

MATERIAL LITIGATIONS

Save as disclosed below, DutaLand Berhad (“DutaLand”) and its subsidiary companies are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant and the Directors of DutaLand have no knowledge of any proceedings pending or threatened against DutaLand and its subsidiary companies or of any fact likely to give rise to any proceeding which may materially affect the position or business of DutaLand and its subsidiary companies:

1. On 6 May 1997, UNP Plywood Sdn Bhd (“UNP”), a subsidiary of DutaLand commenced legal action against Sabah Forest Industries Sdn Bhd (“SFI”) at the Kota Kinabalu High Court (“KKHC”) under suit No. K22 – 55 of 1997 for a claim of RM128,673,270 for losses arising from wrongful termination of two (2) timber extraction and purchase agreements entered into between UNP and SFI on 28 June 1993 and 13 August 1993 respectively as well as the wrongful revocation of the power of attorney granted by SFI to UNP in respect thereof. UNP submitted on 22 September 2006 whilst SFI submitted on 30 November 2006 and decision was fixed on 23 February 2007 wherein the High Court ruled in favour of SFI and the claim by UNP was dismissed. UNP appealed against the High Court decision to the Court of Appeal and on 27 February 2008, the Court of Appeal allowed UNP’s appeal and the order of the High Court made on 23 February 2007 was set aside and judgment was given in favour of UNP with damages to be assessed by KKHC Registry. On 27 February 2008, SFI filed an application for leave to appeal to the Federal Court of Malaysia by Notice of Motion against the decision of the Court of Appeal which leave application was allowed with consent of the parties on 26 August 2008 and SFI proceeded to file the Notice of Appeal dated 3 September 2008 to the Federal Court against the whole of the Court of Appeal decision. On 11 September 2009, the Federal Court in an unanimous decision dismissed SFI’s appeal. On 5 October 2009, SFI applied to the Federal Court to review its earlier decision made on 11 September 2009. On 11 February 2010, the Federal Court dismissed SFI’s application to review the Federal Court’s order with cost of RM30,000 to be paid by SFI. UNP filed a notice of appointment for assessment of damages dated 30 June 2010 which was fixed for hearing on 7 March 2011 till 12 March 2011 for UNP to prepare the list of documents for damages to be assessed. On 21 March 2011, the Court directed UNP to serve the expert report on SFI by 28 March 2011. Expert reports for assessment of damages by Ekohandal Sdn Bhd and CH Williams Talhar & Wong (Sabah) Sdn Bhd have been duly served on SFI on 25 March 2011. To date, SFI has not filed any counter report and had continuously postponed the hearing for assessment of damages in the High Court by informing the High Court through their lawyer that SFI is still unable to obtain any relevant Sabah Forestry Department document for their counter report. The High Court had on 18 May 2012 ruled that SFI has no further and better particulars to furnish to UNP. On 6 July 2012, the Court has fixed 27 July 2012 for further mention and fixed 10 and 11 September 2012 for trial for the Assessment of Damages by UNP against SFI. Matter proceeded for trial on 10 and 11 September 2012 and from 5 November 2012 to 9 November 2012 and further adjourn for continued trial for Assessment of Damages to 17 December 2012 and 25 February 2013 to 1 March 2013.
2. On 11 May 1999, Hong Kong Bank Malaysia Berhad (“HSBC”) commenced legal action against UNP at the KKHC under suit No. K22 – 53 of 1999 for alleged losses due to cancellation of foreign exchange contracts totaling approximately RM7,506,868 plus interest of RM20,250 at 13.05% per annum from 19 September 1998 and interest of 8% per annum on all sums outstanding thereafter. HSBC filed an application for summary judgement on 12 October 1999 which application was dismissed by the Deputy Registrar on 15 November 2000. HSBC had filed an appeal to the judge in chambers and the Court allowed the appeal and entered summary judgment against UNP on 15 December 2006. UNP appealed against the High Court’s decision to the Court of Appeal which appeal was allowed with costs on 28 August 2007. HSBC filed an application for leave to appeal to the Federal Court which was subsequently withdrawn on 16 April 2010. The Court has fixed the trial dates on 23 to 27 April 2012. On 20 April 2012, UNP entered into a consent judgment with HSBC to pay

RM4,500,000.00 (“Judgment Sum”). However, the Judgment Sum shall be paid to HSBC once the assessment of damages in the suit No. K22-55 of 1997 is completed.

3. On 28 April 2000, Lin Wen-Chih and Lin Wen-Chuan (“Plaintiffs”) commenced legal action against DutaLand at the KLHC Suit No. D9-22-781-00 for a sum of RM55,000,000.00 being the purchase price for 12,750,000 ordinary shares of RM1.00 each in Veramax Sdn Bhd (now known as Pacific Forest Industries Sdn Bhd”) (“the Shares”) or alternatively for the re-transfer of the said Shares to the Plaintiffs and damages in the amount of RM3,295,453.00. DutaLand filed its statement of defence on 4 July 2000 denying any liability to the Plaintiffs. It is DutaLand’s defence that the Plaintiffs’ claim has been fully settled as the Plaintiffs have agreed to accept shares in several other companies in lieu of and in full and final settlement of the purchase price. On the case management date fixed on 4 February 2009, the judge gave directions for the bundle of documents, statement of agreed facts, summary of case and witness statement to be filed on or before 4 March 2009. The matter proceeded to full trial on 26 July 2010 to 30 July 2010 and the Judge fixed the matter for decision on 27 August 2010 and on 3 September 2010 the Judge dismissed the Plaintiffs’ claim with cost. The Plaintiffs had on 20 September 2010 filed their appeal to the Court of Appeal. The Court of Appeal has fixed the Plaintiffs’ Appeal for hearing on 11 October 2012 but was adjourned to 21 January 2013.

4. Soo Sin Lian @ Su Ken Sin had on 29 May 2002 commenced legal action against Olympia Land Berhad (“OLB”) at the KLHC under suit no.: S3-22-577-2002 for the recovery of RM20,189,154.30 together with interest at the rate of 12% per annum on the sum of RM19,601,120.68 from 24 September 1998 until full settlement. The suit was transferred to Civil High Court 2 to be consolidated with suit no. S2-22-739-1998 in the matter of Harta Sekata S/B v. Soo Sin Lian @ Su Ken Sin & Anor due to an Order for consolidation granted on 24 April 2003. In Suit no. S2-22-739-1998, Harta Sekata Sdn Bhd (“Harta Sekata”), a wholly-owned subsidiary of Olympia Industries Berhad, commenced legal action on 20 November 1998 originally against Soo Sin Lian @ Su Ken Sin (“Peter Su”) at the KLHC under suit no: S2(S4)-22-739-1998 to inter alia dispute the Power of Attorney granted to Peter Su and the Deed of Settlement. On 14 November 2000, Harta Sekata amended its action to include Taipan Focus Sdn Bhd (“Taipan”) as a defendant in order to challenge the Sale and Purchase Agreement entered into between Taipan and Peter Su, who alleged he was acting on behalf of Harta Sekata. Harta Sekata's action states that Peter Su with the co-operation of Harta Sekata’s officers entered into a wrongful and voidable scheme, Harta Sekata’s officers acted without authority at the instigation of Peter Su who has knowledge of such wrongdoing, the documents executed are unconscionable and Peter Su had knowingly assisted in the execution of the documents, Peter Su had wrongfully executed the Sale and Purchase Agreement in breach of the earlier documents and the Sale and Purchase agreement is illegal and executed wrongfully in particular the purchase price was not reflective of fair market value. On 31 March 1998, Peter Su had lodged a Lien-holder’s caveat on a piece of leasehold land held under H.S. (D) No. 114559, P.T. No.243, Bandar Petaling Jaya, Daerah Petaling Jaya (“the said Land”). Through the Sale and Purchase Agreement, Taipan agreed to buy and Peter Su agreed to sell the said Land for the purchase price of RM23,000,000 which has no date of completion and a deposit payment of RM1,000.00 only. On 15 October 1998, Tunku Mudzaffar bin Tunku Mustapha as a Director of Harta Sekata lodged a private caveat on the said Land to prevent any unauthorised dealings by Peter Su with the unenforceable and invalid Power of Attorney and Deed of Settlement. The matter proceeded to full trial in 2008, 2009 and 2010 and finally ended on 5 February 2010. The hearing for oral submission after the full trial was heard on 17 March 2010. On 12 April 2010, Harta Sekata’s claim was dismissed with costs and 2nd Defendant’s counterclaim for general and/or aggravated or exemplary damages to be assessed was allowed by the High Court Judge. Harta Sekata filed a Notice of Appeal dated 16 April 2010 to the Court of Appeal and filed the records of appeal on 22 June 2010. Harta Sekata had on 23 April 2010 filed an application for a stay of the execution of the High Court’s decision which was dismissed with costs on 17 May 2010. Harta Sekata had on 4 May 2010 also filed a Notice of Motion for an interim injunction pending the disposal of the appeal which notice of motion was dismissed with cost on 21 July 2010. The appeal was fixed for hearing on 11 May 2011 before the Court of Appeal. After extensive negotiation between the Plaintiff and the 2nd Defendant with the consent of the 1st Defendant, Harta Sekata and Taipan entered into a Consent Order whereby Harta Sekata withdraws the Appeal and Taipan withdraws all other legal proceedings

relating to the said Land against Harta Sekata and OLB with no order as to cost. Thereafter, both parties entered into negotiations with a view to reaching an out of court settlement to achieve a win-win solution for both parties. However, to-date, the parties could not reach an amicable settlement. Peter Su had obtained Court Order dated 11 January 2012 to amend his Writ and Statement of Claim and now claims against OLB for the recovery of RM17,997,677.02 with interest at the rate of 8% per annum on the sum of RM17,997,677.02 from date of Statement of Claim till full settlement. On 1 March 2012, OLB filed Statement of Defence and on 6 March 2012, Peter Su filed his Reply to Defence. Matter proceeded with Full Trial and fixed for Decision on 22 June 2012 wherein Peter Su's claim against OLB has been dismissed with costs of RM20,000.00. Peter Su had on 17 July 2012 filed an appeal to the Court of Appeal and the same is now pending hearing date to be fixed by the Court of Appeal.