

15. VALUATION CERTIFICATES

The table below sets out a summary of our material properties which have been valued by the Independent Valuer:

No.	Property details	Market value as at 27 February 2023 (RM)
1.	The joint venture rights to a 20.12 acres site proposed for a landed housing scheme, off Jalan Airport, 90000, Sandakan, Sabah and held under individual title CL No. 075428027	12,500,000

No.	Property details	Market value as at 28 February 2023 (RM)
1.	The residual value of proposed Taman Bukit Alamanda at Kampung Nagapas, 89600, Papar, Sabah and held under joint venture rights to individual title CL No. 025346507	8,900,000
2.	The joint venture rights to a proposed township (over 169.8 acres) to be known as "Bandar Seri Lemawang" along Jalan Tuaran – Kota Belud, 89208, Tuaran, Sabah and held under master title CL No. 045115919	64,750,000
3.	The joint venture rights to an on-going mixed commercial / residential development known as The Logg, along Jalan Lintas, Luyang, 88300, District of Kota Kinabalu, Sabah and held under CL No. 015721276	190,000,000
4.	4 adjoining detached house plots at Taman Lavender, Off Jalan Lintas, 88300, Kota Kinabalu, Sabah and held under country leases - CL015654743, CL015654752, CL015654761 and CL015654770	12,700,000
5.	5 studio apartments at Taman Nelly Phase 8D, Jalan Nountun, Kolombong, 88450, Kota Kinabalu, Sabah and held under a master title CL No. 015605419	760,000
6.	A corner 3-storey shopoffice known as Lot No. 68, Lorong Buah Pala 3, Wisma LTF, Taman Nelly, 88450 Kota Kinabalu, Sabah and held under individual title CL No. 015479197	1,600,000
7.	The 1 st and 2 nd floors of a corner 3-storey shopoffice known as Lot No. 69, Lorong Buah Pala 3, Wisma LTF, Taman Nelly, 88450, Kota Kinabalu, Sabah and held under 2/3 share of CL No. 015479204	1,100,000
8.	A corner 4-storey corporate office building known as Lot No. 222, Taman Nelly 9 (Sub-Phase 4), Lorong Nelly Plaza, Jalan Nountun, 88444, Kota Kinabalu, Sabah	7,200,000

15. VALUATION CERTIFICATES (Cont'd)

No.	Property details	Market value as at 28 February 2023 (RM)
9.	A double-storey office/showroom with double volume storage space known as Lot No. 223 (Building No. 32A), Lorong Nelly 9/2, Taman Nelly 9 (Sub-Phase 1), Kampung Nountun, Inanam, 88450, Kota Kinabalu, Sabah and held under master title NT013021308	19,000,000
10.	A double-storey detached shop known as Lot No. 17, Phase 3A, Plaza Lemawang (shop/offices), 89208, Tuaran, Sabah and held under master title CL No.045115919	2,000,000

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15. VALUATION CERTIFICATES (Cont'd)



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Our Ref: 1.4411.23/WCK

15th May 2023

The Board of Directors
KTI LANDMARK BERHAD
(Formerly known as KTI Property Berhad)
Registration No. 201601008159 (Co. No. 1179087-X),
Lots 221 & 222, Taman Nelly 9,
Phase 4, Shoplots, Lorong Nelly Plaza,
Jalan Nountun, Kolombong, 88844,
Kota Kinabalu, Sabah.

Dear Sir,

CERTIFICATE OF VALUE OF ELEVEN (11) PROPERTIES

We refer to your instructions to provide an opinion on the Market Values of the abovementioned assets ("**Subject Properties**") for the purpose of submission to Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the Initial Public Offering of shares in conjunction with the listing of KTI Landmark Berhad on the ACE Market of Bursa Securities and inclusion in the prospectus.

The Subject Properties were inspected on 27th and 28th February 2023. The relevant date of valuation for this valuation exercise coincides with the dates of inspection, i.e. 27th and 28th February 2023.

Our valuations have been carried out in accordance with the Asset Valuation Guidelines issued by the Securities Commission Malaysia and the Malaysian Valuation Standards 6th Edition ("**MVS**") issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia and conducted with the necessary professional responsibility and due diligence.

The basis of valuation adopted is the Market Value which is defined by the MVS to be "the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties have each acted knowledgeably, prudently and without compulsion."

This Valuation Certificate should be read with the full Report prepared by Azmi & Co (Sabah) Sdn. Bhd., for submission to Bursa Securities, detailing the basis under which the valuations have been prepared.

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Date: 15th May 2023
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MARKET VALUE

Having taken into consideration all relevant and pertinent factors, we are of the opinion that the Market Value of the Subject Properties, on 27th February 2023 and 28th February 2023 is:-

Property	Market Value
Taman Bukit Alamanda	RM8,900,000.00 (Ringgit Malaysia Eight Million and Nine Hundred Thousand only)
Sandakan	RM12,500,000.00 (Ringgit Malaysia Twelve Million and Five Hundred Thousand only)
Bandar Seri Lemawang	RM64,750,000.00 (Ringgit Malaysia Sixty-Four Million Seven Hundred and Fifty Thousand only)
The Logg	RM190,000,000.00 (Ringgit Malaysia One Hundred and Ninety Million only)
Taman Lavender	RM12,700,000.00 (Ringgit Malaysia Twelve Million and Seven Hundred Thousand only)
Nelly Studio	RM760,000.00 (Ringgit Malaysia Seven Hundred and Sixty Thousand only)
Lot 68	RM1,600,000.00 (Ringgit Malaysia One Million and Six Hundred Thousand only)
Lot 69	RM1,100,000.00 (Ringgit Malaysia One Million and One Hundred Thousand only)
Lot 222	RM7,200,000.00 (Ringgit Malaysia Seven Million and Two Hundred Thousand only)
Lot 223	RM19,000,000.00 (Ringgit Malaysia Nineteen Million only)
Plaza Lemawang	RM2,000,000.00 (Ringgit Malaysia Two Million Only)
Total Market Value	RM320,510,000.00 (Ringgit Malaysia Three Hundred Twenty Million Five Hundred and Ten Thousand only)

The above Report and Valuation has been carried out by Sr. Wong Chaw Kok, For and on behalf of Azmi & Co (Sabah) Sdn. Bhd.

SR. WONG CHAW KOK, MRICS, MRISM, ACI Arb, MBVAM, ICVS
Chartered Surveyor & Registered Valuer (V-0354)

Note: This report was peer reviewed by En. Zamri Bin Ramli (Registered Valuer (V-0957) from Azmi & Co Sdn. Bhd.(HQ)

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METHODS OF VALUATION

Depending on the individual case, one or more of the following methods have been used to arrive at their market values. For all ongoing projects, greater weightage is placed on the residual method as it accounts for the individuality of each project, sales achievement and also for progress claims and costs incurred for the project. In some of the projects, it is the only method due to circumstances. Where an alternative method is referred to, it is only used as a guide to check on the reasonableness and overall magnitude of value.

Investment Method (Income Approach)

In using this method, a fair maintainable income is estimated before allowing a percentage deduction for outgoings and void periods, to derive the net income. The net income is then capitalised based at an appropriate rate to derive the capital value.

Contractor's Test (Cost Method)

By the Contractor's Test, also known as the Cost Method, the property's building replacement cost is estimated which includes fees, interest and depreciation allowance. To this is then added the market value of the land which is derived by the comparison method. The total sum represents the asset's value.

Comparison Method

The comparison method compares known transactions for similar properties with adjustments for differences in transaction dates and other factors such as location, size, condition and so on. Where transaction evidences are scarce or not available, asking prices are carefully selected with due consideration given to their reasonableness having regard to the general prevailing level of values.

Residual Method (Income Approach)

The residual method is usually used for development projects as this method can account for and reflect the individuality of a particular site such as site features, development density, design and concept. However, care has to be taken in assessing its development viability.

By this method, the Gross Development Value of the proposed development is assessed from which is then deducted all development costs and allowing for developer's profit. The residual sum or balance is then discounted at an appropriate rate to present value which represents the price that a prudent developer is willing to pay in order to undertake the project. For ongoing projects, billings and costs incurred (contractors claims) are deducted and added back respectively to reflect the actual status of the project. These adjustments are conducted after the residual values which would otherwise be subject to the discounting effect.

In arriving at the Gross Development Value (GDV) this is based on KTI's actual selling prices, which have been cross-checked with Jabatan Penilaian dan Perkhidmatan Harta (JPPH) transactions of similar properties tempered by our knowledge and experience. Bumiputra quota and discount are not applicable in all the Joint Venture projects with Lembaga Pembinaan Perumahan dan Bandar (LPPB) as the developer. As a government agency, LPPB is exempted from the Housing Development (Control and Licensing) Enactment 1978 for licencing, advertisement and pricing purposes. LPPB has not applied or provided any bumiputra quota and discounts in these projects.

In arriving at the Gross Development Cost (GDC) parameters are generally based on actual contract amounts which have been cross-checked against building rates in the Construction Handbook/Arcadis

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(2022) and also based on our own research data. GDC include preliminaries, piling works, building works, landscaping works, external works, capital contributions, contingencies, professional fees, title subdivision fees, admin, legal fees, stamp duty & marketing fees and conversion premium.

Construction finance (bridging loan) are normally between 6.5% to 7.5% depending on developers credit profile. Actual interest cost is reduced with progress payments by purchasers. Accordingly, we have reduced by 35% by adjusting the rate to 4.5%. The adjusted rate of 4.5% per annum is adopted and applied on half (between ½ to 4½ years depending on the individual case) projected construction period. This reflects the typical S-curve nature of development expenditure.

Developer's profit adopted are between 8% to 20% of GDV depending on the development stage of the approved projects. As the projects have been approved, risks and uncertainties such as planning approval, technical and legal issues have largely been removed. The risks remaining are mainly that of market, construction and completion risks.

The residual value is discounted to present value (PV) over the project's expected completion/development period. We have adopted a discount rate of 4% in our valuation which reflects the weighted average capital cost reflecting equity and borrowed funds on a market driven approach and is in accord with IVSC Standards. International Valuation Standards (IVS)2020 & Exposure Draft (2014) on development property state "the discount rate may be based on analysis of transactions of similar development properties or by using weighted average cost of capital (WACC) typical for participants in the relevant market". As we do not have transactions of similar projects, we have used WACC as the basis for our discount rate.

Sales claimed have been allowed based on progress billings. Cost incurred is for capital expenditure sunk into the project which has to be added back after arriving at the residual value which has been discounted to present value. Both these items are adjusted after deriving the discounted residual values and not before so as to avoid discounting their values which would otherwise be erroneous.

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Date: 15th May 2023
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1.0 INTEREST BEING VALUED : THE RESIDUAL VALUE OF ONGOING TAMAN BUKIT ALAMANDA PROJECT AT KAMPUNG NAGAPAS, 89600, PAPAR, SABAH HELD UNDER JOINT VENTURE RIGHTS TO INDIVIDUAL TITLE CL NO. 025346507.

Subject Property	A land parcel proposed for a landed housing scheme, under construction, known as Taman Bukit Alamanda. It is about 5 km from Papar Town
Location	Fronting Jalan Penampang – Papar Pan Borneo Highway, Kampung Nagapas, 89600, Papar, Sabah
Date of Inspection / Valuation	28 th February 2023
<u>TITLE DETAILS</u>	
Title No.	CL 025346507
Registered Owner	Lembaga Pembangunan Perumahan dan Bandar (LPPB)
Land Area	7.07 acres (area under valuation as per Joint Venture Agreement)
Tenure	99 years with 65¾ years unexpired
<u>JOINT VENTURE AGREEMENT (JVA)</u>	
JVA	A Joint Venture Agreement was executed on 21 st December 2016 between Lembaga Pembangunan Perumahan dan Bandar (LPPB), as the landowner and K.T.I. Sdn Bhd as the financing contractor. Landowner's Entitlement - RM2,500,000 Amount Paid - RM2,500,000
<u>PROJECT DETAILS</u>	
Site Description	The subject property is part of a larger land parcel held under CL 025346507. The site extends to 7.07 acres and is divided into 2 parcels by the access road leading to Reservoir P2 at the ridgetop. Both parcels front onto a slip road that runs along the south side of Jalan Penampang - Papar, which is being upgraded as part of Pan Borneo Highway. Construction work is now at a very advanced stage.
Development Overview	The subject property is proposed for an affordable landed housing scheme with 107 double storey terraced houses. Building works on 99 units are about 90% complete whilst work on the remaining row with 8 dwellings has just commenced. Development was approved by Majlis Daerah Papar on 12 th October 2021 (Ref No.: MDPPR.600-2/4/2020(31))
Accommodation	Accommodation is similar for the unit types with 3 bedrooms and 3 showers/w.c.s. Gross built-up area is 1,376 sq. ft. for intermediate units whilst corner units are 1,596 sq. ft. in size.
Sales Performance	84 units out of 107 units are sold, equivalent to 80% sales
Commencement Date	November 2021
Completion Date	December 2023

VALUATION METHOD

We have adopted the Residual Method in order to arrive at the market value of the joint venture rights to this property. As this project is at a highly advanced stage and nearing completion, there is no alternative method of valuation

Summary of the computation by this method is tabulated below:

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Gross Development Value (GDV)	RM35,671,000
Gross Development Cost (GDC)	RM20,742,213
Developer's Profit	8%
Remaining Development Period	0.5 years
Present Value Discount Rate	4%

Summary of Gross Development Value (GDV)

The total units of this project is 107 with 84 units sold and 23 units unsold. The range of selling price is RM313,000 to RM408,000 with an average rate of RM230 psf to RM260 psf.

Gross Development Value is derived by reference to concluded selling prices of the units within the subject scheme and transacted prices of similar properties/projects.

Summary of Gross Development Cost (GDC)

No.	Items	Total Value of Works Completed/Certified Amount To-Date	Certified Amount	Balance Amount to be Paid
1	Preliminaries, Piling Works, Landscaping Works & External Works, and Building Work including M& E	RM20,177,289	RM15,042,903	RM5,134,386
2	Other costs	RM2,222,316	RM67,182	RM2,155,134
3	Professional Fees	RM805,074	RM536,675	RM268,399
4	Finance Charges	RM847,446	-	RM847,446
5	Developer's Profit	8%		RM2,853,680

Remarks to Cost items

- For items 1 to 3, we have made reference to the actual contact and/or, Client's costings and checked against with Construction Cost Handbook/Arcadis (2022). For item 2, other costs include capital contribution, contingencies, title subdivision & survey, admin, legal stamp duty & marketing fees. The figures are generally within industry average.
- The rate for this property type in the Construction Cost Handbook/Arcadis (2022) is in the range of RM100 to RM129 psf. Our analysed rate is RM125psf.
- Developer's Profit - As the project is ongoing and nearing completion, risks and uncertainties such as planning approval, site conditions, technical and legal issues have largely been removed. As sales achievement is about 80% (84 units sold), market risks have been significantly reduced. The main risk is therefore its actual completion. Accordingly, we have adopted 8% of gross development value as developer's profits.
- We have adopted an estimated development period of half (½) year in our valuation. Taking into consideration sales take-up of 80% and construction progress of 90% at the date of valuation, the estimated development period is considered realistic.

In arriving at the Market Value by the residual method, we have taken into consideration the following principal factors:-

- The interest being valued relates to the remaining value of sold and unsold units and the cost to complete the units and other remaining works.
- The proposed estate is along the Pan-Borneo Highway and therefore enjoys fast and convenient access to principal destinations.
- The property market is presently in a recovery state with opening of the economy engendering greater market activities.

VALUATION

Having taken all factors known to us into consideration, we are of the opinion that the market value of the joint venture rights on the basis set out earlier as at 28th February 2023 is **RM8,900,000.00 (RINGGIT MALAYSIA EIGHT MILLION AND NINE HUNDRED THOUSAND ONLY)**.

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For this project, we have only relied on the Residual Method as there are no other projects with similar features, scale, sales achievements and work progress. In this case, the sales achievement is very high 80% (84 units sold) with significant progress claims and development cost incurred 65%.

2.0 INTEREST BEING VALUED : THE JOINT VENTURE RIGHTS TO A 20.12 ACRES SITE PROPOSED FOR A LANDED HOUSING SCHEME, OFF JALAN AIRPORT, 90000, SANDAKAN, SABAH. (SANDAKAN JV PROJECT)

Subject Property	A land parcel proposed for a landed housing scheme in an established locality about 9 km from Sandakan Town Centre
Location	Off Jalan Airport, 90000, Sandakan, Sabah
Date of Inspection / Valuation	27 th February 2023

TITLE DETAILS

Title No.	CL 075428027
Registered Owner	Lembaga Pembangunan Perumahan dan Bandar (LPPB)
Land Area	20.12 acres (under valuation as per Joint Venture Agreement)
Tenure	99 years expiring on 31 st December 2118

JOINT VENTURE AGREEMENT (JVA)

JVA	A joint venture to develop the subject land between Lembaga Pembangunan Perumahan dan Bandar (LPPB) and Landmark Property Sdn. Bhd. was executed on 7 th January 2019.
	Landowner's Entitlement - RM10,277,126.50
	Amount Paid - RM1,083,204.50
	Outstanding Balance - RM9,193,922.00

PROJECT DETAILS

Site Description	The subject land of about 20.12 acres (8.14 hectares) is flat and at the same level as its frontage road.
Development Overview	The proposed scheme is approved for development of 310 units of double storey terrace houses by Majlis Perbandaran Sandakan on 30 th June 2020 (<i>vide Plan No. TP.37/2020 (Ref No.:SMC/TOW/1152/J.2/9)</i>).
Proposed Accommodation	Accommodation is similar for all units each with 3 bedrooms and 3 showers/w.c.s. Gross built-up area is 1,544 sq. ft. for intermediate units whilst corner units are around 1,787 sq. ft. in size.
Proposed Commencement Date	From January 2024 to November 2025.
Estimated Completion Date	From January 2026 to November 2027.

Note: The commencement date between January 2024 to November 2025 is based on the developer's tentative planning. However, we have taken 24 months as the completion time frame allowing for phasing overlap as we are of the view that pent-up demand for housing in Sandakan is providing strong sales for recent projects.

VALUATION METHODS

Residual Method (Primary Method)

The residual method has been adopted with the comparison method used as a check on its reasonableness and overall magnitude in order to arrive at the market value

Summary of the computation by the residual method for this JV project is tabulated below:

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Gross Development Value (GDV)	RM115,910,000
Gross Development Cost (GDC)	RM79,545,399
Developer's Profit	20%
Remaining Development Period	2 years
Present Value Discount Rate	4%

Summary of Gross Development Value (GDV)

The total units of this project is 310 under 3 phases. In average, we have adopted at the price of RM365,000 to RM425,000.

Gross Development Value is derived by reference to concluded selling prices of the units within the subject scheme and transacted prices of similar properties/projects.

Summary of Gross Development Cost (GDC)

No.	Items	Total Value of Works Completed/Certified Amount To-Date	Certified Amount	Balance Amount to be Paid
1	Preliminaries, Piling Works, Landscaping Works & External Works, and Building Work including M& E	RM55,710,744	RM1,234,358	RM54,476,386
2	Other costs	RM7,588,514	-	RM7,588,514
3	Professional Fees	RM2,633,900	RM231,065	RM2,402,835
4	Finance Charges	RM1,872,995	-	RM1,872,995
5	Developer's Profit	20%	-	RM23,182,000

Remarks to Cost items

- For items 1 to 3, we have made reference to the actual contract and/or, Client's costings and checked against with Construction Cost Handbook/Arcadis (2022). For item 2, other costs include capital contribution, contingencies, title subdivision & survey, admin, legal stamp duty & marketing fees. The figures are generally within industry average.
- The rate for this property type in the Construction Cost Handbook/Arcadis (2022) is in the range of RM100 to RM129 psf. Our analysed rate is RM125psf.
- Developer's Profit - As the project has been approved, risks and uncertainties such as planning approval, site conditions, technical and legal issues have largely been removed. Commencement of the project is expected in January 2024. Accordingly, we have adopted 20% of gross development value as developer's profits.
- We have adopted an estimated development period of two (2) year in our valuation. We are of the opinion the estimation development period is considered realistic.

Principal macro factors taken into consideration, in arriving at the market value, are as follows:

- The proposed development is in an established locality.
- Public amenities such as school, religious establishment and Sandakan Airport are within convenient driving distances.
- Demand for affordable houses below RM500,000 in Sandakan is healthy with a large number of transactions in 2022. Healthy sales was reported on a recently launched project.

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Comparison Method (Check Method)

Details	Subject Site	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6	Comparable 7
Title No.	CL 075428027	CL 075099464	CL 075354228 & CL 075354237	CL 075394866	CL 075204625	CL 075204572	CL 075204330	CL 075204456 & CL 075204447
Location	Off Jalan Airport, Sandakan Sabah	Sibuga Bypass, Jalan Lintas Sibuga	BT 7, Sg Ubar, Jln Batu Putih off Jln Airport	Lot 3, Batu 11.5, Jalan Labuk	Jalan Datuk Tay, Off Jalan Lintas Sibuga	Batu 8, Off Jalan Lintas Sibuga	Batu 8, Off Jalan Lintas Sibuga	Batu 8, Off Jalan Lintas Sibuga
Accessibility	Inner layer road of South-West side to Taman Kenari and North-west side to Taman Nuri	Fronting Main Road	Inner layer lot, kampung access	Fronting Main Road	Fronting Main Road	No access road	Off main road, along slip road	Fronting Main Road
Property Status	Vacant Land with Approved Development and Building Plan	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land
Visibility	Fair (6)	Fair (6)	Fair (6)	Fair (6)	Good (8)	Fair (6)	Fair (6)	Fair (6)
Land Area (sq. ft.)	876,427	253,382	437,014	187,722	457,358	304,940	640,194	868,842
Land Shape	Irregular	Almost Squarish	Irregular	Irregular	Rectangular	Triangular	Almost Rectangular	Rectangular
Tenure	99 years	999 years	99 years	999 years	999 years	999 years	999 years	999 years
Locality Analysis	Within a residential development, nearby a commercial precinct and Sandakan Airport	Undeveloped locality	Kg locality & next to squatter colony	Not within a residential suburb	New residential locality with shops nearby	New residential locality with shops nearby	New residential locality with shops opposite main road	New residential locality with shops nearby
Distance to subject property	-	7½ km	3¼ km	6½ km	5¼ km	6¼ km	5¼ km	5¼ km
Zoning	High Density Residential	General Industry	High Density Residential	Mixed Development	Medium Density Residential	Medium Density Residential	Medium Density Residential	General Industry
Lease Remaining	15 years with 99 years extended term	904 years	56 years	906 years	865 years	865 years	865 years	865 years
Transacted Price	-	RM3,875,200	RM4,700,000	RM3,448,000	RM4,000,000	RM4,200,000	RM12,495,000	RM18,550,000
Transacted Price	-	RM15.29 psf	RM10.75 psf	RM18.37 psf	RM8.75 psf	RM13.77 psf	RM19.52 psf	RM21.35 psf
Transacted Date	-	14/9/2022	31/12/2021	29/9/2020	10/3/2020	30/8/2019	22/11/2018	29/12/2017
General adjustments are made for time/market conditions and various factors inclusive of location, property status, land area, land shape, tenure, zoning, benefit of development plan and time/market conditions								
Land Value After Adjustment	-	RM18.05	RM16.35	RM21.12	RM11.02	RM20.80	RM22.64	RM24.77

In arriving at the Market Value, we have taken into consideration relevant aspects of the comparables in terms of time/market conditions, location, accessibility, property status, land area, shape, tenure, and zoning and benefit of development plan. After making adjustments, the values derived are between RM11.02 psf to RM24.77 psf. Comparable 6 is considered as the most suitable which will reflect a value of RM19,842,596. After allowing for unpaid JV has taken into account and the value is derived at RM10,648,674.

RECONCILIATION OF VALUES DERIVED

Residual Method	=	RM12,500,000.00
Comparison Method	=	RM10,648,674.00
Adopt	=	RM12,500,000.00

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From the above approaches, the Residual Method is considered the more reliable approach in this case in arriving at the Market Value of the subject property. This is because it reflects the approved concept of the project as a landed estate with double storey terrace houses, its development density and locational attributes. The comparables do not adequately capture such features and are therefore used as a check on the overall magnitude of our valuation.

3.0 INTEREST BEING VALUED : THE JOINT VENTURE RIGHTS TO A PROPOSED TOWNSHIP (OVER 169.8 ACRES) TO BE KNOWN AS "BANDAR SERI LEMAWANG" ALONG JALAN TUARAN – KOTA BELUD, DISTRICT OF 89208, TUARAN, SABAH.

Subject Property A mixed township development comprising landed housing scheme, apartment and future development which is parcelled into 8 lots. Details of the lots are as follows:

Lots No.	Property	Acres
1	Taman Seri Lemawang & Plaza Lemawang	52.33
2	Residensi Seri Akasia	20.08
3	Future Development	1.31
4 – 7 & A	Proposed Developments	80.56
	Public Reserved	15.52
	Total	169.80

Location Along Jalan Tuaran – Kota Belud, 89208, Tuaran, Sabah about 3½ km from Tuaram Town Centre

Date of Inspection / Valuation 28th February 2023

TITLE DETAILS

Title No. CL 045115919
Registered Owner Lembaga Pembangunan Perumahan dan Bandar (LPPB)
Land Area Net area after land acquisition - 169.80 acres
Tenure 999 years leasehold with 895 years unexpired

JOINT VENTURE AGREEMENT (JVA)

JVA The township development (Bandar Seri Lemawang) is being undertaken through a joint venture between Lembaga Pembangunan Perumahan dan Bandar and K.T.I. Sdn. Bhd.

Landowner's Entitlement - RM46,850,000.00
Amount Paid - RM14,574,429.20
Outstanding Balance - RM32,275,570.80

PROJECT DETAILS

Site Description The subject property of about 169.80 acres is along Jalan Tuaran – Kota Belud. The land is divided into 3 parcels. The main bulk of the land, Parcel A, is along the south and on the right side of the road.

Taman Seri Lemawang

Development Overview This estate in Lot 1 with 811 double storey terraced houses is presently under development over 52.33 acres (2,279,786 sq. ft.) and shall be completed in 9 phases (Phase 1A to Phase 1I). However, Phase 1A, Phase 1B & Phase 1C have been completed with Occupation Certificate issued. Therefore, we have excluded these phases from our valuation. The remaining 6 phases with 540 units are the subject of our valuation which is Phases 1D to 1I. Development was approved by Majlis Daerah Tuaran on 18th February 2021 (vide Ref: MDTRN:1000-1/1517 JLD.IV/10)

15. VALUATION CERTIFICATES (Cont'd)



Date: 15th May 2023
Our Ref: 1.4411.23/WCK

Unit Details	Type	Size	No. of Units
	Intermediate	900 sq. ft.	689
	Corner	998 sq. ft.	64
	Intermediate Corner	998 sq. ft.	58
		Total	811

Sales Performance 743 units sold out of 811 units, equivalent to 91% sales

Commencement Date From August 2020 to January 2022

Completion Date From March 2023 to December 2023

Residensi Seri Akasia

Development Overview Lot 2 has 800 units of 5-storey apartments over 20.08 acres (8.12 hectares). They are being built in 5 phases, identified as Block A to Block J. Construction work in Block A & B are about 70%, Block C at 50% and Block D is at substructure stage, about 10%. Development was approved by Majlis Daerah Tuaran on 26th January 2021 (*vide Ref: MDTRN:1000-1/1517 JLD.IV/5*)

Unit type details Each block has 80 units distributed over 5 levels (16 units per level). All units have similar floor areas of 800 sq. ft. and are designed with 3 bedrooms, 2 showers/w.c.s (one ensuite), living & dining room, kitchen, utility yard and balcony

Sales Performance 166 units sold out of 800 units, equivalent to 20% sales

Commencement Date From October 2021 to January 2025

Completion Date From December 2023 to March 2027

VALUATION METHOD

We have adopted the Residual Method for the ongoing projects at Taman Seri Lemawang (TSL) and Residensi Seri Akasia (RSA). As sales achievement and construction are at advanced stages, no other methods are applicable for the projects. The undeveloped lots for future development have been valued by the Comparison Method.

Summary of the computation by Residual Method for TSL is tabulated below:

Gross Development Value (GDV)	RM156,530,000
Gross Development Cost (GDC)	RM105,262,760
Developer's Profit	8%
Remaining Development Period	0.5 year
Present Value Discount Rate	4%

This project has 811 double storey terraced houses. 743 have been sold (91% sales) with 68 units unsold. On average, the range of selling price is RM265,000 to RM390,000.

Summary of Gross Development Value (GDV)

Gross Development Value is derived by reference to concluded selling prices of the units within the subject scheme and transacted prices of similar properties/projects.

15. VALUATION CERTIFICATES (Cont'd)

Date: 15th May 2023
Our Ref: 1.4411.23/WCK

Summary of Gross Development Cost (GDC)

No.	Items	Total Value of Works Completed/Certified Amount To-Date	Certified Amount	Balance Amount to be Paid
1	Preliminaries, Piling Works, Landscaping Works & External Works, and Building Work including M& E	RM98,489,044	RM70,047,405	RM28,441,639
2	Other costs	RM10,711,321	RM901,199	RM9,810,122
3	Professional Fees	RM3,168,749	RM2,311,108	RM857,641
4	Developer's Profit	8%	-	RM12,522,400

Remarks to Cost items

- For items 1 to 3, we have made reference to the actual contract and/or, Client's proposed costings and checked against with Construction Cost Handbook/Arcadis (2022). For item 2, other costs include capital contribution, contingencies, title subdivision & survey, admin, legal stamp duty & marketing fees. The figures are generally within industry range.
- The rate for this property type in the Construction Cost Handbook/Arcadis (2022) is in the range of RM100 to RM129 psf. Our analysed rate is RM125psf.
- Developer's Profit - As the project is ongoing and nearing completion, risks and uncertainties such as planning approval, site conditions, technical and legal issues have largely been removed. As sales achievement is about 91% (743 units), market risks have been significantly reduced. The main risk is therefore its actual completion. Accordingly, we have adopted 8% of gross development value as developer's profits.
- We have adopted an estimated development period of half (½) year in our valuation. Taking into consideration sales take-up of 91% and construction progress of 70% to 90% at the date of valuation, estimated development period is considered realistic.

Summary of the computation by Residual Method for RSA is tabulated below:

Gross Development Value (GDV)	RM154,180,000
Gross Development Cost (GDC)	RM118,175,238
Developer's Profit	15%
Remaining Development Period	4.5 years
Present Value Discount Rate	4%

Summary of Gross Development Value (GDV)

The total units of this project is 811 units under 5 phases with 166 units sold and 634 units unsold. The range of selling price is RM186,500 to RM205,000.

Gross Development Value is derived by reference to concluded selling prices of the units within the subject scheme and transacted prices of similar properties/projects.

Summary of Gross Development Cost (GDC)

No.	Items	Total Value of Works Completed/Certified Amount To-Date	Certified Amount	Balance Amount to be Paid
1	Preliminaries, Piling Works, Landscaping Works & External Works, and Building Work including M& E	RM78,325,194	RM25,160,927	RM53,164,267
2	Other costs	RM10,833,912	RM589,692	RM10,244,220
3	Professional Fees	RM2,823,623	RM850,142	RM1,973,481
4	Developer's Profit	15%	-	RM23,127,000

15. VALUATION CERTIFICATES (Cont'd)

Date: 15th May 2023
Our Ref: 1.4411.23/WCK

Remarks to Cost items

- For items 1 to 3, we have made reference to the actual contract and/or, Client's costings and checked against with Construction Cost Handbook/Arcadis (2022). For item 2, other costs include capital contribution, contingencies, title subdivision & survey, admin, legal stamp duty & marketing fees. This figures are generally within industry average.
- For building cost, based on the Construction Cost Handbook/Arcadis (2022) rate for low-cost flats below 6 storeys is in the range of RM45 to RM50 psf whilst high rise apartments are in the range RM87 to RM 130 psf. For M&E costs, the Construction Cost Handbook/Arcadis (2022) rate for this property type is in the range of RM15 to RM17 psf. Our analysed rate is RM125psf.
- Developer's Profit - As the project is ongoing, risks and uncertainties such as planning approval, site conditions, technical and legal issues have largely been removed. As sales achievement is about 20% (166 units), market risks have been significantly reduced. The main risk is therefore its actual completion. Accordingly, we have adopted 15% of gross development value as developer's profits.
- We have adopted an estimated development period of four and half (4½) years in our valuation. We are of the opinion the estimated development period is considered realistic.

Principal macro factors taken into consideration, in arriving at the market value using the residual and comparison methods, are as follows:

- The proposed development is located along Jalan Tuaran – Kota Belud, and therefore enjoys good visibility and direct accessibility.
- Demand for housing development is supported by K.K.I.P., which is a major driver and contributor of growth for the State, as it is only 15 km away.
- Development of the subject land as part of Bandar Seri Lemawang is spread over 5 years in several phases.

Comparison method for Vacant Lots under future development

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6
Title No.	CL 045317306	CL 045132303	NT 043197539	CL 045323402	CL 045316176 & 2 others	CL 045314832
Location	Kg Tamparuli, Jalan Berunggis-Tamparuli	Kg Bakut, Off Jalan Tuaran	Kg Tamparuli, Off Jalan Tamparuli Lama	Kg Minangkob, Jalan Tamparuli-Ranau	Kg Dalit, Jalan Rasa Ria	Kg Batangan, Off Jalan Bulong
Location analysis	At Kg. Ulu Sapat, about 1½ km from Tamparuli Town and 4½ km south-east from Tuaran Town	At Kg. Bakut. Telipok Town with public amenities is about 4 km south.	Next to a terraced housing estate and 1 km away from Tamparuli Town	At Kg. Minangkob. Tamparuli Town with public amenities is about 8 km west.	Next to Shangri-La Resort & Dalit Golf Club. Tuaran Town about 10 km south-east	½ km away from SK Tuaran, off Jalan Bolong, Tuaran town about 1 km south-east
Land Area	35,736 sq. ft.	2,029,964 sq. ft.	117,618 sq. ft.	172, 868 sq. ft.	493,206 sq. ft.	34,412 sq. ft.
Lease Remaining	5/7/2069	28/8/2924	Grant in Prepetuity	31/12/2084	31/12/2077 & 31/12/2076	31/12/2076
Transacted Date	5/10/2021	25/8/2022	24/11/2022	19/1/2023	5/2/2020	6/1/2021
Transacted Price	RM630,000	RM25,000,000	RM2,000,000	RM1,900,000	RM16,272,273	RM1,250,000
Transacted Price	RM17.64 psf	RM12.32 psf	RM17.00 psf	RM11.00 psf	RM33.00 psf	RM36.32 psf
Adjustments	General adjustments are made for time/market conditions and various factors inclusive of location, neighbourhood/township amenities, land size, terrain, title type, tenure, benefits of DP and land improvements					
Land Value After Adjustment	RM20.28 psf	RM15.39 psf	RM19.04 psf	RM15.95 psf	RM42.57 psf	RM38.14 psf

In arriving at the Market Value, we have taken into consideration each aspect of the comparables in terms of time/market conditions, location, neighbourhood/township amenities, land size, terrain, title type, tenure, benefits of DP, common infrastructure and land improvements. After making adjustments, the values derived are between RM15.39 psf to RM42.57 psf.

In adopting the rate to derive the value of the vacant lots as part of the future development of Bandar Seri Lemawang with shared of common infrastructure, we have placed greater emphasis on

15. VALUATION CERTIFICATES (Cont'd)



Date: 15th May 2023
Our Ref: 1.4411.23/WCK

Comparable 2. Taking into consideration all the relevant factors, we have adopted the rate of RM15.50 psf as a fair representation of the subject properties' market value.

Valuation Computation (Based on most suitable rate after adjustment) for undeveloped lots (Lot 3 to Lot 7 & Lot A)

Based on their total land area of 3,566,368 sq. ft. and a rate of RM15.50 psf the total value of the vacant lots is RM55,278,706.00. After adjusting for the Unpaid JV Consideration, the total JV Rights Value is RM32,800,000.00 equivalent to RM9.20 psf. An end deduction for the kampung house in Lot A is allowed at RM50,000.00. The total land value for Lot 3 to 7 and Lot A is therefore RM32,750,000.00.

VALUATION

Having taken all factors known to us into consideration, we are of the opinion that the market value of the joint venture rights on the basis set out earlier as at 28th February 2023 are as follows:

Taman Seri Lemawang	-	RM13,700,000.00 (RINGGIT MALAYSIA THIRTEEN MILLION AND SEVEN HUNDRED THOUSAND ONLY)
Residensi Seri Akasia	-	RM18,300,000.00 (RINGGIT MALAYSIA EIGHTEEN MILLION AND THREE HUNDRED THOUSAND ONLY).
Vacant Lots for Future Development	-	RM32,750,000.00 (RINGGIT MALAYSIA THIRTY TWO MILLION SEVEN HUNDRED AND FIFTY THOUSAND)

4.0 INTEREST BEING VALUED : THE JOINT VENTURE RIGHTS TO AN ON-GOING MIXED COMMERCIAL/RESIDENTIAL DEVELOPMENT KNOWN AS THE LOGG, ALONG JALAN LINTAS, LUYANG, 88300, DISTRICT OF KOTA KINABALU, SABAH.

Subject Property	A prime mixed commercial/residential development with main road frontage along Jalan Lintas in an established and sought-after locality.
Location	Lintas commercial area, Luyang locality
Date of Inspection / Valuation	28 th February 2023

TITLE DETAILS

Title No.	CL 015721276
Registered Owner	Lembaga Pembangunan Perumahan dan Bandar (LPPB)
Land Area	1.767 Hectares / 4.37 acres
Tenure	99 years with 92¾ years unexpired

JOINT VENTURE AGREEMENT (JVA)

JVA	A Joint Venture Agreement was executed on 22 nd April 2015 between Lembaga Pembangunan Perumahan dan Bandar (LPPB), as the landowner/developer and K.T.I as the financing contractor.
	Landowner's Entitlement - RM46,530,000
	Amount Paid - RM29,951,654
	Outstanding Balance - RM16,578,346

PROJECT DETAILS

Site Description	The subject land is being developed as a mixed commercial/residential project known as The Logg. As it is along Jalan Lintas, it enjoys good accessibility and visibility. Construction work is now at superstructure
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15. VALUATION CERTIFICATES (Cont'd)

Date: 15th May 2023
Our Ref: 1.4411.23/WCK

Development Overview

stage reaching Level 3, is about 25%. Development was approved by Dewan Bandaraya Kota Kinabalu on 9th February 2023 (*vide Ref: DBKK No. JPB X/204/IX(13)*)

Details of the proposed development are as follows:

Retail Shops (Boulevard Mall) have 62 units comprising 3 kiosk units at basement level (457 sq. ft to 463 sq. ft.), Level 1 & 2 with 45 shop lots (370 sq. ft. to 19,443 sq. ft.), mezzanine (1,016 sq. ft.), and 9 kiosk units (238 sq. ft. to 503 sq. ft.) 4 outdoor alfresco units at Level 1 & 3 (2,044 sq. ft.)

Offices Tower have 32 units from Level 3 to 4H and Level 6 with 10 to 11 units per level. Average size is about 556 sq. ft to 2,216 sq. ft.

Two towers of Serviced Suites with two types. There are 542 units with sizes ranging from 681 sq. ft. to 1,313 sq. ft.

Single tower of Parkhill Apartments (Affordable Homes) with 250 units. Each level comprises 9 units. The size ranging from 620 sq. ft to 850 sq. ft. from level 11 to level 38.

4 stars Hotel (Avani Hotel) have 370 units with 17 rooms each floor. Guest rooms start from Levels 13 to 18 and Levels 22 to 35. Luxury suites and presidential suite are at level 36. Room sizes are between 353 sq. ft. to 2,075 sq. ft. Standard room size is 301 sq. ft.

Sales performance Car Parks total 1,740 bays
31 units sold out of 572 units for serviced suites
210 units sold out of 250 units for Parkhill Apartments (*Affordable Homes*)
Overall, sales is about 30% average sales excluding the Hotel and retail space which are held as investments.

Commencement Date July 2019
Completion Date December 2025

VALUATION METHODS**Residual Method (Primary Method)**

We have adopted the Residual Method in order to arrive at the market value of the subject property. As a check on the overall magnitude of value, we have taken into account the market value of the land to which is then added the cost incurred and progress claim.

Summary of the computation by the residual method is tabulated below.

Gross Development Value (GDV)	RM1,091,481,910
Gross Development Cost (GDC)	RM745,306,571
Developer's Profit	18%
Remaining Development Period	4.25 years
Present Value Discount Rate	4%

15. VALUATION CERTIFICATES (Cont'd)

Date: 15th May 2023
Our Ref: 1.4411.23/WCK

Summary of Gross Development Value (GDV)

Description	Floor Area (sq. ft.)	No. of unit	Adopted Rate (RM)/ psf	Total (RM)
Retail				
B1	1,378	3	2,250	3,100,500
L1	45,409	28	2,200	99,899,800
L2	49,054	30	2,100	103,013,400
L3	2,044	1	1,500	3,066,000
Offices				
L3	11,901	10	600	7,140,600
L4	12,521	11	600	7,512,600
L6	12,419	11	600	7,451,400
Hotel - (4 star Hotel)	188,648	370	800.000	296,000,000
Service Suites -Astoria & Shorea	539,614	542	805	434,389,270
Affordable Homes – Parkhill	199,620	250	557	111,188,340
Car Parks	468 units		40,000	18,720,000
Total		1,256		1,091,481,910

Gross Development Value is derived by reference to concluded selling prices of the units within the subject scheme and transacted prices of similar properties/projects.

Summary of Gross Development Cost (GDC)

No.	Items	Total Value of Works Completed/Certified Amount To-Date	Certified Amount	Balance Amount to be Paid
1	Preliminaries, Piling Works, and External Works including M& E	RM78,325,194	RM25,160,927	RM53,164,267
2	Other costs	RM10,833,912	RM589,692	RM10,244,220
3	Professional Fees	RM2,823,623	RM850,142	RM1,973,481
4	Finance Charges	RM28,000,000	RM831	RM27,999,169
5	Developer's Profit	18%	-	RM196,466,744

Remarks to Cost items

- For items 1 to 3, we have made reference to the actual contract and/or, Client's costings and checked against with Construction Cost Handbook/Arcadis (2022). For item 2, other costs include capital contribution, contingencies, title subdivision & survey, admin, legal stamp duty & marketing fees. The figures are generally within industry average.
- For building cost, based on Construction Cost Handbook/Arcadis (2022) rates are as follows:
 - Elevated car parks, ranging from RM91 to RM114 psf, commercial space ranging from RM262 to RM298 psf, residential space from ranging RM149 to RM214 psf and Hotel accommodation from ranging RM486 to RM536 psf
 - We have adopted RM100 psf for elevated car park, RM285 psf for commercial space, RM190 psf for residential space and RM500 psf for the Hotel.
- Developer's Profit - As the project is ongoing and nearing completion, risks and uncertainties such as planning approval, site conditions, technical and legal issues have largely been removed. As sales achievement is about 30% (241 units for serviced suites and parkhill apartments), market risks have been significantly reduced. The main risk is therefore its actual completion. Accordingly, we have adopted 18% of gross development value as developer's profits.
- We have adopted an estimated development period of 4¼ years in our valuation. We are of the opinion the estimated development period is considered realistic based on the sales performance to date.

15. VALUATION CERTIFICATES (Cont'd)

Date: 15th May 2023
Our Ref: 1.4411.23WCK

Comparison Method (Check Method)

Title No.	CL 015679320	CL 015270747 & CL 015270756	CL 015020694 & 4 others
Description	Highly visible, walking distance to Sutera Harbour, KK Times Square, Imago Mall & Riverson	Two adjoining lands with walking distance to Shangri-la Tanjung Aru and Kinabalu Golf Club, Tanjung Aru	A large block of land held under 5 adjoining titles in a well-established area
Locality	Land beside Sutera Venure, Jalan Coastal	Lands beside Kinabalu Golf Club, Tanjung Aru	Jalan Lintas, Kolombong
Surroundings	Shopping complexes, retail, squalid housing	Golf club, hotel & resorts, condominium, housing	Golf course, commercial developments, industrial area
Road Frontage	Fronting onto six lane carriageway and near flyover	Fronting onto dual lane carriageway	Fronting onto five lane carriageway
Land area	25,507 sq. ft.	73,087 sq. ft.	368,723 sq. ft.
Development & Building Approval	None	None	None
Zoning	Commercial City Centre	High Density Residential	Mixed Uses
Special Terms/Clause	Commercial Building	Residential Building	Housing & Commercial Development
Height Restriction	Up to 10-storeys	Up to 15-storeys	Up to 30-storeys
Transacted Date	28/08/2018	25/02/2021	11/8/2017, 14/8/2017, 28/8/2017, 12/12/2017
Tenure	99 years	999 years	999 years
Remaining Term	78 years	903 years	901 years
Transacted Price	RM10,713,129	RM35,000,000	RM208,000,000
Transacted Price	RM420 psf	RM479 psf	RM564 psf
Adjustments	General adjustments are made for time/market conditions and various factors inclusive of location, beach frontage, accessibility, visibility, land size, development & building approval, zoning, title use terms, height restriction and tenure		
Land Value After Adjustment	RM538 psf	RM733 psf	RM744 psf

In arriving at the Market Value, we have taken into consideration relevant aspects of the comparables in terms of time/market conditions, location, beach frontage, accessibility, visibility, land size, development & building plan approval, title use terms, height restriction and tenure. After adjustments, the values derived are between RM538 psf to RM744 psf.

In adopting the rate to derive The Logg's value, we have placed greater emphasis on Comparable 3 which is along the same road, about 3 km from the subject property, and of about the same size magnitude. Taking into consideration all the factors above, we have adopted the rate of RM745 psf to derive its value. Cost incurred, sales received and unpaid JV have taken into account and the value is derived at RM190,000,000.

Principal macro factors taken into consideration, in arriving at the market value using the residual and comparison methods are as follows:

- 1) The subject property enjoys excellent access as it is along Jalan Lintas which is a major route for convenient all-weather access to Kota Kinabalu City Centre and all principal destinations.
- 2) As it fronts onto Jalan Lintas, the project enjoys good visibility with prime advertising frontage.
- 3) The project is in a prime locality with proximity to all attendant amenities including recreational facilities, banking facilities, commercial activities, dining and entertainment outlets and shopping conveniences.
- 4) The tourism market is recovering with room rates and occupancy improving. Full recovery is expected within the project's completion time frame.
- 5) Sales of service suites are also improving in tandem with such expectations.

RECONCILIATION OF VALUES DERIVED

Residual Method	=	RM190,000,000.00
Comparison Method	=	RM190,000,000.00
Adopt	=	RM190,000,000.00

15. VALUATION CERTIFICATES (Cont'd)

Date: 15th May 2023
Our Ref: 1.4411.23/WCK

From the above approaches, the values derived are similar. However, the Residual Method is considered the more reliable approach in this case to arrive at the Market Value of the joint-venture rights to the subject property. This is because it reflects the overall concept of the project with its different components, its development density and locational attributes. The Comparison Method does not adequately capture the project features and is therefore used as a check on the overall magnitude of our valuation.

5.0 FOUR (4) ADJOINING DETACHED HOUSE PLOTS AT TAMAN LAVENDER, OFF JALAN LINTAS, 88300, KOTA KINABALU, SABAH.

Subject Property 4 adjoining detached house plots in the sought-after Luyang locality
Location Taman Lavender, off Jalan Lintas, 88300, Kota Kinabalu, Sabah
Date of Inspection / Valuation 28th February 2023

TITLE DETAILS

Title Nos. CL 015654743, CL 015654752, CL 015654761 & CL 015654770
Registered Owner K.T.I. Development Sdn Bhd
Land Area

Title No.	Lot No.	Land Area (sq. ft.)
CL 015654743	201	22,390
CL 015654752	202	9,963
CL 015654761	203	19,985
CL 015654770	204	9,599
Total		61,937

Tenure (all titles) 99 years expiring on 31st December 2103 with 80¼ years unexpired.
[Title tenure shall be reinstated to 999 years based on Letter of Offer from Jabatan Tanah dan Ukur (JTU) dated 30th December 2021 with premium of RM1,000 each paid and pending endorsement on the title by Land and Surveys Department]

PROPERTY DETAILS

Property Description The subject properties are 4 adjoining detached house plots within Taman Lavender held under Country Lease titles with the individual plot details tabulated above.
Generally, the plots are vacant but we note that there is a permanent single storey structure (82 sq. ft. x 20 sq. ft.) with 5 rooms and 2 toilets at CL 015654743 which can be used as an outbuilding and incorporated as part of a bungalow house when the property is developed. However, as Occupation Certificate not obtained, the value of building has been ignored.
Planning Use Residential Low Density [R(L)]

15. VALUATION CERTIFICATES (Cont'd)

Date: 15th May 2023
Our Ref: 1.4411.23WCK

VALUATION METHOD

We have adopted the Comparison Method in order to arrive at the market value of the subject properties. As these are vacant house plots within a residential suburb, there is no other alternative method.

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6
Title No.	CL 015485248	CL 015363407	CL 015589232	CL 015343843	CL 015487340	CL 015385654 & CL 015385663
Location	Jalan Gunung Bintang, Taman Prima Jaya Phase 1	Lot 35, Lorong Pelanduk 3, Taman Kinamout	Lot 458, Lorong Pokok Resam 5, Taman BDC Likas, Phase 12A	Lorong Tasbeh 1, Shangrila Estate	Lot 28, Lorong Pokok Seraya 1, Taman Khidmat	Off Jalan Penempatan, Jalan Shantung
Locality Analysis	Corner lot along Lorong Gunung Bintang. Near to the subject property	Backing onto open space. In established locality	Front and rear frontages. Detached houses enclave	Hilltop site along Jalan Bunga Tasbeh. Narrow winding access	Backing onto SGCC. Detached housing locality	Hilltop site at relatively undeveloped ridge. Narrow winding access.
Topography	Flat	Flat	Flat	Steep slopes	Flat	Hilltop with steep sides
Land Area	9,065 sq. ft.	8,120 sq. ft.	14,424 sq. ft.	22,879 sq. ft.	9,746 sq. ft.	30,855 sq. ft.
Land Shape	Rectangular	Rectangular	Rectangular	Pentagonal	Rectangular	Trapezoidal but roughly squarish
Covenant	Transfer subject to building house. Transfer prohibition to company not individuals	Building Covenant but no time frame	Building Covenant extended to 1 st Jan 2024	Covenant free	Building Covenant extended to Jan 2027	Building Covenant which does not prohibit transfer
Tenure	99 years	999 years	999 years	999 years	99 years	99 years
Lease Remaining	59 years	891 years	901 years	903 years	59 years	45 years
Transacted Price	RM2,066,152	RM1,665,000	RM2,900,000	RM4,150,000	RM2,000,000	RM7,000,000
Rates	RM228 psf	RM205 psf	RM201 psf	RM181 psf	RM205 psf	RM227 psf
Transacted Date	23/02/2022	07/06/2022	10/08/2022	25/08/2022	26/09/2022	15/12/2022
Adjustments	General adjustments are made for time/market conditions and various factors inclusive of locality, neighbourhood, views, topography, land area, land shape, expiring covenants and tenure					
Land Value After Adjustments	RM233 psf	RM176 psf	RM211 psf	RM184 psf	RM201 psf	RM253 psf

In arriving at the Market Value, we have taken into consideration relevant aspects of the comparables in terms of time/market conditions, locality, neighbourhood, views, topography, land area, land shape, expiring covenants and tenure. After making adjustments, the values derived are between RM176 psf to RM253 psf.

Macro factors that we have taken into consideration are as follows:-

- 1) The subject house plots are about 5 km from Kota Kinabalu City Centre and are near to major commercial amenities, schools, clinics and religious establishments.
- 2) The subject properties are in the sought after Luyang residential suburb.
- 3) Availability of suitable house plots are generally quite limited. The property market is generally resilient and stable.

VALUATION

Having considered all factors known to us, our opinion of the subject properties' market value, free of all encumbrances and with vacant possession, on 28th February 2023 is **RM12,700,000 (RINGGIT MALAYSIA TWELVE MILLION AND SEVEN HUNDRED THOUSAND ONLY)**

15. VALUATION CERTIFICATES (Cont'd)

Date: 15th May 2023
Our Ref: 1.4411.23/WCK

6.0 FIVE (5) STUDIO APARTMENTS AT TAMAN NELLY PHASE 8D, JALAN NOUNTUN, KOLOMBONG, 88450, KOTA KINABALU, SABAH.

Subject Properties Unit Nos. D-2-26, D-2-08, D-2-28, D-3-05 & D-3-12 Taman Nelly Phase 8D, Jalan Nountun, Kolombong, 88450, Kota Kinabalu

Location Located in the Kolombong locality which is primarily an industrial area but with residential developments

Date of Inspection / Valuation 28th February 2023

TITLE DETAILS

Master Title No. CL 015605419

Registered Owners Edward S. Jaip & Landmark Property Sdn. Bhd.

Land Area 4.669 Hectares (11.5 acres)

Tenure 99 years with 78¾ years unexpired

Note: Individual subsidiary titles shall be issued in due course for the subject properties

PROPERTY DETAILS

Property Description Accommodation of each unit comprises a living/dining/bedroom area, open kitchen and shower/w.c. as a single large room to maximise space utilisation Details are as follows:

Level	Unit Nos.	Type	Provisional Floor Areas (each unit)
Level 2	D-2-26	A	257 sq. ft. (23.88 sq. m.)
	D-2-08		
Level 3	D-2-28	B	242 sq. ft. (22.48 sq. m.)
	D-3-05		
	D-3-12		

Beneficial Owner (all units) Landmark Property Sdn. Bhd
[Based on Trust Deed dated 27th February 2004 (Ref No. JT/C/2002/46/tss) and 11th August 2005 (Ref No. JT/C/2002/55TSSs)]

Occupation Certificate Issued by Dewan Bandaraya Kota Kinabalu on 17th May 2013.

Tenancy Details The studio units are tenanted with average monthly rental between RM350 to RM700. Tenancy period of these units starts from 1st July 2022 to 30th November 2023.

VALUATION METHODS

We have adopted the Comparison and Investment Method in order to arrive at the market value of the subject property.

Comparison Method

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Property Address	Unit No. D-4-37, Taman Nelly Phase 8D	Unit No. D-3-45, Taman Nelly Phase 8D	Unit No. D-2-17, Taman Nelly Phase 8D	Unit No. D-5-27, Taman Nelly Phase 8D	Unit No. D-7-18, Taman Nelly Phase 8D
Floor Area	242 sq. ft. (22.5 sq. m.)	242 sq. ft. (22.5 sq. m.)	242 sq. ft. (22.5 sq. m.)	257 sq. ft. (23.9 sq. m.)	257 sq. ft. (23.9 sq. m.)
Date of Transaction	06/11/2019	04/09/2020	01/12/2021	28/02/2022	16/06/2022
Transacted Price	RM150,000	RM150,000	RM150,000	RM148,000	RM200,000
Rate	RM618/psf	RM618/psf	RM618/psf	RM576/psf	RM778/psf

Based on comparison method, we have adopted the rate about RM570 psf to RM770 psf based on JPPH data.

15. VALUATION CERTIFICATES (Cont'd)



Date: 15th May 2023
Our Ref: 1.4411.23/WCK

Investment Method

No.	Description	Parameters
1	Gross Monthly Rental Term	RM1.45 psf to RM2.72 psf
2	Gross Monthly Rental Reversionary	RM2.90 psf to RM3.00 psf
3	Service Charge - Term	RM0.26 psf to RM0.27 psf
4	Service Charge - Reversionary	RM0.35 psf
5	Voids	10%
7	Capitalisation Rate – Term	4.50%
8	Capitalisation Rate – Reversion	4.25%

Remarks to the above items

- 1) For item 1, we have adopted the term rental for occupied units and for item 2, reversionary rents are based on current rates in the estate, in the range of RM3.00 psf to RM3.50 psf.
- 2) We have allowed for an increase in service charges at the reversionary period in anticipation of higher cost of management and maintenance.
- 3) Deduction is allowed for service charge & sinking fund, insurance, assessment rates and void cost

RECONCILIATION OF VALUES DERIVED

Comparison Method	-	RM760,000.00
Investment Method	-	RM745,000.00
Adopt	-	RM760,000.00

As the comparable method is market driven and as there are sufficient transactions of units similar to the subject properties, the Comparison Method is considered as more robust and preferred in this case. The Investment Method in this case is less reliable as rental data obtained are asking rental prices and not actual tenancies. Accordingly, we have adopted RM760,000 as the total market value for the subject properties.

7.0 A CORNER 3-STOREY SHOPOFFICE KNOWN AS LOT NO. 68, LORONG BUAH PALA 3, WISMA LTF, TAMAN NELLY, 88450, KOTA KINABALU, SABAH AND HELD UNDER INDIVIDUAL TITLE NO. CL 015479197

Subject Property Lot No. 68, Lorong Buah Pala 3, Wisma LTF, Taman Nelly, 88450, Kota Kinabalu, Sabah

Location Located in the prime Kolombong locality

Date of Inspection / Valuation 28th February 2023

TITLE DETAILS

Title No CL 015479197

Registered Owner K.T.I. Sdn. Bhd.

Land Area 1,174 sq. ft. (109.1 sq. m.)

Tenure 999 years with 902¼ years unexpired

PROPERTY DETAILS

Property Description A corner 3-storey shopoffice at the south-west wing of Wisma LTF, this property occupies a 1,174 sq. ft. (109.1 sq. m.) building plot. It is in its original design but has been renovated internally for use as offices. An individual staircase provides access to its upper levels.

Built-Up Area The total floor areas are as follow:
Main Floor Area 3,306 sq. ft. (307.2 sq. m.)
Ancillary Floor Area 396 sq. ft. (36.9 sq. m.)

Occupation Certificate Issued by Dewan Bandaraya Kota Kinabalu on 18th March 1987.

15. VALUATION CERTIFICATES (Cont'd)

Date: 15th May 2023
Our Ref: 1.4411.23/WCK

VALUATION METHODS

We have adopted the Comparison and Investment Methods in order to arrive at the market value of the subject property.

Comparison Method

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Title No.	CL 015454574	TL 017564420	CL 015157463	CL 015348544
Location	Lot No. 16, Block A, Kolombong Industrial Development	Lot 1, Block E, KK Taipan, Jalan Tuaran	Lot 35, Inanam Commercial Centre, Jalan Tuaran	Lot No. 1, Jalan Gunung Bintang, Taman Dai Ming
Property	3-storey intermediate light industrial shop	3-storey corner shopoffice	3-storey intermediate shopoffice	2-storey corner shopoffice
Locality Analysis	In sought after industrial locality	New commercial precinct next to Inanam Township	In commercial precinct next to Taman Kopeks	Neighbourhood shop within established residential locality
Accessibility	Good	Good	Fair	Fair
Visibility	Good	Fair	Fair	Fair
Built-Up Area	3,597 sq. ft.	4,404 sq. ft.	4,947 sq. ft.	2,862 sq. ft.
Building Condition	Fair	Good	Fair	Below average
Title Status	Individual Title	Master Title	Master Title	Individual Title
Tenure	999 years	99 years	999 years	99 years
Lease Remaining	903 years	83 years	906 years	48 years
Distance to subject property	1 km	2.4 km	2.7 km	7 km
Transacted Price	RM1,350,000	RM1,850,000	RM1,500,000	RM1,200,000
Transacted Price	RM375 psf	RM420 psf	RM303 psf	RM419 psf
Transacted Date	17/06/2020	18/05/2021	01/12/2022	5/01/2023
Adjustments	General adjustments are made for time/market conditions and various factors inclusive of location, advertising advantage, title status, size, type, building condition and tenure			
Land Value After Adjustment	RM416 psf	RM420 psf	RM361 psf	RM427 psf

In arriving at the Market Value, we have taken into consideration relevant aspects of the comparables in terms of time/market conditions, location, advertising advantage, title status, size, type, building condition and tenure. After adjustments, the values derived are between RM361 psf to RM427 psf.

In adopting the rate to derive Lot 68's market value, both Comparables 1 and 2 are considered suitable. Comparable 1 is in the immediate locality of the subject property but is an intermediate unit. Comparable 2 is a corner unit as is the subject property but has a much larger built-up area. We note that the average rate is RM406 which is slightly lower than the subject property. Having regard to all relevant factors, our adopted rate of RM420 psf in our opinion is a fair representation of the market value.

Investment Method

A summary of the Investment Method is tabulated below for easy reference.

No.	Description	Parameters
1	Annual Gross Income	Ground Floor - RM2.80 psf First Floor - RM2.00 psf Second Floor - RM1.50 psf
2	Outgoings	RM1.13 psf (4.5%)
3	Void	8%
4	Capitalisation Rate	4.25%

Estimated rents are based on current rental rates in the vicinity. Generally, prevailing ground floor

15. VALUATION CERTIFICATES (Cont'd)

Date: 15th May 2023
Our Ref: 1.4411.23/WCK

Estimated rents are based on current rental rates in the vicinity. Generally, prevailing ground floor rates range from RM2.50 to RM4.20. First floor rentals are between RM1.80 to RM2.30 whilst second floor are about RM1.20 to RM1.70. Deduction is allowed for outgoings and voids. Outgoings reflect general maintenance, insurance and assessment rate. General redecoration at a lump sum of RM15,000 equivalent to RM4.50 psf is allowed to improve its overall appearance prior to letting.

RECONCILIATION OF VALUES DERIVED

Comparison Method	-	RM1,550,000.00
Investment Method	-	RM1,700,000.00
Adopt	-	RM1,600,000.00

From the above, the Comparison Method appears to be more reliable in arriving at the Market Value of the subject property. This is due to the fact that there are numerous transactions of units reasonably similar to the subject property. The Investment Method in this case is less robust as the rental data obtained are generally based on asking rental prices with limited actual tenancies as supporting evidence. Furthermore, the capitalization rate is based on our general experience and yields of other asset classes and not on actual analysed yields. Having regard to both approaches and based on our knowledge and understanding of the market, we have adopted the Market Value as expressed above for the subject property.

8.0 THE FIRST AND SECOND FLOORS OF A CORNER 3-STOREY SHOPOFFICE KNOWN AS LOT NO. 69, LORONG BUAH PALA 3, WISMA LTF, TAMAN NELLY, 88450, KOTA KINABALU, SABAH.

Subject Property	First and Second Floors, Lot No. 69, Lorong Buah Pala 3, Wisma LTF, Taman Nelly, 88450, Kota Kinabalu, Sabah
Location	Located in the prime Kolombong locality
Date of Inspection / Valuation	28 th February 2023

TITLE DETAILS

Title No	CL 015479204
Registered Owners	K.T.I. Sdn. Bhd. (Co. No. 125931-U) - $\frac{2}{3}$ Shares Chong Nyuk Oi (NRIC No. 290725-12-5002) - $\frac{1}{6}$ Shares Kong En Leong (NRIC No. 560208-71-5263) - $\frac{1}{12}$ Shares Kong En Phin (NRIC No. 580605-71-5433) - $\frac{1}{12}$ Shares <i>Note: The subject properties relate to the $\frac{2}{3}$ shares under K.T.I Sdn. Bhd.</i>
Land Area	1,587 sq. ft. (147.4 sq. m.)
Tenure	999 years with 902 $\frac{1}{4}$ years unexpired

PROPERTY DETAILS

Property Description	Comprising the first and second floors, the subject properties are at the corner of a row of 3 storey shopoffices. They are in their original design but with internal renovations. Both levels were used as offices but are now unoccupied. Access is via staircases.
Built-Up Area	The total floor areas are as follow: Main Floor Area 2,664 sq. ft. (247.4 sq. m.) Ancillary Floor Area 510 sq. ft. (47.4 sq. m.)
Occupation Certificate	Issued by Dewan Bandaraya Kota Kinabalu on 18 th March 1987.

15. VALUATION CERTIFICATES (Cont'd)**A Z M I & C O**

Date: 15th May 2023
Our Ref: 1.4411.23/WCK

VALUATION METHODS

We have adopted the Comparison and Investment Methods in order to arrive at the market value of the subject property.

Comparison Method**First Floor**

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Title No	ST 010553376	TL 017703801	CL 015586142	CL 015652865	CL 015494394
Location	1 st Floor, Unit B-1-22, Kuala Inanam, Plaza Kingfisher	1 st Floor, Unit No. A-1-13, Jalan Tuaran, KK Taipan	1 st Floor, Unit No. E-1-34, Jalan Lintas, Iramanis Centre	1 st Floor, Unit No.15, Jalan Tuaran, Inanam Square	1 st Floor, Unit No. 1, Block 1A, Jalan Seoangar, Alam Puteri
Property Type	3-storey intermediate shopoffice	3-storey corner shopoffice	3-storey intermediate shopoffice	3-storey intermediate shopoffice	3-storey corner shopoffice
Locality Analysis	Within established residential	Next to Inanam Township	Commercial precinct along main road	Located closed to Inanam Township	Located at Sepangar locality
Accessibility	Good	Good	Excellent	Fair	Fair
Visibility	Good	Fair	Fair	Fair	Fair
Title Status	Subsidiary Title	Master Title	Master Title	Master Title	Master Title
Tenure	99 years	99 years	99 years	99 years	99 years
Lease Remaining	64 years	82 years	69 years	54 years	66 years
Built-Up Area	1,160 sq. ft.	1,495 sq. ft.	1,440 sq. ft.	1,200 sq. ft.	1,305 sq. ft.
Building Condition	Fair	Good	Fair	Fair	Excellent
Distance to subject property	4.2 km	2.4 km	1.8 km	2.0 km	10 km
Transacted Price	RM480,000	RM650,000	RM610,000	RM500,000	RM414,000
Transacted Price	RM414 psf	RM435 psf	RM424 psf	RM417 psf	RM317 psf
Transacted Date	9/9/2021	4/1/2022	28/01/2022	16/03/2022	22/11/2022
Adjustments	General adjustments are made for time/market conditions and various factors inclusive of location, advertising advantage, title status, size, type, building condition and tenure				
Value after adjustment	RM484 psf	RM387 psf	RM491 psf	RM471 psf	RM320 psf

In arriving at the Market Value, we have taken into consideration relevant aspects of the comparables in terms of time/market conditions, location, advertising advantage, title status, size, type, building condition and tenure. After adjustments, the values derived are between RM320 psf to RM491 psf.

In adopting the rate to derive the Lot 69, first floor shopoffice's value, we have placed greater emphasis on Comparable 4 as it is the near to the subject property and with other similar attributes. Average rates have been distorted by Comparable 5 which has a very low rate of RM320 psf. This comparable is not in the same locality as the other comparables and if it is excluded average rate is about RM458 psf. Taking into consideration all the relevant factors, we have adopted the rate of RM450 psf in our valuation as a fair representation of the market value.

Second Floor

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Title No.	CL 015663055	CL 015652865	CL015586142	CL 015494394
Location	3 rd Floor, Unit No. 3, Jalan Lintas, Bunga Raja Shopping Complex	2 nd Floor, Unit No. 15, Jalan Tuaran, Inanam Square	2 nd Floor, Unit No. C-2-20, Jalan Lintas, Iramanis Centre	2 nd Floor, Unit No. 2, Block 1A, Jalan Sepangar, Alam Puteri (Princess Heights)

15. VALUATION CERTIFICATES (Cont'd)



Date: 15th May 2023
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Property Type	4-storey intermediate shopoffice	3-storey intermediate shopoffice	3-storey corner shopoffice	3-storey intermediate shopoffice
Locality Analysis	Commercial precinct along main road	Located closed to Inanam Township	Commercial Precinct along main road	Located at Sepangar locality
Accessibility	Excellent	Fair	Excellent	Fair
Visibility	Good	Fair	Fair	Fair
Title Status	Master Title	Master Title	Master Title	Master Title
Tenure	999 years	99 years	99 years	99 years
Lease Remaining	902 years	54 years	69 years	66 years
Built-Up Area	1,800 sq. ft.	1,200 sq. ft.	1,500 sq. ft.	1,266 sq. ft.
Building Condition	Fair	Fair	Fair	Excellent
Distance to subject property	1.0 km	2.0 km	1.8 km	10 km
Transacted Price	RM470,000	RM300,000	RM550,000	RM256,000
Transacted Price	RM261 psf	RM250 psf	RM367 psf	RM202 psf
Transacted Date	01/03/2022	23/02/2022	09/05/2022	22/11/2022
Adjustment	General adjustments are made for time/market conditions and various factors inclusive of location, advertising advantage, title status, size, type, building condition and tenure			
Value after adjustment	RM298	RM268	RM363	RM228

In arriving at the Market Value, we have taken into consideration each aspect of the comparables in terms of time/market conditions, location, advertising advantage, title status, size, type, building condition and tenure. After adjustments, the values derived are between RM228 psf to RM363 psf.

In adopting the rate to derive Lot 69's second floor shopoffice value, we have placed greater emphasis on Comparable 2 as it is the near to the subject property and with other similar attributes. Average rates have been distorted by Comparable 4 which has a very low rate of RM228 psf. This comparable is not in the same locality as the other comparables and if it is excluded average rate is about RM310 psf. Taking into consideration all relevant factors, we have adopted the rate of RM270 psf in our valuation as a fair representation of the market value.

Investment Method

A summary of the Investment Method is tabulated below for easy reference.

No.	Description	Parameters
1	Annual Gross Income	First Floor - RM1.95 psf Second Floor - RM1.45 psf
2	Outgoings	} deductions RM0.78 psf to RM1.05 psf (1 st & 2 nd Floor)
3	Void	
4	Capitalisation Rate	

Estimated rents are based on current rental rates in the vicinity. Generally, prevailing rates for first floor range from RM1.80 to RM2.30 whilst second floor are about RM1.20 to RM1.70. Deduction is allowed for outgoings Outgoings reflect general maintenance, insurance and assessment rate. General redecoration at RM10,000 for each floor is allowed in order to improve their overall appearance prior to letting.

RECONCILIATION OF VALUES DERIVED

Investment Method	-	RM1,100,000
Comparison Method	-	RM1,140,000
Adopt	-	RM1,100,000

From the above, the Comparison Method appears to be the more reliable in arriving at the Market Value of the subject property. This is due to the fact that there are numerous transactions of units

15. VALUATION CERTIFICATES (Cont'd)
A Z M I & C O

Date: 15th May 2023
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reasonably similar to the subject property. The Investment Method in this case is less robust as the rental data obtained are generally based on asking rental prices with limited actual tenancies as supporting evidence. Furthermore, the capitalization rate is based on our general experience and yields of other asset classes and not on actual analysed yields. The values adopted is, however, tempered by our experience & knowledge in the market

9.0 A CORNER 4-STOREY CORPORATE OFFICE BUILDING KNOWN AS LOT NO. 222, TAMAN NELLY 9 (SUB-PHASE 4), LORONG NELLY PLAZA, JALAN NOUNTUN, 88444, KOTA KINABALU, SABAH.

Subject Property Lot No. 222, Taman Nelly 9 (Sub-Phase 4), Lorong Nelly Plaza, Jalan Nountun, 88444, Kota Kinabalu, Sabah
Location Located in the prime Kolombong locality
Date of Inspection / Valuation 28th February 2023

TITLE DETAILS

Master Title No NT 013057353 (now surrendered, pending issuance and registration of individual title to the subject property)
Registered Owner Edward S. Jaip
Beneficial Owner K.T.I. Sdn. Bhd. [Based on Trust Deed dated 16th December 2009]
Land Area 2.A 3.R. 30.P
Tenure Grant in Perpetuity
Special Terms Padi (Draft Individual title is ready to be issued. Use is for a 4-storey shopoffice).

PROPERTY DETAILS

Property Description A corner 4-storey block, this property has been renovated into the corporate office of K.T.I. Sdn Bhd, developer of the Taman Nelly scheme. This block is larger than the norm with a provisional land area of 3,607 sq. ft. (335.1 sq. m.) which is more than the size of 2 shoplots. Ground floor is used as showroom gallery. Upper floors are used as offices and may be reached from the ground level by stairs or lift.
Built-Up Area Total floor areas are as follow:
Main Floor Area 11,172 sq. ft. (1,037.9 sq. m.)
Ancillary Floor Area 2,900 sq. ft. (269.4 sq. m.)
Occupation Certificate Issued by Dewan Bandaraya Kota Kinabalu on 10th September 2012.

VALUATION METHODS

We have adopted the Comparison and Investment Method in order to arrive at the market value of the subject property.

Comparison Method

Details	Comparable 1	Comparable 2	Comparable 3
Title No.	TL 017540500	TL 017504568	TL 015679339
Property Type	8-storey corner office	4-storey intermediate shop office without lifts	10-storey office
Address	Lot 66, Block K, KK Times Square	No. 2, Jalan Pantai	Lot No. 15, Block A, Sutera Avenue, Coastal Highway
Locality Analysis	Located at periphery of City Centre	Located in City Centre	Located at periphery of City Centre
Distance to Subject Property	7 km	9 km	7 km
Accessibility	Good	Good	Good

15. VALUATION CERTIFICATES (Cont'd)

Date: 15th May 2023
Our Ref: 1.4411.23WCK

Visibility (advertising)	Good	Good	Excellent
Title Status	Master/strata title	Individual Title	Master/strata title
Title Use	Shop/office	Shophouse	Shop/office
Tenure	99 years	99 years	99 years
Lease Remaining	58 years	32 years	72 years
Built-Up Area	14,613 sq. ft.	6,000 sq. ft.	16,184 sq. ft.
Land Area	2,000 sq. ft.	1,500 sq. ft.	1,400 sq. ft.
Building Condition	Good	Good	Excellent
Transacted Price	RM11,000,000	RM6,000,000	RM16,000,000
Transacted Price (based on built-up)	RM753 psf	RM1,000 psf	RM989 psf
Date of Transaction	01/11/2018	03/10/2022	03/11/2022
Adjustment	General adjustments are made for time/market conditions and various factors inclusive of location, advertising advantage, title status, size, type, building condition and tenure		
Value After Adjustment	RM640 psf	RM950 psf	RM919 psf

In arriving at the Market Value, we have taken into consideration relevant aspects of the comparables in terms of time/market conditions, location, advertising advantage, title status, size, type, building condition and tenure. After adjustments, the values derived are between RM640 psf to RM950 psf.

In adopting the rate to derive the value for Lot 222 (corner 4-storey corporate office building), we have placed greater emphasis on Comparable 1 as it has the most similar land and built-up area with the subject property. Taking into consideration all relevant factors, we have adopted the rate of RM640 psf in our valuation as a fair representation of its market value.

Investment Method

A summary of the Investment Method is tabulated below for easy reference as follows.

No.	Description	Parameters
1	Annual Gross Income	Ground Floor - RM3.80 psf First Floor - RM2.50 psf Second Floor - RM2.50 psf Third Floor - RM2.50 psf
2	Outgoings	} Deduction RM1.50 psf (Gf to 3 rd Floor) 8.5% 4.5%
3	Voids	
4	Capitalisation Rate	

Estimated rents are based on the current rental rates in the vicinity. Generally, ground floor rates for quality showroom/gallery range from RM3.50 to RM4.50. Ground floor of the subject property is of high ceiling with high quality finishes for a grand environment. Outgoings reflect general maintenance, insurance and assessment rate. The capitalisation rate is a long-term outlook. This is an all-risks rate reflecting the illiquid nature of real estate but as a good hedge against inflation with lower risks, scarcity and so on.

RECONCILIATION OF VALUES DERIVED

Investment Method	-	RM7,100,000.00
Comparison Method	-	RM7,200,000.00
Adopt	-	RM7,200,000.00

In valuing the subject property, we are aware that both approaches have their weaknesses and strengths. As both approaches provide almost similar values, their differences are not very material in our choice between them.

From the above approaches, we have concluded that the Comparison Method is the more reliable approach in arriving at the Market Value of the subject property. The Investment Method in this case is less robust as the rental data obtained are mainly from KK Times Square and limited data was obtained from other localities. Furthermore, the capitalization rate is based on our general experience

15. VALUATION CERTIFICATES (Cont'd)

Date: 15th May 2023
Our Ref: 1.4411.23/WCK

and yields of other asset classes and not on actual analysed yields. As such the values derived by this method may be regarded as less reliable.

10.0 A DOUBLE STOREY OFFICE/SHOWROOM WITH DOUBLE VOLUME WAREHOUSE KNOWN AS LOT NO. 223 (BUILDING NO. 32A), LORONG NELLY 9/2, TAMAN NELLY 9 (SUB-PHASE 1), KAMPUNG NOUNTUN, INANAM. 88450, KOTA KINABALU, SABAH.

Subject Property	Lot No. 223 (Building No. 32A), Lorong Nelly 9/2, Taman Nelly 9 (<i>Sub-Phase 1</i>), Kampung Nountun, Inanam, 88450, Kota Kinabalu, Sabah
Location	Located in the prime Kolombong locality
Date of Inspection / Valuation	28 th February 2023

TITLE DETAILS

Title No	NT 013021308 (<i>now surrendered, pending issuance and registration of individual title to the subject property</i>)
Registered Owner	Edward S. Jaip
Beneficial Owner	K.T.I. Development Sdn. Bhd. [Based on Trust Deed agreement dated 25 th October 2022 (<i>Ref No. JT/C/2002/45/1ss</i>)
Land Area	65,787 sq. ft. (6,111.8 sq. m.)
Tenure	Grant in Perpetuity
Special Terms	Padi & Coconut (<i>Draft Individual title is ready to be issued. Use is for a 2-storey showroom</i>).

PROPERTY DETAILS

Property Description	A double-storey showroom/office with large double volume warehouse adjoining its rear and with a deep, full width forecourt of tarmac hardstanding 37,543 sq. ft. (3,487.8 sq. m.). The rear northern half of the site is undeveloped and of earth formation except for a 12-bay car port along the north-west corner. This undeveloped portion extends to about 27,000 sq. ft. (2,508 sq. m.).
Built-Up Area	The total floor areas are as follow: Main Floor Area 11,040 sq. ft. (1,025.6 sq. m.) Ancillary Floor Area 37,543 sq. ft. (3,488 sq. m.)
Occupation Certificate	Issued by Dewan Bandaraya Kota Kinabalu on 7 th March 2018

VALUATION METHODS

We have adopted the Comparison and Contractor's Test (Cost Method) in order to arrive at our opinion of the subject property's market value.

Comparables Adjustment

In this approach adjustments are applied directly to the adjusted building size (MFA) after allowing for differences in building components and depreciation. Adjusted building size reflects adjustments for the office component with a building factor of 1.25 applied to account for the difference in building rates for warehouse and office. The final adjusted rate is an all-in rate reflecting both building and land components. This is shown in the attached table.

15. VALUATION CERTIFICATES (Cont'd)

Date: 15th May 2023
Our Ref: 1.4411.23/WCK

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6
Title No.	CL 015309690	CL 015445404	CL 015569481	CL 015454270	CL 015677960	CL 015379727
Description	3-storey detached office with warehouse	3-storey detached office with warehouse	2-storey detached office with warehouse	2-storey detached office with warehouse	2-storey detached office with warehouse	2-storey detached office with warehouse
Address	Lot CL 015309690, Lorong Tongkuzu, Likas Baru Industrial Estate	Lot 2A, Jalan Kacang Tanah 1, Sedco Industrial Estate	Lot 2, SEDCO Industrial Estate, Jalan Kilang, Off Jalan Lintas	Lot No. 1, Jalan Bolukun, Jalan Tuaran BT 5.5	Lot CL 015677960, Lorong Perindustrian Suria	Lot No 27, Jalan Kilang, Off Jalan Lintas, Sedco Industrial Estate
Land Area	27,007 sq. ft.	80,945 sq. ft.	27,879 sq. ft.	16,819 sq. ft.	87,040 sq. ft.	66,598 sq. ft.
Distance to Subject Property	3 km	2 km	4 km	2km	1km	2km
Accessibility	Off main road, no through access	Off main road, no through access	Fronting Jalan Kilang	Off main road, access is through dual lane service road	Off main road, narrow width, no through access	Off main road, access is through dual lane service road
Title Status	Individual	Individual	Individual	Individual	Individual	Individual
Tenure	60 years	99 years	99 years	999 years	99 years	99 years
Lease Remaining	52 years	53 years	52 years	901 years	83 years	48 years
Price Transacted	RM5,425,000	RM20,000,000	RM7,500,000	RM7,800,000	RM20,250,000	RM18,000,000
Date of Transaction	18/06/2020	02/01/2021	02/07/2021	05/04/2022	03/01/2023	09/06/2022
Rate psf on Land Area	RM201 psf	RM247 psf	RM269 psf	RM463 psf	RM232 psf	RM270 psf
Building Condition	Poor	Fair	Fair	Fair	Fair	Good
Adjusted Building MFA	16,334 sq. ft.	27,196 sq. ft.	15,962 sq. ft.	5,482 sq. ft.	36,464 sq. ft.	35,930 sq. ft.
Building Depreciation	90%	25%	25%	25%	25%	15%
Base Value Derive from Land Area	RM201 psf	RM247 psf	RM269 psf	RM464 psf	RM233 psf	RM270 psf
Adjustments	General adjustments are made for time/market conditions and various factors inclusive of locality, access, land size and tenure					
Rate on Land Area after Adjustment	RM208 psf	RM316 psf	RM281 psf	RM383 psf	RM275 psf	RM297 psf

Using this approach the value arrived at after applying the adopted all-in rate of RM300 psf is RM19,750,000.00.

Contractor's Test (Cost Method)

No.	Description	Parameters
1.	Total Building Costs	Main Building - RM160 psf to RM200 psf Ancillary Facilities - RM50 psf to RM80 psf
2.	Other costs	RM14.60 psf
3.	Depreciation Cost	25%
4.	Land Cost	RM200 psf
5.	Acquisition Cost	4.5%
6.	Financial Charges	3.75%

We have adopted RM160 to RM200 psf for main floor area and RM50 psf to RM50 psf for ancillary floor area based on Construction Cost Handbook/Arcadis (2022). A rate of RM200 per sq. ft. has been applied for the land after adjustments based on recent transactions between RM180 to RM214 per sq. ft. After deriving the building & other costs and allowing for depreciation, the land cost, acquisition cost and finance charges are added to derive the value of the subject property.

15. VALUATION CERTIFICATES (Cont'd)**A Z M I & C O**

Date: 15th May 2023
Our Ref: 1.4411.23/WCK

Land Comparables Adjustment for Contractor's Test

Details	Subject Property	Comparable 1	Comparable 2
Title No.	CL 015646867	CL 015726511	CL 015092430
Description	A large detached warehouse with double storey offices/showroom	Vacant land	Vacant land next to water reservoir
Address	Lot No. 223, Lorong Nelly 9/2, Phase 9, Taman Nelly, Kampung Nountun, Inanam, Kota Kinabalu	Mile 5½, Jalan Tuaran	Off Lorong Juta, Km 7, Jalan Tuaran
Land Area	65,787 sq. ft.	16,885 sq. ft.	81,893 sq. ft.
Distance to Subject Property	-	1 km	2½ km
Accessibility	Single carriageway with dual lanes	Single carriageway with dual lanes	Off main road, no through access
Zoning	Approved for use as a showroom with warehouse space	Industrial	Commercial
Terrain	Flat	Flat	Hilly & steep
Tenure	99 years	60 years	999 years
Lease Remaining	84 years	57 years	958 years
Price Transacted	-	RM3,050,000	RM17,500,000
Date of Transaction	-	18/06/2020	16/02/2022
Rate on Land Area	-	RM181 psf	RM214 psf
General adjustments are made for time/market conditions and various factors inclusive of locality, accessibility, land area, terrain (earthwork & retaining wall) and tenure			
	Rate on Land Area after Adjustment	RM183 psf	RM259 psf

Building rates are based on prevailing market, our general experience and from Construction Cost Handbook/Arcadis (2022). Other development costs include external works, utilities, fees (consultants' fees at 7.0%) and interest. Depreciation has been allowed at 25%. Land value is adopted at RM200 psf based on recent transaction prices between RM180 psf to RM214 psf with adjusted rate between RM183 psf to RM259 psf. Acquisition cost allowed at 4.50% covers stamp duty and legal fees for purchase and loan documentation and is deducted after discounting.

RECONCILIATION OF VALUES DERIVED

Comparison Method	-	RM19,750,000.00
Contractor's Test (Cost Method)	-	RM19,300,000.00
Adopt	-	RM19,000,000.00

From the above approaches, we have placed greater weightage on the value derived from the Contractor's Test as we consider this more accurately reflects the condition of the building, title conditions, present market and its built-up size. Furthermore, land scarcity and construction cost have significantly contributed to higher development cost.

The Comparison Method in this case is less robust as all of the comparables have extensions and modifications that are not in compliance with planning requirements. Accordingly, estimated and adjusted built-up areas are likely to have a high margin of error. Furthermore, depreciation rates adopted are based on external observations and may not adequately reflect actual building conditions. Adjustment rates adopted are discretionary based on experience and market understanding. These weaknesses therefore mean the Comparison Method is more suitable as a secondary approach or a counter check measure. Accordingly, the market value adopted for the subject property is RM19,000,000.

15. VALUATION CERTIFICATES (Cont'd)

Date: 15th May 2023
Our Ref: 1.4411.23/WCK

11.0 A DOUBLE-STOREY DETACHED SHOP KNOWN AS LOT NO. 17, PHASE 3A, PLAZA LEMAWANG (SHOP/OFFICES), 89208, TUARAN SABAH

Subject Property Lot No. 17, Phase 3A, Plaza Lemawang (Shop/Offices), 89208, Tuaran, Sabah
Location Along Jalan Tuaran – Kota Belud, 89208, Tuaran, Sabah, about 3½ km from Tuaran Town
Date of Inspection / Valuation 28th February 2023

TITLE DETAILS

Master Title No CL 045115919 (*Individual subdivided title shall be issued in due course*)
Registered Owner Lembaga Pembangunan Perumahan dan Bandar (LPPB)
Provisional Land Area 5,851.3 sq. ft. (543.6 sq. m.)
Tenure 999 years leasehold with 895 years unexpired

PROPERTY DETAILS

Property Description Comprising a double-storey detached shoplot, the subject property has a provisional land area of 5,851 sq. ft. (543.6 sq. m.). It is earmarked for a mini market. Ground and first floors are designed with an open retail area and toilets/w.c.s. The built-up area (main floor area) is 9,936 sq. ft.
Occupation Certificate Issued by Majlis Daerah Tuaran on 19th December 2022

VALUATION METHODS

We have adopted the Comparison Method and Contractor's Test (Cost Method) in order to arrive at the market value of the subject property.

Comparison Method

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Location	Lot No. 1, Phase 3A, Plaza Lemawang	Lot No. 8, Phase 3A, Plaza Lemawang	Lot No. 9, Phase 3A, Plaza Lemawang	Lot No. 16, Phase 3A, Plaza Lemawang
Property	2-storey corner shop	2-storey corner shop	2-storey corner shop	2-storey corner shop
Built-Up Area	2,558 sq. ft.	2,558 sq. ft.	2,558 sq. ft.	2,558 sq. ft.
Transacted Price	RM690,000	RM690,000	RM690,000	RM690,000
Transacted Price	RM270 psf	RM270 psf	RM270 psf	RM270 psf
Transacted Date	27/7/2021	14/10/2021	14/1/2022	14/7/2021
Adjustment	General adjustments are made for time/market conditions and various factors inclusive of building size and type			
Total Value After Adjustment	RM202 psf	RM202 psf	RM202 psf	RM202 psf

In arriving at the Market Value, we have taken into consideration relevant aspects of the comparables in terms of time/market conditions, size and type. After making adjustments, the value is RM202 psf.

As the comparables are within the same development as the subject property, we have taken relevant factors into account for adjustment. Factors that are common such as accessibility, title tenure and building condition have been excluded as there is no need for adjustments. We note that sub-sales of 2-storey corner lots on small 1,080 sq. ft. plots at an existing project, Plaza CKS, about 3.5 km north-east were transacted in 2022 at about RM1,000,000. The analysed rate on built-up area is about RM900 psf, which is more than four times the adjusted rate of RM202 psf. Conversely, the subject property, is more than fourfold in the term of size.

Taking into consideration all the factors above, we have adopted RM200 psf in our valuation as a fair representation of the market value.

15. VALUATION CERTIFICATES (Cont'd)

Date: 15th May 2023
Our Ref: 1.4411.23/WCK

Contractor's Test (Cost Method)

No.	Description	Parameters
1.	Total Building Costs	Main Building - RM150 psf Ancillary Facilities - RM50 psf
2.	Other costs	RM27.60 psf
3.	Land Cost	RM65 psf
4.	Acquisition Cost	4.5%
5.	Financial Charges	3.75%

We have adopted RM150 psf for the main floor area of the double storey detached shop and RM50 psf for its ancillary floor area. These rates are based on prevailing market, our general experience and from Construction Cost Handbook/Arcadis (2022). Based on analysis and adjustments of land transactions we have adopted RM65 psf for the land. After deriving the building & other costs, the land cost, acquisition cost and finance charges are added to derive the value of the subject property.

Land Comparables Adjustments for Contractor's Test

Details	Subject Property	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Title No.	CL 045115919	NT 043216655	CL 045314832	CL 015677577	CL 045339320	CL 037503718
Location	Lot No. 17, Plaza Seri Lemawang	Off Jalan Sulaman, D'Sri Gayang Phase 3	Kg. Batangan, Off Jalan Bolong	No. 29, off Jalan Sepangar	Lot 18, IZ12, Jalan Tengah KKIP	Pekan Kota Belud, Lorong Dewan Kota Belud
Property	2-storey mini market	Terraced shop office plot	Residential land	Detached plot	Detached plot	Commercial lot
Accessibility	Good	Fair	Fair	Fair	Fair	Good
Land Area (sf)	5,851	1,100	34,412	30,252	87,124	8,669
Title Status	Master Title	Master Title	Individual	Individual	Master	Individual
Tenure	999 Years	Grant in perpetuity	99 Years	99 Years	99 Years	99 Years
Lease Remaining	895 Years	Grant in perpetuity	55 Years	76 Years	75 Years	82 Years
Zoning	Commercial	Commercial	Residential	Industrial	Industrial	Commercial
Transacted Price	-	RM120,000	RM1,250,000	RM1,512,597	RM3,746,160	RM980,000
Rate on Land Area	-	RM109 psf	RM36 psf	RM50 psf	RM43 psf	RM147 psf
Transacted Date	-	4/8/2018	6/1/2021	15/4/2021	6/4/2022	24/4/2013
General adjustments are made for locality, accessibility, land area, title status, tenure, zoning and time/market conditions						
Land Value After Adjustment		RM82 psf	RM61 psf	RM67 psf	RM64 psf	RM122 psf
In this case the most suitable comparable is Comparable 1 as it is a shophouse plot. The average rates and most suitable comp are almost similar.						

Building rates are based on prevailing market, our general experience and from Construction Cost Handbook/Arcadis (2022). Other development costs include external works, utilities, professional fees and interest. Land value is adopted at RM65 psf based on transaction prices between RM50 psf to RM100 psf. After making adjustment, the land value is derived between RM64 psf and RM122 psf. Acquisition cost is allowed at 4.50% which covers stamp duty and legal fees for purchase and loan documentation.

RECONCILIATION OF VALUES DERIVED

Comparison Method	-	RM2,000,000.00
Contractor's Test (Cost Method)	-	RM2,100,000.00
Adopt	-	RM2,000,000.00

15. VALUATION CERTIFICATES (Cont'd)



Date: 15th May 2023
Our Ref: 1.4411.23/WCK

From the above approaches, the Comparison Method appears to be more reliable in arriving at the Market Value of the subject property. This is because we are able to rely on sales of double storey corner units within the project thus allowing for direct comparison with limited adjustments required. The Contractor's Test (Cost Method) is therefore used as a check on the overall magnitude of our valuation. Having regard to both approaches and based on our knowledge and understanding of the market, we have adopted the Market Value as expressed above for the subject property.

16. STATUTORY AND OTHER INFORMATION

16.1 SHARE CAPITAL

- (a) As at the date of this Prospectus, we have only one class of shares, namely, ordinary shares, all of which rank equally with one another.
- (b) Save for the Pink Form Allocations as disclosed in Section 4.3.3;
- (i) no Director or employee of our Group has been or is entitled to be given or has exercised any option to subscribe for any share of our Company or our subsidiaries; and
- (ii) there is no scheme involving the employees of our Group in the shares of our Company or our subsidiaries.
- (c) Save for the new Shares issued for the Acquisitions and to be issued for the Public Issue as disclosed in Sections 6.2 and 4.3.1 respectively, no shares of our Company have been issued or are proposed to be issued as fully or partly paid-up, in cash or otherwise, within the past 2 years immediately preceding the date of this Prospectus.
- (d) Other than our Public Issue as disclosed in Section 4.3.1, there is no intention on the part of our Directors to further issue any Shares on the basis of this Prospectus.
- (e) As at the date of this Prospectus, our Company does not have any outstanding convertible debt securities.

16.2 SHARE CAPITAL OF OUR SUBSIDIARIES

Details of our Company's share capital are set out in Section 6.1. Details of the share capital of our subsidiaries are set out below.

16.2.1 KTISB

KTISB's share capital as at LPD is RM1,000,000 comprising 1,000,000 ordinary shares. The movements in its share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital RM
27 August 1984	2	RM2 / Cash	2
11 February 1985	505,345	RM505,345 / Cash	505,347
22 August 1996	494,653	RM494,653 / Cash	1,000,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in KTISB. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

16. STATUTORY AND OTHER INFORMATION (Cont'd)**16.2.2 KTID**

KTID's share capital as at LPD is RM1,000,000 comprising 1,000,000 ordinary shares. The movements in its share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital RM
5 January 1994	2	RM2 / Cash	2
2 July 1998	99,998	RM99,998 / Cash	100,000
27 September 2002	150,000	RM150,000 / Cash	250,000
31 October 2003	250,000	RM250,000 / Cash	500,000
1 March 2011	500,000	RM500,000 / Cash	1,000,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in KTID. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

16.2.3 Landmark Property

Landmark Property's share capital as at LPD is RM2,000,000 comprising 2,000,000 ordinary shares. The movements in its share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital RM
7 December 1981	2	RM2 / Cash	2
28 July 1997	2	RM2 / Cash	4
27 October 1997	249,996	RM249,996 / Cash	250,000
2 June 2004	250,000	RM250,000 / Cash	500,000
6 July 2015	1,500,000	RM1,500,000 / Otherwise than Cash	2,000,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Landmark Property. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

16. STATUTORY AND OTHER INFORMATION *(Cont'd)*

16.2.4 Dataran Jayamakmur

Dataran Jayamakmur's share capital as at LPD is RM1,000,000 comprising 1,000,000 ordinary shares. The movements in its share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital RM
1 April 2002	2	RM2 / Cash	2
17 July 2003	99,998	RM99,998 / Cash	100,000
7 April 2004	900,000	RM900,000 / Cash	1,000,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Dataran Jayamakmur. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

16.2.5 KTI Industrial

KTI Industrial's share capital as at LPD is RM500,000 comprising 500,000 ordinary shares. The movements in its share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital RM
9 August 1993	2	RM2 / Cash	2
26 October 1993	19,998	RM19,998 / Cash	20,000
19 September 1995	230,000	RM230,000 / Cash	250,000
19 May 1998	250,000	RM250,000 / Cash	500,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in KTI Industrial. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

16.2.6 KTI Hotel & Resort

KTI Hotel & Resort's share capital as at LPD is RM20,000,000 comprising 20,000,000 ordinary shares. The movements in its share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration / Type of issue	Cumulative share capital RM
14 July 2016	2	RM2 / Cash	2
10 July 2020	9,999,998	RM9,999,998 / Cash	10,000,000
17 March 2022	10,000,000	RM10,000,000 / Cash	20,000,000

16. STATUTORY AND OTHER INFORMATION (Cont'd)

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in KTI Hotel & Resort. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

16.3 CONSTITUTION

The following provisions are extracted from our Constitution. Terms defined in our Constitution shall have the same meanings when used here unless they are otherwise defined here or the context otherwise requires.

16.3.1 Changes in share capital and variation of class rights

The provisions in our Constitution dealing with changes in share capital and variation of class rights, which are no less stringent than those required by law, are as follows:

Clause 8 – Variation of Rights*(1) Variation of rights*

If at any time the share capital is divided into different classes of shares, the rights attached to each class of shares (unless otherwise provided by the terms of issue of the shares of that class) may only, whether or not the Company is being wound up, be varied:

- (a) with the consent in writing of the holders holding not less than 75.0% of the total voting rights of the holders of that class of shares; or
- (b) by a special resolution passed by a separate meeting of the holders of that class of shares sanctioning the variation.

Clause 12 – Issue of Securities*(1) Allotment of shares or grant of rights*

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares but subject always to the Act, the Listing Requirements and this Constitution, the Directors have the right to:

- (a) issue and allot shares in the Company; and
- (b) grant rights to subscribe for shares or options over unissued shares in the Company.

(3) Issue of new shares or securities to Members

- (a) Subject to the Act, the Listing Requirements and any direction to the contrary that may be given by the Company in General Meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled.

16. STATUTORY AND OTHER INFORMATION (Cont'd)

- (b) The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company.
- (c) The Directors may likewise also dispose of any new share or security which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution.

(4) General mandate for issue of securities

Subject to Rule 6.07 of the Listing Requirements and notwithstanding the existence of a resolution pursuant to Sections 75(1) and 76(1) of the Act, the Company must not issue any shares or convertible securities if the total number of those shares or convertible securities, when aggregated with the total number of any such shares or convertible securities issued during the preceding 12 months, exceeds 10.0% of the total number of issued shares (excluding treasury shares) of the Company except where the shares or convertible securities are issued with the prior shareholder approval in a General Meeting of the precise terms and conditions of the issue.

Clause 46 – Alteration of capital

(3) Purchase of own shares

The Company shall have the power, subject to and in accordance with the provisions of the Act, the Listing Requirements and any rules, regulations and guidelines in respect thereof for the time being in force, to purchase its own shares and thereafter to deal with the shares purchased in accordance with the provisions of the Act, the Listing Requirements and any rules, regulations and guidelines thereunder or issued by Bursa Securities and any other relevant authorities in respect thereof.

16.3.2 Borrowing and voting power of the directors

The provisions in our Constitution dealing with voting and borrowing powers of our Directors including voting powers in relation to proposals, arrangements or contract in which they are interested in are as follows:

Clause 95 – Powers of Directors

Without limiting the generality of Clause 94(1) and (2), the Directors may, subject to the Act and the Listing Requirements, exercise all the powers of the Company to do all or any of the following for any debt, liability, or obligation of the Company or of any third party:

Borrowing

- (1) borrow money;

Mortgage

- (2) mortgage or charge its undertaking, property, and uncalled capital, or any part of the undertaking, property and uncalled capital;

16. STATUTORY AND OTHER INFORMATION (Cont'd)

Issue debentures

- (3) issue debentures and other Securities whether outright or as security; and/or

Lend or advance money

- (4) (a) lend and advance money or give credit to any person or company;
- (b) guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company;
- (c) secure or undertake in any way the repayment of moneys lent or advanced to or the liabilities incurred by any person or company;

and otherwise to assist any person or company.

Clause 97 – Powers of Directors

Power of attorney

- (1) The Directors may from time to time by power of attorney appoint any corporation, firm, or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for the purposes and with the powers, authorities, and discretions (not exceeding those vested in or exercisable by the Directors under this Constitution) and for a period and subject to any conditions as the Directors may think fit.
- (2) Any powers of attorney granted under Clause 97(1) may contain provisions for the protection and convenience of persons dealing with the attorney as the Directors think fit and may also authorise the attorney to delegate all or any of the powers, authorities, and discretions vested in the attorney.

Clause 105 – Directors' Interest in Contracts

Directors' interest in contracts

- (a) A Director shall not vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest.
- (b) Every Director shall observe the provisions of Sections 221 and 222 of the Act relating to the disclosure of the interest of the Directors in contracts or proposed contracts with the Company or of any office or property held by the Directors which might create duties or interest in conflict with their duties or interest as Directors and participation in discussion and voting. Such disclosure of material personal interest by the Directors shall be in the form of a notice. Such notice shall be in the form and manner prescribed under Section 221 of the Act.

Clause 107 – Passing of resolution by the Directors

(1) *Passing of resolution by more than one Director*

The Directors may pass a resolution without a Board Meeting, if a majority of the Directors entitled to vote and sign on the resolution signed the resolution, signifying their agreement to the resolution set out in the document.

16. STATUTORY AND OTHER INFORMATION (Cont'd)

Clause 118 – Voting at Board Meetings

(1) Directors' decision

Subject to this Constitution, questions arising at a Board Meeting shall be decided by a majority of votes of Directors present and voting and any such decision shall for all purposes be deemed a decision of the Directors.

(2) Casting of vote

Each Director is entitled to cast 1 vote on each matter for determination.

16.3.3 Remuneration of directors

The provisions in our Constitution dealing with remuneration of Directors are as follows:

Clause 93 – Remuneration of Directors

(1) Non-executive Directors' remuneration

The Company may from time to time by an ordinary resolution passed at a General Meeting, approve the remuneration of the Directors, who hold non-executive office with the Company, for their services as non-executive Directors.

(2) Fee

Subject to Clause 84, the fees of the Directors and any benefits payable to the Directors shall be subject to annual shareholders' approval at a General Meeting.

(3) Fee of non-executive Directors

If the fee of each such non-executive Director is not specifically fixed by the Members, then the quantum of fees to be paid to each non-executive Director within the overall limits fixed by the Members, shall be decided by resolution of the Board. In default of any decision being made in this respect by the Board, the fees payable to the non-executive Directors shall be divided equally amongst themselves and such a Director holding office for only part of a year shall be entitled to a proportionate part of a full year's fees. The non-executive Directors shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover.

(4) Expenses

The following expenses shall be determined by the Directors:

- (a) Traveling, hotel and other expenses properly incurred by the Directors in attending and returning from meetings of the Directors or any committee of the Directors or General Meetings of the Company or in connection with the business of the Company; and
- (b) Other expenses properly incurred by the Directors arising from the requirements imposed by the authorities to enable the Directors to effectively discharge their duties.

16. STATUTORY AND OTHER INFORMATION (Cont'd)

(5) Executive Directors' remuneration

Executive Directors of the Company shall be remunerated in the manner referred to in Clause 84 but such remuneration shall not include a commission on or percentage of turnover.

16.3.4 Transfer of Shares

The provisions in our Constitution dealing with transfer of shares as follows:

Clause 14 – Transfer of Securities

Transfer of securities

The transfer of any Deposited Security or class of Deposited Security of the Company, shall be by way of book entry by the Depository in accordance with the Rules and, notwithstanding Sections 105, 106 or 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the Deposited Securities.

Clause 17 – Transfer of Shares or Debentures

(1) Instrument of transfer

Subject to this Constitution and other written laws, any Shareholder or debenture holder may transfer all or any of his shares or debentures by instrument of transfer as prescribed under the Act.

(2) Execution of instrument of transfer

The instrument of transfer must be executed by or on behalf of the transferor and the transferee.

(3) Effect the transfer of shares or debentures

The transferor shall remain as the holder of such shares or debentures until the transfer is registered and the name of the transferee is entered in the Register of Members or register of debenture holders in respect of the shares or debentures respectively.

16.4 GENERAL INFORMATION

- (a) Save for the dividends paid to our shareholders in FYE 2020 to 2022 and up to LPD as well as dividends to be paid as disclosed in Sections 12.17 and Directors' remuneration and 5.2.4 respectively, no other amount or benefit has been paid or given within the past 2 years immediately preceding the date of this Prospectus, nor is it intended to be paid or given, to any of our Promoter, Director or substantial shareholder.
- (b) Save as disclosed in Section 10.1, none of our Directors or substantial shareholders have any interest, direct or indirect, in any contract or arrangement subsisting at the date of this Prospectus and which is significant in relation to the business of our Group.
- (c) The manner in which copies of this Prospectus together with the official application forms and envelopes may be obtained and the details of the summarised procedures for application of our Shares are set out in Section 17.

16. STATUTORY AND OTHER INFORMATION (Cont'd)

- (d) There is no limitation on the right to own securities including limitation on the right of non-residents or foreign shareholders to hold or exercise their voting rights on our Shares.

16.5 CONSENTS

- (a) The written consents of our Adviser, Sponsor, Underwriter, Placement Agent, Solicitors, Share Registrar, Company Secretary and Issuing House to the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn;
- (b) The written consents of our Auditors and Reporting Accountants to the inclusion in this Prospectus of their names, Accountants' Report and report relating to the pro forma combined financial information in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn;
- (c) The written consent of our IMR to the inclusion in this Prospectus of its name and the IMR Report, in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn; and
- (d) The written consent of our Independent Valuer for the inclusion in this Prospectus of its name and the valuation certificates in the form and context in which they are contained in this Prospectus have been given before the issuance of this Prospectus and have not subsequently been withdrawn.

16.6 DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of our Company during normal business hours for a period of 6 months from the date of this Prospectus:

- (a) Constitution;
- (b) Audited financial statements of KTI Landmark, KTID, KTISB, Landmark Property, Dataran Jayamakmur, KTI Industrial and KTI Hotel & Resort for FYE 2020 to 2022, where applicable;
- (c) Accountants' Report as set out in Section 13;
- (d) Reporting Accountants' Report relating to our pro forma combined financial information as set out in Section 14;
- (e) IMR Report as set out in Section 8;
- (f) Material contracts as set out in Section 6.5;
- (g) Relevant documents for the material litigation referred in Section 12.7;
- (h) Letters of consent as set out in Section 16.5; and

16. STATUTORY AND OTHER INFORMATION *(Cont'd)*

- (i) Valuation certificates as set out in Section 15 and the valuation reports.

16.7 RESPONSIBILITY STATEMENTS

Our Directors, Promoters and Selling Shareholders have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

M & A Securities acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

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