

INFORMATION ON THE TARGET COMPANIES

1. SCENIC GROWTH

1.1 History and business

Scenic Growth is a private limited company incorporated on 7 September 2010 in Malaysia under the Act. Scenic Growth is a wholly-owned subsidiary of Retail Galaxy, which in turn is an indirect wholly-owned subsidiary of CMA.

Scenic Growth is principally engaged in the investment in and letting of property, namely the 1 strata title within Queensbay Mall acquired in 2011.

The NBV of Scenic Growth as at 31 December 2021, being its latest available audited financial position, is approximately RM0.77 million which has taken into account an amount owed to shareholder of approximately RM0.46 million.

1.2 Share capital and number of issued shares

As at the LPD, Scenic Growth has an issued share capital of RM2 comprising 2 ordinary shares.

Save for the ordinary shares in Scenic Growth, there are no other preference shares in or convertible securities of Scenic Growth in issue as at the LPD.

1.3 Directors

As at the LPD, the directors of Scenic Growth are as set out below. They do not have any direct or indirect shareholdings in Scenic Growth as at the LPD.

Name	Nationality	Designation
Ng Kuan Yee	Malaysian	Director
Lee Wan Hoon	Singaporean	Director
Yeo Wee Lam Freddy (Yang Weinan)	Singaporean	Director

1.4 Substantial shareholders

As at the LPD, the substantial shareholders of Scenic Growth and their respective shareholdings in Scenic Growth are as follows:

Substantial Shareholder	Place of Incorporation	Shareholdings as at the LPD			
		Direct		Indirect	
		No. of shares	%	No. of shares	%
Retail Galaxy	Singapore	2	100.00	-	-
CLR	Singapore	-	-	2 ⁽¹⁾	100.00
CMA	Singapore	-	-	2 ⁽²⁾	100.00
CLI ⁽³⁾	Singapore	-	-	2 ⁽⁴⁾	100.00

INFORMATION ON THE TARGET COMPANIES (CONT'D)

Notes:

- (1) Deemed interested by virtue of its interests in Retail Galaxy pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of its interests in CLR pursuant to Section 8 of the Act.
- (3) CLI is listed on the Main Board of the SGX-ST. Based on CLI's 2021 Annual Report, as at 31 March 2022, CLI's substantial shareholder is CapitaLand Group Pte. Ltd., an indirect wholly-owned subsidiary of Temasek. Temasek's sole shareholder is the Singapore Minister for Finance under the Singapore Minister for Finance (Incorporation) Act 1959. The Singapore Minister for Finance is a body corporate. In respect of Special Coral and CLMT:
 - (a) CLI's deemed interest in Special Coral (the vendor of the Special Coral Strata Parcels) arises through its subsidiary, CMA (see note 4 below for CLI's direct and indirect interests in CMA). CMA holds 100% equity interest in CLR which in turn holds 100% equity interest in Omnitrix that holds 100% of the Preference Shares; and
 - (b) CLI is deemed interested in CLMT by virtue of its deemed interest in CLR held through CMA (see note 4 below). CLR holds 100% equity interest in CIL and MIL, which collectively hold 39.49% unitholdings in CLMT.
- (4) Deemed interested by virtue of its direct and indirect (via CBS) interests in CMA pursuant to Section 8 of the Act.

1.5 Subsidiaries and associate companies

As at the LPD, Scenic Growth does not have any subsidiaries or associate companies.

1.6 Financial information

A summary of the financial information of Scenic Growth based on its audited financial statements for the past 3 FYEs from 31 December 2019 to 31 December 2021 and the unaudited 11-months FPE 30 November 2022 is as follows:

	Audited FYE 31 December			Unaudited for the
	2019	2020	2021	11-months FPE 30 November 2022
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	68	52	54	24
PBT / (LBT)	59	45	(1)	3
PAT / (LAT)	(19)	33	(13)	4
Issued and paid-up capital	neg. ⁽¹⁾	neg. ⁽¹⁾	neg. ⁽¹⁾	neg. ⁽¹⁾
Shareholders' funds / NA	749	782	769	774
Number of shares in issue	2	2	2	2
External borrowings	-	-	-	-
Net EPS	(9.50)	16.50	(6.50)	2.00
NA per share	374.50	391.00	384.50	387.00
Gearing ratio (times)	-	-	-	-
Current ratio (times) ⁽²⁾	19.50	15.81	6.49	7.71

Notes:

- (1) Negligible due to the issued and paid up share capital being only RM2.
- (2) Calculated by dividing current assets with current liabilities.

INFORMATION ON THE TARGET COMPANIES (CONT'D)

Commentaries on financial performance

Scenic Growth's revenue for the FYE 31 December 2019 to FYE 31 December 2021 is due to the rental income from the leasing of the 1 strata title within Queensbay Mall held by it.

Scenic Growth recorded a LBT in FYE 31 December 2021 primarily due to the higher impairment on trade receivables and nil fair value gain recognised on its investment property as compared to FYE 31 December 2020.

Scenic Growth recorded a LAT in FYE 2019 which is attributable to higher real property gains tax arising from the fair value gain on its investment property. The LAT in FYE 31 December 2021 was mainly attributable to expenses incurred during the financial year that was not deductible for tax purposes.

1.7 Material contracts

Within 2 years immediately preceding the date of this Circular, Scenic Growth has not entered into any material contract (not being a contract entered into in the ordinary course of business of Scenic Growth).

1.8 Material litigation

As at the LPD, Scenic Growth is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the board of directors of Scenic Growth is not aware of any proceedings pending or threatened against Scenic Growth or of any facts likely to give rise to any proceedings, which might materially or adversely affect the business or financial of Scenic Growth.

1.9 Material commitments

As at the LPD, there are no material commitments incurred or known to be incurred by Scenic Growth which may have a material impact on the financial position of Scenic Growth.

1.10 Contingent liabilities

As at the LPD, there are no contingent liabilities incurred or known to be incurred by Scenic Growth which, upon becoming enforceable, may have a material impact on the financial position of Scenic Growth.

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INFORMATION ON THE TARGET COMPANIES (CONT'D)

2. LUXURY ACE

2.1 History and business

Luxury Ace is a private limited company incorporated on 28 April 2009 in Malaysia under the Act. Luxury Ace is a wholly-owned subsidiary of Retail Galaxy, which in turn is an indirect wholly-owned subsidiary of CMA.

Luxury Ace is principally engaged in the investment in and letting of property, namely the 1 strata title within Queensbay Mall acquired in 2011.

The NBV of Luxury Ace as at 31 December 2021, being its latest available audited financial position, is approximately RM0.62 million which has taken into account an amount owed to shareholder of approximately RM0.50 million.

2.2 Share capital and number of issued shares

As at the LPD, Luxury Ace has an issued share capital of RM2 comprising 2 ordinary shares.

Save for the ordinary shares in Luxury Ace, there are no other preference shares in or convertible securities of Luxury Ace in issue as at the LPD.

2.3 Directors

As at the LPD, the directors of Luxury Ace are as set out below. They do not have any direct or indirect shareholdings in Luxury Ace as at the LPD.

Name	Nationality	Designation
Ng Kuan Yee	Malaysian	Director
Lee Wan Hoon	Singaporean	Director
Yeo Wee Lam Freddy (Yang Weinan)	Singaporean	Director

2.4 Substantial shareholders

As at the LPD, the substantial shareholders of Luxury Ace and their respective shareholdings in Luxury Ace are as follows:

Substantial Shareholder	Place of Incorporation	Shareholdings as at the LPD			
		Direct		Indirect	
		No. of shares	%	No. of shares	%
Retail Galaxy	Singapore	2	100.00	-	-
CLR	Singapore	-	-	2 ⁽¹⁾	100.00
CMA	Singapore	-	-	2 ⁽²⁾	100.00
CLI ⁽³⁾	Singapore	-	-	2 ⁽⁴⁾	100.00

INFORMATION ON THE TARGET COMPANIES (CONT'D)

Notes:

- (1) Deemed interested by virtue of its interests in Retail Galaxy pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of its interests in CLR pursuant to Section 8 of the Act.
- (3) CLI is listed on the Main Board of the SGX-ST. Based on CLI's 2021 Annual Report, as at 31 March 2022, CLI's substantial shareholder is CapitaLand Group Pte. Ltd., an indirect wholly-owned subsidiary of Temasek. Temasek's sole shareholder is the Singapore Minister for Finance under the Singapore Minister for Finance (Incorporation) Act 1959. The Singapore Minister for Finance is a body corporate. In respect of Special Coral and CLMT:
 - (a) CLI's deemed interest in Special Coral (the vendor of the Special Coral Strata Parcels) arises through its subsidiary, CMA (see note 4 below for CLI's direct and indirect interests in CMA). CMA holds 100% equity interest in CLR which in turn holds 100% equity interest in Omnitrix that holds 100% of the Preference Shares; and
 - (b) CLI is deemed interested in CLMT by virtue of its deemed interest in CLR held through CMA (see note 4 below). CLR holds 100% equity interest in CIL and MIL, which collectively hold 39.49% unitholdings in CLMT.
- (4) Deemed interested by virtue of its direct and indirect (via CBS) interests in CMA pursuant to Section 8 of the Act.

2.5 Subsidiaries and associate companies

As at the LPD, Luxury Ace does not have any subsidiaries or associate companies.

2.6 Financial information

A summary of the financial information of Luxury Ace based on its audited financial statements for the past 3 FYEs from 31 December 2019 to FYE 31 December 2021 and the unaudited 11-months FPE 30 November 2022 is as follows:

	Audited FYE 31 December			Unaudited for the 11-months FPE 30 November
	2019	2020	2021	2022
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	55	60	55	66
PBT / (LBT)	81	(52)	6	24
PAT / (LAT)	(9)	(54)	(7)	14
Issued and paid-up capital	neg. ⁽¹⁾	neg. ⁽¹⁾	neg. ⁽¹⁾	neg. ⁽¹⁾
Shareholders' funds / NA	676	622	615	629
Number of shares in issue	2	2	2	2
External borrowings	-	-	-	-
Net EPS	(4.50)	(27.00)	(3.50)	7.00
NA per share	338.00	311.00	307.50	314.50
Gearing ratio (times)	-	-	-	-
Current ratio (times) ⁽²⁾	16.58	15.27	6.03	7.25

Notes:

- (1) Negligible due to the issued and paid up share capital being only RM2.
- (2) Calculated by dividing current assets with current liabilities.

INFORMATION ON THE TARGET COMPANIES (CONT'D)

Commentaries on financial performance

Luxury Ace's revenue for the FYEs 31 December 2019 to FYE 31 December 2021 is due to the rental income from the leasing of the 1 strata title to the Queensbay Mall held by it.

Luxury Ace recorded a LBT in FYE 31 December 2020 due primarily to a fair value loss on its investment property during the financial year. In FYE 31 December 2021, Luxury Ace recorded a marginal PBT which was attributable to no fair value loss recognised on its investment property during the financial year as compared to FYE 31 December 2020.

Luxury Ace recorded a LAT in FYE 31 December 2019 primarily attributable to the effect of net cumulative fair value gain on its investment property which is subject to real property gains tax. For FYE 31 December 2021, the LAT recorded was primarily attributable to expenses incurred during the financial year that was not deductible for tax purposes.

2.7 Material contracts

Within 2 years immediately preceding the date of this Circular, Luxury Ace has not entered into any material contract (not being a contract entered into in the ordinary course of business of Luxury Ace).

2.8 Material litigation

As at the LPD, Luxury Ace is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the board of directors of Luxury Ace is not aware of any proceedings pending or threatened against Luxury Ace or of any facts likely to give rise to any proceedings, which might materially or adversely affect the business or financial of Luxury Ace.

2.9 Material commitments

As at the LPD, there are no material commitments incurred or known to be incurred by Luxury Ace which may have a material impact on the financial position of Luxury Ace.

2.10 Contingent liabilities

As at the LPD, there are no contingent liabilities incurred or known to be incurred by Luxury Ace which, upon becoming enforceable, may have a material impact on the financial position of Luxury Ace.

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INFORMATION ON THE TARGET COMPANIES (CONT'D)

3. SUCCESS IDEA

3.1 History and business

Success Idea is a private limited company incorporated on 7 September 2010 in Malaysia under the Act. Success Idea is a wholly-owned subsidiary of Retail Galaxy, which in turn is an indirect wholly-owned subsidiary of CMA.

Success Idea is principally engaged in the investment in and letting of property, namely the 2 strata titles within Queensbay Mall acquired in 2011.

The NBV of Success Idea as at 31 December 2021, being its latest available audited financial position, is approximately RM1.09 million which has taken into account an amount owed to shareholder of approximately RM1.07 million.

3.2 Share capital and number of issued shares

As at the LPD, Success Idea has an issued share capital of RM2 comprising 2 ordinary shares.

Save for the ordinary shares in Success Idea, there are no other preference shares in or convertible securities of Success Idea in issue as at the LPD.

3.3 Directors

As at the LPD, the directors of Success Idea are as set out below. They do not have any direct or indirect shareholdings in Success Idea as at the LPD.

Name	Nationality	Designation
Ng Kuan Yee	Malaysian	Director
Lee Wan Hoon	Singaporean	Director
Yeo Wee Lam Freddy (Yang Weinan)	Singaporean	Director

3.4 Substantial shareholders

As at the LPD, the substantial shareholders of Success Idea and their respective shareholdings in Success Idea are as follows:

Substantial Shareholder	Place of Incorporation	Shareholdings as at the LPD			
		Direct		Indirect	
		No. of shares	%	No. of shares	%
Retail Galaxy	Singapore	2	100.00	-	-
CLR	Singapore	-	-	2 ⁽¹⁾	100.00
CMA	Singapore	-	-	2 ⁽²⁾	100.00
CLI ⁽³⁾	Singapore	-	-	2 ⁽⁴⁾	100.00

INFORMATION ON THE TARGET COMPANIES (CONT'D)

Notes:

- (1) Deemed interested by virtue of its interests in Retail Galaxy pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of its interests in CLR pursuant to Section 8 of the Act.
- (3) CLI is listed on the Main Board of the SGX-ST. Based on CLI's 2021 Annual Report, as at 31 March 2022, CLI's substantial shareholder is CapitaLand Group Pte. Ltd., an indirect wholly-owned subsidiary of Temasek. Temasek's sole shareholder is the Singapore Minister for Finance under the Singapore Minister for Finance (Incorporation) Act 1959. The Singapore Minister for Finance is a body corporate. In respect of Specia Coral and CLMT:
 - (a) CLI's deemed interest in Special Coral (the vendor of the Special Coral Strata Parcels) arises through its subsidiary, CMA (see note 4 below for CLI's direct and indirect interests in CMA). CMA holds 100% equity interest in CLR which in turn holds 100% equity interest in Omnitrix that holds 100% of the Preference Shares; and
 - (b) CLI is deemed interested in CLMT by virtue of its deemed interest in CLR held through CMA (see note 4 below). CLR holds 100% equity interest in CIL and MIL, which collectively hold 39.49% unitholdings in CLMT.
- (4) Deemed interested by virtue of its direct and indirect (via CBS) interests in CMA pursuant to Section 8 of the Act.

3.5 Subsidiaries and associate companies

As at the LPD, Success Idea does not have any subsidiaries or associate companies.

3.6 Financial information

A summary of the financial information of Success Idea based on its audited financial statements for the past 3 FYEs from FYE 31 December 2019 to FYE 31 December 2021 and the unaudited 11-months FPE 30 November 2022 is as follows:

	Audited FYE 31 December			Unaudited 11-months FPE 30 November 2022
	2019	2020	2021	
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	31	30	33	31
PBT / (LBT)	216	(526)	91	(11)
PAT / (LAT)	34	(475)	81	(11)
Issued and paid-up capital	neg. ⁽¹⁾	neg. ⁽¹⁾	neg. ⁽¹⁾	neg. ⁽¹⁾
Shareholders' funds / NA	1,484	1,009	1,090	1,080
Number of shares in issue	2	2	2	2
External borrowings	-	-	-	-
Net EPS	17.00	(237.50)	40.50	(5.50)
NA per share	742.00	504.50	545.00	540.00
Gearing ratio (times)	-	-	-	-
Current ratio (times) ⁽²⁾	0.24	0.17	0.13	0.13

Notes:

- (1) Negligible due to the issued and paid up share capital being only RM2.
- (2) Calculated by dividing current assets with current liabilities.

INFORMATION ON THE TARGET COMPANIES (CONT'D)

Commentaries on financial performance

Success Idea's revenue for the FYEs 31 December 2019 to 31 December 2021 is due to the rental income from the leasing of the 2 strata titles to QBM held by it.

Success Idea recorded a LBT in FYE 31 December 2020 primarily attributable to a fair value loss on its investment properties during the financial year. In FYE 31 December 2021, a PBT was recorded due primarily to the recognition of a fair value gain on its investment properties during the financial year as compared to FYE 31 December 2020.

Success Idea recorded a lower LAT in FYE 31 December 2020 due primarily to the effects of a net cumulative fair value gain on its investment properties that is subject to real property gains tax. In FYE 31 December 2021, Success Idea recorded a PAT after taking into account the effect of a fair value loss on its investment properties subject to real property gains tax.

3.7 Material contracts

Within 2 years immediately preceding the date of this Circular, Success Idea has not entered into any material contract (not being a contract entered into in the ordinary course of business of Success Idea).

3.8 Material litigation

As at the LPD, Success Idea is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the board of directors of Success Idea is not aware of any proceedings pending or threatened against Success Idea or of any facts likely to give rise to any proceedings, which might materially or adversely affect the business or financial of Success Idea.

3.9 Material commitments

As at the LPD, there are no material commitments incurred or known to be incurred by Success Idea which may have a material impact on the financial position of Success Idea.

3.10 Contingent liabilities

As at the LPD, there are no contingent liabilities incurred or known to be incurred by Success Idea which, upon becoming enforceable, may have a material impact on the financial position of Success Idea.

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INFORMATION ON THE TARGET COMPANIES (CONT'D)

4. MILKY WAY PROPERTIES

4.1 History and business

Milky Way Properties was incorporated firstly as a private limited company under the name of Fabulous Horizon Sdn Bhd on 4 June 2008 in Malaysia under the Act. It changed its name to CRMT MTN Sdn Bhd on 30 July 2008. It was subsequently converted into a public company on 2 September 2008 and assumed its current name on 4 November 2010.

Milky Way Properties is a wholly-owned subsidiary of Retail Galaxy, which in turn is an indirect wholly-owned subsidiary of CMA.

Milky Way Properties is principally engaged in the investment in and letting of property, namely the 1 strata title within QBM acquired in 2011.

The NBV of Milky Way Properties as at 31 December 2021, being its latest available audited financial position, is approximately RM0.78 million which has taken into account an amount owed to shareholder of approximately RM0.50 million.

4.2 Share capital and number of issued shares

As at the LPD, Milky Way Properties has an issued share capital of RM2 comprising 2 ordinary shares.

Save for the ordinary shares in Milky Way Properties, there are no other preference shares in or convertible securities of Milky Way Properties in issue as at the LPD.

4.3 Directors

As at the LPD, the directors of Milky Way Properties are as set out below. They do not have any direct or indirect shareholdings in Milky Way Properties as at the LPD.

Name	Nationality	Designation
Ng Kuan Yee	Malaysian	Director
Lee Wan Hoon	Singaporean	Director
Yeo Wee Lam Freddy (Yang Weinan)	Singaporean	Director
Yuen Chew Yung	Malaysian	Director

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INFORMATION ON THE TARGET COMPANIES (CONT'D)

4.4 Substantial shareholders

As at the LPD, the substantial shareholders of Milky Way Properties and their respective shareholdings in Milky Way Properties are as follows:

Substantial Shareholder	Place of Incorporation	Shareholdings as at the LPD			
		Direct		Indirect	
		No. of shares	%	No. of shares	%
Retail Galaxy	Singapore	2	100.00	-	-
CLR	Singapore	-	-	2 ⁽¹⁾	100.00
CMA	Singapore	-	-	2 ⁽²⁾	100.00
CLI ⁽³⁾	Singapore	-	-	2 ⁽⁴⁾	100.00

Notes:

- (1) Deemed interested by virtue of its interests in Retail Galaxy pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of its interests in CLR pursuant to Section 8 of the Act.
- (3) CLI is listed on the Main Board of the SGX-ST. Based on CLI's 2021 Annual Report, as at 31 March 2022, CLI's substantial shareholder is CapitaLand Group Pte. Ltd., an indirect wholly-owned subsidiary of Temasek. Temasek's sole shareholder is the Singapore Minister for Finance under the Singapore Minister for Finance (Incorporation) Act 1959. The Singapore Minister for Finance is a body corporate. In respect of Special Coral and CLMT:
 - (a) CLI's deemed interest in Special Coral (the vendor of the Special Coral Strata Parcels) arises through its subsidiary, CMA (see note 4 below for CLI's direct and indirect interests in CMA). CMA holds 100% equity interest in CLR which in turn holds 100% equity interest in Omnitrix that holds 100% of the Preference Shares; and
 - (b) CLI is deemed interested in CLMT by virtue of its deemed interest in CLR held through CMA (see note 4 below). CLR holds 100% equity interest in CIL and MIL, which collectively hold 39.49% unitholdings in CLMT.
- (4) Deemed interested by virtue of its direct and indirect (via CBS) interests in CMA pursuant to Section 8 of the Act.

4.5 Subsidiaries and associate companies

As at the LPD, Milky Way Properties does not have any subsidiaries or associate companies.

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INFORMATION ON THE TARGET COMPANIES (CONT'D)

4.6 Financial information

A summary of the financial information of Milky Way Properties based on its audited financial statements for the past 3 FYEs from 31 December 2019 to 31 December 2021 and the unaudited 11-months FPE 30 November 2022 is as follows:

	Audited FYE 31 December			Unaudited 11-months FPE 30 November 2022
	2019	2020	2021	
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	25	19	8	12
PBT / (LBT)	98	(127)	(125)	(10)
PAT / (LAT)	(31)	(117)	(116)	(8)
Issued and paid-up capital	neg. ⁽¹⁾	neg. ⁽¹⁾	neg. ⁽¹⁾	neg. ⁽¹⁾
Shareholders' funds / NA	1,008	891	775	766
Number of shares in issue	2	2	2	2
External borrowings	-	-	-	-
Net EPS	(15.50)	(58.50)	(58.00)	(4.00)
NA per share	504.00	445.50	387.50	383.00
Gearing ratio (times)	-	-	-	-
Current ratio (times) ⁽²⁾	0.33	0.25	0.10	0.14

Notes:

- (1) Negligible due to the issued and paid up share capital being only RM2.
(2) Calculated by dividing current assets with current liabilities.

Commentaries on financial performance

Milky Way Properties' revenue for the FYEs 31 December 2019 to 31 December 2021 is due to rental income from the leasing of the 1 strata title to QBM held by it.

Milky Way Properties recorded a LBT in both FYEs 31 December 2020 and 31 December 2021 due primarily to the fair value loss incurred in its investment property during both the financial years.

Milky Way Properties recorded a LAT in FYE 31 December 2019 due primarily to the effects of a net cumulative fair value gain on its investment property that is subject to real property gains tax. In both FYEs 31 December 2020 and 31 December 2021, Milky Way Properties recorded lower LAT compared to its LBT due primarily to the effects of the fair value loss on its investment property that is subject to real property gains tax.

4.7 Material contracts

Within 2 years immediately preceding the date of this Circular, Milky Way Properties has not entered into any material contract (not being a contract entered into in the ordinary course of business of Milky Way Properties).

INFORMATION ON THE TARGET COMPANIES (CONT'D)

4.8 Material litigation

As at the LPD, Success Idea is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the board of directors of Milky Way Properties is not aware of any proceedings pending or threatened against Milky Way Properties or of any facts likely to give rise to any proceedings, which might materially or adversely affect the business or financial of Milky Way Properties.

4.9 Material commitments

As at the LPD, there are no material commitments contracted by Milky Way Properties which may have a material impact on the financial position of Milky Way Properties.

4.10 Contingent liabilities

As at the LPD, there are no contingent liabilities incurred or known to be incurred by Milky Way Properties which, upon becoming enforceable, may have a material impact on the financial position of Milky Way Properties.

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VALUATION CERTIFICATE



Our Ref.: V/10/22/YHY/C135

21 November 2022

MTrustee Berhad

As trustee of CapitaLand Malaysia Trust (CLMT)
Level 15, Menara AmFirst
No.1, Jalan 19/3
46300 Petaling Jaya
Selangor Darul Ehsan

c/o CapitaLand Malaysia REIT Management Sdn Bhd

Unit No. 1-27, Level 27, Capital Tower
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PRIVATE & CONFIDENTIAL

Dear Sirs,

RE: VALUATION OF THE 438 STRATA RETAIL & ACCESSORY PARCELS INCLUSIVE OF 2,529 CAR PARKS WITHIN AN 8-STOREY SHOPPING CENTRE WITH A LOWER GROUND FLOOR/LG MEZZANINE KNOWN AS QUEENSBAY MALL [HELD UNDER 438 INDIVIDUAL STRATA TITLES IN MUKIM 12, DISTRICT OF BARAT DAYA, PULAU PINANG]

This valuation certificate has been prepared for submission to Bursa Malaysia Securities Berhad and for inclusion in the circular to the shareholders of CapitaLand Malaysia Trust ("Circular") in connection with the following corporate proposal:-

- ✧ a conditional sale and purchase agreement dated 9 November 2022 entered into by MTrustee Berhad, on behalf of CapitaLand Malaysia Trust, with Special Coral Sdn Bhd to acquire from Special Coral 433 strata titles within Queensbay Mall for a purchase consideration of RM984.48 million; and
- ✧ a conditional share purchase agreement dated 9 November 2022 entered into by MTrustee Berhad, on behalf of CapitaLand Malaysia Trust, with Retail Galaxy Pte Ltd to acquire from Retail Galaxy all the issued and paid-up share capital of Scenic Growth Sdn Bhd, Luxury Ace Sdn Bhd, Success Idea Sdn Bhd and Milky Way Properties Berhad, which collectively hold 5 strata titles within Queensbay Mall for a total purchase consideration of RM3.45 million, together with an inter-company settlement on behalf of the Target Companies of RM2.57 million, both which are subjected to adjustment.

We, Savills (Malaysia) Sdn Bhd, are pleased to certify that we have carried out a valuation, in accordance with the instructions from MTrustee Berhad as trustee of CapitaLand Malaysia Trust, of abovementioned strata parcels vide our Valuation Report bearing reference no. V/10/22/YHY/C135 dated 21 November 2022 for purposes of submission to Bursa Malaysia Securities Berhad in connection with the corporate proposal as stated above.

Offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.

Savills (Malaysia) Sdn Bhd (Company no. 199501004315 (333510-P))



VEPM(1)0232

V/10/22/YHY/C135: 438 STRATA PARCELS IN QUEENSBAY MALL, BAYAN LEPAS, PENANG



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VALUATION CERTIFICATE (CONT'D)



The Report and Valuation has been prepared based on the latest **“Asset Valuation Guidelines”** issued by the Securities Commission Malaysia and the **Malaysian Valuation Standards** issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers with the necessary professional responsibility and due diligence.

In accordance with the latest **“Asset Valuation Guidelines”** issued by the Securities Commission Malaysia, the basis of our Report and Valuation is the Market Value of the Subject Property.

The **Market Value** as defined in the **Malaysian Valuation Standards** is as follows:-

“Market Value” is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion.

Accordingly, we have inspected the abovementioned parcels which are collectively referred herein as the “Subject Property” on 7 October 2022 and investigated all available data relevant to the matter. The material date of valuation of the Subject Property is taken to be 7 October 2022.

A brief summary & details of the Subject Property are as follows:-

Subject Property:	438 strata retail & accessory parcels inclusive of 2,529 car parks within Queensbay Mall (QBM) 100, Persiaran Bayan Indah 11900 Bayan Lepas Pulau Pinang
Instructions:	MTrustee Berhad as trustee of CapitaLand Malaysia Trust
Interest Valued:	Freehold
Legal Description:	438 individual strata titles (as per Certified Schedule of Strata Titles), Mukim 12, District of Barat Daya, Pulau Pinang
Basis of Valuation:	Market Value of the freehold interest in the 438 strata retail & accessory parcels inclusive of 2,529 car parks within an 8-Storey Shopping Centre with a lower ground floor/LG mezzanine known as Queensbay Mall [held under 438 individual strata titles in Mukim 12, District of Barat Daya, Pulau Pinang] in their existing condition subject to the existing tenancies, occupational arrangements and the respective strata titles being free from encumbrances and registrable.
Tenure:	Freehold

VALUATION CERTIFICATE (CONT'D)



Registered Owners: As tabulated below

Registered Owner	Title No.
Special Coral Sdn Bhd (SCSB)	433 title nos. (as per Schedule of Strata Titles)
Scenic Growth Sdn Bhd (SGSB)	GRN 97433/M1/3/414
Luxury Ace SB (LASB)	GRN 97433/M1/3/405
Success Idea SB (SISB)	GRN 97433/M1/3/409&410
Milky Way Properties Bhd (MWPB)	GRN 97433/M1/2/390

Category of Land Use: Bangunan

Express Condition: Petak ini hendaklah digunakan untuk tujuan perniagaan sahaja.

Restrictions-in-Interest: Tanah yang diberimilik ini tidak boleh dipindah milik, cagar, pajak, pajakan kecil atau dengan apa-apa urusan sekalipun tanpa kebenaran bertulis daripada Pihak Berkuasa Negeri.

Existing Use: Shopping Centre (Commercial)

Town Planning: The Subject Property is designated for commercial use in accordance with the express condition stated in the strata titles.

Location: QBM is located within Bayan Lepas, a thriving township on the southern fringe of Penang Island lying in close proximity to the Penang International Airport & the Bayan Lepas Free Industrial Zone. It lies more or less equidistant to the Penang Bridge & Second Penang Bridge at a radial distance of approximately 10 kilometres south-west of the City Centre of Georgetown, the State Capital of Penang.

QBM is sandwiched between the Tun Dr Lim Chong Eu Expressway (LCE) & Persiaran Bayan Indah and has a primary frontage/access from the western side of the latter with an aspect towards the eastern open waters of the South Channel of the Melaka Straits.

Accessibility: The present approach to QBM from the City Centre of Georgetown is by way of Jalan Pengkalan Weld & LCE.

It is well-facilitated by the existing road system serving the Penang Island which provides various alternative current & future routes from any parts of the City. Alternatively QBM can be approached from other City roads linking with Jalan Sultan Azlan Shah to Jalan Tun Dr Awang.

The Site: The site of QBM is an elongated regular shaped parcel of land with a title land area of 55100 square metres (593,091 square feet or 13.615 acres).

VALUATION CERTIFICATE (CONT'D)



It is generally flat and the ground floor lies about level with Persiaran Bayan Indah.

Brief Description:

Queensbay Mall is a modern free-standing 8-storey shopping centre with a lower ground floor & a lower ground mezzanine comprising 5 floors of retail space and car parks as follows:

Floor	Use
Lower Ground (LG)	Retail Space & Car Park
LG Mezzanine	Car Park
Ground	Retail Space
1 st – 2 nd	Retail Space
3 rd	Retail Space & Car Park
4 th – 8 th (Roof Level)	Car Park

It consists 592 main strata parcels made up of 438 parcels forming the Subject Property and 154 parcels owned by other owners.

The building was constructed in accordance with the Approved Building Layout Plans bearing reference MPPP/OSC/PB(388)/08(LB) and issued with a Certificate of Fitness for Occupation (No. JB/SKM/08/0035) by the Majlis Perbandaran Pulau Pinang dated 1 April 2008.

QBM is one of the largest malls in the Northern Region of the Peninsula completed in July 2006 & inaugurated in December 2006.

Generally the basic construction of the building is of reinforced concrete columns and beams with reinforced concrete floor slabs, plastered brick walls and reinforced concrete flat roof/metal roof on steel trusses.

Age of Building (approx.): 16 years

Strata Floor Area : **Queensbay Mall (all inclusive parcels owned by other owners)**
1,365,757 square feet (126,883 square metres) inclusive of car parks.

The Subject Property
1,282,681 square feet (119,165 square metres) inclusive of car parks.
(Approximately 93.9% of the total overall strata floor area inclusive car parks or Approximately 91.78% of the total strata floor area of the retail parcels only within QBM)

Net Lettable Area (NLA): 883,111 square feet (82,044 square metres) – Subject Property



VALUATION CERTIFICATE (CONT'D)



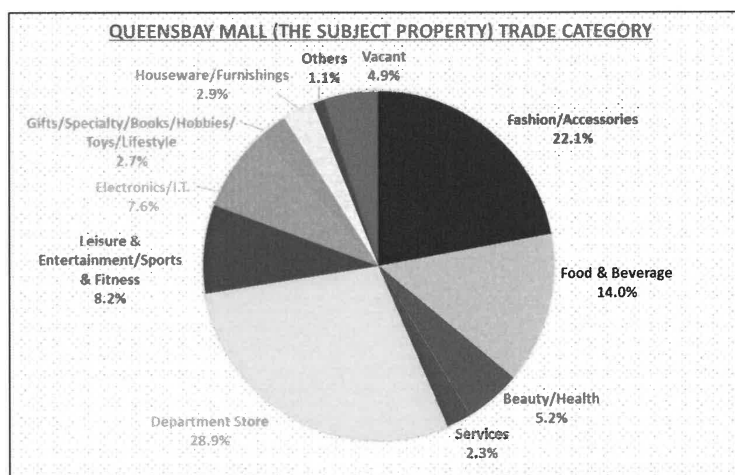
Occupancy Details:

The Subject Property currently enjoys a committed occupancy of about 95% (inclusive of committed tenancies after the date of valuation but not occupied as yet) based on the certified Tenancy Schedule as at 31 August 2022 including updated details covering the period from 1 September 2022 to 7 October 2022 as provided by the Client. The past three (3) years record of occupancy rates for the Subject Property are tabulated as follows:-

Year	Occupancy Rate
2021	95.8%
2020	97.0%
2019	99.7%

The Subject Property has a committed average gross rental rate of approximately RM8.60 per square foot per month and to be prudent, we have given a further 5% reduction on Term gross rentals for 6 months to allow for any Covid-19 impact in the valuation by the Investment Method. We note that the Covid-19 is categorized under Endemic status now where daily cases are still above 1,000 per day.

The summary of the retail trade mix within the Subject Property is as follows:-



Based on the standard of tenancy agreement, the tenants are required to pay Rent, Service Charge and Advertising & Promotion Fees punctually on first day of each month and any delays will attract interests and administrative charges for late payments.

The Landlord shall pay all rates, taxes, assessments and outgoings imposed upon both the Demised Premises and Building during the Term except those items which fall under the Tenant's responsibility(s) as per the Tenancy Agreement. The Landlord shall also keep the Building insured against loss and damage by fire.



VALUATION CERTIFICATE (CONT'D)



Typical terms of tenancy are largely formalised at 3 years with additional turnover rentals and renewal options.

Valuation Approach:

The Subject Property is essentially valued by adopting the Income Approach (Investment Method of Valuation) as the primary methodology supported by the Comparison Approach.

The Investment Method of Valuation is principally the capitalised net rental income approach which mathematically takes into consideration the various material factors affecting value in terms of location and accessibility, building condition, occupancy rate, size, tenure of land, restrictions etc. without the requirement for any percentage hypothetical adjustments. It adopts the gross income and outgoings (operating expenses exclusive of interest, tax, depreciation, amortisation and other extraordinary capital expenditure) of an income-generating asset. Generally, the resultant net income is capitalised into market value using a capitalisation rate based on the current market-derived yield rates which reflect the expected return on investments and commensurate with the risk exposure to the asset under consideration.

SUMMARY OF RATES		
Description	Term	Reversion
Average Gross Rental Rates	RM8.60 psf This is based on the Certified Tenancy Schedule as 31 Aug 2022 & updated details (inclusive of committed tenancies after the date of valuation)	RM8.80 psf <i>The final Term rentals ranges from RM1.80 to RM55.20 psf depending on size, floor/level, location and etc.</i> <i>Some other rental evidences in Penang extracted from NAPIC from 2020 to 2022 (1st Half) are as follows:-</i> 1) Gurney Plaza RM1.30 to RM53.90 psf [sizes ranging from 130 to 14,560 sqft] 2) 1st Avenue RM2.30 to RM36.80 psf [sizes ranging from 355 to 9,100 sqft] 3) Sunway Carnival : RM0.20 to RM39.00 psf [sizes ranging from 190 to 69,000 sqft] <i>From the above, our rates adopted are within the market range.</i>
Capitalisation Rates		
- Gross Rental	6.25% p.a. This is based on initial net yields @ 5.70% - 7.00% p.a. derived from market transactions of comparable malls.	6.50% p.a. A higher rate to reflect higher rentals & risks.
- Other Revenues	8.50% p.a. <i>We have adopted higher capitalization rates for Other Revenues (8.50% @ Term & 9.00% @ Reversion) due to its nature where the risks are substantially higher and there is uncertainty around as the Covid-19 daily cases are still above 1,000 per day.</i>	9.00% p.a.
Outgoings	RM3.25 psf <i>The analysed annual outgoings from 2018 - 2022 is ranging from RM2.94 to RM3.09 psf. The actual market rates extracted from selected shopping malls is ranging RM2.65 - RM3.70 psf</i> <i>Based on the P&L Statements, generally the components forming the Outgoings are as follows:-</i> 1) Property Tax 13.2% 2) Utilities 0.8% 3) Maintenance 66.6% 4) Property Management Fee 0.5% 5) Marketing Expenses 2.5% 6) Consultancy Services 3.2% 7) General & Admin Expenses 13.2%	RM3.40 psf

VALUATION CERTIFICATE (CONT'D)



Description	Term	Reversion
Other Revenues <i>(Turnover Rents, Marcom (Promotional Space/Push Carts and Others)</i>	RM9,135,000	RM10,150,000 <i>In Reversion, we have adopted an average revenue from 2018 to 2021 based on the P&L Statements as it is very dependant on the operations, management & performance of the mall and spending power of the shoppers. We have given an additional discount of 10% in Term from the Reversionary figures to allow for any Covid-19 impact in the valuation by the Investment Method. We note that the Covid-19 is categorized under Endemic status and daily cases are still above 1,000 per day.</i>
Void Allowance		5% of Gross Rental <i>We have adopted a 5% void allowance into perpetuity and this is a fair rate for the Subject Property. Furthermore, based on the past 4 years record (2018 – 2021), the performance of the Subject Property is ranging from 95.8% to 99.7%.</i>
Car Park	RM35,000 per bay This is based on the car park analysis from the P&L Statements (Audited Accounts) & market comparables with adjusted values ranging from RM30,700 - RM36,100 per bay	

VALUATION CERTIFICATE (CONT'D)



The Comparison Approach entails comparing the Subject Property with comparable shopping centres which have been sold or are being offered for sale and making adjustments for factors which affect value such as location and accessibility, building quality & condition, tenure, restrictions and other relevant characteristics.

COMPARISON APPROACH				
Description	Subject Property	Comparable 1	Comparable 2	Comparable 3
Property	Queensbay Mall	Pavilion Bukit Jalil	Elite Pavilion Mall	Da:men
Consideration	RM1,000,000,000 RM1,130	RM1,480,000,000 RM805	RM580,000,000 RM2,395	RM486,844,000 RM1,155
Property Description	8-storey stratified shopping centre with a LG Floor (on 438-Strata Retail & Accessory Parcels only)	5-storey shopping centre with 2 levels of basement car park.	10-storey shopping centre with basement/elevated car parks, pedestrian linkbridges (Ext. Connections) & pedestrian tunnel (Contractual Right).	5-storey shopping mall with a lower ground floor and 2 levels basement car park.
Address/Location	Bayan Lepas, Penang	Bukit Jalil	Bukit Bintang, KL	USJ
Accessibility/Frontage	Tun Dr. Lim Chong Eu Highway	Lebuhraya Bukit Jalil	Jalan Bt Bintang, KL	Persiaran Kewajipan
Tenure/ Expiry date	Freehold	Freehold	Freehold for Elite Pavilion Leasehold - Approx. 92 yrs for Ext. Connections	Freehold
Approx. Building Age	16 years	Under Construction	2 years	Under Construction
No. Of Car Parks (Approx.)	2,529 Every 350 sqft 1 CP	4,967 Every 370 sqft 1 CP	50 Every 4,840 sqft 1 CP	1,638 Every 255 sqft 1 CP
NLA	883,111 sqft	1,839,914 sqft	241,929 sqft	420,920 sqft
Occupancy Rate		Under construction	92%	Under construction but with guaranteed rental (RM9.20 psf gross rent)
Transaction Date	07-Oct-22 (date of valuation)	28-May-19 (3.40 years ago)	27-Jul-17 (5.20 years ago)	17-Sep-15 (7.10 years ago)
Vendor		PIONEER HAVEN SDN BHD , A WHOLLY-OWNED SUBSIDIARY OF MALTON VIA KUMPULAN GAPADU SDN BHD	URUSHARTA CEMERLANG (KL) SDN BHD & URUSHARTA CEMERLANG SDN BHD	EQUINE PARK COUNTRY RESORT SDN BHD
Purchaser		REGAL PATH SDN BHD	PAVILION REIT	PAVILION REIT
Source		BURSA	BURSA	BURSA
Analysis NLA per sq.ft.		RM805	RM2,395	RM1,155
Say CP Value / Bay		RM35,000	RM60,000	RM34,000
Value Without Car Park		RM1,306,155,000	RM577,000,000	RM431,152,000
Time Factor:		RM710	RM2,385	RM1,024
Normal Time Adj.		7.5%	7.5%	10.0%
*Covid-19 Adj.		-2.5%	-2.5%	-2.5%
		5.0%	5.0%	7.5%
		3.36 years	5.20 years	7.06 years
Basic Value psf		RM745	RM2,504	RM1,101
Adjustment		Market condition, NLA, occupancy status, building age / condition / grade and type of title.	Market condition, location, NLA, building age / condition / grade, tenure and type of title.	Market condition, location, NLA, building age / condition / grade, and type of title.
Adjusted Value (w/o CP)		RM1,030	RM1,000	RM1,070

***Note :-**

We have adopted a nominal 2.5% discount on Time Factor (to be conservative) to reflect the impact of the Covid-19 (2019) into 2022. From the various valuations undertaken by the REITs, we note that values maintained stable generally with nominal or no discounts as Covid-19 has limited impact on a long term basis.

Best Comparable:	Comparable 1	Valuation Rationale:-
Value with Car Park (Say)	RM1,030	We have adopted RM1,030 per square foot for the Mall (without Car Park) based on Comparable 1 which is considered the most appropriate recent transaction and has close similarities in terms of location and tenure. We have adopted RM35,000 per bay for the Car Park value based on the adjustment shown in the next page. The summation of both values are approximately RM1,000,000,000 which is equivalent to RM1,130 per square foot.
(+) Car Park Value	RM35,000 / Bay	
Market Value	Say	

Valuation Rationale

We have adopted RM1,130 psf as the final value for the Subject Property based on Comparable 1 (inclusive of car parks) which is considered the most appropriate recent transaction and has close similarities in terms of location & tenure.

VALUATION CERTIFICATE (CONT'D)

**Reconciliation and Final Value Conclusion**

We have used two different approaches to arrive at the Market Value of the Subject Property.

Method of Valuation	Market Value (MV)	MV psf
Income Approach	RM1,000,000,000	RM1,130
Comparison Approach	RM1,000,000,000	RM1,130

As the Subject Property is an income generating asset, we have **adopted the Income Approach to be the most suitable methodology for this present exercise.**

This method is subsequently counter-checked by the Comparison Approach to see the reasonability of the results and values generated by same.

Bear in mind that the results for the individual methodology will not be identical and if the results are less than a 5% variation, it should be quite acceptable.

We **do not** give individual weightings to each methodology and take a view of the value based on the average outcome but rather **adopt** a single methodology and countercheck the market value arrived at using other valuation methodologies.

VALUATION CERTIFICATE (CONT'D)

**Market Value**

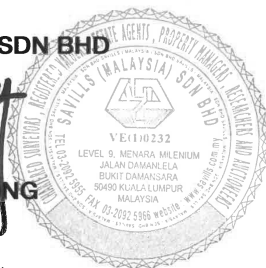
Having regard to the foregoing, we are of the opinion that the **Market Value of the freehold interest in the 438 strata retail & accessory parcels inclusive of 2,529 car parks within an 8-Storey Shopping Centre with a lower ground floor/LG mezzanine known as Queensbay Mall** [held under 438 individual strata titles in Mukim 12, District of Barat Daya, Pulau Pinang] in their existing condition subject to the existing tenancies, occupational arrangements and the respective strata titles being free from encumbrances and registrable is **RM1,000,000,000 (Ringgit Malaysia: One Billion Only)** i.e. approximately RM1,130 per square foot based on the net lettable area.

For all intents and purposes, this Valuation Certificate should be read in conjunction with our detailed Report and Valuation of the Subject Property.

We trust the above will suffice for your immediate requirement. Please contact us if you have any queries or need further clarification.

For and on behalf of
SAVILLS (MALAYSIA) SDN BHD

DATUK SR PAUL KHONG
MRICS FRISM APEPS
Chartered Surveyor
Registered Valuer (V-528)
Managing Director



VALUATION CERTIFICATE (CONT'D)

**COVID-19 (Endemic Transition Phase):**

The outbreak of the Coronavirus Disease 2019 (COVID-19), declared by the World Health Organisation (WHO) as a "Global Pandemic" on the 11 March 2020, has impacted both local and global financial markets with increased uncertainty.

To date, Malaysia has gone through various lockdowns i.e. Movement Control Order (MCO) since 18 March 2020 under the National Recovery Plan (NRP).

As of 1 April 2022, Malaysia enters into an "Endemic" transition phase and the Malaysian borders are now fully re-opened for international travels once again with strict SOPs in place.

Market activities which were earlier impacted in many sectors, are now back in full operations with the re-opening and as at the valuation date, we are placing lesser weightage on recent market evidences for comparison purposes.

Our valuations are now reported on a lesser "material uncertainty" basis and thus a degree of caution is still attached herein. Given this unknown impact of Covid-19 into the Endemic stage, frequent reviews are still recommended. This proviso serves as a precaution in the current circumstances.

We foresee more businesses reviving and the markets activities to improve in the short and medium term after a 2-year pandemic period. Hopefully Covid-19 tapers off soon and we see normalcy in all sectors again.

The BNM moratorium package has ended in H1 2022 and it has helped shore our markets including the property sector.

**Assumption,
Disclaimers,
Limitations &
Qualifications**

This valuation report is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout this report which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section located within this report. Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.

VALUATION CERTIFICATE (CONT'D)



Limitations, Disclaimers & Qualifications

Valuation:

Real estate values vary from time to time in response to changing market circumstances and it should, therefore, be noted that this valuation is based on available information as at the date of valuation. No warranty can be given as to the maintenance of this value into the future. It is, therefore, recommended that the valuation be reviewed periodically.

Assumptions:

Assumptions are a necessary part of undertaking valuations/the valuation. Savills adopts assumptions for the purpose of providing its valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. The person or entity to whom the report is addressed acknowledges and accepts that the valuation contains certain specific assumptions and as such the person or entity to whom this report is addressed acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation.

Investigations:

The valuation is conducted on the basis that we are not engaged to carry out all possible investigations in relation to the property. Where in our report we identify certain limitations to our investigations, this is to enable you to instruct further investigations if you consider this appropriate or we recommend as necessary to allow us to complete the valuation. Savills is not liable for any loss occasioned by a decision not to conduct further investigations.

Information Supplied By Others:

The valuation contains information which is derived from other sources. Unless otherwise specifically instructed by you and/or stated in the valuation, we have not independently verified that information, nor adopted it as our own, or accepted its reliability. The person or entity to whom the report is addressed acknowledges and accepts the risk that if any of the unverified information/advice provided by others and referred to in the valuation is incorrect, then this may have an effect on the valuation.

Site Details:

A current survey has not been provided. The valuation is made on the basis that there are no encroachments by or upon the property and the person or entity relying upon the valuation should confirm this by obtaining a current survey report and/or advice from a registered surveyor. If any encroachments are noted by the survey report, that person or entity must not rely upon the valuation, before first consulting Savills to reassess any effect on the value stated in the valuation.

Future Matters:

To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to Savills at the date of this document. Savills does not warrant that such statements are accurate or correct.

Property Title:

We have conducted a brief title search only. We have not perused the original title documentation. We have assumed that there are no further easements or encumbrances not disclosed by this brief title search which may affect market value. However, in the event that a comprehensive title search is undertaken by the person or entity relying upon the valuation, which reveals further easements or encumbrances, that person or entity must not rely upon the valuation, before first consulting Savills to reassess any effect on the valuation.

Town Planning:

Where practicable we have conducted a brief check with the local authorities to ascertain whether the existing structures have received all relevant planning and building approvals. In the event that we have ascertained that there are structures on site that have not been so approved we will report this and any impact on value will be taken into account in our valuation. In all other cases we have assumed that all structures on site are legally approved. However we do not warrant the accuracy of such checks and or assumptions and in the event of doubt the person or entity relying upon this valuation must commission further investigation. Any information which comes to light as a result of this further investigation should be referred to Savills for consideration and possible review of the valuation. No reliance should then be placed upon the valuation until such time as that review has been completed and provided to the person or entity to whom responsibility is accepted for this advice. It is assumed that information provided to us by the relevant Local Authority Town Planning Department is accurate. In the event that a Town Planning Certificate or any other relevant Planning Certificate or document is obtained and the information therein is later found to be materially different to the town planning information detailed within the valuation, we reserve the right to amend the valuation.

Environmental Conditions:

In the absence of an environmental site assessment relating to the subject property, we have assumed that the site is free of elevated levels of contaminants. Our visual inspections of the subject property and immediately surrounding properties revealed no obvious signs of site contamination. Furthermore, we have made no allowance in our valuation for site remediation works. However, it is important to point out that our visual inspection is an inconclusive indicator of the actual condition of the site. We make no representation as to the actual environmental status of the subject property. If a test is undertaken at some time in the future to assess the degree, if any, of contamination of the site and this is found to be positive, we reserve the right to review our valuation assessed herein, should we deem it to be necessary.

VALUATION CERTIFICATE (CONT'D)



Inclusions & Exclusions:

Where applicable, our valuation includes those items that form (or will form) part of the building service installations such as heating and cooling equipment, lifts, sprinklers, lighting, etc., that would normally pass with the sale of the property, but excludes all items of plant, machinery, equipment, partitions, furniture and other such items which may have been installed (by the occupant) or are used in connection with the business(es) carried on within the property.

Floor Areas:

Unless stated otherwise in the valuation, we have assumed that the floor areas have been calculated in accordance with The Institution of Surveyors (ISM) Malaysia **"Uniform Method of Measurement of Building"** of Lettable Areas or as specifically instructed by the party who we have agreed to provide this valuation. We recommend that the person or entity relying upon this report should obtain a survey to determine whether the areas provided differ from ISM guidelines. In the event that the survey reveals a variance in areas, then the relevant person or entity should not rely upon the valuation and should provide all relevant survey details to Savills for consideration and possible review of the valuation.

Condition & Repair:

We have inspected the building(s), however we have not carried out a structural survey nor tested any of the services or facilities and are therefore unable to state that the building is free from defect. We advise that we have not inspected unexposed or inaccessible portions of the building and are therefore unable to state that these are free from rot, infestation, asbestos or other hazardous and/or contaminated material. Unless otherwise stated in the valuation report, our valuation is based upon the assumption that the building(s) do not have any defects requiring any significant expenditure. Also unless otherwise stated in the valuation report, the valuation assumes that the building complies with all relevant statutory requirements in respect of matters such as health, building and fire safety regulations. If the person or entity relying on the report becomes aware of any information contrary to these assumptions, then they must not rely upon the valuation and that information should be referred to Savills for consideration and possible review of the valuation, and no reliance should be placed on this valuation until such time as that review has been completed and provided to the person or entity to whom responsibility is accepted for this advice.

Valuation Methodology:

Where Savills is valuing income dependent property, the primary valuation methodologies generally used are the Investment and/or Discounted Cash Flow Methods with a check by the Comparison and Cost Methods. These approaches are based upon an estimation of future results. Each methodology begins with a set of assumptions as to the projected income and expenses of the subject property and future economic conditions in its local market. The income and expense figures are mathematically extended with adjustments for estimated changes in economic conditions and lease terms. The result is the best estimate of value Savills can produce, but it is an estimate and not a guarantee and it is fully dependent upon the accuracy of the assumptions as to income, expense and market conditions. These primary valuation methodologies use market derived assumptions, including rents, yields and discount rates, obtained from analysed transactions. Where reliance has been placed upon external sources of information in applying the valuation methodologies, unless otherwise specifically instructed by you and/or stated in the valuation, Savills has not independently verified that information and Savills does not adopt that information and/or advice nor accept it as reliable. The person or entity to whom the report is addressed acknowledges and accepts the risk that if any of the unverified information in the valuation is incorrect, then this may have an effect on the valuation.

Side Agreement:

Our valuation assumes that there are no side agreements that would have an adverse effect on the market value of the property.

Not a Structural Survey:

We state that this is a valuation report, and not a Structural Survey.

Director's Clause:

Under required circumstances, this report may have been co-signed by a Director of Savills. In accordance with our internal Quality Assurance procedures, the co-signing Director certifies that he has discussed the valuation methodology and calculations with the prime signatory, however the opinion of value expressed herein has been arrived at by the prime signatory alone. The co-signing Director may or may not have inspected the subject property.

Liability & Confidentiality:

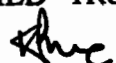
Our responsibility in connection with this report is limited to the client to whom the report is addressed, and the express purposes of that client, and to that client and that purpose only. We disclaim all responsibility and will accept no liability to any other party. The limit of our liability to our client shall be the total fee compensation received by us under this quotation, for any and all injuries, damages, claims, losses, expenses or claim expenses arising out of this quotation from any cause or causes. This provision is standard with engagements of this nature and is not provided to waive our professional responsibility but as a mechanism to appropriately reflect the risk and benefits of the parties to the engagement. Where the Instructing Party and the Reliant Party are different, the Instructing Party should obtain evidence of the acceptance by the Reliant Party of the limit since the Reliant Party is not a party to this quotation. Where the Instructing Party and the Reliant Party are the same, there is no need to obtain such consent since the Instructing Party is a party to this quotation.

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021

Scenic Growth Sdn. Bhd.
(Registration No. 201001030332 (914252 - T))
(Incorporated in Malaysia)

**Financial statements for the financial
year ended 31 December 2021**

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KPMG PLT

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31 DECEMBER 2021 (CONT'D)

1

Scenic Growth Sdn. Bhd.

(Registration No. 201001030332 (914252 - T))

(Incorporated in Malaysia)

Directors' report for the financial year ended 31 December 2021

The Directors hereby submit their report and the audited financial statements of the Company for the financial year ended 31 December 2021.

Principal activities

The Company is principally engaged in the operations of investment in and letting of property. There has been no significant change in the nature of these principal activities during the financial year.

Holding corporations

The immediate, intermediate, pre-antepenultimate, antepenultimate, penultimate and ultimate holding corporations of the Company during the financial year are Retail Galaxy Pte. Ltd., CapitaLand Retail (MY) Pte. Ltd., CapitaLand Mall Asia Limited, CapitaLand Investment Limited (formerly known as CapitaLand Financial Limited), CapitaLand Group Pte. Ltd. (formerly known as CapitaLand Limited) and Temasek Holdings (Private) Limited respectively. These corporations are incorporated in the Republic of Singapore.

Results

	RM'000
Loss for the year	<u>13</u>

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review.

Dividend

No dividend was paid since the end of the previous financial year and the Directors do not recommend any dividend to be paid for the financial year under review.

Directors

Directors who served during the financial year until the date of this report are:

Ng Kuan Yee (appointed on 1 July 2021)
 Edward Bin Chung Yiu (appointed on 2 August 2021)
 Lee Wan Hoon (appointed on 2 August 2021)
 Lim Boon Hwee (resigned on 1 July 2021)
 Tang Gan Yuen (Deng Jianyuan) (resigned on 2 August 2021)
 Tng Wei Chien (appointed on 19 February 2021 and resigned on 2 August 2021)
 Low Peck Chen (resigned on 19 February 2021)

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31 DECEMBER 2021 (CONT'D)

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Registration No. 201001030332 (914252 - T)

Directors' interests in shares

The interest and deemed interest in the ordinary shares and options over shares of the penultimate holding corporation of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not the Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Holdings in the name of the Director, spouse and/or children			
	At date of appointment	Bought/ Granted	Sold/ Vested/ Lapsed	At 31.12.2021
Penultimate holding corporation, CapitaLand Group Pte Ltd				
Ordinary shares				
Ng Kuan Yee	66,529	-	(66,529)	-
Edward Bin Chung Yiu	26,888	-	(26,888)	-
Lee Wan Hoon	232,875	-	(232,875)	-
Unvested Restricted shares^{2a,7} to be delivered after 2019				
Edward Bin Chung Yiu	2,249 ⁴	-	(2,249)	-
Lee Wan Hoon	4,500 ⁴	-	(4,500)	-
Unvested Restricted shares^{2b,7} to be delivered after 2020				
Edward Bin Chung Yiu	3,059 ^{4,5}	-	(3,059)	-
Lee Wan Hoon	6,118 ^{4,5}	-	(6,118)	-
Contingent award of Restricted Shares^{2b,7} to be delivered after 2021				
Edward Bin Chung Yiu	18,446 ^{3,4}	-	(18,446)	-
Lee Wan Hoon	18,445 ^{3,4}	-	(18,445)	-
Antepenultimate holding corporation, CapitaLand Investment Limited (CLI)				
Ordinary shares				
Ng Kuan Yee	-	66,529	-	66,529
Edward Bin Chung Yiu	-	26,888	-	26,888
Lee Wan Hoon	-	232,875	-	232,875
Contingent award of CLI Performance shares^{1a,4} Founder Share Award to be delivered after 2025				
Lee Wan Hoon (35,423 shares)	-	0 to 106,269	-	0 to 106,269

Footnotes:

^{1a} Awards made pursuant to the CapitaLand Investment Performance Share Plan 2021.

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31 DECEMBER 2021 (CONT'D)

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Registration No. 201001030332 (914252 - T)

Directors' interests in shares (continued)

Footnotes:

- ^{2a} Awards made pursuant to the CapitaLand Restricted Share Plan 2010 (RSP 2010).
- ^{2b} Awards made pursuant to the CapitaLand Restricted Share Plan 2020 (RSP 2020).
- ³ The final number of shares to be released will depend on the achievement of pre-determined targets at the end of a one-year performance period and the release will be over a vesting period of three years. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 150% of the baseline award. The Executive Resource and Compensation Committee (ERCC) has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors.
- ⁴ An additional number of shares of a total value equal to the value of the accumulated dividends which are declared during each of the vesting periods and deemed forgone due to the vesting mechanism of the RSP 2010 and RSP 2020, will also be released on the final vesting.
- ⁵ Being the unvested one-third of the award.
- ⁶ This is a long-term share-based award which will vest after the end of a 5-year performance period, subject to the achievement of the targets approved by the Executive Resource and Compensation Committee of the Company. The number of shares to be released as soon as practicable upon vesting will be determined based on, *inter alia*, the award multiplied by an achievement factor. If the minimum performance level is achieved, the achievement factor will be 0.2. If the performance level exceeds minimum but is below superior, the achievement factor will be adjusted accordingly within the range of 0.2 to 3.0. If the performance level is superior and above, the achievement factor will be 3.0. Conversely, if the performance level is below minimum, the achievement factor will be zero and no share will be released.
- ⁷ Termination of RSPs and shares being the unvested remaining shares under the awards granted under the RSPs has been released in the form of cash in lieu of shares. Cash payment will be released to eligible participants according to the original vesting schedule of each respective RSP award.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those fees and other benefits included in the aggregate amount of remuneration received or due and receivable by Directors as shown in the financial statements or the fixed salary of a full time employee of related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate apart from the Performance Share Plan and Restricted Share Plan in CapitaLand Group Pte. Ltd. and CapitaLand Investment Limited.

Issue of shares and debentures

There were no changes in the issued and paid-up capital of the Company during the financial year.

There were no debentures issued during the financial year.

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31 DECEMBER 2021 (CONT'D)

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Registration No. 201001030332 (914252 - T)
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Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Indemnity given and insurance effected

During the financial year, no indemnity was given to, and no insurance was effected for, any officer or auditors of the Company.

Other statutory information

Before the financial statements of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts to be written off and adequate provision made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Company misleading.

At the date of this report, there does not exist:

- i) any charge on the assets of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Company for the financial year ended 31 December 2021 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

**AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)**

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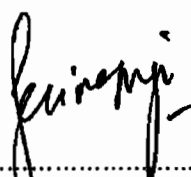
Registration No. 201001030332 (914252 - T)
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Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration is disclosed in Note 10 to the financial statements.

Signed on behalf of the Board of Directors, in accordance with a resolution of the Directors:



.....
Ng Kuan Yee
Director



.....
Edward Bin Chung Yiu
Director

Date: 07 JUN 2022

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)

6

Scenic Growth Sdn. Bhd.

(Registration No. 201001030332 (914252 - T))

(Incorporated in Malaysia)

Statement of financial position as at 31 December 2021

	Note	2021 RM'000	2020 RM'000
Assets			
Investment property	3	1,100	1,100
Total non-current asset		1,100	1,100
Trade and other receivables	4	27	16
Current tax assets		3	3
Bank balance		210	234
Total current assets		240	253
Total assets		1,340	1,353
Equity			
Share capital	5	*	*
Retained earnings		769	782
Total equity		769	782
Liabilities			
Amount due to immediate holding corporation	6	465	465
Trade and other payables	7	-	21
Deferred tax liability	8	69	69
Total non-current liabilities		534	555
Trade and other payables	7	37	16
Total current liabilities		37	16
Total liabilities		571	571
Total equity and liabilities		1,340	1,353

* Denotes RM2

The accompanying notes form an integral part of these financial statements.

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31 DECEMBER 2021 (CONT'D)

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Scenic Growth Sdn. Bhd.

(Registration No. 201001030332 (914252 - T))

(Incorporated in Malaysia)

Statement of profit or loss and other comprehensive income for the financial year ended 31 December 2021

	Note	2021 RM'000	2020 RM'000
Revenue	9	54	52
Cost of sales		<u>(17)</u>	<u>(17)</u>
Gross profit		37	35
Other operating income		-	21
Other operating expenses		(*)	-
Administrative expenses		<u>(38)</u>	<u>(11)</u>
(Loss)/Profit before tax	10	(1)	45
Tax expense	11	<u>(12)</u>	<u>(12)</u>
(Loss)/Profit and total comprehensive (expense)/income for the year		<u>(13)</u>	<u>33</u>

* Denotes amount less than RM1,000

The accompanying notes form an integral part of these financial statements.

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31 DECEMBER 2021 (CONT'D)

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Scenic Growth Sdn. Bhd.

(Registration No. 201001030332 (914252 - T))
(Incorporated in Malaysia)

Statement of changes in equity for the financial year ended 31 December 2021

	Share capital RM'000	Retained earnings RM'000	Total equity RM'000
At 1 January 2020	*	749	749
Profit and total comprehensive income for the year	-	33	33
At 31 December 2020/1 January 2021	*	782	782
Loss and total comprehensive expense for the year	-	(13)	(13)
At 31 December 2021	*	769	769

Note 5

* Denotes RM2

The accompanying notes form an integral part of these financial statements.

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)

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Scenic Growth Sdn. Bhd.

(Registration No. 201001030332 (914252 - T))

(Incorporated in Malaysia)

**Statement of cash flows for the financial year ended
31 December 2021**

	Note	2021 RM'000	2020 RM'000
Cash flows from operating activities			
(Loss)/Profit before tax		(1)	45
Adjustment for:			
Net loss on impairment of trade receivables		28	-
Fair value gain of investment property	3	-	(20)
Interest income		-	(*)
		<u>27</u>	<u>25</u>
Operating profit before changes in working capital			
Changes in working capital:			
Trade and other receivables		(39)	(16)
Trade and other payables		*	4
		<u>(12)</u>	<u>13</u>
Cash (used in)/generated from operations			
Interest received		-	*
Tax paid		(12)	(13)
		<u>(12)</u>	<u>13</u>
Net cash (used in)/from operating activities		<u>(24)</u>	<u>*</u>
Net (decrease)/increase in bank balance		(24)	*
Bank balance at 1 January		234	234
		<u>210</u>	<u>234</u>
Bank balance at 31 December			

* Denotes amount less than RM1,000

The accompanying notes form an integral part of these financial statements.

**AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)**

10

Scenic Growth Sdn. Bhd.

(Registration No. 201001030332 (914252 - T))
(Incorporated in Malaysia)

Notes to the financial statements

Scenic Growth Sdn. Bhd. is a private limited liability company, incorporated and domiciled in Malaysia. The address of the principal place of business and registered office is as follows:

Principal place of business/Registered office

Unit No.1-27, Level 27, Naza Tower
No.10, Persiaran KLCC
50088 Kuala Lumpur

The Company is principally engaged in the operations of investment in and letting of property. There has been no significant change in the nature of these principal activities during the financial year.

The immediate, intermediate, pre-antepenultimate, antepenultimate, penultimate and ultimate holding corporations of the Company during the financial year are Retail Galaxy Pte. Ltd., CapitaLand Retail (MY) Pte. Ltd., CapitaLand Mall Asia Limited, CapitaLand Investment Limited (formerly known as CapitaLand Financial Limited), CapitaLand Group Pte. Ltd. (formerly known as CapitaLand Limited) and Temasek Holdings (Private) Limited respectively. These corporations are incorporated in the Republic of Singapore.

These financial statements were authorised for issue by the Board of Directors on 7 June 2022.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Company:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 April 2021

- Amendments to MFRS 16, *Leases – Covid-19-Related Rent Concessions beyond 30 June 2021*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)**
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework**
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*

**AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)**

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Registration No. 201001030332 (914252 - T)
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1. Basis of preparation (continued)

(a) Statement of compliance (continued)

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022 (continued)

- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)**

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Company plans to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 January 2022 for those amendments that are effective for annual periods beginning on or after 1 April 2021.
- from the annual period beginning on 1 January 2022 for those amendments that are effective for annual periods beginning on or after 1 January 2022, except for *** which are not applicable to the Company.
- from the annual period beginning on 1 January 2023 for the accounting standard and amendments that are effective for annual periods beginning on or after 1 January 2023, except for MFRS 17 and amendments to MFRS 17 which are not applicable to the Company.

The initial application of the accounting standards, interpretations or amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Company.

**AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)**

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Registration No. 201001030332 (914252 - T)
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1. Basis of preparation (continued)**(b) Basis of measurement**

The financial statements have been prepared on the historical cost basis except for investment property as disclosed in Note 2(a) and financial instruments as disclosed in Note 2(c) to the financial statements.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 3 - valuation of investment property
- Note 8 - deferred tax liability

**AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)**

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Registration No. 201001030332 (914252 - T)
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2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, unless otherwise stated.

(a) Investment property

Investment property is property held under freehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured initially at cost and subsequently at fair value with any changes therein recognised in profit or loss for the year in which they arise. Cost includes expenditure that is directly attributable to the acquisition of the investment property.

Investment property is stated at fair value based on valuations performed by an independent professional valuer. In determining the fair value, the valuer used valuation techniques which involve certain estimates. In relying on the valuation reports, the Directors have exercised their judgements and are satisfied that the valuation methods and estimates reflect the current market conditions. The fair value is determined once every six months based on internal valuation or independent professional valuation.

When an investment property is disposed of, the resulting gain or loss is recognised in profit or loss in the year in which the item is derecognised.

Investment property is not depreciated. The property is subject to continued maintenance and is regularly revalued on the basis mentioned above. For taxation purposes, the Company may claim capital allowances on assets that qualify as plant and machinery under the Income Tax Act, 1967.

(b) Leases**As a lessor**

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company leases out its investment property. The Company has classified these leases as operating leases.

The Company recognises lease payments received from investment property under operating leases as rental income on a straight-line basis over the lease term as part of revenue.

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)

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Registration No. 201001030332 (914252 - T)
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2. Significant accounting policies (continued)**(c) Financial instruments****(i) Recognition and initial measurement**

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

A financial asset or a financial liability is initially measured at fair value plus or minus, in the case for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance.

(ii) Financial instrument categories and subsequent measurement***Financial assets***

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2(d)) where the effective interest rate is applied to the amortised cost.

All financial assets are subject to impairment assessment (see Note 2(d)).

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)

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Registration No. 201001030332 (914252 - T)

2. Significant accounting policies (continued)**(c) Financial instruments (continued)****(ii) Financial instrument categories and subsequent measurement (continued)*****Financial liabilities***

The financial liabilities at initial recognition of the Company are classified as amortised cost. Financial liabilities are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(iii) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)

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Registration No. 201001030332 (914252 - T)
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2. Significant accounting policies (continued)**(c) Financial instruments (continued)****(iv) Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

(d) Impairment**Financial assets**

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost. Expected credit losses are a probability-weighted estimate of credit losses.

The Company measures loss allowances at an amount equal to lifetime expected credit loss, except for bank balance for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)

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Registration No. 201001030332 (914252 - T)

2. Significant accounting policies (continued)**(d) Impairment (continued)****Financial assets (continued)**

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery amounts due.

(e) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently. Ordinary shares are classified as equity.

(f) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(g) Revenue recognition**Rental income**

Rental income from leasing out of retail lots and space is recognised in profit or loss on a straight-line basis over the term of the lease and such revenue includes base rent, service charges and advertising and promotion fee. Contingent rents, which include gross turnover rent, are recognised as income in the financial year in which they are earned. No contingent rents are recognised if there are uncertainties due to the possible return of amounts received.

**AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)**

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Registration No. 201001030332 (914252 - T)
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2. Significant accounting policies (continued)**(h) Tax expense**

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable or receivable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Where investment properties are carried at fair value in accordance with the accounting policy set out in Note 2(a), the amount of deferred tax recognised is measured using the tax rates that would apply on the sale of those assets at their carrying values at the reporting date unless the property is depreciable and is held with the objective to consume substantially all the economic benefits embodied in the property over time, rather than through sale. Deferred tax assets and liabilities are not discounted.

(i) Fair value measurements

Fair value of an asset or a liability, except for lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

**AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)**

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Registration No. 201001030332 (914252 - T)
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2. Significant accounting policies (continued)

(i) Fair value measurements (continued)

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair value are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The Company recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

3. Investment property

	2021 RM'000	2020 RM'000
At 1 January	1,100	1,080
Fair value gain	-	20
At 31 December	<u>1,100</u>	<u>1,100</u>

Investment property refers to a parcel of retail lot in Queensbay Mall, Penang which primarily generates rental income from leasing out the space to a third party via lease agreement. The Company's lease agreement generally contain an initial non-cancellable period of three years and subsequent renewals are negotiated with the lessee. The rental rate is negotiated based on prevailing market rates and are pre-agreed over the lease tenure. Gross turnover rent of RM211 (2020: RM583), which represents the contingent rent, was recognised as income in the financial year.

The following is recognised in profit or loss in respect of the investment property:

	2021 RM'000	2020 RM'000
Revenue	54	52
Less: Direct operating expenses	<u>(17)</u>	<u>(17)</u>
	37	35
Add: Other operating income	-	*
Less: Other operating expenses	<u>(30)</u>	<u>(2)</u>
Net property income	<u>7</u>	<u>33</u>

* Denotes amount less than RM1,000

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31 DECEMBER 2021 (CONT'D)

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Registration No. 201001030332 (914252 - T)
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3. Investment property (continued)

(a) Operating lease payments receivable

The operating lease payments to be received are as follows:

	2021 RM'000	2020 RM'000
Less than one year	42	71
One to two years	-	24
Total undiscounted lease payments	<u>42</u>	<u>95</u>

(b) Fair value information

The fair value of investment property of the Company is categorised as Level 3. The property is valued by an independent external valuer using the income capitalisation approach, also known as investment approach. This valuation approach takes into account of the gross revenue and outgoings to estimate the net income for the property. Capitalisation rates are then applied to the net income of the investment property to determine the market value of the investment property.

The significant assumptions and unobservable inputs underlying the estimation of fair value of investment properties are those related to term capitalisation and reversionary capitalisation rates, outgoings expenses and allowance for void. Term capitalisation and reversionary capitalisation rate for the investment properties is at 6.50% (2020: 6.50%) and 7.00% (2020: 7.0%) respectively. The estimated fair value would increase/(decrease) if the capitalisation rates, outgoings expenses and allowance for void were lower/(higher).

(c) Valuation processes applied to the Company for Level 3 fair value

The fair value of investment property is determined by independent external valuer having appropriate recognised professional qualifications and recent experience in the location and category of the investment property being valued. The external valuer provides the fair value of the Company's investment property every twelve months to be in line with industry practices and CapitaLand Investment Limited Group's policies. The resultant fair value gain or loss arising from the change in valuation is assessed by the Directors after obtaining the valuation report from the external valuer.

(d) Highest and best use

The Company's investment property is currently valued at its highest and best use. The investment property is situated within sizeable catchment populations with strong demand for shopping mall space.

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31 DECEMBER 2021 (CONT'D)

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4. Trade and other receivables

	2021 RM'000	2020 RM'000
Trade		
Trade receivables	46	16
Less: Allowance for impairment losses	(28)	-
	18	16
Non-trade		
Other receivables and deposits	9	-
Prepayments	*	-
	9	-
	27	16

The following table provides information about the exposure to credit risk and expected credit losses for trade receivables.

	Gross carrying amount RM'000	Allowance for impairment losses RM'000	Net balance RM'000
2021			
Past due 1-30 days	6	(6)	-
Past due 31-90 days	12	(12)	-
Past due more than 90 days	28	(10)	18
	46	(28)	18
2020			
Past due 1-30 days	5	-	5
Past due 31-90 days	9	-	9
Past due more than 90 days	2	-	2
	16	-	16

The movement in allowance for impairment losses of trade receivables during the financial year is as follows:

	2021 RM'000
Balance at 1 January	-
Net loss on impairment of trade receivables	28
Balance at 31 December	28

The Directors believe that no additional allowance for impairment losses is necessary in respect of past due receivables as these receivables are mainly arising from tenant that has good payment records and sufficient security deposit is held as collateral.

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31 DECEMBER 2021 (CONT'D)

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Registration No. 201001030332 (914252 - T)
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5. Share capital

	Amount 2021 RM'000	Number of shares 2021 '000	Amount 2020 RM'000	Number of shares 2020 '000
Issued and fully paid:				
Ordinary shares	*	**	*	**

* Denotes RM2

** Denotes 2 shares

6. Amount due to immediate holding corporation

The amount due to immediate holding corporation is non-trade, interest-free and is not expected to be repaid within the next twelve months.

7. Trade and other payables

	2021 RM'000	2020 RM'000
Non-current		
Trade		
Tenant's deposits	-	21
Current		
Trade		
Tenant's deposits	21	-
Non-trade		
Accrued expenses	16	16
Other payables	-	*
	16	16
	37	16
	37	37

* Denotes amount less than RM1,000

8. Deferred tax liability

With effect from 1 January 2019, the applicable Real Property Gains Tax ("RPGT") rate under the Finance Act 2019 for disposal of real properties or shares in real properties companies which have been held for more than 5 years is 10%.

It is the business model of the Company to hold investment property to earn rental income and for long-term capital growth. Hence, there is no expected disposal of investment property held for less than 5 years.

During the financial year ended 31 December 2020, the Company recognised RM2,000 of deferred tax liabilities to the profit or loss, this being the net changes on the RPGT exposure subsequent to the reassessment of fair value on freehold investment properties.

**AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)**

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9. Revenue

Revenue represents rental income from leasing out of retail lots.

10. (Loss)/Profit before tax

	2021 RM'000	2020 RM'000
(Loss)/Profit before tax is arrived at after charging/(crediting):		
Auditors' remuneration	4	4
Material income		
Fair value gain of investment property	-	(20)
Net loss on impairment of financial instruments		
Net loss on impairment of trade receivables	<u>28</u>	<u>-</u>

11. Tax expense

	2021 RM'000	2020 RM'000
Current tax expense		
- current year	12	8
- underprovision in prior year	*	2
	<u>12</u>	<u>10</u>
Deferred tax expense		
- Effect of fair value gain on investment property subject to RPGT	-	2
	<u>12</u>	<u>12</u>
Tax expense for the financial year		
	<u>12</u>	<u>12</u>
Reconciliation of tax expense		
(Loss)/Profit before tax	<u>(1)</u>	<u>45</u>
Income tax using Malaysian statutory tax rate of 24% (2020: 24%)	(*)	11
Expenses not deductible for tax purpose	12	2
Effect of fair value gain of investment property not subject to tax	-	(5)
Underprovision in prior year	*	2
	<u>12</u>	<u>10</u>
Effect of fair value gain on investment property subject to RPGT	-	2
	<u>12</u>	<u>12</u>
Tax expense for the financial year		
	<u>12</u>	<u>12</u>

* Denotes amount less than RM1,000

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31 DECEMBER 2021 (CONT'D)

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Registration No. 201001030332 (914252 - T)
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12. Financial instruments

(a) Categories of financial instruments

The financial instruments of the Company are categorised as follows:

	Carrying amount	
	2021 RM'000	2020 RM'000
Financial assets categorised as amortised cost:		
Trade and other receivables	27	16
Bank balance	210	234
	<u>237</u>	<u>250</u>
Financial liabilities categorised as amortised cost:		
Amount due to immediate holding corporation	465	465
Trade and other payables	37	37
	<u>502</u>	<u>502</u>

(b) Net gains and losses arising from financial instruments

	2021 RM'000	2020 RM'000
Net gains/(losses) on:		
Financial assets at amortised cost		
- Net loss on impairment of trade receivables	(28)	-
- Interest income	-	*
	<u>(28)</u>	<u>*</u>

* Denotes amount less than RM1,000

(c) Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk

(d) Credit risk

Credit risk is defined as the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk arises primarily from trade and other receivables and bank balance.

Credit risk is controlled by an ongoing balance monitoring to ensure minimum credit risk exposure. The Company minimises credit risk by dealing with restricted counterparties that meet the appropriate credit criteria and are of high credit standing.

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31 DECEMBER 2021 (CONT'D)

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Registration No. 201001030332 (914252 - T)
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12. Financial instruments (continued)

(d) Credit risk (continued)

Bank balance is placed with a licensed bank which is regulated. At the end of the financial year, the maximum exposure to credit risk is represented by its carrying amount in the statement of financial position.

(e) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company's exposure to liquidity risk arises primarily from its various payables. The Company maintains a level of bank balance deemed adequate by the Directors to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

(f) Fair value information

The carrying amounts of bank balance and trade and other payables approximate their fair values due to the relatively short term nature of these financial instruments.

The fair values of the non-derivative financial liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	Carrying amount 2021 RM'000	Fair value 2021 RM'000	Carrying amount 2020 RM'000	Fair value 2020 RM'000
Tenant's deposits	-	-	21	20
Amount due to immediate holding corporation	<u>465</u>	<u>451</u>	<u>465</u>	<u>451</u>

The fair values of tenant's deposits and amount due to immediate holding corporation are categorised as Level 2.

The above fair values, which are determined for disclosure purposes, are calculated based on the present value of future cash flows discounted at the market rate of interest at the end of the financial year. Interest rates used to determine fair values are as follows:

	2021	2020
Tenant's deposits	-	1.85%
Amount due to immediate holding corporation	<u>3.19%</u>	<u>3.15%</u>

**AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)**

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Registration No. 201001030332 (914252 - T)
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13. Capital management

The Company's objectives when managing capital are to maintain a strong capital base and to maintain shareholder, creditor and market confidence and to sustain future development of the business. There was no change in the Company's approach to capital management during the financial year.

14. Related parties**Identity of and transaction with the related parties**

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly and entity that provides key management personnel services to the Company. The key management personnel include all the Directors of the Company and certain members of senior management of the Company.

The Company has related party relationship with its holding corporations and key management personnel.

Save for the amount due to immediate holding corporation, there was no other related party transaction pertaining to the Company during the financial year.

**AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)**

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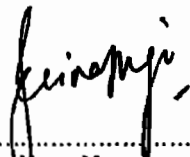
Scenic Growth Sdn. Bhd.

(Registration No. 201001030332 (914252 - T))
(Incorporated in Malaysia)

**Statement by Directors pursuant to
Section 251(2) of the Companies Act 2016**

In the opinion of the Directors, the financial statements set out on pages 6 to 26 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 December 2021 and of its financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors, in accordance with a resolution of the Directors:



.....
Ng Kuan Yee
Director



.....
Edward Bin Chung Yiu
Director

Date: 07 JUN 2022

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)

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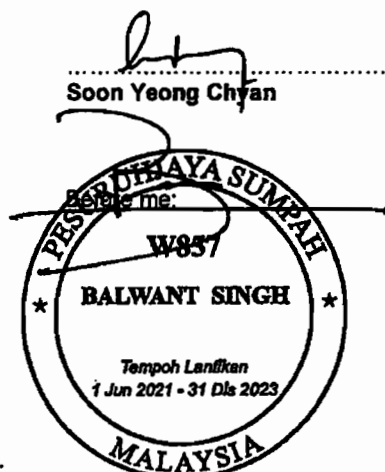
Scenic Growth Sdn. Bhd.

(Registration No. 201001030332 (914252 - T))
(Incorporated in Malaysia)

**Statutory declaration pursuant to
Section 251(1)(b) of the Companies Act 2016**

I, **Soon Yeong Chyan**, the officer primarily responsible for the financial management of Scenic Growth Sdn. Bhd., do solemnly and sincerely declare that the financial statements set out on pages 6 to 26 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed **Soon Yeong Chyan**, MIA CA12084,
at Kuala Lumpur, Wilayah Persekutuan on **07 JUN 2022**



No. 5A, Jalan 53,
Desa Jaya, Kepong
52100 Kuala Lumpur.

**AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)**



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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBER OF
SCENIC GROWTH SDN. BHD.**

(Registration No. 201001030332 (914252 – T))
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Scenic Growth Sdn. Bhd., which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 26.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31 DECEMBER 2021 (CONT'D)

Scenic Growth Sdn. Bhd.
(Registration No. 201001030332 (914252 - T))
Independent Auditors' Report for the
Financial Year Ended 31 December 2021

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the Directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31 DECEMBER 2021 (CONT'D)



Scenic Growth Sdn. Bhd.
(Registration No. 201001030332 (914252 - T))
Independent Auditors' Report for the
Financial Year Ended 31 December 2021

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**AUDITED FINANCIAL STATEMENTS OF SCENIC GROWTH FOR THE FYE 31
DECEMBER 2021 (CONT'D)**

Scenic Growth Sdn. Bhd.
(Registration No. 201001030332 (914252 - T))
Independent Auditors' Report for the
Financial Year Ended 31 December 2021

Other Matter.

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to be 'She'.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

A handwritten signature in black ink, appearing to be 'Ow Peng Li'.

Ow Peng Li
Approval Number: 02666/09/2023 J
Chartered Accountant

Petaling Jaya

Date: 7 June 2022