing and Distribution of Unit Trusts

ECMLS has been approved by the SC and registered with the Federation of Malaysian Unit Trust Managers as an Institutional Unit Trust Agent to market and distribute unit trusts to its retail clients.

(e) Underwriting

ECMLS has, as part of its securities business, provided underwriting for public offerings and private placement of securities.

ECMLS and its subsidiaries do not own any property, plant and equipment.

2. SHARE CAPITAL

2.1 Authorised and issued and fully paid-up share capital

The authorised and issued and fully paid-up share capital of ECMLS as at 14 April 2006 is as follows:

	No. of shares	Par value RM	Total RM
<i>Authorised share capital</i>			
Ordinary shares	130,000,000	1.00	130,000,000
<i>Issued and fully paid-up share capital</i>			
Ordinary shares	101,038,732	1.00	101,038,732

2.2 Movements in share capital

Details of the changes in the issued and fully paid-up share capital of ECMLS since its incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/Type of issue	Total issued and paid-up share capital RM
19.09.87	2	Subscribers' shares	2
19.09.87	19,999,998	Cash	20,000,000
29.06.91	80,000,000	Cash	100,000,000
16.03.93	*31,038,732	New certificate issued for capital reduction	31,038,732
22.05.98	50,000,000	Cash	81,038,732
15.12.98	20,000,000	Cash	101,038,732

Note:

- * Cancellation of share certificates pursuant to restructuring exercise and followed by the issuance of new share certificates for 31,038,732 ordinary shares of RM1.00 each.

3. SUBSTANTIAL SHAREHOLDERS

ECMLS is presently wholly-owned by ECM Libra.

4. DIRECTORS

The details of the Directors of ECMLS as at 14 April 2006 are as follows:

Name	Nationality	Designation
Lim Ah Lay	Malaysian	Executive Director Operations
Chua Ming Huat	Malaysian	Executive Director Dealing
Ng Hoe Guan	Malaysian	Executive Director Operations
Dato' Mohd Ali bin Abd. Samad	Malaysian	Director
Tan Sri Dato' Dr Sak Cheng Lum	Malaysian	Director

5. SUBSIDIARY AND ASSOCIATED COMPANY

The details of the subsidiaries of ECMLS as at 14 April 2006 are as follows:

Name	Date and place of incorporation	Principal activities	Issued and paid-up capital	Effective equity interest %
ECM Libra Securities Nominees Sdn Bhd	03.02.88 / Malaysia	Dormant	RM2	100.00
ECM Libra Securities Nominees (Tempatan) Sdn Bhd	11.06.93 / Malaysia	Provision of nominee services for local clients	RM10,000	100.00
ECM Libra Securities Nominees (Asing) Sdn Bhd	09.06.93 / Malaysia	Provision of nominee services for foreign clients	RM10,000	100.00
ECM Libra Securities Portfolio Management Sdn Bhd	08.08.90 / Malaysia	Dormant	RM2	100.00

ECMLS does not have any associated companies as at 14 April 2006.

6. PROFIT AND DIVIDEND RECORD

As permitted by Paragraph 5(4)(a) of the Ninth Schedule of the Act, the financial statements of the subsidiaries of ECMLS have not been consolidated as ECMLS is a wholly-owned subsidiary of another body corporate in Malaysia. As the subsidiaries of ECMLS are predominantly inactive and all the operating expenses of the subsidiaries have been captured in the financial statements of ECMLS, only the summary of the financial statements of ECMLS is presented herein.

The audited results of ECMLS for the past 5 financial periods/years ended 31 March 2005 and unaudited results for the 9-month financial period ended 31 December 2005 are summarised as follows:

	⁽¹⁾ 9 months ended 31 FYE 31 March 2001 RM'000		FYE 31 December 2002 RM'000		⁽¹⁾ 15 months ended 31 March 2005 RM'000		9 months ended 31 December 2005 RM'000
Revenue	44,184	20,736	30,555	39,348	55,305	27,594	
PBT	4,204	7,016	8,232	8,332	29,155	4,717	
Taxation	-	(1,680)	(1,945)	1,872	(5,923)	-	
PAT ⁽²⁾	4,204	5,336	6,287	10,204	23,232	4,717	
Shareholders' funds/NA	151,056	156,392	162,679	152,884	160,839	125,556	
Total bank borrowings	140	-	-	-	-	-	
Gross EPS (RM)	0.04	0.07	0.08	0.08	0.29	⁽³⁾ 0.06	
Net EPS (RM)	0.04	0.05	0.06	0.10	0.23	⁽³⁾ 0.06	
Dividend rate (%)	-	-	-	27.49	21.00	54.98	

Notes:

- (1) Upon its acquisition by Khazanah Nasional Berhad ("Khazanah"), the financial year of ECMLS and its subsidiaries was changed from 31 March to 31 December to be coterminous with that of Khazanah. Subsequent to the acquisition by ECM Libra, the financial year of ECMLS and its subsidiaries was changed from 31 December back to 31 March to be coterminous with that of ECM Libra
- (2) There were no exceptional or extraordinary items and minority interest throughout the financial periods/years under review
- (3) Annualised

Commentaries on past performance

- (a) For the financial years/period under review, brokerage income was the main source of income for ECMLS' operations, with a net brokerage contribution exceeding 60%, followed by margin and interest income.

Due to the inherent volatility of the stock market, ECMLS' operations and results are directly affected by the performance of Bursa Securities. Overall, the brokerage revenue and end trade volume done by ECMLS moved in tandem with Bursa Securities' trade volume and the performance of the KLCI.

Liberalisation of the brokerage commission rates effective September 2000 and uncertainty in the major world economies had resulted in poor market sentiment and affected the performance of the stockbroking industry including ECMLS for the financial periods/years ended 31 March 2001, 31 December 2001 and 31 December 2002.

Revenue for the financial period ended 31 March 2005 improved significantly following the acquisition of ECMLS by ECM Libra on 30 March 2004. For the same financial period, ECMLS earned substantial share placement fee due to the commencement of share placement activities undertaken by ECMLS.

During the financial period ended 31 December 2005, ECMLS' revenue was affected by the weak sentiment of the equity market that can be attributed to the concern on continued high oil prices.

- (b) Arising from the demutualisation of the then Kuala Lumpur Stock Exchange which was completed on 5 January 2004, ECMLS had received 4,545,455 ordinary shares in Bursa Securities. In the absence of other clear indicators, the Directors of ECMLS considered that the underlying NTA value as reflected in the then latest financial statements of Bursa Securities on 31 December 2003, at RM2.75 per share, as a reasonable indication of the fair value at the time of receipt of the shares. Consequently, a total amount of RM12.500 million was recognised as a capital gain in the income statement of ECMLS for the financial period ended 31 March 2005.
- (c) Fluctuations in ECMLS' operating expenses are mainly attributable to provision for bad and doubtful debts, provision for diminution in value of investments, SCORE (System on Computerised Order Routing and Execution) fee and the SC levy which were determined by the performance of Bursa Securities in terms of volume and value of shares traded.

Operating expenses increased in the FYE 31 December 2003 mainly due to the overhead costs incurred for the Penang branch whilst in the financial period ended 31 March 2005, higher staff costs were incurred for the voluntary separation scheme, which was proposed and opened to all employees of ECMLS.

BACKGROUND INFORMATION ON ECM LIBRA**1. HISTORY AND BUSINESS**

ECM Libra was incorporated in Malaysia under the Act on 29 January 1994 as a public company under the name South Peninsular Industries Berhad. The company changed its name to ECM Libra Berhad on 31 March 2004.

ECM Libra was listed on the Second Board of Bursa Securities on 12 May 1995 and was subsequently transferred to the Main Board of Bursa Securities on 6 April 2004. The principal activity of ECM Libra is that of investment holding.

2. SUBSTANTIAL SHAREHOLDERS

The substantial shareholders of ECM Libra and their shareholdings, according to the Register of Substantial Shareholders of the company as at 14 April 2006 are as follows:

Name	Nationality/Place of Incorporation	<— Direct —>		<— Indirect —>	
		No. of shares '000	%	No. of shares '000	%
Lim Kian Onn	Malaysian	76,456	17.66	-	-
Dato' Kalimullah bin Masheerul Hassan	Malaysian	56,259	12.99	-	-
Chua Ming Huat	Malaysian	56,259	12.99	-	-
Hikkaya Jaya Sdn Bhd	Malaysia	22,127	5.11	-	-
Arab-Malaysian Corporation Berhad	Malaysia	-	-	⁽¹⁾ 35,067	8.10
Tan Sri Dato' Azman Hashim	Malaysian	-	-	⁽¹⁾ 35,067	8.10
Slan Sdn Bhd	Malaysia	-	-	⁽¹⁾ 35,067	8.10
Ginagini Sdn Bhd	Malaysia	-	-	⁽¹⁾ 35,067	8.10

Note:

(1) Deemed interested through Hikkaya Jaya Sdn Bhd, Mezzanine Capital (Malaysia) Sdn Bhd and Corporateview Sdn Bhd pursuant to Section 6A of the Act.

3. DIRECTORS

The details of the Directors of ECM Libra as at 14 April 2006 are as follows:

Name	Nationality	Designation	<---- Direct ---->		<---- Indirect ---->	
			No. of shares '000	%	No. of shares '000	%
Dato' Kalimullah bin Masheerul Hassan	Malaysian	Executive Chairman & Co-Chief Executive Officer / Non-Independent Director	56,259	12.99	-	-
Datuk Roger Tan Kim Hock	Malaysian	Deputy Chairman / Non-Independent Director	-	-	-	-
Lim Kian Onn	Malaysian	Co-Chief Executive Officer / Non-Independent Director	76,456	17.66	-	-
Chua Ming Huat	Malaysian	Chief Operating Officer / Non-Independent Director	56,259	12.99	-	-
Dato' Mohd Ali bin Abd Samad	Malaysian	Independent Non-Executive Director	-	-	-	-
Tan Sri Dato' Dr. Sak Cheng Lum	Malaysian	Independent Non-Executive Director	-	-	-	-

4. SUBSTANTIAL SHAREHOLDINGS IN OTHER PUBLIC LISTED COMPANIES

Save as disclosed below, ECM Libra does not have any substantial shareholdings in other public listed company as at 14 April 2006:

Name of company	Principal activities	Place of listing	Effective equity interest %
Westcomb Financial Group Limited	Investment holding	SGX-ST Dealing and Automated Quotation System	29.2

BACKGROUND INFORMATION ON ACRB**1. HISTORY AND BUSINESS**

ACRB was incorporated in Malaysia on 3 March 1926 under the Companies Enactment 1917 as a limited company under the name of Kampong Lanjut Tin Dredging Limited and changed its name to Kampong Lanjut Tin Dredging Berhad on 15 April 1966. On 21 May 1996, the Company changed its name to Phileo Land Berhad and on 4 August 1999, the Company changed its name to Avenue Assets Berhad. Subsequently on 7 November 2003, the Company adopted its present name.

The Company is principally engaged in investment holding and provision of management services while the principal activities of its subsidiaries and associated companies are set out in Section 5 below.

ACRB was listed on the Main Board of Bursa Securities on 29 December 1973.

2. SHARE CAPITAL**Authorised and issued and fully paid-up share capital**

The authorised and issued and paid-up share capital of ACRB as at 14 April 2006 is as follows:

	No. of shares	Par value RM	Total RM
<i>Authorised share capital</i>			
Ordinary shares	1,500,000,000	1.00	1,500,000,000
<i>Issued and fully paid-up share capital</i>			
Ordinary shares	779,495,732	1.00	779,495,732

3. SUBSTANTIAL SHAREHOLDERS

The substantial shareholders of ACRB and their respective shareholdings as at 14 April 2006 are as follows:

Name	Nationality/Place of Incorporation	Direct		Indirect	
		No. of shares '000	%	No. of shares '000	%
Aroma	Malaysia	230,168	29.53	-	-
Seraya Sensa Sdn Bhd	Malaysia	98,578	12.65	-	-
BH Builders Sdn Bhd	Malaysia	55,048	7.06	-	-
Parkway Group Healthcare Pte Ltd	Singapore	-	-	⁽¹⁾ 133,404	17.11
Parkway Holdings Limited	Singapore	-	-	⁽²⁾ 133,404	17.11

APPENDIX III

Name	Nationality/Place of Incorporation	Direct		Indirect	
		No. of shares	%	No. of shares	%
		'000		'000	
Swiss Zone Sdn Bhd	Malaysia	-	-	⁽³⁾ 133,404	17.11
Pantai Holdings Berhad	Malaysia	-	-	⁽⁴⁾ 133,404	17.11
Pantai Group Resources Sdn Bhd	Malaysia	-	-	⁽⁵⁾ 133,404	17.11
Piramid Pertama Sdn Bhd	Malaysia	-	-	⁽⁶⁾ 230,168	29.53
Seleksi Arif Sdn Bhd	Malaysia	-	-	⁽⁶⁾ 230,168	29.53
Minister of Finance (Incorporated)	Malaysia	-	-	⁽⁷⁾ 230,168	29.53
Bank Simpanan Nasional	Malaysia	-	-	⁽⁸⁾ 230,168	29.53

Notes:

- (1) Deemed interested by virtue of its shareholdings in Swiss Zone Sdn Bhd
- (2) Deemed interested by virtue of its shareholdings in Parkway Group Healthcare Pte Ltd
- (3) Deemed interested by virtue of its shareholdings in Pantai Holdings Berhad
- (4) Deemed interested by virtue of its shareholdings in Pantai Group Resources Sdn Bhd
- (5) Deemed interested by virtue of its shareholdings in Seraya Sensa Sdn Bhd ("Seraya") and Glossmere Investments Limited ("Glossmere"). Glossmere holds 34,826,200 ACRB Shares
- (6) Deemed interested by virtue of their shareholdings in Aroma
- (7) Deemed interested by virtue of its shareholdings in Piramid Pertama Sdn Bhd
- (8) Deemed interested by virtue of its shareholdings in Seleksi Arif Sdn Bhd

4. DIRECTORS

The details of the directors of ACRB and their shareholdings as at 14 April 2006 are as follows:

Name	Nationality	Designation
Wee Hoe Soon @ Gooi Hoe Soon	Malaysian	Executive Deputy Chairman
Datuk Siti Maslamah binti Osman	Malaysian	Non-Executive Director
Tajuddin Bin Atan	Malaysian	Non-Executive Director
Dato' Lim Tong Yong @ Lim Tong Yaim	Malaysian	Non-Executive Director
Datuk Dr. Baharun Azhar bin Raffiai	Malaysian	Independent Non-Executive Director
Ooi Giap Ch'ng	Malaysian	Independent Non-Executive Director

Name	Nationality	Designation
Lim Poh Seong	Malaysian	Non-Executive Director (Alternate to Dato' Lim Tong Yong)

5. SUBSIDIARIES AND ASSOCIATED COMPANIES

The details of the subsidiaries and associated companies of ACRB as at 14 April 2006, are set out below:

Name of company	Date and place of incorporation	Effective equity interest (%)	Principal activities
Direct Subsidiaries			
Avenue Securities Sdn Bhd	02.06.30 Malaysia	100.00	Stockbroking and provision of advisory services
Avenue Invest Berhad (formerly known as Avenue Unit Trust Management Berhad)	27.09.95 Malaysia	100.00	Provision of unit trust and asset management services
ACRB Capital Sdn Bhd	06.07.04 Malaysia	100.00	Provision of financing facilities and management services
Avenue Options & Futures Services Sdn Bhd	12.10.92 Malaysia	100.00	Provision of options and futures services
Ultimate Acres Sdn Bhd	12.12.96 Malaysia	100.00	Dormant
Piuco Entertainment Venture (M) Sdn Bhd	12.10.94 Malaysia	100.00	Dormant
Pentaville Investments Ltd	09.07.97 British Virgin Islands	100.00	Dormant
Indirect Subsidiaries			
Avenue Asset Management Services (Labuan) Ltd	18.02.03 Malaysia	100.00	Provision of portfolio management services
A.A. Assets Nominees (Tempatan) Sdn Bhd	11.02.38 Malaysia	100.00	Provision of nominee services
A.A. Assets Nominees (Asing) Sdn Bhd	11.06.93 Malaysia	100.00	Provision of nominee services
Kestrel Securities Sdn Bhd	03.02.83 Malaysia	100.00	Dormant

APPENDIX III

Name of company	Date and place of incorporation	Effective equity interest (%)	Principal activities
Associated Companies			
Pos Malaysia & Services Holdings Berhad	18.05.26 Malaysia	15.29	Investment holding and provision of management services
Muamalat Avenue Sdn Bhd (formerly known as Avenue Asset Management Services Sdn Bhd)	22.04.96 Malaysia	40.00	Provision of asset management services

6. FINANCIAL INFORMATION

The audited consolidated financial information of ACRB for the financial year ended 31 January 2005 is as follows:

	RM'000
Revenue	<u>88,572</u>
Profit before tax and exceptional items	41,761
Exceptional items	<u>(10,116)</u>
Profit before taxation	31,645
Taxation	<u>(7,270)</u>
Profit after taxation	<u>24,375</u>
 Total assets	 1,149,459
Total liabilities	475,603
Total shareholders' funds	673,856

BACKGROUND INFORMATION ON AICB

1. HISTORY AND BUSINESS

AICB was incorporated in Malaysia on 24 October 2005 under the Act as a public company, and under its present name. AICB will be assuming the listing status of ACRB upon completion of the Reorganisation. ACRB is currently listed on the Main Board of Bursa Securities. Kindly refer to Appendix III of this IAC for further information on ACRB.

The principal activity of AICB is that of investment holding. The company has not commenced any activities since its incorporation.

2. SHARE CAPITAL

Authorised and issued and fully paid-up share capital

The authorised and issued and paid-up share capital of AICB as at 14 April 2006 is as follows:

	No. of ordinary shares	Par Value RM	Total RM
<i>Authorised share capital</i>			
Ordinary shares	1,500,000,000	1.00	1,500,000,000
<i>Issued and fully paid-up share capital</i>			
Ordinary shares	2	1.00	2

The issued and paid-up share capital of AICB upon completion of the Reorganisation is RM388,901,953, comprising 388,901,953 AICB Shares.

3. SUBSTANTIAL SHAREHOLDERS

Shareholdings of substantial shareholders

The substantial shareholders of AICB and their respective shareholdings as at 14 April 2006 are as follows:

Name	Nationality/ Place of incorporation	Direct		Indirect	
		No. of shares	%	No. of shares	%
Sonny Geh Sim Chong	Malaysian	1	50.00	-	-
Chiam Seew Tian	Malaysian	1	50.00	-	-

APPENDIX IV

The substantial shareholders of AICB and their respective shareholdings upon completion of the Reorganisation are as follows:

Name	Nationality/ Place of incorporation	Direct		Indirect	
		No. of shares ‘000	%	No. of shares ‘000	%
Aroma	Malaysia	128,019	32.92	-	-
Seraya Sensa Sdn Bhd	Malaysia	45,675	11.74	-	-
BH Builders Sdn Bhd	Malaysia	25,212	6.48	-	-
Parkway Group Healthcare Pte Ltd	Singapore	-	-	⁽¹⁾ 61,626	15.85
Parkway Holdings Limited	Singapore	-	-	⁽²⁾ 61,626	15.85
Swiss Zone Sdn Bhd	Malaysia	-	-	⁽³⁾ 61,626	15.85
Pantai Holdings Berhad	Malaysia	-	-	⁽⁴⁾ 61,626	15.85
Pantai Group Resources Sdn Bhd	Malaysia	-	-	⁽⁵⁾ 61,626	15.85
Piramid Pertama Sdn Bhd	Malaysia	-	-	⁽⁶⁾ 128,019	32.92
Seleksi Arif Sdn Bhd	Malaysia	-	-	⁽⁶⁾ 128,019	32.92
Minister of Finance (Incorporated)	Malaysia	-	-	⁽⁷⁾ 128,019	32.92
Bank Simpanan Nasional	Malaysia	-	-	⁽⁸⁾ 128,019	32.92

Notes:

- (1) Deemed interested by virtue of its shareholdings in Swiss Zone Sdn Bhd
- (2) Deemed interested by virtue of its shareholdings in Parkway Group Healthcare Pte Ltd.
- (3) Deemed interested by virtue of its shareholdings in Pantai Holdings Berhad
- (4) Deemed interested by virtue of its shareholdings in Pantai Group Resources Sdn Bhd
- (5) Deemed interested by virtue of its shareholdings in Seraya Sensa Sdn Bhd ("Seraya") and Glossmere Investments Limited ("Glossmere"). Glossmere holds 34,826,200 ACRB Shares
- (6) Deemed interested by virtue of their shareholdings in Aroma
- (7) Deemed interested by virtue of its shareholdings in Piramid Pertama Sdn Bhd
- (8) Deemed interested by virtue of its shareholdings in Seleksi Arif Sdn Bhd

4. DIRECTORS

The details of the Directors of AICB as at 14 April 2006 are as follows:

Name	Nationality	Designation
Sonny Geh Sim Chong	Malaysian	Director
Chiam Seew Tian	Malaysian	Director

As at the date of this IAC, the following persons have been identified as the proposed Directors of AICB pursuant to the Proposed Merger:

Name	Nationality	Designation
Dato' Kalimullah bin Masheerul Hassan	Malaysian	Non-Independent Deputy Executive Chairman
Lim Kian Onn	Malaysian	Non-Independent Director
Chua Ming Huat	Malaysian	Non-Independent Director

5. SUBSIDIARIES AND ASSOCIATED COMPANIES

AICB does not have any subsidiary or associated company as at the date hereof. Upon completion of the Reorganisation, AICB will emerge as the new holding company of ACRB and its subsidiaries and associated company. The details of the subsidiaries and associated companies of ACRB are as set out in Section 5 of Appendix III of this IAC.

6. FINANCIAL INFORMATION

The financial information of AICB is not available as the company was only incorporated on 24 October 2005 and has yet to commence operation.

FURTHER INFORMATION

1. WRITTEN CONSENT

Kenanga has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and manner in which they appear in this document.

2. MATERIAL CONTRACTS

2.1 ACRB

Save as disclosed below, there are no other material contracts (not being contracts entered into in the ordinary course of business) entered into by ACRB, or any of its subsidiaries within the 2 years immediately preceding the date of this IAC:

- (a) Sale and Purchase Agreement dated 8 September 2004 between Avenue and Tongkah Holdings Sdn Bhd (formerly known as Tongkah Holdings Berhad), for the acquisition by Avenue, of a freehold land held under Geran 26884, Lot No. 8931 in the Mukim and District of Kuala Lumpur, State of Wilayah Persekutuan measuring in area 4,218.31 square metres together with a 3½ storey building with lower ground floor and 3 levels of basement car parks erected thereon (then known as ‘THB Satu’) and bearing the postal address of 8, Jalan Damansara Endah, Damansara Heights, 50490 Kuala Lumpur for a cash consideration of RM32,400,000;
- (b) Sale and Purchase Agreement dated 29 November 2004 between ACRB and Chan Ai Chin for the disposal of 1 unit of office premises known as A9-3A located at the office block known as Block A, Megan AAB Avenue 1, 189 Jalan Tun Razak, 50400 Kuala Lumpur to Chan Ai Chin for a cash consideration of RM1,244,390;
- (c) Memorandum of Understanding dated 28 April 2005 between ACRB and Bank Muamalat Malaysia Berhad (“BMMB”) in relation to the equity participation of BMMB in Avenue Asset Management Services Sdn Bhd (now known as Muamalat Avenue Sdn Bhd) (“MASB”), then a wholly-owned subsidiary of ACRB (“Equity Participation”). The Equity Participation involved the disposal by ACRB of its 60% equity interest in the enlarged share capital of MASB to BMMB for a cash consideration of RM6,300,000. The Share Sale Agreement between ACRB and BMMB was signed on 2 September 2005 and the Equity Participation was completed on 12 January 2006; and
- (d) Share Sale Agreement dated 19 January 2006 entered into between ACRB, AICB and ECM Libra for the purpose of the Proposed Merger.

2.2 ECM Companies

There are no material contracts (not being contracts entered into in the ordinary course of business) entered into by the ECM Companies, or any of their subsidiaries within the 2 years immediately preceding the date of this IAC.

3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

3.1 ACRB

Save as disclosed below, as at the date of this IAC, ACRB and its subsidiaries are not engaged in any material litigation, claims or arbitration either as plaintiff or defendant, and the Directors of ACRB do not have any knowledge of any proceedings, pending or threatened against ACRB and its subsidiaries or of any facts likely to give rise to any proceedings which might adversely and materially affect the position or business of ACRB and its subsidiaries:

- (a) Avenue Invest Berhad ("AvIB") is the representative holder of RM10,000,000 worth of Al-bai Bithaman Ajil bonds ("ABBA Bonds") issued by Pesaka Astana Sdn Bhd ("Pesaka") held in certain unit trust funds managed by AvIB. On 15 December 2005, AvIB together with 9 other holders of the ABBA Bonds (as plaintiffs) filed a civil suit at the High Court of Malaya at Kuala Lumpur against Pesaka and 12 other defendants including the trustee and the Directors of Pesaka for inter-alia, breach of contract by Pesaka, breach of trust on the part of the trustee and claiming for inter-alia, judgment sum of RM157,815,000 plus interest and damages. A Mareva Injunction has been granted against the defendants on 16 December 2005. Since AvIB is involved in this litigation merely as the manager of the unit trust fund and the registered holder, the Board of ACRB is of the opinion that the litigation will not have any material financial impact on the ACRB Group.
- (b) Claims have been made by Avenue and Kestrel Securities Sdn Bhd ("KSSB"), in the ordinary course of their stockbroking businesses, against various parties for the recovery of amounts owing by its clients in respect of purchases and contra losses incurred. These losses were incurred before Avenue and KSSB became subsidiaries of ACRB and the amounts have been fully provided in the financial statements of the respective companies prior to the completion of the acquisition of the respective companies by ACRB. As at 14 April 2006, legal actions against 88 cases representing approximately, RM54,595,000 in value are still in progress, the material claims (being an amount individually exceeding RM5,000,000) of which are against the following parties:

	RM'000
Challenger Citi (M) Sdn Bhd (the defendant had also counter-claimed for the same amount plus certain damages)	10,982
Nadi Puspa (M) Sdn Bhd and Abrar Group International Sdn Bhd	9,481
Koh Tiew King	8,781
Chia Kung Hooi	7,975
Ch'ng Ping Teong, as guarantor	6,463
Goh Chee Boon	5,029
	<u>48,711</u>

3.2 ECM Companies

Save as disclosed below, as at the date of this IAC, the ECM Companies and their subsidiaries are not engaged in any material litigation, claims or arbitration either as plaintiff or defendant, and the Directors of ECM Libra do not have any knowledge of any proceedings, pending or threatened against the ECM Companies and their subsidiaries or of any facts likely to give rise to any proceedings which might adversely and materially affect the position or business of the ECM Companies and their subsidiaries:

- (a) Claims have been made by ECMLS, in the ordinary course of its stockbroking business, against various parties for the recovery of amounts owing by its clients in respect of purchases and contra losses incurred. As at 14 April 2006, 39 legal actions or cases representing approximately RM181,749,406 in value are still in progress, the material claims (being individual claims exceeding RM10.8 million each) of which are against the following parties:

	RM'000
Joseph Lee Yoke Min @ Ambrose	143,285
Dato' Wong Yeon Chai, Nuroli a/l Shahodebu Naiko, Che Wan	21,520
Mohamed Khadri and Tay Leong Kooi	
	<u>164,805</u>

The abovementioned amounts, however, have been provided for in the books of ECMLS.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal office hours (except public holidays) at the Registered Office of ACRB at Level 1, Bangunan Avenue, 8, Jalan Damansara Endah, Damansara Heights, 50490 Kuala Lumpur from the date of the Circular up to and including, the date of the EGM:

- (a) Memoranda and Articles of Association of ACRB and each of the ECM Companies;
- (b) Letter of consent referred to in Paragraph 1 above;
- (c) Material contracts referred to in Paragraph 2 above;
- (d) Cause paper for the material litigation referred to in Paragraph 3 above;
- (e) Audited consolidated financial statements of ACRB Group for the 2 FYE 31 January 2005, for the six (6) months period ended 31 July 2005 and the announcement of the unaudited consolidated financial statements of ACRB Group for FYE 31 January 2006; and
- (f) Audited financial statements of each of the ECM Companies for the 2 FYE 31 March 2005 and the unaudited financial statements of each of the ECM Companies for the 9 months period ended 31 December 2005.