

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE



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Our Ref : VSA/0266/0267/0265/22/SEL

23 October 2023

The Board
Cropmate Berhad
Lot 8949, Jalan Telok Gong KS 10,
Kampung Nelayan, Telok Gong, Pelabuhan Klang,
Selangor Darul Ehsan.

Dear Sir,

VALUATION CERTIFICATE OF:

1. **A SINGLE STOREY DETACHED FACTORY/ WAREHOUSE WITH A 3-STOREY OFFICE SECTION ON A FREEHOLD INDUSTRIAL LAND HAVING A LAND AREA OF 9,189 SQUARE METRES (98,909 SQUARE FEET OR 2.27 ACRES) LOCATED AT LOT 8949, JALAN TELOK GONG KS/10, KAMPUNG NELAYAN, TELOK GONG, 42000 PELABUHAN KLANG.**
2. **A SINGLE STOREY DETACHED FACTORY/WAREHOUSE ON A LEASEHOLD INDUSTRIAL LAND HAVING A LAND AREA OF 8,869 SQUARE METRES (95,466 SQUARE FEET OR 2.19 ACRES) LOCATED AT LOT 8950, JALAN TELOK GONG KS/10, KAMPUNG NELAYAN, TELOK GONG, 42000 PELABUHAN KLANG.**
3. **A 15,562.062-SQUARE METRE (167,509 SQUARE FEET OR 3.85-ACRE) VACANT CORNER DETACHED INDUSTRIAL LAND BEARING POSTAL ADDRESS LOT 51, JALAN SUNGAI CHANDONG 27/KS11, KAWASAN PERINDUSTRIAN PULAU INDAH (PHASE 3 PULAU INDAH), 42920 PELABUHAN KLANG.**

ALL IN THE MUKIM AND DISTRICT OF KLANG, STATE OF SELANGOR DARUL EHSAN (TO BE REFERRED TO AS THE "SUBJECT PROPERTIES")

This certificate has been prepared for inclusion in the Prospectus in relation to the proposed listing of Cropmate Berhad on the ACE Market of Bursa Malaysia Securities Berhad ("**ACE Market**")

In accordance with the instructions from Cropmate Fertilizer Sdn Bhd a subsidiary of Cropmate Berhad, we have valued the Subject Properties to ascertain the Market Values of the legal interests in the Subject Properties mentioned above for submission to Bursa Malaysia Securities Berhad in connection with the proposed acquisitions of Lot 179010 (formerly known as Lot 8949) and PT 152572 (formerly known as Lot 8950) and the proposed disposal of PT 152624 (Lot 51), in conjunction with the proposed initial public offering and proposed listing of Cropmate Berhad on the ACE Market of Bursa Malaysia Securities Berhad.

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)

The Subject Properties were inspected on **3 October 2023** and the material date of valuation is taken as at 3 October 2023.

This valuation has been carried out in accordance to the 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 Malaysia.

The basis of valuation is the Market Value as defined in the Malaysian Valuation Standards being “the estimated amount for which an asset or liability should exchange on the date 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”.

This valuation Certificate should be read in conjunction with our full Report and Valuation bearing Reference Numbers, VSA/0266/22/SEL, VSA/0267/22/SEL and VSA/0265/22/SEL respectively.

METHODS OF VALUATION

In arriving at our opinion of Market Values, we have adopted the following Approaches to Valuation:

Comparison Method of Valuation

Under this Method, an estimate of value of the land is derived by comparing the Subject Property with other properties of similar size, quality and location that have been sold in recent times. In the determination of value by this approach, a survey was made of property sales which have occurred in this or similar areas within the past few years.

Cost Approach of Valuation

In this approach, the value of the land is added to the depreciated replacement cost of the building and other site improvements.

The value of the land is determined by comparison with similar lands that are sold recently and those that are currently being offered for sale in the vicinity with appropriate adjustments made to reflect the dissimilarities and the costs of improvements to the land are added to arrive at the value of the Subject Property as an improved site.

The depreciated replacement cost of the building is derived from the building costs of the structure in its present design and material based upon current market prices for materials, labour and present construction techniques and deducting there from the accrued depreciation factor due to use and disrepair, age and functional and external obsolescence.

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)**AZMI & CO****Income Approach of Valuation**

In this instance, we have used the Income Approach as the second check method to provide a means for determining the Market Value of the Subject Property. Under this approach, the net income and other benefits that the Subject Property can generate over the life of the property and / or remaining lease are capitalized at 'market derived yields' to arrive at the present Market Value of the Subject Property.

In arriving at the Market Value by the Income Approach we have used the 'net annual income' to the owner of the Subject Property which is arrived at after deducting all costs as the base value and discounting this net annual income with the industrial yields for the duration of the life expectancy of the Subject Property or the term of the lease.

Property 1 Lot 179010 (formerly known as Lot 8949) and Property 2 PT 152572 (formerly known as Lot 8950)

As the Property 1 and Property 2 are adjoining we have combined the summary of the descriptions as follows:-

Details	Property 1 Lot 179010 (formerly known as Lot 8949)	Property 2 PT 152572 (formerly known as Lot 8950)
Date of Valuation	3 October 2023	
Property Type	An individually designed single storey detached factory/warehouse together with a 3-storey office section built on a parcel of industrial land	An individually designed single storey detached factory/warehouse built on a parcel of industrial land
Legal Description	Freehold Final title bearing GM 23073 for Lot 179010 (formerly known as Lot 8949), Mukim and District of Klang, State of Selangor Darul Ehsan	Leasehold Qualified Title bearing HSM 58011 for PT 152572 (formerly known as Lot 8950), Mukim and District of Klang, State of Selangor Darul Ehsan
Property Address	Lot 8949, Jalan Telok Gong KS/10, Kampung Nelayan, Telok Gong, 42000 Pelabuhan Klang, Klang, Selangor Darul Ehsan	Lot 8950, Jalan Telok Gong KS/10, Kampung Nelayan, Telok Gong, 42000 Pelabuhan Klang, Klang, Selangor Darul Ehsan
Location	The Subject Property is located in TELOK GONG, which lies off the South side of the Lebuhraya Pulau Indah in Klang, Selangor Darul Ehsan. TELOK GONG is a self-contained mixed development area predominantly industrial in character comprising mainly individually designed detached factories and sporadic residential and commercial structures. Some of the notable industrial premises in the vicinity are Viva Haulage Sdn Bhd, Talsu Polymer Sdn Bhd, Superb Logistic Sdn Bhd and PMSAA Multimodal Sdn Bhd to name a few. Klang town centre and Kuala Lumpur City Centre is approximately 15 kilometres and 50 kilometres on the Northeast respectively.	
Description of Site	The subject site, in titled land area, 9,189 square metres (98,909 square feet or 2.27 acres), is a detached industrial land, about rectangular in shape located in a row of similar detached industrial lands. The lot is of even contour and sits level with the frontage road. The abutting road is tarmac surfaced and is fitted with concrete drains to facilitate surface drainage.	The subject site, in titled land area 8,869 square metres (95,466 square feet or 2.19 acres), is a detached industrial land approximately rectangular in shape and is located in a row of similar detached industrial lands. The lot is of even contour and sits level with the frontage road. The abutting road is tarmac surfaced and is fitted with concrete drains to facilitate surface drainage.

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)



<p>Building/ Improvements</p>	<p>The Subject Property is built upon with a single-storey detached factory/warehouse with a 3-storey office, guard house and with lean-to-extensions having a gross floor area of 49,693 square feet (4,616.63 square metres) made up as follows:-</p> <p><u>i) The single storey detached factory/warehouse</u> This building is constructed basically of reinforced concrete floor, steel portal framework infilled with plastered brickwalls at the lower portion, metal claddings at the upper portion and steel roof trusses covered over with metal deck roofing sheets. This building has a single wide span of about 34.33 metres (113 feet) in width and 116.88 metres (383 feet) in length.</p> <p>Internally, the floor finishes are generally of heavy duty reinforced concrete flooring. The gross floor area of the building is about 3,944.38 square metres (42,457 square feet)</p> <p><u>ii) The 3- storey office</u> This building is sited adjoining the factory/warehouse located at the front and is constructed basically of reinforced concrete framework with concrete floors, plastered brickwalls/tinted glass walls and reinforced flat concrete roof.</p> <p>Internally the floor finishes are generally of reinforced concrete finished with ceramic tiles. The ceilings are of suspended soft board overall. Vertical communication within the building is facilitated by a reinforced concrete staircase located at the side of the building. This building has a total gross floor area of about 668.90 square metres or 7,200 square feet.</p> <p>Note: The renovation within the office building to accommodate office and meeting rooms were completed by the tenant and do not form part of this valuation exercise.</p> <p><u>iii) Lean-to-Extensions</u> 3 steel framework lean-to-extensions have been extended to the right, left and rear side of the building for extra storage area. The lean-to-extensions are constructed basically of steel framework and steel roof trusses covered over with metal deck roofing sheets. The combined gross floor area is about 2,229 square metres (23,992 square feet)</p>	<p>The Subject Property built-upon with a single storey detached factory/warehouse with lean-to-extensions and a guard house with a gross floor area of 3,719.93 square metres (40,041 square feet) made up as follows:</p> <p><u>i) The single storey detached factory/warehouse</u> This building is constructed basically of reinforced concrete floor, steel portal framework infilled with plastered brickwalls at the lower portion, metal claddings at the upper portion and steel roof trusses covered over with metal deck roofing sheets.</p> <p>This building has a single wide span of about 32.01 metres (105 feet) in width and has a length 108.60 metres (356 feet).</p> <p>Internally, the floor finishes are generally of heavy duty reinforced concrete flooring. The gross floor area of the building is about 3,716.58 square metres (40,005 square feet) with a Main Floor Area of 3,472.71 square metres (37,380 square feet) and an Ancillary Floor Area (Driveway) of 243.87 square metres (2,625 square feet).</p> <p><u>ii) Lean-to-Extensions</u> 3 steel framework lean-to-extensions have been extended to the right, left and rear side of the building for extra storage area. The lean-to-extensions are constructed basically of steel framework and steel roof trusses covered over with metal deck roofing sheets. The combined gross floor area is about 2,590.79 square metres (27,889 square feet).</p> <p>Note: The current owner has obtained a temporary permit renewable every year from the local authorities vide a letter bearing reference no. (9) MPK/BGN/600-5/12/0024(2023) on 24 July 2023 for occupation. As the permit is temporary in nature and renewable every year with the inherent risk of obtaining approvals and since the value for the Lean-to-Extensions is minimal, we have not ascribed any value to the said structures.</p> <p><u>iii) A guard house</u> This building is a small single storey structure located at the entrance of the Subject Property. It is constructed basically of reinforced concrete framework with concrete floor, plastered brickwalls and clay roof tiles. It has a gross floor area of about 3.34 square metres (36 square feet).</p>
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14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)

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	<p>Note: The current owner has obtained a temporary permit renewable every year from the local authorities vide a letter bearing reference no. (9) MPK/BGN/600-5/12/0011(2023) on 16 June 2023 for occupation. As the permit is temporary in nature and renewable every year with the inherent risk of obtaining approvals and since the value for the Lean-to-Extensions is minimal, we have not ascribed any value to the said structures.</p> <p>iv) <u>A guard house</u></p> <p>This building is a small single storey structure located at the entrance of the Subject Property. It is constructed basically of reinforced concrete framework with concrete floor, plastered brickwalls and flat concrete roof. It has a gross floor area of about 3.34 square metres (36 square feet).</p>	
Tenure	Freehold (Grant-in perpetuity) interest	99-year Leasehold interest expiring on 5 August 2112 (with about 89 years remaining unexpired as of year 2023)
Category of Land Use	"Industri"	"Industri"
Express Conditions	<p>"Perusahaan Ringan"</p> <p><i>*Note: The Subject Property has been approved for conversion of express condition 'Perusahaan Ringan' to 'Industri Sederhana' vide a letter bearing reference No. PDTK/T/PT/600-3/3/2023-15(19) dated 23 August 2023. The additional premiums amounting to RM343,844.00 for the change of Express Condition has been paid on 1 September 2023 and it was acknowledged by the Klang District and Land Office ("PTDK") on 5 September 2023.</i></p> <p><i>We are informed by the client that they are awaiting the endorsement.</i></p>	<p>"Perusahaan Ringan"</p> <p><i>*Note: The Subject Property has been approved for conversion of express condition from 'Perusahaan Ringan' to 'Industri Sederhana' vide a letter bearing reference No. PDK/T/PT/600-3/1/2023-1 dated 4 September 2023. The additional premiums amounting to RM346,275.00 for the change of Express Condition has not been paid.</i></p> <p><i>The land title will be endorsed with the new Express Condition after payment of the additional premiums and upon clearance by Klang District and Land Office ("PTDK").</i></p>
Restriction in Interest	"Tanah ini boleh dipindahmilik, dipajak atau digadai, setelah mendapat kebenaran Pihak Berkuasa Negeri"	"Tanah yang diberi milik ini tidak boleh dipindah milik, digadai atau dipajak melainkan dengan kebenaran Pihak Berkuasa Negeri"
State of Repair	Good	Good
Land Area	9,189 square metres (98,909 square feet or 2.27 acres)	8,869 square metres (95,466 square feet or 2.19 acres)
Occupancy	Currently tenanted by Cropmate Fertilizer Sdn Bhd vide a Tenancy Agreement dated 1 March 2022. The tenancy is for a period of 2 years expiring 29 February 2024 at a rental of RM66,000.00 per month (RM1.33 per square foot per month) inclusive of service charges.	Currently tenanted by Cropmate Fertilizer Sdn Bhd pursuant to Tenancy Agreement dated 1 January 2023. The tenancy is for a period of 1 year expiring 31 December 2023 at a rental of RM40,000.00 per month (RM1.00 per square foot per month) inclusive of service charges.
Existing Use	Existing use by Cropmate Fertilizer Sdn Bhd for office and manufacture and warehousing of Fertilizer	Existing use by Cropmate Fertiliser Sdn Bhd for manufacture and warehousing of Fertilizer
Certificate of Completion and Compliance	The Certificate of Completion and Compliance (CCC) bearing reference No. LJM/S/NO. 3148 dated 27 December 2017.	The Certificate of Completion and Compliance (CCC) bearing reference No. LJM/S/NO. 4120 dated 11 May 2021

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)**AZMI & CO**





Planning	The Subject Property is zoned for Industrial use.	The Subject Property is zoned for Industrial use.
Registered Proprietor(s) In Title	Super Nine Capital Sdn Bhd – 1/1 Share	Lee Cheng Seng – ½ Share Lee Chin Yok – ½ Share
Breaches or violations	As at the date of our inspection, we have not observed any breaches or violations of the land and building by-laws and regulations.	

Methods of Valuation**Property 1 (Lot 179010 (formerly known as Lot 8949) and Property 2 PT 152572 (formerly known as Lot 8950)**

We have adopted the Cost Approach of Valuation to ascertain the Market Value of the Property 1 and Property 2 and the Income Approach (Investment Method) as the second valuation check method.

A (1) Land value using Comparison Approach

An estimate of value of the land is derived by comparing and adjusting with relevant justifications the property under valuation with other properties in the neighbourhood of similar size, quality and location that have been sold in recent times. Although they are older sales we have referred to Comparables 2, 3 and 4 stated below as there are no other completed transactions comparable to the Subject Property as at the time of this valuation. We have used common comparables for Property 1 and Property 2 as follows:-

Details	Evidence 1	Evidence 2	Evidence 3	Evidence 4
Lot/PT No.	PT 146084	Lot 9020	Lot 9034	Lot 8900
Mukim and District	Mukim and District of Klang			
Address/Location	Jalan Air Mata Duyung	Jalan Telok Gong	Jalan Telok Gong	Jalan Air Mata Duyung
Photograph				
Tenure	Leasehold	Leasehold	Leasehold	Leasehold
Property Type	Vacant industrial land	Vacant industrial land	Detached factory with office	Detached factory with office
Land area Acres (square feet or square metres)	1.01 acres (44,170 square foot or 4,103.52 square metres)	1.95 acres (84,938 square foot or 7,891 square metres)	1.98 acres (86,292 square foot or 8,016.82 square metres)	2.97 acres (129,323 square foot or 12,014.53 square metres)
Built up Area (sq ft)	N/R	N/R	37,350	76,615
Vendor	Pro Cahaya Industries Sdn Bhd	Evermix Concrete Sdn Bhd	Eiyo Enterprise (M) Sdn Bhd	Tan Seng Huat
Purchaser	Pel Logistic Sdn Bhd	Toptek Engineering Service Sdn Bhd	Bes Industry & Trading Sdn Bhd	Jin Quan Recycle Sdn Bhd
Date of Transaction	24/2/2022	22/8/2019	28/8/2019	30/10/2018
Consideration (RM)	3,135,644.00	5,351,094.00	10,500,000.00	19,750,000.00
Building Cost (RM)	N/A	N/A	6,350,000.00	13,024,550.00

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)

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Source	Jabatan Penilaian & Perkhidmatan Harta (JPPH)			
Analysed and adjusted value for Property 1 Lot 179010 (formerly known as Lot 8949)				
Analysis of Land Value (RM per sq ft)	70.99	63.00	48.10	52.01
Adjusted Land Value (RM per sq ft)	78.27	83.16	63.49	78.01
Factors considered in arriving at the Industrial Land Value for Property 1 Lot 179010 (formerly known as Lot 8949):				
<p>Adjustments have been made for time factor and tenure for all the 4 evidences. For Evidences No. 1 and No. 4, adjustments have also been made for the land size. The average market price movements for industrial lands in Telok Gong within the last six years have been in excess of 5% per annum due to scarcity of industrial lands. Thus, we have placed much weight for this factor. We have also considered the asking prices for vacant industrial lands in Telok Gong which are between RM62.00 and RM81.00 per square foot. The asking prices however are subject to negotiations. In arriving at the Market Value, we have taken Evidence No. 1 as the best comparable as it is the latest sale and a minimum adjustment has been made on it. Thus, we have rounded the adjusted land value of RM78.27 per square foot for Evidence No. 1 and are of the opinion that the Market Value of the Subject Property is RM78.00 per square foot. To this, we have added another RM5.00 per square foot as the costs of improving the site, making the total industrial land value of the Subject Property at RM83.00 per square foot or RM8,209,447.00.</p>				
Analysed and adjusted value for Property 2 PT 152572 (formerly known as Lot 8950)				
Analysis of Land Value (RM per sq ft)	70.99	63.00	48.10	52.01
Adjusted Land Value (RM per sq ft)	70.81	75.60	57.72	71.51
Factors considered in arriving at the Industrial Land Value for Property 2 PT 152572 (formerly known as Lot 8950):				
<p>Adjustments have been made for time factor for all the 4 evidences. For Evidences No. 1 and No.4, the adjustment has also been made for the land size. The average market price movements for industrial lands in Telok Gong within the last six years have been in excess of 5% per annum due to scarcity of industrial lands. Thus, we have placed much weight for this factor. We have also considered the asking prices for vacant industrial lands in Telok Gong which are between RM62.00 and RM81.00 per square foot. The asking prices however are subject to negotiations. We have taken the adjusted value of sale Evidence No. 1 at RM70.81 per square foot as the best comparable as it is the latest evidence transacted in 2022 and the adjustments are minimum. We have then, rounded it and have concluded the industrial land value of the Subject Property at RM70.00 per square foot. To this, we have added another RM5.00 per square foot as the costs of improving the site, making the total industrial land value of the Subject Property at RM75.00 per square foot or RM7,159,875.00.</p>				

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)

AZMI & CO**A (2) Replacement Cost of Building**

We have investigated into the current average construction costs for industrial buildings which are between RM1,830.00 and RM2,355.00 per square metre (RM170.00 and RM219.00 per square foot). (Source: *Juru Ukur Bahan Malaysia (JUBM) & ARCADIS Construction Cost Handbook 2022*) and have adopted a rate of RM1,830.00 per square metre (RM170.00 per square foot) for the construction cost of the factory, RM1,937.00 per square metre (RM180.00 per square foot) for the office and an overall depreciation of 5%.

Property 1

Details	Built-up area (in square feet)	RM (per square foot)	Value (RM)
(a) Factory/warehouse	42,457	170	7,217,690
(b) Office	7,200	180	1,296,000
(c) Guard house	36	80	2,880
Current replacement cost			8,516,570
Less: Depreciation @ 5%			(425,828)
Building Value			8,090,742

Property 2

Details	Built-up area (in square feet)	RM (per square foot)	Value (RM)
(a) Factory/warehouse	37,380	170	6,354,600
(b) Ancillary Floor Area	2,625	120	315,000
(c) Guard house	36	80	2,880
Current replacement cost			6,672,480
Less: Depreciation @ 5%			(333,624)
Building Value			6,338,856

Having arrived at the land and the aggregated building values we have summarised and rounded the Market Value of the Property 2 and Property 3 as follows:-

Property	Property 1 (Lot 8949)	Property 2 (Lot 8950)
Land value	RM8,209,447.00.	RM7,159,875.00.
Building value	RM8,090,742.00.	RM6,338,856.00.
Market Value	RM16,300,189.00	RM13,498,731.00
Say	RM16,300,000.00.	RM13,500,000.00

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)

AZMI & CO**B. Income Approach (Investment Method)****Property 1 (Lot 8949) and Property 2 (Lot 8950)**

The Income Approach has been used as a check method.

Property 1 and Property 2 are presently being tenanted by Cropmate Fertilizer Sdn Bhd at RM 66,000.00 per month or RM1.33 per square foot per month and RM 40,000.00 per month or RM1.00 per square foot per month respectively. We are of the opinion that this reserved rent is on lower side and has applied the market rental for the calculation of the Market Value by the Income Approach.

As Property 1 and Property 2 are being purchased for own use, we have assumed that the Properties will command a market rental of RM1.55 per square foot per month for the main floor area of the warehouse/factory and RM1.70 per square foot per month for the office. We have based the abovementioned rentals on current asking rentals in the neighbourhood. We have adjusted the outgoings incurred by the Subject Property and have taken RM0.30 per square foot to reflect a long term rate and other unexpected costs. The void allowance of 3% is taken to represent possible future vacancies, rent free periods and market uncertainties. The capitalising rate has been taken at 4.5% as per the yields obtained in the neighbourhood. Based on the above, the Market Value of the Subject Property using the Income Approach may be computed as follows:-

Property 1 (Lot 8949)	
Main Floor-Area Warehouse/Factory	
42,457 sq. ft @ RM1.55 per square foot per month x 12	RM789,700.20 per annum
Less outgoings @ RM0.30 per square foot per month x 12	(RM152,845.20) per annum
Less void @ 3%	(RM23,691.00) per annum
Net Income	RM613,164.00 per annum
Main Floor Area Office	
7,200 sq. ft @ RM1.70 per square foot per month x 12	RM146,880.00 per annum
Less outgoings @ RM0.30 per square foot per month x 12	(RM25,920.00) per annum
Less void @ 3%	(RM4,406.40) per annum
Net Income	RM116,553.60 per annum
Total Net Income	RM729,717.60 per annum
Year's purchase @ 4.5% in perpetuity	22.2
	RM16,199,730.72
Market Value	say RM16,200,000.00

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)

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Property 2 (Lot 8950)	
Main Floor-Area Warehouse/Factory	
40,005 sq. ft @ RM1.55 per square foot per month x 12	RM744,093.00 per annum
Less outgoings @ RM0.20 per square foot per month x 12	(RM96,012.00) per annum
Less void @ 3%	(RM 22,322.79) per annum
Net Income	RM625,758.21 per annum
Year's purchase Unexpired Lease 89 years @ 4.75%	20.71
	RM12,959,452.53
Market Value	say RM13,000,000.00

Reconciliation of Valuation

Having considered both the above shown methods of valuation, we arrive at the market value of Property 1 and Property 2 as follows:-

Details	Property 1 (Lot 8949)	Property 2 (Lot 8950)
Cost Approach	RM16,300,000.00	RM13,500,000.00
Income Approach	RM16,200,000.00	RM13,000,000.00
Reconciliation of Valuation	Based the above we have, adopted the value derived from the Cost Approach of valuation, at RM16,300,000.00 as the Market Value of the Subject Property as it provides the optimum value for the Subject Property with sufficient transactions of similar properties in the neighbourhood. The Cost Approach in our opinion is a more accurate method, in this case, as most factories and industrial buildings in the neighbourhood are owner occupied and not for rental purposes. Thus the yields obtained from the factories may not reflect the true market values of the factories and may give rise to doubts in values. We have therefore used the Income Approach as the check method for this valuation	Based the above we have, adopted the value derived from the Cost Approach of valuation, at RM13,500,000.00 as the Market Value of the Subject Property as it provides the optimum value for the Subject Property with sufficient transactions of similar properties in the neighbourhood. The Cost Approach in our opinion is a more accurate method, in this case, as most factories and industrial buildings in the neighbourhood are owner occupied and not for investment purposes. Thus the yields obtained from the factories may not reflect the true market values of the factories and may give rise to inaccuracies. We have therefore used the Income Approach as the check method for this valuation exercise and

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)**AZMI & CO**

	exercise and have adopted the value arrived at by the Cost Approach as the Market Value of the Subject Property.	have adopted the value arrived at by the Cost Approach as the Market Value of the Subject Property.
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Property 3**PT 152624 (Lot 51) – A 15,562.062-Square Metre (167,509 Square Feet Or 3.85-Acre)****Vacant Corner Detached Industrial Land**

Date of Valuation	: 3 October 2023
Subject Property	: A 15,562.062-square metre (167,509-square foot or 3.85-acre) parcel of vacant corner detached industrial land
Legal Description	: Leasehold Qualified Title bearing HSD 164202 for PT 152624, Mukim and District of Klang, State of Selangor Darul Ehsan
Property Address	: Lot 51, Jalan Sungai Chandong 27/KS11, Kawasan Perindustrian Pulau Indah (Phase 3 Pulau Indah), 42920 Pelabuhan Klang, Klang, Selangor Darul Ehsan
Location	: The Subject Property is located within KAWASAN PERINDUSTRIAN PULAU INDAH, which lies off the North side of the Lebuhraya Pulau Indah in Pulau Indah, Klang, Selangor Darul Ehsan. The neighbourhood comprises detached factories, semi-detached factories, single and one and a half storey terraced factories and vacant industrial lands. Notable industrial premises in the vicinity are IKEA Distribution centre, Luxchem Trading Sdn Bhd, Dhollandia Malaysia Sdn Bhd and Kudhrat Hauliers Sdn Bhd. Klang town centre and Kuala Lumpur City Centre are some 20 kilometres and 55 kilometres on the Northeast of the Subject Property respectively.
Description of Site	: The subject site, in titled land area of approximately 15,562.062 square metres (167,509 square feet or 3.85 acres), is a corner detached industrial land and is almost rectangular in shape. The lot is of even contour and sits level with the frontage road. The abutting road is tarmac surfaced and is fitted with concrete drains to facilitate surface drainage.
Tenure	: 78-year Leasehold interest expiring on 30 March 2097 (with about 74 years remaining unexpired as at year 2023)
Category of Land Use	: <i>"Industri"</i>
Express Conditions	: <i>"Industri Sederhana"</i>
Restriction in Interest	: <i>"Tanah ini tidak boleh dipindahmilik, dipajak atau digadai, melainkan setelah mendapat kebenaran Pihak Berkuasa Negeri"</i>
Land Area	: 15,562.062 square metres (167,509 square feet or 3.85 acres)
Encumbrances	: Charged to RHB Islamic Bank Berhad on 8 December 2021

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)**AZMI & CO**

Existing Use : Vacant and unoccupied
 Planning : The Subject Property is zoned for Industrial use.
 Registered Proprietor(s) In Title : Cropmate Fertilizer Sdn Bhd – 1/1 Share





As at the date of our inspection, we have not observed any breaches or violations of the land and building by-laws and regulations.

Methods of Valuation**Comparison Method of Valuation**

We have only adopted the Comparison Method of Valuation to ascertain the Market Value of the Subject Property. This is due to the property being a vacant land without any building plans approval and without any commencement of building construction works.

We are aware of the purchase of the Subject Property itself by Cropmate Fertilizer Sdn Bhd from Central Spectrum (M) Sdn Bhd vide a Sale and Purchase Agreement dated 28 June 2021 at RM11,236,302.00 or RM67.00 per square foot.

The sale evidence and the relevant justification in arriving at the Market Value of the lands are shown as follows:-

Details	Evidence 1	Evidence 2	Evidence 3	Evidence 4
Lot/PT No.	PT 121645	PT 129330	PT 129328	PT 64382
Address/Location	Lot 25, Jalan Sungai Pinang 4/4, Pulau Indah Industrial Park, Klang, Selangor Darul Ehsan	129330, Jalan Sungai Pinang 4/2 & 4/7, Halal Hub, Pulau Indah Industrial Park, Klang, Selangor Darul Ehsan	No. 78, Jalan Sungai Pinang 4/7, Halal Hub, Pulau Indah Industrial Park, Klang, Selangor Darul Ehsan	No.56, Jalan Perigi Nanas 8/7, Pulau Indah Industrial Park, Klang, Selangor Darul Ehsan
Photograph				
Tenure	Leasehold	Leasehold	Leasehold	Leasehold
Property Type	Vacant industrial land	Vacant industrial land	Vacant industrial land	Vacant industrial land
Land area Acres (square feet or square metres)	2.63 acres (114,560 square feet or 10,642.97 square metres)	4.91 acres (214,107 square feet or 19,891.11 square metres)	5.12 acres (223,172 square feet or 20,733.64 square metres)	1.83 acres (79,750 square feet or 7,409.02 square metres)

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)

AZMI & CO

Vendor	Indo Lumber Sdn Bhd	Polygold Beverages Sdn Bhd	Polygold Beverages Sdn Bhd	Nv Freights (M) Sdn Bhd
Purchaser	Cekap Mineral Sdn Bhd	Syarikat Logistik Petikemas Sdn Bhd	Aryzta Food Solutions Malaysia Sdn Bhd	Growchem Sdn Bhd
Date of Transaction	9/5/2022	26/01/2022	31/1/2022	19/3/2021
Consideration (RM)	9,164,814.00	13,274,634.00	12,000,000.00	5,981,250.00
Source	Jabatan Penilaian & Perkhidmatan Harta (JPPH)			
Analysis of Land Value (RM per sq ft)	80.00	62.00	53.77	75.00
Adjusted Value (RM per sq ft)	79.80	68.36	62.10	78.38

Factors considered in arriving at the Market Value of the Property 3 (PT 152624):

Adjustments have been made for time factor and land size for all the 4 evidences. For Evidence No. 4, adjustment has also been made for location. The average market price movements for industrial lands in Pulau Indah Industrial Park within the last six years have been in excess of 5% per annum due to scarcity of industrial lands. We have also considered the asking prices for vacant industrial lands in Pulau Indah which are in between RM60.00 and RM75.00 per square foot. These asking price however are subject to negotiations. In arriving at the Market Value, we have taken Evidence No. 2 as the best comparable as it is much similar to the Subject Property and lesser adjustments have been made on it. Thus, we have rounded the adjusted value of RM68.36 per square foot for Evidence No. 2 and are of the opinion that the Market Value of the Subject Property is RM68.00 per square foot or RM11,390,612.00 rounded to **RM11,400,000.00**.


14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)

AZMI & CO**Market Value**

Based on the above, we are of the opinion that the Market Value of the Subject Properties described above, in their existing conditions, free from encumbrances, and subject to good registrable titles is, for the purpose of submission to Bursa Malaysia Securities Berhad in connection with **the proposed acquisitions of Lot 179010 (formerly known as Lot 8949) and PT 152572 (formerly known as Lot 8950)** and the **proposed disposal of PT 152624 (Lot 51)**, in conjunction with the proposed initial public offering and proposed listing of Cropmate Berhad on the ACE Market of Bursa Malaysia Securities Berhad as of the material date of this valuation (**3 October 2023**), in the amount as follows:

Subject Properties	Market Value
Properties for acquisitions	
Property 1 Lot 179010 (formerly known as Lot 8949)	RM16,300,000.00 Ringgit Malaysia: SIXTEEN MILLION AND THREE HUNDRED THOUSAND ONLY
Property 2 PT 152572 (formerly known as Lot 8950)	RM13,500,000.00 Ringgit Malaysia: THIRTEEN MILLION AND FIVE HUNDRED THOUSAND ONLY
Total	RM29,800,000.00 Ringgit Malaysia: TWENTY-NINE MILLION AND EIGHT HUNDRED THOUSAND ONLY
Property for disposal	
Property 3 Lot PT 152624 (Lot 51)	RM11,400,000.00 Ringgit Malaysia: ELEVEN MILLION AND FOUR HUNDRED THOUSAND ONLY

Yours faithfully
AZMI & CO (SHAH ALAM) SDN BHD


NAGALINGAM THANDAVAN
Registered Valuer (V-461)

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)



VE(1)0228
PM(1)2481

NAGALINGAM T
Registered Valuer - V0461
Registered Estate Agent - E1403
Registered Property Manager - PM0461

MAZLI BIN MUHAMMAD NOR
Registered Valuer - V1230



AZMI & CO (SHAH ALAM) SDN BHD
(524945-H)

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Email: lingam@azmicosa.com

Our Ref : VSA/0046/24/SEL

3 April 2024

The Board
Cropmate Berhad
Lot 8949, Jalan Telok Gong KS 10,
Kampung Nelayan, Telok Gong, Pelabuhan Klang,
Selangor Darul Ehsan.

Dear Sir,

UPDATE VALUATION CERTIFICATE OF:

1. **A SINGLE STOREY DETACHED FACTORY/WAREHOUSE TOGETHER WITH A 3-STOREY OFFICE SECTION ON A FREEHOLD INDUSTRIAL LAND HAVING A LAND AREA OF 9,189 SQUARE METRES (98,909 SQUARE FEET OR 2.27 ACRES) LOCATED AT LOT 8949, JALAN TELOK GONG KS/10, KAMPUNG NELAYAN, TELOK GONG, 42000 PELABUHAN KLANG. (GM 23073 FOR LOT 179010 (FORMERLY KNOWN AS LOT 8949))**
2. **A SINGLE STOREY DETACHED FACTORY/WAREHOUSE ON A LEASEHOLD INDUSTRIAL LAND HAVING A LAND AREA OF 8,869 SQUARE METRES (95,466 SQUARE FEET OR 2.19 ACRES) LOCATED AT LOT 8950, JALAN TELOK GONG KS/10, KAMPUNG NELAYAN, TELOK GONG, 42000 PELABUHAN KLANG. (HSM 58011 FOR PT 152572 (FORMERLY KNOWN AS LOT 8950))**
3. **A 15,562.062-SQUARE METRE (167,509 SQUARE FEET OR 3.85-ACRE) VACANT CORNER DETACHED INDUSTRIAL LAND BEARING POSTAL ADDRESS LOT 51, JALAN SUNGAI CHANDONG 27/KS11, KAWASAN PERINDUSTRIAN PULAU INDAH (PHASE 3 PULAU INDAH), 42920 PELABUHAN KLANG. (HSD 164202 FOR PT 152624)**

ALL IN THE MUKIM AND DISTRICT OF KLANG, STATE OF SELANGOR DARUL EHSAN (TO BE REFERRED TO AS THE "SUBJECT PROPERTIES")

This Update Valuation Certificate has been prepared for inclusion in the Prospectus in relation to the proposed listing of Cropmate Berhad on the ACE Market of Bursa Malaysia Securities Berhad ("**ACE Market**")

In accordance with the instructions from Cropmate Fertilizer Sdn Bhd, a subsidiary of Cropmate Berhad, we have updated the valuation of the legal interests in the Subject Properties mentioned above for submission to Bursa Malaysia Securities Berhad in connection with **the proposed acquisitions of Lot 179010 (formerly known as Lot 8949) and PT 152572 (formerly known as Lot 8950) and the proposed disposal of PT 152624 (Lot 51)**, in conjunction with the proposed initial public offering and

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)

proposed listing of Cropmate Berhad on the ACE Market of Bursa Malaysia Securities Berhad vide this Update Valuation Certificate bearing reference number VSA/0046/24/SEL.

We have previously provided the estimate of Market Values of the Subject Properties vide our Report and Valuation dated 23 October 2023 bearing Reference Numbers VSA/0266/22/SEL, VSA/0267/22/SEL and VSA/0265/22/SEL respectively and our Valuation Certificate dated 23 October 2023.

We have reviewed all the information and re-inspected the Subject Properties on **15 March 2024** and the material date of Valuation of this Update Valuation Certificate is taken as at 15 March 2024.

This Update Valuation Certificate has been carried out in accordance to the 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, Malaysia.

The basis of valuation is the Market Value as defined in the Malaysian Valuation Standards being "the estimated amount for which an asset or liability should exchange on the date 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".

This Update Valuation Certificate should be read in conjunction with our full Report and Valuation bearing Reference Numbers, VSA/0266/22/SEL, VSA/0267/22/SEL and VSA/0265/22/SEL respectively and our Valuation Certificate bearing reference number VSA/0266/0267/0265/SEL.

CURRENT MARKET CONDITIONS

According to the Ministry of Finance (MoF), Malaysia's economy is expected to grow moderately with the projected growth between 4% to 5% in 2024, driven by domestic demand, sustained and diversified economic structure and coupled with ongoing policy support including the National Energy Transition Roadmap and the New Industrial Master Plan 2030. Bank Negara Malaysia (BNM) also anticipated resilient domestic expenditure and improvement in external demand will drive Malaysia's growth.

(Source: Property Market Report 2023)

OVERVIEW OF PROPERTY MARKET

The property market has gradually increased in 2023, higher after the downturn in 2020 due to Covid-19 pandemic. A total of 399,008 transactions worth RM196.83 billion were recorded, each showing an increase of 2.5% and 9.9% respectively compared to 2022, which recorded 389,107 transactions worth RM179.07 billion of the total transactions, 77.7% (309,861 transactions) and 18.6% (74,405 transactions) were transfers dated in 2023 and 2022 respectively while the remaining percentage share

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)



was for prior years' transfers. Sectoral market activity performance showed upward movements. Residential, commercial, industrial and development land sub-sectors recorded year-on-year growths of 3.0%, 23.3%, 0.9% and 5.0% respectively, whereas agricultural sub-sector recorded otherwise, declined by 7.8% in volume. Value of transactions recorded higher increase for all subsectors i.e. residential, commercial, industrial, agriculture and development land and others, each at 7.1%, 17.5%, 13.1%, 4.6% and 13.8% respectively.

(Source: Property Market Report 2023/ National Property Information Centre (NAPIC))

The industrial sub-sector recorded moderate growth in 2023, increased by 0.9% in volume to 8,157 transactions and 13.1% in value to RM23.94 billion (2022: 8,082 transactions worth RM21.16 billion); Selangor continued to dominate the market, with 31.8% of total transactions volume, followed by Johor, Sarawak and Pulau Pinang with 19.3%, 7.9% and 7.8% of market share respectively.

(Source: Property Market Report 2023/ National Property Information Centre (NAPIC))

Overall it can be concluded from the above that the prices of the industrial properties positively upheld as the real estate property market did not experience drastic changes in the previous year (2023) and in Q1 2024 and demand for industrial sector remained somewhat plateau.

**Property 1 Lot 179010 (formerly known as Lot 8949) and
Property 2 PT 152572 (formerly known as Lot 8950)**

As the Property 1 and Property 2 are adjoining we have combined the summary of the descriptions as follows:-

We have carried out latest searches on the titles via online search on 3 April 2024 which revealed that the following title particulars and legal status of Property 1 and Property 2 remain unchanged as per our previous valuation, save for express condition of Property 2: -

Details	Property 1 Lot 179010 (formerly known as Lot 8949)	Property 2 PT 152572 (formerly known as Lot 8950)
Property Address	Lot 8949, Jalan Telok Gong KS/10, Kampung Nelayan, Telok Gong, 42000 Pelabuhan Klang, Klang, Selangor Darul Ehsan	Lot 8950, Jalan Telok Gong KS/10, Kampung Nelayan, Telok Gong, 42000 Pelabuhan Klang, Klang, Selangor Darul Ehsan
Legal Description	Freehold Final title bearing GM 23073 for Lot 179010 (formerly known as Lot 8949), Mukim and District of Klang, State of Selangor Darul Ehsan Note: We have used details from the previous title search for this Property as the old title has been revoked by the Land Office Klang and is in the process of being issued a new title with the Express Condition "Industri Sederhana" (see Express Conditions hereinbelow) which will take approximately 3 months as informed by the Land Office Klang.	Leasehold Qualified Title bearing HSM 58011 for PT 152572 (formerly known as Lot 8950), Mukim and District of Klang, State of Selangor Darul Ehsan

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)

AZMI & CO

Tenure	Freehold (Grant-in perpetuity) interest	99-year Leasehold interest expiring on 5 August 2112 (with about 88 years remaining unexpired as of year 2024)
Category of Land Use	"Industri"	"Industri"
Express Conditions	<p>"Perusahaan Ringan"</p> <p>*Note: The Subject Property has been approved for conversion of express condition 'Perusahaan Ringan' to 'Industri Sederhana' vide a letter bearing reference No. PTDK/T/PT/600-3/3/2023-15(19) dated 23 August 2023. The premiums amounting to RM343,844.00 for the change of Express Condition has been paid on 1 September 2023 and it was acknowledged by the Klang District and Land Office ("PTDK") on 5 September 2023. We are informed by the client that they are awaiting the endorsement.</p>	<p>"Industri Sederhana"</p> <p>*Note: The express condition has been endorsed 'Industri Sederhana' as per our search of the title on 3 April 2024. The endorsement however will not affect the Market Value as our previous valuation was already based on 'Industri Sederhana'.</p>
Restriction in Interest	"Tanah ini boleh dipindahmilik, dipajak atau digadai, setelah mendapat kebenaran Pihak Berkuasa Negeri"	"Tanah yang diberi milik ini tidak boleh dipindah milik, digadai atau dipajak melainkan dengan kebenaran Pihak Berkuasa Negeri"
State of Repair and current physical condition	Good and as at the date of reinspection the physical condition of the building remained same as previously reported.	Good and as at the date of reinspection the physical condition of the building remained same as previously reported.
Land Area	9,189 square metres (98,909 square feet or 2.27 acres)	8,869 square metres (95,466 square feet or 2.19 acres)
Gross built-up area	49,693 square feet (4,616.63 square metres)	3,719.93 square metres (40,041 square feet)
Existing Use	Existing use by Cropmate Fertilizer Sdn Bhd for office and manufacture and warehousing of Fertilizer	Existing use by Cropmate Fertiliser Sdn Bhd for manufacture and warehousing of Fertilizer
Encumbrances	Nil	Charged to RHB Bank Berhad on 9 September 2020
Caveat	Nil	Nil
Certificate of Completion and Compliance	The Certificate of Completion and Compliance (CCC) bearing reference No. LJM/S/NO. 3148 dated 27 December 2017.	The Certificate of Completion and Compliance (CCC) bearing reference No. LJM/S/NO. 4120 dated 11 May 2021
Planning	The Subject Property is zoned for Industrial use.	The Subject Property is zoned for Industrial use.
Registered Proprietor(s) In Title	Super Nine Capital Sdn Bhd – 1/1 Share	Lee Cheng Seng – ½ Share Lee Chin Yok – ½ Share
Breaches or violations	As at the date of our inspection, we have not observed any breaches or violations of the land and building by-laws and regulations.	

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)**METHODS OF VALUATION**

In arriving at our opinion of Market Values, we have reassessed the Market Value of Property 1 and Property 2 by adopting the same Approaches to Valuation as our previous valuation as follows:

A. Cost Approach of Valuation



In this approach, the value of the land is added to the depreciated replacement cost of the building and other site improvements.

The land value by Comparison Method of Valuation

The value of the land is determined by comparison with similar lands that are sold recently and those that are currently being offered for sale in the vicinity with appropriate adjustments made to reflect the dissimilarities and the costs of improvements to the land are added to arrive at the value of the Subject Property as an improved site.

In arriving at the estimate of the update Market Values of the lands we have found only two other relevant transacted comparables between the dates of 2022 and 2023, one being a vacant industrial land and another with factory building within the neighbourhood where the prices for industrial lands (i.e. RM62.24 and RM71.91 per square foot, respectively) were found to be higher in general but more or less of similar considerations as was shown in our previous Report and Valuation dated **23 October 2023** (i.e. a range between RM48.40 and RM70.99 per square foot between the dates of 2018 and 2022).

Based on the two sale evidences, the relevant justifications in arriving at the Market Value of the lands are as follows:-

Details	Evidence 1	Evidence 2
Lot/PT No.	Lot 87129	Lot 9066
Mukim and District	Mukim and District of Klang	
Address/Location	Jalan Canang Emas 8, Telok Gong	Off Jalan Telok Gong
Photograph		
Tenure	Leasehold	Leasehold
Property Type	Vacant industrial land	Detached factory with office
Land area Acres (square feet or square metres)	2.03 acres (88,361 square foot or 8,209 square metres)	2.83 acres (123,419 square foot or 11,466 square metres)
Built up Area (sq ft)	N/R	47,500
Vendor	Vimix Concrete Sdn Bhd	Worldgate Express Services Sdn Bhd
Purchaser	OYS Plantation Sdn Bhd	MTR Freight Sdn Bhd

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)

AZMI & CO

Date of Transaction	18/07/2023	27/04/2022
Consideration (RM)	5,500,000.00	16,950,000.00
Building Cost (RM)	N/A	8,075,000.00
Source	Jabatan Penilaian & Perkhidmatan Harta (JPPH)	
Analysed and adjusted value for Property 1 Lot 179010 (formerly known as Lot 8949)		
Analysis of Land Value (RM per sq ft)	62.24	71.91
Adjusted Land Value (RM per sq ft)	71.58	83.06
Factors considered in arriving at the Industrial Land Value for Property 1 Lot 179010 (formerly known as Lot 8949):		
<p>An upward adjustment has been made for time factor of Evidence No. 2. Upwards adjustments have also been made for the tenure of Evidences No.1 and No. 2, and an upward adjustment has been made for location factor of Evidence No. 1. We have also considered the current asking prices for vacant industrial lands in Telok Gong area which are currently between RM65.00 and RM82.00 per square foot. The asking prices however are subject to negotiations. In arriving at the Market Value, we have taken the average of the adjusted land values at RM77.32 and to this we have added another RM5.00 per square foot as the costs of improving the site, making the Market Value of the industrial land of Property No. 1 at RM82.32 per square foot. As this Updated Market Value of RM82.32 is only less than 1% lower than our previous valuation of RM83.00 per square foot, we have maintained the land value of the Subject Property to be RM83.00 per square foot or RM8,209,447.00.</p>		
Analysed and adjusted value for Property 2 PT 152572 (formerly known as Lot 8950)		
Analysis of Land Value (RM per sq ft)	62.24	71.91
Adjusted Land Value (RM per sq ft)	65.36	75.50
Factors considered in arriving at the Industrial Land Value for Property 2 PT 152572 (formerly known as Lot 8950):		
<p>An upward adjustment has been made for time factor of Evidence No. 2 and an upward adjustment has been made for the location factor of Evidence No. 1. We have also considered the current asking prices for vacant industrial lands in Telok Gong area which are currently between RM65.00 and RM82.00 per square foot. The asking prices however are subject to negotiations. We have taken the average of the adjusted land values at RM70.43 per square foot and to this we have added another RM5.00 per square foot as the costs of improving the site, making the Market Value of the industrial land of Property 2 at RM75.43 per square foot. As the Updated Market Value of RM75.43 per square foot is similar to our previous valuation of RM75.00 per square foot, we have maintained the land value of the Subject Property to be RM75.00 per square foot or RM7,159,875.00.</p>		

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)**Building Value by the Depreciated Replacement Cost**

The depreciated replacement cost of the building is derived from the building costs of the structure in its present design and material based upon current market prices for materials, labour and present construction techniques and deducting therefrom the accrued depreciation factor due to use and disrepair, age and functional and external obsolescence.

In arriving at the building value, we have adopted the same construction costs for industrial building as per our previous Report and Valuation dated **23 October 2023**. For this Update Valuation we have adopted a rate of RM1,830.00 per square metre (RM170.00 per square foot) for the construction cost of the factory, RM1,937.00 per square metre (RM180.00 per square foot) for the office. (Source: *Juru Ukur Bahan Malaysia (JUBM) & ARCADIS Construction Cost Handbook 2022*) and an overall depreciation of 5%.

Thus, the building values may be computed as follows:

Property 1

Details	Built-up area (in square feet)	RM (per square foot)	Value (RM)
(a) Factory/warehouse	42,457	170	7,217,690
(b) Office	7,200	180	1,296,000
(c) Guard house	36	80	2,880
Current replacement cost			8,516,570
Less: Depreciation @ 5%			(425,828)
Building Value			8,090,742

Property 2

Details	Built-up area (in square feet)	RM (per square foot)	Value (RM)
(a) Factory/warehouse	37,380	170	6,354,600
(b) Ancillary Floor Area	2,625	120	315,000
(c) Guard house	36	80	2,880
Current replacement cost			6,672,480
Less: Depreciation @ 5%			(333,624)
Building Value			6,338,856

As mentioned herein above, since there were no drastic changes in the transacted prices of industrial properties in the neighbourhood, we have maintained the same Market Values in this Update Valuation Certificate as previously reported in our Report and Valuation dated **23 October 2023** as follows:

Property	Property 1 (Lot 8949)	Property 2 (Lot 8950)
Land value	RM8,209,447.00	RM7,159,875.00
Building value	RM8,090,742.00	RM6,338,856.00
Market Value	RM16,300,189.00	RM13,498,731.00
Say	RM16,300,000.00	RM13,500,000.00

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)**B. Income Approach (Investment Method)**

In this instance, we have used the Income Approach as the second check method to provide a means for determining the Market Value. Under this approach, the net income and other benefits that Property 1 and Property 2 can generate over the life of the property and / or remaining lease are capitalized at 'market derived yields' to arrive at the present Market Value.

In arriving at the Market Value by the Income Approach we have used the 'net annual income' to the owner of the Subject Property which is arrived at after deducting all costs as the base value and discounting this net annual income with the industrial yields for the duration of the life expectancy of the Subject Property or the term of the lease.

Property 1 and Property 2 are presently being tenanted by Cropmate Fertilizer Sdn Bhd at RM66,000.00 per month or RM1.33 per square foot per month and RM40,000.00 per month or RM1.00 per square foot per month respectively. (Source: *Tenancy Agreements by Cropmate Fertilizer Sdn Bhd dated 1 March 2024*). We are of the opinion that this reserved rent is on lower side and has applied the market rental for the calculation of the Market Value by the Income Approach.

We have reviewed the current market information and found that the industrial premises in the neighbourhood (i.e. Telok Gong) area are being rented out with asking rentals similar to the rentals we have stated in our previous Report and Valuation dated **23 October 2023** (i.e. between RM1.55 and RM1.70 per square foot). Premised on the above we have adopted the same parameters in the Income Approach of Valuation as per our previous Report and Valuation dated **23 October 2023**, where we assumed that the Properties will command a market rental of RM1.55 per square foot per month for the main floor of the warehouse/factory area and RM1.70 per square foot for office. We have adjusted the outgoings incurred by the Subject Property and have taken RM0.30 per square foot per month to reflect a long term rate and other unexpected costs. The void allowance of 3% is taken to represent possible future vacancies, rent free periods and market uncertainties. The capitalising rate has been taken at 4.5% as per the yields obtained in the neighbourhood.

Based on the above same parameters in the Income Approach of Valuation as per our previous Report and Valuation dated **23 October 2023**, the Market Value of the Subject Property using the Income Approach may be computed as follows:

Property 1 (Lot 8949)	
Main Floor-Area Warehouse/Factory	
42,457 sq. ft @ RM1.55 per square foot per month x 12	RM789,700.20 per annum
Less outgoings @ RM0.30 per square foot per month x 12	(RM152,845.20) per annum
Less void @ 3%	(RM23,691.00) per annum

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)**AZMI & CO**

Net Income	RM613,164.00 per annum
Main Floor Area Office	
7,200 sq. ft @ RM1.70 per square foot per month x 12	RM146,880.00 per annum
Less outgoings @ RM0.30 per square foot per month x 12	(RM25,920.00) per annum
Less void @ 3%	(RM4,406.40) per annum
Net Income	RM116,553.60 per annum
Total Net Income	RM729,717.60 per annum
Year's purchase @ 4.5% in perpetuity	22.2
Market Value	RM16,199,730.72
	say RM16,200,000.00

Property 2 (Lot 8950)	
Main Floor-Area Warehouse/Factory	
40,005 sq. ft @ RM1.55 per square foot per month x 12	RM744,093.00 per annum
Less outgoings @ RM0.20 per square foot per month x 12	(RM96,012.00) per annum
Less void @ 3%	(RM 22,322.79) per annum
Net Income	RM625,758.21 per annum
Year's purchase Unexpired Lease 88 years @ 4.75%	20.70
Market Value	RM12,953,194.95
	say RM13,000,000.00

Reconciliation of Value

Having considered both the methods of valuation mentioned above, we arrived at the material date of Valuation of this Updated Market Values of Property 1 and Property 2 as at 15 March 2024 as follows:-

Details	Property 1 (Lot 8949)	Property 2 (Lot 8950)
Market Value by Cost Approach of Valuation	RM16,300,000.00	RM13,500,000.00
Market Value by Income Approach of Valuation	RM16,200,000.00	RM13,000,000.00
Reconciliation of Valuation	Based the above, we have adopted the value derived from the Cost Approach of valuation, at RM16,300,000.00 as the Market Value of the Subject Property as it provides the optimum value for the Subject Property with sufficient transactions of similar properties in the neighbourhood	Based the above, we have adopted the value derived from the Cost Approach of valuation, at RM13,500,000.00 as the Market Value of the Subject Property as it provides the optimum value for the Subject Property with sufficient transactions of similar properties in the neighbourhood.

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)**AZMI & CO**

The Market Values of the Subject Properties have remained unchanged as previously reported in our previous Report and Valuation dated **23 October 2023**.

Property 3

**PT 152624 (Lot 51) – A 15,562.062-square metre (167,509 square feet or 3.85-acre)
Vacant Corner Detached Industrial Land**

We have carried out a latest search on the title via an online search on 3 April 2024 which revealed that the following title particulars and legal status of Property 3 remain unchanged as per our previous valuation save for a caveat: -

Details	Property 3 PT 152624 (Lot 51)
Property Address	: Lot 51, Jalan Sungai Chandong 27/KS11, Kawasan Perindustrian Pulau Indah (Phase 3 Pulau Indah), 42920 Pelabuhan Klang, Klang, Selangor Darul Ehsan
Legal Description	: Leasehold Qualified Title bearing HSD 164202 for PT 152624, Mukim and District of Klang, State of Selangor Darul Ehsan
Tenure	: 78-year Leasehold interest expiring on 30 March 2097 (with about 73 years remaining unexpired as at year 2024)
Category of Land Use	: "Industri"
Express Conditions	: "Industri Sederhana"
Restriction in Interest	: "Tanah ini tidak boleh dipindahmilik, dipajak atau digadai, melainkan setelah mendapat kebenaran Pihak Berkuasa Negeri"
Current physical condition	: As at the date of reinspection the physical condition of the Subject Property remained same as previously reported.
Land Area	: 15,562.062 square metres (167,509 square feet or 3.85 acres)
Encumbrances	: Charged to RHB Islamic Bank Berhad on 8 December 2021
Existing Use	: Vacant and unoccupied
Planning	: The Subject Property is zoned for Industrial use.
Caveat	: A private Caveat has been entered by Hong Leong Islamic Berhad on 11 January 2024.
Registered Proprietor(s) In Title	: Cropmate Fertilizer Sdn Bhd – 1/1 Share
As at the date of our inspection, we have not observed any breaches or violations of the land and building by-laws and regulations.	

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)



**Methods of Valuation****Comparison Method of Valuation**

In this Update Valuation Certificate, we have only adopted the Comparison Method of Valuation to ascertain the Market Value of Property 3. This is due to the property being a vacant industrial land without any building plans approval and without any commencement of building construction works.

Under this Method, an estimate of value of the land is derived by comparing Property 3 with other properties of similar size, quality and location that have been sold in recent times. In the determination of value by this approach, a survey was made of property sales which have occurred in this or similar areas within the past few years.

In arriving at the estimate of the Update Market Value of the Property 3, we found only two other relevant transacted comparables of vacant industrial lands within the neighbourhood between the dates of 2022 and 2023 where the prices (i.e. RM70.61 and RM73.50 per square foot) were found to be within the range of evidences as shown in our previous Report and Valuation dated **23 October 2023** (i.e. a range between RM53.77 and RM80.00 per square foot between the dates of 2021 and 2022).

Based on the sale evidences, the relevant justifications in arriving at the Market Value of the land are as follows:-

Details	Evidence 1	Evidence 2
Lot/PT No.	PT 64245	PT 152658
Mukim and District	Mukim and District of Klang	
Address/Location	Jalan Perigi Nenas 7/1, Pulau Indah Industrial Park, Klang, Selangor Darul Ehsan	Jalan Sungai Pinang 4/KS11 Pulau Indah Industrial Park, Klang, Selangor Darul Ehsan
Photograph		
Tenure	Leasehold	
Property Type	Vacant industrial land	
Land area Acres (square feet or square metres)	2.76 acres (120,173 square feet or 11,164.44 square metres)	3.24 acres (141,207 square feet or 13,118.56 square metres)
Vendor	DE Tjui +2	Central Spectrum Sdn Bhd
Purchaser	Jambatan Merah Depot Sdn Bhd	Unison Marine (M) Sdn Bhd
Date of Transaction	9/06/2023	4/10/2022
Consideration (RM)	8,832,694.00	9,970,884.00
Source	Jabatan Penilaian & Perkhidmatan Harta (JPPH)	
Analysed and adjusted value for Property 3 PT 152624 (Lot 51)		
Analysis of Land Value (RM per sq ft)	73.50	70.61
Adjusted Value (RM per sq ft)	66.15	70.43

14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)**AZMI & CO****Factors considered in arriving at the Market Value of the Property 3 (PT 152624):**

An upward adjustment has been made for time factor of Evidence No. 2 and a downward adjustment has been made for land size of Evidences No. 1 and No. 2. A downward adjustment has also been made for location factor of Evidence No. 1. We have also considered the current asking prices for vacant industrial lands in Pulau Indah area which are currently in between RM75.00 and RM80.00 per square foot. These asking prices however are subject to negotiations. In arriving at the Market Value, we have taken the average of the adjusted land values at RM68.29 per square foot. As the Updated Market Value is similar to our previous valuation report of RM68.00 per square foot, we have therefore have maintained the Market Value of Property 3 at RM68.00 per square foot or **RM11,400,000.00** as was previously reported in our Report and Valuation dated **23 October 2023**.


14. VALUATION CERTIFICATE AND UPDATE VALUATION CERTIFICATE (CONT'D)

AZMI & CO**UPDATED MARKET VALUE**

Based on the above, we are of the opinion that the Updated Market Values of the Subject Properties described above, in their existing conditions, free from encumbrances, and subject to good registrable titles is, for the purpose of submission to Bursa Malaysia Securities Berhad in connection with the proposed acquisitions of Lot 179010 (formerly known as Lot 8949) and PT 152572 (formerly known as Lot 8950) and the proposed disposal of PT 152624 (Lot 51), in conjunction with the proposed initial public offering and proposed listing of Cropmate Berhad on the ACE Market of Bursa Malaysia Securities Berhad as of the valuation date of this Update Valuation Certificate on (15 March 2024), in the amounts as follows:

The Updated Market Values have remained unchanged as compared to our previous Report and Valuation bearing Reference Numbers, VSA/0266/22/SEL, VSA/0267/22/SEL and VSA/0265/22/SEL dated 23 October 2023.	
Subject Properties	Market Value
Properties for acquisitions	
Property 1 Lot 179010 (formerly known as Lot 8949)	RM16,300,000.00 Ringgit Malaysia: SIXTEEN MILLION AND THREE HUNDRED THOUSAND ONLY
Property 2 PT 152572 (formerly known as Lot 8950)	RM13,500,000.00 Ringgit Malaysia: THIRTEEN MILLION AND FIVE HUNDRED THOUSAND ONLY
Total	RM29,800,000.00 Ringgit Malaysia: TWENTY-NINE MILLION AND EIGHT HUNDRED THOUSAND ONLY
Property for disposal	
Property 3 Lot PT 152624 (Lot 51)	RM11,400,000.00 Ringgit Malaysia: ELEVEN MILLION AND FOUR HUNDRED THOUSAND ONLY

Yours faithfully
AZMI & CO (SHAH ALAM) SDN BHD



NAGALINGAM THANDAVAN
Registered Valuer (V-461)

15. ADDITIONAL INFORMATION

15.1 SHARE CAPITAL

- (i) As at the date of this Prospectus, we have only one class of shares in our Company, namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.
- (ii) Save as disclosed in this Prospectus, no securities will be allotted or issued on the basis of this Prospectus later than 6 months after the date of this Prospectus.
- (iii) None of the share capital of our Group is under option, or agreed conditionally or unconditionally to be put under option as at the date of this Prospectus.
- (iv) Save as disclosed in **Section 6.1.2** of this Prospectus, our Group has not issued or proposed to issue any shares, stocks or debentures as fully or partly paid-up in cash or otherwise, within 3 years immediately preceding the date of this Prospectus.
- (v) As at the date of this Prospectus, save for the IPO Shares reserved for the Eligible Persons as disclosed in **Section 4.2.2(ii)** of this Prospectus, there is currently no other scheme involving our Directors or employees in the capital of our Group.
- (vi) As at the date of this Prospectus, our Group does not have any outstanding convertible securities, options, warrants or uncalled capital.
- (vii) Save as disclosed in **Section 3.2** of this Prospectus and save as provided under our Constitution and the Act, there are no other restrictions upon the holding or voting or transfer of our Shares.

15.2 EXTRACT OF OUR CONSTITUTION

The following provisions are extracted from our Constitution and are qualified in its entirety by the remainder of our Constitution and by applicable law. The words and expressions appearing in the following provisions shall bear the same meanings used in our Constitution unless otherwise defined or the context otherwise requires:

15.2.1 Transfer of shares

The provision in our Company's Constitution in respect of the transfer of shares and restrictions on their free transferability are as follows:

Clause 34 – Transfer of shares

- (1) Where applicable, the instrument of transfer of any shares other than Deposited Security shall be transferable but every transfer shall be in writing in the usual form pursuant to the Act or in such other forms as the Board shall from time to time approve, and shall be submitted to the Office of the Company or its agent accompanied by the certificate of the unlisted shares to be transferred and such other evidence (if any) as the Board may reasonably require to show the right of the transferor to make the transfer; and shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.

15. ADDITIONAL INFORMATION (CONT'D)

- (2) Where applicable, the instrument of transfer of any listed Securities or class of listed Securities of the Company shall be in writing and in the form approved in the Rules of Bursa Depository and shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the Securities until the name of the transferee is entered in the Record of Depositors in respect thereof. The transfer of any listed Security or class of listed Security of the Company, which have been deposited with Bursa Depository shall be by way of book entry by Bursa Depository in accordance with the Rules of Bursa Depository and, notwithstanding Sections 105, 106 and 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such listed Securities.

Clause 35 – Suspension of registration

Subject to the Act, Rules of Bursa Depository and Listing Requirements, the registration of transfer of any securities may be suspended at such times and for such periods as the Directors may from time to time determine not exceeding in the whole, thirty (30) days in any year. Ten (10) Market Days' notice, or such other period as may from time to time be specified by Bursa Securities governing the Register concerned, of intention to close the Register shall be given to Bursa Securities and published in a daily newspaper circulating in Malaysia. Such notice shall state the books closing date which shall not be less than eight (8) clear Market Days from the date of notification to Bursa Securities.

Clause 36 – Reasons for closing of registers

The transfer books and Record of Depositors may be closed for the purpose of determining persons entitled to dividends, interest, or new securities or rights to a priority of application for issued of securities. The Company shall request the Bursa Depository in accordance with the Rules of Bursa Depository to issue a Record of Depositors as at a date not less than three (3) Market Days before the occurrence of the related event.

Clause 37 - No transfer to infant, bankrupt and unsound person

Bursa Depository may, in its absolute discretion, refuse to register any transfer of Deposited Security that does not comply with the SICDA and the Rules of Bursa Depository and any of the Applicable Laws. No Securities shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.

Clause 38 - Refusal to register transfers

- (1) Subject to Section 106 and any other relevant provisions of the Act, the Directors may refuse or delay to register the transfer of a share, not being a Deposited Security, to a person of whom they shall not approve.
- (2) The Bursa Depository may refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and the Rules of Bursa Depository.

Clause 39 – Notice of refusal

If the Directors passed a resolution to refuse or delay the registration of a transfer, they shall, within seven (7) days of the resolution being passed, give to the lodging broker, transferor and the transferee written notice of the resolution setting out the precise reasons thereof.

Clause 40 – Renunciation of allotment

Subject to the provisions of the Constitution, the Directors may recognise a renunciation of any Share by the allottee thereof in favour of some other person.

15. ADDITIONAL INFORMATION (CONT'D)

Clause 41 – No liability for fraudulent transfers

Subject to any law in Malaysia for the time being in force, neither the Company nor the Directors nor any of its officers shall incur any liability for the act of Bursa Depository in registering or acting upon a transfer of securities apparently made by a member or any person entitled to the securities by reason of death, bankruptcy or insanity of a member although the same may, by reason of any fraud or other causes not known to the Company or the Directors or Bursa Depository or other officers, be legally inoperative or insufficient to pass the property in the securities proposed or professed to be transferred, and although the transfer may, as between the transferor and the transferee, be liable to be set aside and notwithstanding that the Company may have notice that such instrument or transfer was signed or executed and delivered by the transferor in the blank as to the name of the transferee, of the particulars of the securities transferred or otherwise in defective manner. And in every case, the person registered as transferee, his executors, administrators and assignees alone shall be entitled to be recognised as the holder of such securities and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

Clause 42 - No restriction on the transfer of fully paid shares

Subject to the Constitution, the Rules of Bursa Depository and except as may be required by the Applicable Laws, there shall be no restriction on the transfer of fully paid Shares in the Company.

15.2.2 Transmission of shares

The provision in our Company's Constitution in respect of the transmission of shares and restrictions on their free transferability are as follows:

Clause 45 – Death of a member

Subject to the provisions of the Act, the SICDA and the Rules of Bursa Depository, in the case of the death of a member, the legal personal representative(s), the executors or administrators of the deceased member, shall be the only person(s) recognised by the Company and/or Bursa Depository as having any title to his interest in the Securities or debentures; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any security which had been held / jointly held by him.

Clause 46 - Persons becoming entitled on death or bankruptcy of members may be registered

Subject to the provisions of the Act, the SICDA and the Rules of Bursa Depository, any person becoming entitled to a security or debentures in consequence of the death or bankruptcy of a member may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to register himself as holder of the security or debentures; or to have some person nominated by him registered as the transferee thereof, but the Directors and/or Bursa Depository shall in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy. Provided always that where the share is a deposited security, subject to the Rules of Bursa Depository, a transfer or withdrawal of the shares may be carried out by the person becoming so entitled. Nothing herein contained shall release the estate of a deceased member from any liability in respect of any security which had been held by him.

15. ADDITIONAL INFORMATION (CONT'D)**Clause 47 - Rights on unregistered executors and trustees**

Any person so becoming entitled to a share in consequence of the death or bankruptcy of a member elects to register himself as the holder of the share, he shall deliver or send to the Company, a notice in writing signed by him and stating that he so elects, provided that where the share is a deposited security and the person becoming entitled elects to have the share transferred to him, the aforesaid notice must be served by him on Bursa Depository. If he elects to have another person registered, he shall evidence his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of the Constitution relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer is a transfer signed by that Member.

Clause 48 - Persons becoming entitled on death or bankruptcy of members may be registered

Subject to the provisions of any law, where the registered holder of any share dies or becomes bankrupt, his personal representative or the assignee or his estate, as the case may be, shall, upon the production of such evidence as may from time to time be required by the Directors and/or Bursa Depository in that behalf, be entitled to the same dividends and other advantages and to the same rights (whether in relation to the meetings of the Company or to voting or otherwise) as the registered holder would have been entitled in respect of it, to exercise any right conferred by membership in relation to the meetings of the Company. Provided further always that the Directors may at any time give notice requiring any such person to elect, either to be registered himself or to transfer the security, and if the notice is not complied with within ninety (90) days, the Directors may, thereafter, withhold payment of all dividends, bonuses or other moneys payable in respect of the Security until the requirements of the notice have been complied with.

Clause 49 – Transmission of securities from foreign register

Where -

- (a) the securities of a company are listed on another stock exchange; and
- (b) the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998, as the case may be, under the Rules of Bursa Depository in respect of such securities,

the Company shall, upon the request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the Company in the jurisdiction of the other stock exchange, to the register of holders maintained by the registrar of the Company in Malaysia and vice versa provided that there shall be no change in ownership of such securities.

15. ADDITIONAL INFORMATION (CONT'D)

15.2.3 Remuneration of our Directors

The provisions in our Company's Constitution in respect of the remuneration of our Directors are as follows:

Clause 117 – Remuneration of directors

The fees of Directors and any benefits payable to the Directors of the Company (including any compensation for loss of employment of Director or former Director) shall be subject to annual shareholders' approval at a general meeting and shall from time to time be determined by the Company in general meeting (where applicable) provided always that:

- (a) fee payable to non-executive Directors shall be by way of a fixed sum, and not by way of a commission on or percentage of profits or turnover and which shall not exceed the amount approved by shareholders in general meeting;
- (b) remuneration and other emoluments (including bonus, benefits or any other elements) payable to executive Directors who hold an executive office in the Company pursuant to a contract of service need not be determined by the Company in general meeting but such salaries and emoluments may not include a commission on or percentage of turnover. Nothing herein shall prejudice the powers of the Directors to appoint any of their members to be the employee or agent of the Company at such remuneration and upon such terms as they think fit provided that such remuneration shall not include commission on or percentage of turnover;
- (c) fees of non-executive Directors and any benefits payable to non-executive Directors shall be subject to annual shareholders' approval at a general meeting;
- (d) any fee paid to an alternate Director shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter; and
- (e) the fees and/or benefits payable to non-executive Director who is also Director of the subsidiaries includes fees, meeting allowances, travelling allowances, benefits, gratuity and compensation for loss of employment of Director or former Director of the Company as provided by the Company and subsidiaries, but does not include insurance premium or any issue of securities.

15.2.4 Powers and duties of Directors

The provisions in our Company's Constitution in respect of the powers and duties of Directors are as follows:

Clause 120 - Business of the Company to be managed by the Directors

The business and affairs of the Company shall be managed by Directors or under the direction or supervision of the Board of Directors who (in addition to the powers and authorities by the Constitution of otherwise conferred upon them) may pay all expenses incurred in promoting and registering the Company. The Board has all the powers necessary for managing and for directing and supervising the management of the business and affairs of the Company and may exercise all such powers of the Company as are not by this Constitution or by the Act or the applicable laws, required to be exercised by the Company in general meeting, subject nevertheless, to any of the clauses, to the provisions of the Act, and to such regulations, not being inconsistent with this Constitution or the provisions of the Act as may be prescribed by the Company in general meeting but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

15. ADDITIONAL INFORMATION (CONT'D)**Clause 121 – Limitation on Directors' powers**

The Directors shall not without the prior approval of the Company in general meeting:

- (a) exercise any power of the Company to issue shares unless otherwise permitted under the Act;
- (b) arrange or enter or carry into effect any proposal or execute any transaction for the acquisition of an undertaking or property of a substantial value, or the disposal of a substantial portion of or controlling interest in the Company's undertaking or property (includes the whole or substantially the whole of the rights, including developmental rights and benefits);
- (c) subject to Sections 228 and 229 of the Act, enter or carry into effect any arrangement or transaction with a Director or a Substantial Shareholder of the Company or its holding company, or its subsidiary or with a person connected with such a Director or Substantial Shareholder to acquire from or dispose to such Director or Substantial Shareholder or person connected with such a Director any shares or non-cash assets of the requisite value as stated in the Act; or
- (d) issue any securities on such terms and subject to such conditions which confer a right to subscribe for new shares of the Company; and
- (e) subject to Section 218 of the Act, to gain directly or indirectly, a benefit for himself or any other person, or cause detriment to the Company.

Clause 122 – Scope of Directors' borrowing powers

- (1) The Directors may exercise all the powers of the Company to borrow money or secure the payment of such money in such manner and upon such terms and conditions in all respects as they think fit and to mortgage or charge the Company's or the subsidiaries' undertaking, property and uncalled capital or any part thereof and to issue debentures and other securities, whether outright or as security for any debt, liability or obligation of the Company or its subsidiaries as may be thought fit.
- (2) The Directors shall not borrow any money or mortgage or charge any of the Company's or the subsidiaries' undertaking, property or any uncalled capital, or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.
- (3) The Directors may borrow or raise any such money as aforesaid upon or by the issue or sale of any bonds, debentures, debenture stock, or Securities, and upon such terms as to time of repayment, rate of interest, price of issue or sale; payment of premium or bonus upon redemption or repayment or upon any other terms as they may think proper.
- (4) Any debenture or other security may be issued at a discount, premium or otherwise and (with the sanction of the Company in general meeting) with any special privilege as to allotment of shares, attending and voting at general meetings of the Company, appointment of Directors or otherwise.
- (5) Subject to the Act, if the Directors or any of them, or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors, or persons so becoming liable as aforesaid, from any loss in respect of such liability.

15. ADDITIONAL INFORMATION (CONT'D)

Clause 123 – Power to maintain pension fund

The Directors may establish or arrange any contributory or non-contributory pension or superannuation scheme, share option / incentive scheme and trusts or other funds for the benefit of, or pay a gratuity, pension or emolument, and to issue and allot and/or transfer shares or securities to any person who is or has been employed by or in the service of the Company or any subsidiary of the Company, or to any person who is or has been a Director or other officer of and holds or has held salaried employment in the Company or any such subsidiary, and the widow, family or dependents of any such person. The Directors may also subscribe to any association or fund which they consider to be for the benefit of the Company or any such subsidiary or any such person as aforesaid and make payments for or towards any hospital or scholastic expenses and any Director holding such salaried employment shall be entitled to retain any benefit received by him under this clause subject only, where the Act requires, for proper disclosure to the members and the approval of the Company in general meeting.

Clause 124 – Power to issue the official seal

The Directors may exercise all the powers of the Company conferred by the Act in relation to any official seal for use outside Malaysia and in relation to branch registers of the Company. The Company may have a duplicate common seal as referred in Section 62 of the Act which shall be an exact copy of the common seal with the addition on its face of the word "Share Seal". The official seal when duly affixed to a document has the same effect as the Company's common seal. The person affixing the official seal shall certify in writing on the deed or other document to which the seal is affixed the date and place it is affixed.

Clause 125 – Appointment of attorneys

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

Clause 126 – Signatures of cheques etc

All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors may from time to time by resolution determine.

Clause 127 – Company documents

Subject to the Act, the Company's documents shall be executed, as the case may be, in such manner and by such person as the Directors shall from time to time determine.

Clause 128 – Discharge of duties

A Director shall at all times act honestly and use reasonable diligence in the discharge of the duties of his office and shall not make use of any information acquired by virtue of his position to gain directly or indirectly an improper advantage for himself or for any other person or to cause detriment to the Company.

15. ADDITIONAL INFORMATION (CONT'D)

Clause 129 - Notice of disclosure

Every Director shall give notice to the Company of such events and matters affecting or relating to himself as may be necessary or expedient to enable the Company and its officers to comply with the requirements of the Act.

Clause 130 - Directors may hold other office

Subject always to the Act and the Listing Requirements, a Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise nor shall any such contracts, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established but the nature and extent of interest must be declared by him at the meeting of the Directors at which the contract or arrangement is determined, if the interest then exists or in any other case, at the first meeting of the Directors after the acquisition of the interest.

Clause 131 - Director may act in his professional capacity

Unless prohibited by the rules and/or requirements of Bursa Securities, any Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for his or his firm's professional services as if he was not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as auditor of the Company and provided further that such professional services shall be provided at normal commercial terms.

15.2.5 Proceedings of Directors

The provisions in our Company's Constitution in respect of the proceedings of Directors are as follows:

Clause 132 – Meetings of Directors

The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. A Director may at any time and the secretary shall on the requisition of any of the Directors, summon a meeting of the Directors.

Clause 133 – Notice of Directors' Meeting

Unless otherwise determined by the Directors from time to time, notice of all Directors' meetings shall be given and circulated five (5) days in advance to all Directors and their alternates by hand, post, facsimile, electronic form or other form of electronic communications or other communication modes / equipment. Except in the case of an emergency, reasonable notice of every Directors' meeting shall be given in writing. The majority of the Board may waive notice of any meeting and any such waiver may be retroactive.

15. ADDITIONAL INFORMATION (CONT'D)

Clause 134 – Quorum of meetings of Directors

The quorum necessary for the transaction of business of the Directors shall be a minimum of two (2) and a meeting of the Director for the time being at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretion by or under this Constitution vested in or exercisable by the Directors generally.

Clause 135 - Meetings of Directors by means of telephone conference or other communications facilities

- (a) Directors may participate in a meeting of Directors or committee of the Board (as the case may be) by means of telephone conference, videophone conference or any similar or other communications equipment or electronic means which allow all persons participating in the meeting to hear and/or see each other simultaneously and instantaneously.
- (b) A person in communication by electronic means with the Chairman and with all other parties to a meeting of the Directors or of a committee of Directors shall be regarded for all purposes as personally attending or shall be deemed to be present in person at such a meeting and shall be counted in a quorum and be entitled to vote but only for so long he has the ability to communicate interactively and simultaneously with all other parties attending the meeting including all persons attending by electronic means.
- (c) A meeting at which one or more of the Directors attends by electronic means is deemed to be held at such place as the Directors shall at the said meeting resolve. In the absence of a resolution as aforesaid, the meeting shall be deemed to be held at the place, if any, where a majority of the Directors attending the meeting are physically present, or in default of such a majority, the place at which the Chairman of the meeting is physically present.
- (d) Subject to the Act, all business transacted in the manner provided above by electronic means shall for the purpose of this Constitution be deemed to be validly and effectively transacted at a meeting of the Board provided that at least one (1) of the Directors present at the meeting was at such place as resolved or deemed (as the case may be) pursuant to Clause 135(c) for the duration of the meeting. All information and documents must be made equally available to all participants prior to or at / during the meeting.

Clause 136 – Chairman of Directors

The Directors may from time to time elect and remove a Chairman of their meetings and determine the period for which he is to hold office but if no such Chairman is elected, or if at any meeting the Chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be Chairman of the meeting.

Clause 137 – Appointment of proxy

The Directors shall not have any power to appoint any person from time to time as their proxies to represent them at Directors' meetings, save and except for their duly appointed alternate Directors. An instrument appointing a proxy shall be in writing in any form approved by the Directors under the hand of the appointer or his attorney duly authorised in writing.

15. ADDITIONAL INFORMATION (CONT'D)

Clause 138 – Votes by majority and Chairman’s casting vote

Subject to this Constitution, any question arising at any meeting of Directors shall be decided by a majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote. The Chairman of the meeting shall however not have a second or casting vote where two (2) Directors form a quorum and only such a quorum is present at the meeting or only two (2) Directors are competent to vote on the question at issue.

Clause 139 - Directors may act notwithstanding a vacancy

The remaining Director or Directors may continue to act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the minimum number fixed by or pursuant to this Constitution as the necessary quorum of Directors, the remaining Director or Directors may, except in an emergency, act only for the purpose of increasing the number of Directors to such minimum number or to summon a general meeting of the Company.

Clause 140 - Disclosure of interest by Directors

Every Director shall comply with the provisions of Sections 219 and 221 of the Act in connection with the disclosure of his shareholding and interests in the Company and his interest in any contract or proposed contract with the Company and in connection with the disclosure, every Director shall state the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly, duties or interests might be created in conflict with his duty or interest as a Director of the Company.

Clause 141 - Declaration of interest

A Director may contract with and be interested in any contract or proposed contract with the Company and shall not be liable to account for any profit made by him by reason of any such contract; provided always that the nature of the interest of the Director in any such contract be declared at a meeting of the Directors as required by Section 221 of the Act.

Clause 142 - Restriction on voting and quorum

- (a) A Director shall not participate in any discussion or vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest (and if he shall do so his vote shall not be counted).
- (b) A Director notwithstanding his interest may, provided that none of the other Directors present disagree, be counted in the quorum present at any meeting where any decision is taken upon any contract or proposed contract or arrangement in which he is in any way interested provided always that he has complied with Section 221 and all other relevant provisions of the Act and the Constitution.

Clause 143 – Power to vote

A Director may vote in respect of:

- (a) any arrangement for giving the Director himself or any other Directors any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company;

15. ADDITIONAL INFORMATION (CONT'D)

- (b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part, under a guarantee or indemnity or by the deposit of a security;
- (c) any contract by a Director to subscribe for or underwrite shares or debentures of the Company; or
- (d) any contract or arrangement with any other company in which he is interested only as an officer of the Company or as a holder of shares or other securities in that company.

Clause 144 - Directors may become Directors of other corporation

A Director of the Company may be or become a director or other officer of or otherwise interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise or any corporation which is directly and indirectly interested in the Company as shareholder or otherwise and no such Director shall be accountable to the Company for any remuneration or other benefit received by him as a director or officer of, or from his interest in, such corporation unless the Company otherwise directs at the time of his appointment. The Directors may exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company, or exercisable by them as directors of such other corporation, in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of the Directors or other officers of such corporation), and any Director may vote in favour of the exercise of such voting rights in the manner aforesaid, notwithstanding that he may be or is about to be appointed a director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in the manner aforesaid, provided always that he has complied with Sections 219, 221 and all other relevant provisions of the Act, the Listing Requirements and the Constitution.

15.2.6 Share capital and variation of rights

The provisions in our Constitution in respect of the share capital and variation of rights are as follows:

Clause 9 – Power to issue shares with special rights

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares and subject to the provisions of this clause, the Act, the Constitution and the provisions of any resolution of the Company, shares in the Company may be issued by the Directors by ordinary resolution, who may allot, or otherwise dispose of such shares to such persons, on such terms and conditions, with such preferred, deferred or other special rights, and subject to such restrictions and at such times as the Directors may determine but the Directors in making any issue of shares shall comply with the following conditions:

- (a) in the case of shares of a class other than ordinary shares, no special rights shall be attached until the same have been expressed in the Constitution and in the resolution creating the same;
- (b) no shares shall be issued which shall have the effect of transferring a controlling interest in the Company without the prior approval of the members in general meetings;
- (c) every issue of shares or options to employees and/or Directors shall be approved by the members in general meeting and in respect of issuance of shares or options to Directors such approval shall specifically detail the number of shares or options to be issued to such Directors;

15. ADDITIONAL INFORMATION (CONT'D)

- (d) except in the case of an issue of securities on a pro rate basis to members or pursuant to a placement undertaken in compliance with the Listing Requirements, a Director, major shareholder, chief executive or person connected to any Director, major shareholder or chief executive (hereinafter referred to as the "interested director", "interested major shareholder", "interested chief executive" or "interested person connected with a director, major shareholder or chief executive" respectively) of the Company shall not participate, directly or indirectly, in an issue of ordinary shares or other securities with rights of conversion to ordinary shares unless the members in general meeting have approved the specific allotment to be made to the aforesaid interested Director, interested major shareholder, interested chief executive or person connected to any Director, major shareholder or chief executive and the Director, major shareholder, chief executive or person connected to any Director, major shareholder or chief executive has abstained from voting on the relevant resolution; In this Clause, "major shareholder", "chief executive" and "person connected to any Director, major shareholder or chief executive" shall have the same meaning described thereto in the Listing Requirements.
- (e) subject to the Listing Requirements, requirements set by Bursa Securities and notwithstanding the existence of a resolution pursuant to Sections 75 and 76 of the Act, the Company must ensure that it shall not issue any ordinary Shares or convertible securities if the total number of shares or convertible securities exceeds the prescribed limit as permitted under the Listing Requirements and set by Bursa Securities from time to time, except where the shares or convertible securities are issued with the members' prior approval in a general meeting of the precise terms and conditions of the issue; and
- (f) in working out the number of shares or convertible securities that may be issued by the Company, if the security is a convertible security, each of such security is counted as the maximum number of shares into which it can be converted or exercised.

Clause 10 – Preference shares and rights of preference shareholders

Subject to the Act and the Constitution, any preference shares may with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed. The Company shall have the power to issue preference capital ranking equally with, or in priority to, preference shares already issued.

Preference shareholders shall have the same rights as ordinary shareholders as regards to receiving notices, reports and audited financial statements and attending general meetings of the Company.

Preference shareholders shall also have the rights to attend and vote at any meeting convened for the purpose of sanctioning:

- (a) a resolution or proposal in respect of dividend or part of the dividend on the preference shares which are in arrears for more than six (6) months;
- (b) a proposal to reduce the Company's share capital;
- (c) a proposal for the disposal of the whole of the Company's property, business and undertaking;
- (d) a proposal or resolution which affects the rights and/or privileges attached to the preference shares;
- (e) a proposal to wind up the Company; and
- (f) during the winding up of the Company.

Preference shareholders shall be entitled to a return of capital in preference to holders of ordinary shares in the event that the Company is wound up.

15. ADDITIONAL INFORMATION (CONT'D)

Clause 11 - Repayment of preference capital

Notwithstanding Clause 10, the repayment of preference share capital (other than redeemable preference shares) or any other alteration of preference shareholder's rights, may only be made pursuant to a special resolution of the preference shareholders concerned provided always that where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing, if obtained from not less than 75% of the total voting rights of the preference shareholders within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.

Clause 12 – Variation of class rights

Subject to the provisions of Sections 71 and 91 of the Act, if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the sanction of a special resolution passed at a separate general meeting of the shareholders of that class. Where necessary majority of such a special resolution is not obtained at the meeting, consent in writing if obtained from the holders of not less than 75% of the total voting rights of the shareholders of that class within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting. To every such separate general meeting, the provisions of the Constitution relating to general meetings shall mutatis mutandis apply, except that the necessary quorum shall be at least two (2) persons who are members present in person or represented by proxy holding at least one-third (1/3) of the number of issued shares of the class, excluding any shares of that class held as treasury shares and that any holder of shares of the class present in person or by proxy may demand a poll. For adjourned meeting, quorum is one (1) person present holding shares of such class. To every such special resolution, the provisions of Section 292 of the Act shall with such adaptations as are necessary, apply.

Clause 13 - Ranking of class rights

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or in all respects *pari passu* therewith.

Clause 14 - Commission on subscription of shares

The Company may exercise the power of paying pay a commission conferred by the Act to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company provided that (i) the rate in percentage or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act, and the rate of the commission shall not exceed the rate of ten percent (10%) of the price at which such shares are issued, or an amount equivalent to such percentage of that price, whichever is lesser; and (ii) the requirements of Section 80 of the Act shall be observed. Subject to the provisions of Section 78 of the Act, such commission may be satisfied by the payment of cash or allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

Clause 15 - Shares issued for purposes of raising money for the construction of any works or buildings

Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest or returns on the amount of such share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in Section 130 of the Act and may charge the same to share capital as part of the cost of the plant construction of any works or buildings or the provision of any plant.

15. ADDITIONAL INFORMATION (CONT'D)**Clause 16 - Trust not to be recognised**

Except as authorised or required by the Constitution or the law, no person (other than Bursa Malaysia Depository Nominees Sdn Bhd) shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way authorised (even with notice thereof) any equitable, contingent, future or partial interest in any share or any unit of share or any other right in respect of any shares, except an absolute right to the entirety thereof in the registered holder.

15.2.7 Alteration of capital

The provisions in our Constitution in respect of the alteration of capital are as follows:

Clause 68 - Power to alter its share capital

The Company may from time to time by ordinary resolution:

- (a) consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the shares from which the subdivided share is derived; or
- (b) convert all or any of its issued shares into stock and may reconvert that stock into fully paid shares; or
- (c) subdivide its shares or any part thereof, whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the shares from which the subdivided share is derived; or
- (d) cancel any shares which at the date of the passing of the resolution which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.

If any shares are consolidated or divided, the Directors may deal with any fractions of shares which result or any other problem that arises. If the Directors decide to sell any shares which represent fractions, they must sell for the best price they can reasonably obtain and distribute the net proceeds of sale among shareholders in proportion to their fractional entitlements or shall be disregarded and will be dealt with by the Directors in such a manner as they deem fit at their absolute discretion and in the best interest of the Company. The Directors can sell to a person (including the Company, if the Act and Listing Requirements allow) and can authorise a person to transfer those shares to the buyer or in accordance with the buyer's instructions. The buyer does not need to take any action to check how any money paid is used. The buyer's ownership will not be affected if the sale was irregular or invalid in any way.

Clause 69 - Power to reduce capital

The Company may reduce its share capital by-

- (a) a special resolution and confirmation by the court in accordance with Section 116 of the Act; or
- (b) a special resolution supported by a solvency statement in accordance with Section 117 of the Act.

15. ADDITIONAL INFORMATION (CONT'D)

15.2.8 Rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights

The provisions in our Constitution in respect of rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights are as follows:

Clause 63 – Rights of stock holders

The holders of stock shall, according to the amount of the stock held by them have the same rights, privileges and advantages as regards dividends, distributions, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except participation in the dividends, distributions and profits of the Company and in the assets on winding up) shall be conferred by any such part of stock which would not, if existing shares have conferred that right, privilege or advantage.

Clause 77 – Record of Depositors

- (a) The Company shall request Bursa Depository in accordance with the Rules of Bursa Depository, to issue a Record of Depositors to whom notices of general meetings shall be given by the Company.
- (b) The Company shall also request Bursa Depository in accordance with the Rules of Bursa Depository, to issue a Record of Depositors, as at the latest date which is reasonably practicable which shall in any event be not less than three (3) market days before the general meeting (“**General Meeting Record of Depositors**”). The Record of Depositors requested under this Clause 77 when made available to the Company shall be treated as final record of all Depositors who shall be deemed to be the registered holders of the shares of the Company eligible to be present and vote at such meetings.
- (c) Subject to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 (where applicable) and notwithstanding any provision in the Act, a Depositor shall not be regarded as a member entitled to attend any general meeting and to speak and vote thereat unless his name appears in the General Meeting Record of Depositors.

Clause 91 – Voting rights of members

Subject to any rights or restrictions for the time being attached to any class of shares at meetings of members or classes of members and Clause 77 above, each member shall be entitled to be present and to vote at any general meeting in respect of any share or shares of which he is the registered holder and upon which all calls due to the Company have been paid, and may vote in person or by proxy or by attorney or by duly authorised representative for a corporation, and on a resolution to be decided on a show of hands, each holder of an ordinary share or, each holder of a preference share who is personally present and entitled to vote, shall be entitled to one (1) vote and on a poll, every such member present in person or by proxy or attorney or representative for a corporation shall have one (1) vote for each share he holds. A proxy shall be entitled to vote on a show of hands or on a poll, on any question, at any general meeting. In a voting by poll, each proxy shall be entitled to such number of votes equal to the proportion of the member's shareholdings represented by such proxy. A proxy may only vote as directed in the proxy form. However, if the appointor or representative attend and vote on a resolution, the proxy or attorney must not vote.

Clause 92 - Shares of different monetary denominations

Where the capital of the Company consists of shares of different monetary denominations, voting rights shall be prescribed in such a manner that a unit of capital in each class, when reduced to a common denominator, shall carry the same voting power when such right is exercisable.

15. ADDITIONAL INFORMATION (CONT'D)

Clause 93 - Voting rights of members of unsound mind and person entitled to transfer

A member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, whether on a show of hands or on a poll, by his committee or by such other person who has the management of his estate, and any such committee or other person may vote by proxy or attorney. Any person entitled under Clause 45 to transfer any shares, may vote at any general meeting in the same manner as if he was the registered holder of such shares provided that he shall satisfy the Directors of his right to transfer such shares, at least forty-eight (48) hours prior to the time of the meeting or adjourned meeting, at which he proposes to vote unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Clause 94 - No right to vote where a call is unpaid

No person shall be entitled to be present or to vote on any resolution either as a member or otherwise as a proxy or attorney or representative for a corporation at any general meeting or demand a poll or be reckoned in the quorum in respect of any shares upon which calls are due and unpaid.

Clause 95 – Time for objection

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.

Clause 101 – Power of attorney

Every power, right or privilege of any member to convene, attend, vote and in anyway take part in any meeting of the Company, may be exercised in the event of such member being out of Malaysia by any attorney, whether a member or not, duly appointed by such member for the purpose, by a power of attorney produced at the office during business hours not less than two (2) market days before the same is acted on. Any vote given or things done by such attorney shall be valid notwithstanding the previous death or unsoundness of mind of the member giving such power of attorney or revocation of such power of attorney by other means provided no intimation in writing of such death or unsoundness mind or revocation shall have been received at the Office before such vote is given or thing done.

Clause 104 – Corporate representatives

Subject to Section 333 of the Act, any corporation which is a member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of members of the Company or of any class of members or representative of the Company; and the person or persons so authorised until his authority is revoked by the corporation, shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it was an individual member of the Company.

Clause 168 – Directors may from reserve fund and invest

The Directors may, before recommending any dividend, set aside out of the profits available of the Company such sums as they think proper as reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied. Pending any such application, such profits may, at the discretion of the Directors, either be employed in the business of the Company or be invested in such investments as the Directors may from time to time think fit. The Directors may also without placing the profits to reserve, carry forward any profits which they think prudent not to distribute.

15. ADDITIONAL INFORMATION (CONT'D)

15.3 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his Shares with Bursa Depository on or before the date is fixed, failing which our Share Registrar will be required to transfer the Shares to the Minister of Finance and such Shares may not be traded on Bursa Securities.

Dealing in our Shares deposited with Bursa Depository may only be effected by a Depositor by means of entries in the securities account of that Depositor.

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares shall be deemed to be our shareholder and shall be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

15.4 LIMITATION ON THE RIGHT TO OWN SECURITIES

Save as disclosed in **Section 15.3** above, there are no limitation on the right to own securities, including any limitations on the right of non-resident or non-Malaysian shareholders to hold or exercise voting rights on our Shares, which imposed by Malaysian law or by constituent documents of our Company.

15.5 MATERIAL CONTRACTS

Save as disclosed below, our Group has not entered into any material contracts which are not in the ordinary course of our Group's business during the Financial Periods Under Review up to the date of this Prospectus:

- (i) Sale and purchase agreement dated 28 June 2021 between Cropmate Fertilizer and Central Spectrum Sdn Bhd in respect of the purchase of Lot 51 for a cash consideration of RM11,236,302. The acquisition was completed on 5 January 2022;
- (ii) Sale and purchase agreement dated 27 January 2022 between Cropmate Fertilizer and Tan Kim Tiok in respect of the purchase of the leasehold land expiring on 2 April 2068 held under individual title H.S.(M) 60074, PT 155335, Tempat Telok Gong, Mukim Klang, Daerah Klang, Negeri Selangor for a purchase consideration of RM1,745,653. The acquisition was subsequently aborted with a deed of revocation dated 13 September 2022 being entered into by the parties to revoke and rescind the sale and purchase agreement dated 27 January 2022 between Cropmate Fertilizer and Tan Kim Tiok;
- (iii) Share sale agreement dated 30 October 2023 and supplemental share sale agreement dated 8 March 2024 between the Company and the vendors, namely Lee Chin Yok, Lee Cheng Seng, Lee Cheng Fei, Lau Sam Siong and Datuk Tan Chew Chin in respect of the Acquisition of Cropmate Fertilizer for a purchase consideration of approximately RM33.1 million to be satisfied via the issuance of 527,999,900 new Shares at an issue price of RM0.0627 per Share to the aforementioned vendors. The acquisition had completed on 27 September 2024;
- (iv) Sale and purchase agreement dated 24 October 2023 between Cropmate Fertilizer and Super Nine in respect of the Proposed Acquisition of Factory Lot 8949 for a cash consideration of RM16.3 million. The acquisition will be completed after the completion of the Listing;

15. ADDITIONAL INFORMATION (CONT'D)

- (v) Sale and purchase agreement dated 24 October 2023 between Cropmate Fertilizer and Lee Chin Yok and Lee Cheng Seng in respect of the Proposed Acquisition of Factory Lot 8950 for a cash consideration of RM13.5 million. The acquisition will be completed after the completion of the Listing;
- (vi) Sale and purchase agreement dated 24 October 2023 between Cropmate Fertilizer and Super Nine in respect of the Proposed Disposal of Lot 51 for a cash consideration of RM11.4 million. The disposal will be completed after the completion of the Listing; and
- (vii) Underwriting Agreement dated 14 October 2024 entered into between our Company and our Underwriter for the underwriting of up to 51,660,000 IPO Shares as set out in **Section 4.8** of this Prospectus. Please refer to **Section 4.8** of this Prospectus for the salient terms of the Underwriting Agreement.

15.6 MATERIAL LITIGATION

As at the LPD, our Group is not involved in any material litigation or arbitration, whether as plaintiff, defendant or third party, including those relating to bankruptcy, receivership or similar proceedings which may have a material adverse effect on the business or financial position of our Group, and our Directors confirm that there are no legal proceedings, pending or threatened against our Group, or of any fact likely to give rise to any legal proceeding which may materially and adversely affect our business or financial position.

15.7 CONSENTS

- (i) The written consents of our Principal Adviser, Sponsor, Underwriter, Bookrunner, Company Secretary, Legal Advisers, Share Registrar and Issuing House listed in the Corporate Directory of this Prospectus for the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issuance of this Prospectus and have not subsequently been withdrawn.
- (ii) The written consent of our Auditors and Reporting Accountants for the inclusion in this Prospectus of its name, the Accountants' Report and the Reporting Accountants' Report on the Pro Forma Combined Statements of Financial Position of our Group and all references thereto in the form and context in which they are contained in this Prospectus have been given before the issuance of this Prospectus and have not subsequently been withdrawn.
- (iii) The written consent of our IMR for the inclusion in this Prospectus of its name, the IMR Report and all references thereto in the form and context in which they are contained in this Prospectus have been given before the issuance of this Prospectus and have not subsequently been withdrawn.
- (iv) The written consent of our Valuer for the inclusion in this Prospectus of its name, the Valuation Certificate, Update Valuation Certificate and all references thereto in the form and context in which they are contained in this Prospectus have been given before the issuance of this Prospectus and have not subsequently been withdrawn.

15. ADDITIONAL INFORMATION (CONT'D)

15.8 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at our registered office at Unit 27.2, Menara 1MK, Kompleks 1 Mont Kiara, No.1, Jalan Kiara, Mont' Kiara, 50480 Kuala Lumpur, during office hours for a period of 6 months from the date of this Prospectus:

- (i) our Constitution;
- (ii) Accountants' Report as set out in **Section 13** of this Prospectus;
- (iii) Reporting Accountants' Report on the Pro Forma Combined Statements of Financial Position as set out in **Section 12.9** of this Prospectus;
- (iv) letters of consent as set out in **Section 15.7** of this Prospectus;
- (v) material contracts as set out in **Section 15.5** of this Prospectus;
- (vi) audited financial statements of our Company from 11 September 2023 (date of incorporation) to 31 December 2023 and for FPE 2024;
- (vii) audited financial statements of Cropmate Fertilizer for the Financial Periods Under Review;
- (viii) IMR Report as set out in **Section 8** of this Prospectus; and
- (ix) Valuation Certificate and Update Valuation Certificate as set out in **Section 14** of this Prospectus and the valuation reports dated 23 October 2023 in respect of Factory Lot 8949, Factory 8950 and Lot 51.

15.9 RESPONSIBILITY STATEMENTS

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

HLIB, being our Principal Adviser, Sponsor, Underwriter and Bookrunner in relation to our IPO, acknowledges that, based on all available information, and to the best of their knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

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16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR IPO SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE “DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE” ACCOMPANYING THE ELECTRONIC COPY OF OUR PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT THE ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

16.1 OPENING AND CLOSING OF APPLICATION

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 15 NOVEMBER 2024

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 22 NOVEMBER 2024

In the event of any changes to the date or time for closing, we will advertise the notice of changes in widely circulated daily Bahasa Malaysia and English newspapers in Malaysia, and make an announcement on Bursa Securities’ website

Late Applications will not be accepted.

16.2 METHODS OF APPLICATION

16.2.1 Retail Offering

Applications must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

<u>Types of Application and Category of Investors</u>	<u>Application Method</u>
Applications by the Eligible Persons of our Group	Pink Application Form only
Applications by the Malaysian Public	
(a) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b) Non-individuals	White Application Form only

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

16.2.2 Institutional Offering

<u>Types of Application</u>	<u>Application Method</u>
Applications by:	
(a) Selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.
(b) Bumiputera investors approved by MITI	MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.

Eligible Persons, selected investors and Bumiputera investors approved by MITI may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

16.3 ELIGIBILITY

16.3.1 General

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in the list of ADAs accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS account must be in your own name. **Invalid, nominee or third party CDS accounts will not be accepted** for the Applications.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 ISSUE SHARES OR MULTIPLES OF 100 ISSUE SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

16.3.2 Application by the Malaysian Public

You can only apply for our Issue Shares if you fulfil all of the following:

- (i) you must be one of the following:
 - (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our Issue Shares; or
 - (b) a corporation/ institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/ trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

- (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.
- (ii) you must not be a director or employee of the Issuing House, or an immediate family member of a director or employee of the Issuing House; and
- (iii) you must submit Applications by using only one of the following methods:
 - (a) White Application Form;
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

16.3.3 Application by Eligible Persons

The Eligible Persons (including any entities, wherever established) will be provided with Pink Application Forms and letters from us detailing their respective allocation. The Eligible Persons must follow the notes and instructions in the said document and where relevant, in this Prospectus.

16.4 APPLICATION BY WAY OF APPLICATION FORMS

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The FULL amount payable is RM0.20 for each IPO Share.

Payment must be made out in favour of “**TIIH SHARE ISSUE ACCOUNT NO.777**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:-

- (i) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

Tricor Investor & Issuing House Services Sdn Bhd (Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
- (ii) **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at Tricor Customer Service Centre:

Unit G-3, Ground Floor
Vertical Podium, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

so as to arrive not later than 5.00 p.m. on 22 November 2024 or by such other time and date specified in any change to the date or time for closing.

We, together with our Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the White Application Form to the Issuing House.

16.5 APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

Only Malaysian individuals may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Electronic Participating Financial Institutions.

16.6 APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

Only Malaysian individuals may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, Malayan Banking Berhad, Public Bank Berhad, CGS International Securities Malaysia Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd), Malacca Securities Sdn Bhd and Moomoo Securities Malaysia Sdn Bhd. A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

16.7 AUTHORITY OF OUR BOARD AND OUR ISSUING HOUSE

The Issuing House, on the authority of our Board reserves the right to:

- (i) reject Applications which:
 - (a) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
 - (b) are illegible, incomplete or inaccurate; or
 - (c) are accompanied by an improperly drawn up, or improper form of, remittance; or
- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

- (iii) bank in all Application monies (including those from unsuccessful/ partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with **Section 16.9** below.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House, at anytime within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

16.8 OVER/ UNDER-SUBSCRIPTION

In the event of over-subscription, the Issuing House, will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our Issue Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of shares and the balloting results in connection therewith will be furnished by the issuing house to Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on the issuing house's website at <https://tiih.online> within one Market Day after the balloting date.

Pursuant to the Listing Requirements we are required to have a minimum of 25% of our Company's issued share capital to be held by at least 200 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our IPO Shares by the Malaysian Public and/or Eligible Persons, subject to the underwriting arrangements and reallocation as set out in **Section 4** of this Prospectus, any of the abovementioned IPO Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

16.9 UNSUCCESSFUL/ PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful/ partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner.

16.9.1 For applications by way of Application Forms

- (i) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/ distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/registered post to your last address maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

- (ii) If your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary/ registered post to your address as stated in the NRIC or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by our Issuing House, as per items (i) and (ii) above (as the case may be).
- (iv) The Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or by issuance of banker's draft sent by registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

16.9.2 For applications by way of Electronic Share Application and Internet Share Application

- (i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from the Issuing House.
- (ii) You may check your account on the 5th Market Day from the balloting date.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House, by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)**16.10 SUCCESSFUL APPLICANTS**

If you are successful in your application:

- (i) Our IPO Shares allotted to you will be credited into your CDS account.
- (ii) A notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our IPO Shares issued/ offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.
- (iv) In accordance with Section 29 of the SICDA, all dealings in our IPO Shares will be by book entries through CDS accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

16.11 ENQUIRIES

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services at telephone no. 03-2783 9299
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution or Participating Securities Firms and Authorised Financial Institution

The results of the allocation of our IPO Shares derived from successful balloting will be made available to the public at the Issuing House website at <https://tiih.online>, within 1 Market Day after the balloting date.

You may also check the status of your Application at the above website, 5 Market Days after the balloting date or by calling your respective ADA during office hours at the telephone number as stated in the list of ADAs set out in the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our Prospectus on the website of Bursa Securities.

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