

10. FINANCIAL INFORMATION

10.1 Profit and Dividend Records

The table below sets out a summary of the proforma consolidated audited results of the MGDB Group for the past five (5) financial years ended 30 April 1997 to 2001 and six (6) month period ended 31 October 2001, prepared on the assumption that the current structure of the Group has been in existence throughout the period under review. The proforma consolidated profit and dividend records should be read in conjunction with the accompanying notes and assumptions included in the Accountants Report set out in Section 13 of this Prospectus.

| Financial year ended 30 April | ← Audited → | | | | | 6 months ended 31 October 2001 |
|---|-------------|---------|---------|---------|---------|---|
| | 1997 | 1998 | 1999 | 2000 | 2001 | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Turnover | 39,132 | 109,783 | 75,892 | 88,030 | 88,110 | 38,872 |
| EBIDTA | 13,497 | 17,757 | 26,067 | 20,318 | 18,259 | 10,273 |
| Interest Expense | (5) | (13) | (20) | (23) | (5) | - |
| Interest Income | 123 | 247 | 468 | 471 | 671 | 436 |
| Depreciation | (66) | (57) | (95) | (139) | (163) | (97) |
| Profit before exceptional items and taxation | 13,549 | 17,934 | 26,420 | 20,627 | 18,762 | 10,612 |
| Exceptional items [^] | 54 | - | - | (6,737) | - | - |
| Profit before taxation | 13,603 | 17,934 | 26,420 | 13,890 | 18,762 | 10,612 |
| Taxation | (3,989) | (5,737) | (2,365) | (4,911) | (5,999) | (3,132) |
| Profit after taxation | 9,614 | 12,197 | 24,055 | 8,979 | 12,763 | 7,480 |
| Minority interests | - | - | - | - | - | - |
| Profit after taxation and minority interests | 9,614 | 12,197 | 24,055 | 8,979 | 12,763 | 7,480 |
| Extraordinary items | - | - | - | - | - | - |
| Profit attributable to shareholders | 9,614 | 12,197 | 24,055 | 8,979 | 12,763 | 7,480 |
| Net Earnings per Share:- | | | | | | |
| Basic ⁺ | 8.2 | 10.5 | 20.6 | 7.7 | 10.9 | 12.8# |
| Diluted ^{&} | 5.2 | 6.6 | 13.0 | 4.9 | 6.9 | 8.1# |
| Net EPS (sen)* | 5.9 | 7.5 | 14.8 | 5.5 | 7.8 | 9.2# |
| Gross EPS (sen)* | 8.4 | 11.0 | 16.2 | 8.5 | 11.5 | 13.0# |

Note 1: MGDB does not have any associate companies and was not involved in any joint venture agreements during the period under review. As such, MGDB does not have any share of profits and losses of associated companies and joint ventures disclosed in the above table.

[^] The exceptional item of RM54,000 in 1997 relates to the write-back of capital reserve in a subsidiary company of MGDB. The exceptional item of RM6,737,000 in 2000 relates to the accruals for loan restructuring fees of RM3,451,000, write back of directors' fees and allowances of RM484,000, underaccrual of interest of RM3,322,000 and deferred expenditure written off of RM448,000.

⁺ Based on the issued and paid up share capital after the completion of the Acquisitions and Debt Settlement of 116,506,000 Shares (before the conversion of ICULS)

[&] Based on the issued and paid up share capital after the completion of the Acquisitions and Debt Settlement of 184,613,000 Shares (after the conversion of ICULS)

^{*} Based on the issued and paid up share capital after taking into account the completion of the Proposals of 162,806,000 Shares (before the conversion of ICULS)

[#] Annualised

10. FINANCIAL INFORMATION (CONT'D)

10.1.1 Analysis And Commentary On Financial Performance

- 1) The revenue in 1997 was mainly derived from sales of commercial properties in Dataran Prima - Phase 2 which was launched in December 1995. By April 1997, Phase 2 of Dataran Prima has achieved sales of 86% and substantial development work had been carried out, thereby contributing substantially to the Group's revenue. Contribution from BTM was minimal as the project was just launched in March 1997.
- 2) The substantial increase in revenue in 1998 was mainly due to the progress billings recognised from Dataran Prima and sales from the launch of BTM by PBM. Phase 2 of Dataran Prima's stage of completion has reached a more advanced stage than in 1997 together with increased in sales for Phase 3 of Dataran Prima contributed significantly to the Group's revenue. The Group's revenue also increased as Phase 1 of BTM was fully sold and development work have almost reached completion. Phase 2 of BTM was also substantially sold and development work performed to an advance stage also contributed to the Group's revenue.

In tandem with the increase in revenue and the substantial level of development work done, the profit before taxation has increased accordingly.

- 3) In 1999, revenue of the Group decreased substantially because revenue from Phase 2 of Dataran Prima and Phase 1 and 2 of BTM had been recognised in the previous years. The revenue for the year was derived mainly from sales of Phase 3 of Dataran Prima and Phase 3 of BTM and gross dividends of RM12.5 million from a former associate, Glomac. Higher profit was achieved as higher margin was recorded for the Phase 3 of both of these developments and the gross dividends from Glomac.
- 4) In 2000, both the revenue and profit before taxation were derived from the continuing sales and development work carried out on Phase 3 of Dataran Prima and BTM. The exceptional items for the year are explained in Section 10.1 above.
- 5) In 2001, revenue were derived from the remaining progress billings of Phase 3 of both Dataran Prima and BTM as well as Phase 4 and Phase 5 of BTM which were launched in October 1999 and December 2000 respectively.

Profit before taxation increased as a result of BTM's contribution as the profit margins for Phase 4 and Phase 5 command a higher margin than the earlier phases.

- 6) Revenue and profit before taxation of the Group for the six months ended 31 October 2001 were mainly derived from the sales of Phase 5 of BTM and the completion of development work of Phase 4.

[The rest of this page is intentionally left blank]

10. FINANCIAL INFORMATION (CONT'D)**10.2 Working Capital, Borrowings and Material Contingent Liabilities****10.2.1 Working Capital**

The Directors of MGDB are of the opinion that barring any unforeseen circumstances and after taking into consideration the Group's cashflow position, including the proceeds from the Rights Issue and the Restricted Public Issue and banking facilities available, MGDB will have adequate working capital for its present and foreseeable future requirements.

10.2.2 Borrowings

As at 31 October 2001, the proforma MGDB Group's total borrowings amounted to approximately RM138.803 million comprising term loans, short term borrowings, hire purchase creditors and other banking facilities. Long term and short term bank borrowings amounting to approximately RM106.357 million and RM32.446 million respectively is as follows:-

| Description | Amount (RM'000) |
|------------------------------|--------------------|
| Short Term Borrowings | |
| Term Loan | 20,538 |
| Bank Overdraft | 11,908 |
| | 32,446 |
| Long Term Borrowings | |
| Term Loan | 104,593 |
| Bridging loan | 1,764 |
| | 106,357 |
| Total Borrowings | 138,803 |

Save as disclosed above, the MGDB Group does not have any other capital outstanding or loan capital created but unissued, mortgages or charges outstanding on that date.

10.2.3 Material Litigation/Arbitration and Contingent Liabilities

Save for the material litigation referred to in Section 14.8 and as disclosed below, MGDB does not have any other material litigation/arbitration and contingent liabilities as at 18 March 2002, being the latest practicable date prior to printing of this Prospectus.

- (i) On 9 February 2000, a Deed of Assignment was entered into by PN to assign absolutely to RHB all its rights, title and interest in the said property consisting of a 13 storey office building identified as Block B, Kelana Centre Point erected on a piece of land measuring approximately 340,060 sq ft held under Master Title HS(M) 8544 PT No. 5134 in the Mukim of Damansara, District of Petaling, State of Selangor in consideration of an overdraft facility for the sum of RM12,000,000 granted by RHB to PK pursuant to a Loan Agreement of even date.
- (ii) On 16 March 2001, DLSB had agreed to guarantee the sum of RM11,000,000 including any interest, banking charges, legal and other costs payable on demand to Alliance Bank Malaysia Berhad (formerly known as Multi-Purpose Bank Berhad) in consideration of the latter making and continuing to make advances and providing banking facilities to RF.

10. FINANCIAL INFORMATION (CONT'D)**10.3 Consolidated Profit Estimate, Forecast and Assumptions**

The Directors and Promoters of MGDB Group, report that, barring any unforeseen circumstances, the proforma consolidated profit estimate and forecast for the financial year ending 30 April 2002 and 30 April 2003 will be as follows:-

| Financial Year ending 30 April | Estimate 2002 RM'000 | Forecast 2003 RM'000 |
|---|----------------------------|----------------------------|
| Revenue | 110,289 | 152,218 |
| Consolidated profit before taxation before minority interest | 23,809 | 25,286 |
| Less : Minority Interest | - | - |
| Consolidated profit before taxation after minority interest | 23,809 | 25,286 |
| Taxation | (8,023) | (8,394) |
| Consolidated profit after taxation and minority interest | 15,786 | 16,892 |
| Pre-acquisition profit @ | (7,683) | - |
| Profit after taxation and minority interest attributable to shareholders | 8,103 | 16,892 |
| Enlarged share capital (*000) | 162,806 | 162,806 |
| Basic Gross EPS (sen) * | 14.6 | 15.5 |
| Basic Gross EPS (sen) # | 10.0 | 15.5 |
| Basic Net EPS (sen) * | 9.7 | 10.4 |
| Basic Net EPS (sen) # | 5.0 | 10.4 |
| Diluted Gross EPS (sen) + | 10.3 | 10.9 |
| Diluted Net EPS (sen) + | 6.8 | 7.3 |
| Net PE ratio (times) based on the Restricted Public Issue price of RM1.20 per Share (before pre-acquisition profit) ^ | 12.37 | 11.54 |
| Net PE ratio (times) based on the Restricted Public Issue price of RM1.20 per Share (after pre-acquisition profit) & | 24.00** | 11.54 |

@ The pre acquisition profit has been determined based on the profit after taxation of the Proforma MGDB Group for the six month period ended 31 October 2001.

* Based on the consolidated profit after taxation and minority interest on the enlarged issued and paid-up share capital of 162,806,000 Shares (assuming before conversion of ICULS)

Based on the profit after taxation and minority interest attributable to shareholders (after pre-acquisition profit) on the enlarged issued and paid-up share capital of 162,806,000 Shares (assuming before conversion of ICULS)

+ Based on the consolidated profit after taxation and minority interest on the enlarged issued and paid-up share capital of 230,913,000 Shares (assuming full conversion of ICULS)

^ Based on the consolidated profit after taxation and minority interest

& Based on profit attributable to shareholders

** The proceeds from the Rights Issue, Restriction and Restricted Public Issue are expected to be received only in May 2002. As such, the impact from the utilisation of proceeds by MGDB will only be reflected in the financial year ending 30 April 2003

10. FINANCIAL INFORMATION (CONT'D)

The principal bases and assumptions upon which the above proforma consolidated profit estimate and forecast has been made, are as set out below:-

- a. There will be no material changes in the present legislation or Government regulations, inflation rates and duties, levies and taxes which will adversely affect the operations of MGDB Group or the markets in which it operates.
- b. There will be no major industrial disputes or any abnormal circumstances which will adversely affect MGDB Group's operations, sales and disrupt its planned operations and its suppliers.
- c. There will be no significant changes to the prevailing Malaysian and world economic environment and political and market conditions which may directly or indirectly have an adverse effect on the activities or performance of MGDB Group.
- d. There will be no material adverse changes in present demand and market conditions for the various development projects undertaken by MGDB Group. The sales of MGDB Group's development projects will materialise as estimated and forecast by management with the necessary financing being made available to prospective buyers.
- e. There will be no delays in obtaining the relevant approvals for the project development programmes and the launching of sales in respect of these programmes. All planned development programmes will also be approved by the relevant authorities.
- f. There will be no material changes in MGDB's current management and existing accounting, management and operation policies.
- g. There will be no material changes in the current principal activities, composition and structure of MGDB Group.
- h. Existing financing facilities will remain available to MGDB Group, expiring financing facilities will be renewed and interest rate will not change significantly from those presently prevailing. MGDB Group will also be able to obtain new financing facilities to enable MGDB Group to carry out its development projects as scheduled as and when required.
- i. Based on the latest audited financial statements of MGDB for the period ended 31 October 2001, the Company has outstanding borrowings of RM7,169,439 with two lending corporations. The audit report of the said financial statements were qualified as the auditors were unable to verify the amount of the borrowings as the necessary documents and records were not provided to them. These borrowings will be settled as part of the corporate exercise. The final settlement sum of the borrowings comprising principal loans and interest accrued will only be determined on completion of the corporate exercise and any difference from the settlement arrangement will be accounted for accordingly in the year of resolution with these lending corporations.
- j. There will be no material changes in the contract costs, selling prices and timing of property projects undertaken by MGDB Group. It is envisaged that any increase in costs will be compensated through an equivalent increase in selling prices.
- k. All phases to be developed will commence and complete according to schedule. There will be no significant deviation or delay from the expected physical completion and hand over date for all phases under development.
- l. Capital expenditure programme will be implemented and incurred on schedule and there will be no material additions or disposals of property, plant and equipment, other than those planned.
- m. ICULS will not be converted into shares during the estimate and forecast year.

10. FINANCIAL INFORMATION (CONT'D)

- n. The corporate exercise will be fully completed by early May 2002. The pre-acquisition profit has been determined based on the profit after taxation of the Proforma MGDB Group for the six month period ended 31 October 2001.
- o. The gross proceeds amounting to RM48,300,000 is expected to be received by early May 2002.

| | | RM'000 |
|----|-------------------------|---------------|
| a) | Restricted Issue | 30,000 |
| b) | Rights Issue | 6,300 |
| c) | Restricted Public Issue | 12,000 |
| | | 48,300 |

The proceeds will be utilised in the following manner:

| | | RM'000 |
|----|--|---------------|
| a) | Repayment of syndicated loans by PBM | 30,000 |
| b) | Repayment of bank borrowings of MGDB | 7,728 |
| c) | Estimated expenses in relation to the corporate exercise | 2,500 |
| d) | Purchase of property, plant and equipment | 1,200 |
| e) | Working capital purposes | 6,872 |
| | | 48,300 |

10.4 Directors' Commentary on Achievability of Profit Estimate and Forecast

The Board of Directors of MGDB expects the Group to register revenue of approximately RM110.289 million for the year 2002. Revenue for the Group is expected to be contributed mainly from the Taman Lagenda Mas project in Cheras and the BTM project in Penang. Profit after taxation is expected to be at RM15.786 million.

From sales value of RM287 million of properties sold and under various stages of development for Taman Lagenda Mas and BTM as at end October 2001, MGDB expects a contribution of approximately RM74 million in revenue for the estimate year 2002. This represents locked-in revenue of approximately 67.0% of the estimate for the entire financial year ended 30 April 2002. With only six months of the estimate financial year 2002 remaining, the Directors are confident of achieving the results as indicated by the estimate.

For the forecast year of 2003, the Directors have forecasted a revenue of RM152.22 million and a profit after taxation of RM16.9 million. In addition to the Taman Lagenda Mas project and the Bandar Tasek Mutiara project, revenue is expected from the Villa Lagenda and Dataran Prima projects. Barring any unforeseen circumstances, beyond the control of the Company, the Directors are confident of achieving this forecast.

The Board of Directors of MGDB confirm that the profit estimate and forecast of the MGDB Group and the underlying bases and assumptions stated therein have been reviewed by the Directors after due and careful enquiry, and that the Directors, having taken into account the future prospects of the industry, future plans of the Group and its level of gearing and working capital requirements, are of the opinion that the profit estimate and forecast of the Group are achievable and the assumptions made are reasonable.

10. FINANCIAL INFORMATION (CONT'D)

10.5 Directors' Declaration on Financial Performance

As at 18 March 2002, being the latest practicable date prior to the printing of this Prospectus, the financial conditions and operations of the Company and its subsidiaries are not affected by any of the following:-

- i) Known trends, demands, commitments, events or uncertainties that have had or that the Group reasonably expects to have a material favourable or unfavourable impact on the financial performance, position and operations of the Group;
- ii) Material commitment for capital expenditure;
- iii) Unusual, infrequent events or transactions or any significant economic changes that materially affected the financial performance, position and operations of the MGDB Group; and
- iv) Known events, circumstances, trends, uncertainties and commitments that are reasonably likely to make the historical financial statements not indicative of future financial performance and position.

[The rest of this page is intentionally left blank]

10. FINANCIAL INFORMATION (CONT'D)

10.6 Reporting Accountants' Letter on the Consolidated Profit Estimate and Forecast of MGDB Group for the Financial Year Ending 30 April 2002 and 30 April 2003.
(Prepared for inclusion in this Prospectus)



KPMG (Firm No. AF 0758)
Chartered Accountants
Wisma KPMG
Jalan Dungun, Damansara Heights
50490 Kuala Lumpur, Malaysia

P.O. Box 10047
50702 Kuala Lumpur
Malaysia

Tel + (603) 255 3388
Fax + (603) 255 0971

The Board of Directors
Mutiara Goodyear Development Berhad
(Formerly known as MIT Holdings Berhad)
Tingkat 11, Menara Tun Razak
Jalan Raja Laut
50350 Kuala Lumpur

21 March 2002

Dear Sirs

Reporting Accountants' Letter On The Proforma Consolidated Profit Estimate And Forecast For The Financial Years Ending 30 April 2002 and 30 April 2003

We have reviewed the accounting policies and calculations for the proforma consolidated profit estimate and forecast of Mutiara Goodyear Development Berhad (formerly known as MIT Holdings Berhad) ("MGDB") and its subsidiaries (hereinafter referred to as "MGDB Group") for the financial years ending 30 April 2002 and 30 April 2003 for which the Directors are solely responsible, as set out in Appendix A, prepared for the purpose of inclusion in the Prospectus to be dated 29 March 2002 in connection with the listing of and quotation for the entire issued and paid-up share capital and Irredeemable Convertible Unsecured Loan Stocks ("ICULS") of MGDB on the Main Board of Kuala Lumpur Stock Exchange. The corporate exercise is described in Appendix A.

In our opinion, the proforma consolidated profit estimate and forecast, so far as the accounting policies and calculations are concerned, have been properly compiled on the basis of the assumptions made by the Directors and are presented on a basis consistent with the accounting policies normally adopted by MGDB Group.

Yours faithfully

KPMG
Firm Number: AF0758
Chartered Accountants

Chan Kam Chiew
Partner
Approval Number: 2055/6/02(J)



10. FINANCIAL INFORMATION (CONT'D)

Appendix A-1

**Mutiara Goodyear Development Berhad
(formerly known as MIT Holdings Berhad)
And Its Subsidiaries**

**Proforma Consolidated Profit Estimate And Forecast For The Financial Years Ending
30 April 2002 And 30 April 2003 Together With The
Underlying Bases and Assumptions**

Barring unforeseen circumstances, the Directors forecast that the proforma consolidated profit after taxation of MGDB Group for the financial years ending 30 April 2002 and 30 April 2003 will be as follows:

| | Year ending 30 April 2002 RM'000 | Year ending 30 April 2003 RM'000 |
|---|--|--|
| Proforma consolidated profit after taxation | 15,786 | 16,892 |
| Less: Pre-acquisition profit | (7,683) | - |
| Profit after taxation attributable to shareholders | <u>8,103</u> | <u>16,892</u> |
| Number of shares ('000) | <u>162,806</u> | <u>162,806</u> |
| <i>Based on proforma consolidated profit</i> | | |
| Gross earnings per share (sen) | <u>14.6</u> | <u>15.5</u> |
| Net earnings per share (sen) | <u>9.7</u> | <u>10.4</u> |
| <i>Based on profit attributable to shareholders</i> | | |
| Gross earnings per share (sen) | <u>10.0</u> | <u>15.5</u> |
| Net earnings per share (sen) | <u>5.0</u> | <u>10.4</u> |

10. FINANCIAL INFORMATION (CONT'D)**Appendix A-2****1. Corporate exercise**

The corporate exercise, which are inter conditional are as follows:

- 1.1 Acquisition of the entire issued and paid up share capital of Dynastic Lion Sdn Bhd (“DL”), the holding company of South East Dragon Sdn Bhd (“SED”) and Regal Form Sdn Bhd (“RF”), by MGDB for a total purchase consideration of RM62.95 million of which 70% of the total purchase consideration satisfied by the issuance of 44.06 million new ordinary shares of RM1.00 each in MGDB at an issue price of RM1.00 per share and the remaining 30% of the purchase consideration satisfied by the issuance of 18.89 million of Irredeemable Convertible Unsecured Loan Stocks (“ICULS”) at a nominal value of RM1.00 each in MGDB. The ICULS issued will be converted at 5 ICULS of RM1.00 each for 4 new ordinary shares of RM1.00 each. The ICULS issued are for a period of five (5) years and at an interest rate of 2.5% per annum, convertible only after the third year from the date of the issue of the ICULS.
- 1.2 Acquisition of the entire issued and paid up share capital of Pembangunan Bandar Mutiara Sdn Bhd (“PBM”) for a total purchase consideration of RM69.45 million satisfied by the issuance of 66.14 million new ordinary shares of RM1.00 each in MGDB at an issue price of RM1.05 per share.
- 1.3 Issuance of additional 17.20 million and 49.05 million ICULS to shareholders of DL and PBM respectively in consideration for amounts owing to the shareholders of DL and PBM. The ICULS issued will be converted at 5 ICULS of RM1.00 each for 4 new ordinary shares of RM1.00 each. The ICULS issued are for a period of five (5) years and at an interest rate of 2.5% per annum, convertible only after the third year from the date of the issue of the ICULS.

68.11 million new ordinary shares of RM1.00 each in MGDB will be issued when all the ICULS issued (including those ICULS issued pursuant to the Acquisition of DL in Paragraph 1.1) are fully converted.
- 1.4 Restricted Issue of 30 million new ordinary shares of RM1.00 each in MGDB to the existing shareholders of PBM at an issue price of RM1.00 per share to be utilised for partial settlement of PBM’s syndicated loan facilities.
- 1.5 Special Offer of 15 million ordinary shares of RM1.00 each in MGDB by the shareholders of DL and PBM to Bumiputera parties nominated by MGDB and approved by the Ministry of International Trade and Industry, at an offer price of RM1.20 per share.
- 1.6 Renounceable Rights Issue of 6.3 million new ordinary shares of RM1.00 each to the existing shareholders of MGDB at an issue price of RM1.00 per share on the basis of one (1) new ordinary share of RM1.00 for every one (1) existing ordinary share in MGDB.

10. FINANCIAL INFORMATION (CONT'D)**Appendix A-3**

- 1.7 Restricted Public Issue of 10 million new ordinary shares in MGDB of RM1.00 each at an issue price of RM1.20 per share to all graduates and existing staff of University Institute Technology MARA ("UiTM") (formerly known as MARA Institute of Technology).
- 1.8 Restricted Offer for sale of 7 million ordinary shares of RM1.00 each in MGDB ("Restricted Offer Shares") by the vendors of DL at an offer price of RM1.20 per share to the following parties:
- i) 1,000,000 Restricted Offer Shares will be offered to all graduates and existing staff of UiTM;
 - ii) 4,400,000 of the Restricted Offer Shares will be placed with public investors by way of private placement; and
 - iii) the balance of 1,600,000 Restricted Offer Shares will be offered to the eligible employees of MGDB Group.
- 1.9 Restricted Offer for sale of RM100,000 nominal value of ICULS by a vendor of DL and PBM to the service providers and staff of service providers of MGDB Group at an offer price of RM1.00 for every nominal value of ICULS.
- 1.10 Transfer of the listing status of MGDB from Bumiputera Stock Exchange to the Main Board of Kuala Lumpur Stock Exchange ("KLSE") and the listing of the entire issued and paid-up share capital and ICULS of MGDB on the Main Board of KLSE.

2. Principal bases and assumptions

The principal bases and assumptions upon which the above proforma consolidated profit estimate and forecast have been made are as set out below.

- 2.1 There will be no material changes in the present legislation or Government regulations, inflation rates and duties, levies and taxes which will adversely affect the operations of MGDB Group or the markets in which it operates.
- 2.2 There will be no major industrial disputes or any abnormal circumstances which will adversely affect MGDB Group's operations, sales or disrupt its planned operations and its suppliers.
- 2.3 There will be no significant changes to the prevailing Malaysian and world economic environment and political and market conditions which may directly or indirectly have an adverse effect on the activities or performance of MGDB Group.
- 2.4 There will be no material adverse changes in present demand and market conditions for the various development projects undertaken by MGDB Group. The sales of MGDB Group's development projects will materialise as estimate by management with the necessary financing being made available to prospective buyers.

10. FINANCIAL INFORMATION (CONT'D)

Appendix A-4

- 2.5 There will be no delays in obtaining the relevant approvals for the project development programmes and the launching of sales in respect of these programmes. All planned development programmes will also be approved by the relevant authorities.
- 2.6 There will be no material changes in MGDB Group's current management and existing accounting, management and operation policies.
- 2.7 There will be no material changes in the current principal activities, composition and structure of MGDB Group.
- 2.8 Existing financing facilities will remain available to MGDB Group; expiring financing facilities will be renewed and interest rate will not change significantly from those presently prevailing. MGDB Group will also be able to obtain new financing facilities to enable MGDB Group to carry out its development projects as scheduled as and when required.
- 2.9 Based on the latest audited financial statements of MGDB for the period ended 31 October 2001, the Company has outstanding borrowings of RM7,169,439 with two lending corporations. The audit report of the said financial statements were qualified as the auditors were unable to verify the amount of the borrowings as the necessary documents and records were not provided to them. These borrowings will be settled as part of the corporate exercise. The final settlement sum of the borrowings comprising principal loans and interest accrued will only be determined on completion of the corporate exercise and any difference arising from the settlement arrangement will be accounted for accordingly in the year of resolution with these lending corporations.
- 2.10 There will be no material changes in the contract costs, selling prices and timing of property projects undertaken by MGDB Group. It is envisaged that any increase in costs will be compensated through an equivalent increase in selling prices.
- 2.11 All phases to be developed will commence and complete according to schedule. There will be no significant deviation or delay from the expected physical completion and hand over date for all phases under development.
- 2.12 Capital expenditure programme will be implemented and incurred on schedule and there will be no material additions or disposals of property, plant and equipment other than those planned.
- 2.13 ICULS will not be converted into shares during the forecast years.
- 2.14 The corporate exercise will be fully completed in May 2002 while items in Paragraph 1.1 to 1.3 had been completed as at the date of this letter. The pre-acquisition profit has been determined based on the profit after taxation of the Proforma MGDB Group for the six months period ended 31 October 2001.

10. FINANCIAL INFORMATION (CONT'D)

Appendix A-5

2.15 The gross proceeds arising from Paragraph 1.4, 1.6 and 1.7 amounting to RM48,300,000 is expected to be received in May 2002:

| | RM'000 |
|----------------------------|---------------|
| a) Restricted Issue | 30,000 |
| b) Rights Issue | 6,300 |
| c) Restricted Public Issue | 12,000 |
| | 48,300 |
| | 48,300 |

and will be utilised in the following manner:

| | RM'000 |
|---|---------------|
| a) Repayment of syndicated loan of PBM | 30,000 |
| b) Repayment of bank borrowings of MGDB | 7,728 |
| c) Estimated expenses in relation to the corporate exercise | 2,500 |
| d) Purchase of property, plant and equipment | 1,200 |
| e) Working capital purposes | 6,872 |
| | 48,300 |
| | 48,300 |

10. FINANCIAL INFORMATION (CONT'D)**10.7 Dividend Estimate, Forecast and Policy**

MGDB intends to pursue a dividend policy in line with its profitability which would allow its shareholders to participate in the profits of the Group as well as leaving adequate reserves for its future growth and expansion.

Based on the profit estimate and forecast for the financial year ending 30 April 2002 and 30 April 2003, on the assumption that the present basis for calculating taxation and the rates of taxation will remain unchanged, the Directors of MGDB anticipate that the Company will be in a position to propose a gross dividend of 3%, less tax at 28%, for the financial year ending 30 April 2002 and 30 April 2003 based on the enlarged issued and paid-up share capital of 162,806,000 Shares. The total gross dividend proposed for the financial year ending 30 April 2002 and 30 April 2003 amounts to approximately RM4.9 million less taxation amounting to approximately RM1.37 million per annum for each of the respective year. The net final dividend will be paid in the financial year following that in which it is declared.

The intended appropriation of the profit estimate and forecast are as follows:-

| Financial Year Ending 30 April | Estimate 2002 RM'000 | Forecast 2003 RM'000 |
|---|-------------------------------------|-------------------------------------|
| Consolidated PBT | 23,809 | 25,286 |
| Less : Taxation | (8,023) | (8,394) |
| Consolidated PAT and MI | 15,786 | 16,892 |
| Less: Proposed 3% dividend (less 28% tax) | (3,517) | (3,517) |
| Consolidated retained profit for the year | 12,269 | 13,375 |
| Gross dividend per share (sen)* | 3.0 | 3.0 |
| Net dividend per share (sen)* | 2.2 | 2.2 |
| Gross dividend yield (%)^ | 2.5 | 2.5 |
| Net dividend yield (%)^ | 1.8 | 1.8 |
| Gross dividend cover (times) | 4.9 | 4.9 |
| Net dividend cover (times) | 4.4 | 5.2 |

* Based on the enlarged issued share capital of RM162,806,000 Shares

^ Based on the Restricted Public Issue price of RM1.20 per Share

Investors should note that future dividends might be waived if :-

- a) the Group records a loss instead of profits; or
- b) the payment of the dividends would adversely affect the Group's cashflow and operations.

10. FINANCIAL INFORMATION (CONT'D)**10.8 Proforma Consolidated Balance Sheet**

The proforma consolidated balance sheets of MGDB and its proposed subsidiary companies as at 31 October 2001, as set out below are provided for illustrative purposes only to show the effects of the transactions referred to in the notes:-

| | Audited As at 31 October 2001* RM'000 | Proforma I After Acquisition of DLSB and PBM RM'000 | Proforma II After Proforma I, Rights Issue and Restricted Issue to PBM shareholders RM'000 | Proforma III After Proforma I and II and Restricted Public Issue RM'000 | Proforma IV After Proforma I, II and III and ICULS Conversion RM'000 |
|---|--|--|---|--|---|
| Property, plant and equipment | - | 883 | 883 | 2,083 | 2,083 |
| Investment in subsidiaries | 132,397 | - | - | - | - |
| Investment (unquoted shares) | - | 5,500 | 5,500 | 5,500 | 5,500 |
| Investment properties | - | 34,400 | 34,400 | 34,400 | 34,400 |
| Properties under development | - | 311,766 | 311,766 | 311,766 | 311,766 |
| Current Assets | 1,078 | 79,338 | 85,638 | 86,210 | 86,210 |
| Current Liabilities | (28,329) | (79,031) | (67,982) | (60,254) | (60,254) |
| Net Current (liabilities)/ assets | (27,251) | 307 | 17,656 | 25,956 | 25,956 |
| | 105,146 | 352,856 | 370,205 | 379,705 | 379,705 |
| Financed by : | | | | | |
| Share Capital | 116,506 | 116,506 | 152,806 | 162,806 | 230,913 |
| Share Premium | 3,528 | 3,528 | 3,528 | 3,028 | 20,055 |
| Capital Reserves | 34 | 34 | 34 | 34 | 34 |
| Reserve on Consolidation | - | 21,128 | 21,128 | 21,128 | 21,128 |
| Accumulated losses | (14,922) | (14,922) | (14,922) | (14,922) | (14,922) |
| (Deficit)/surplus in shareholders funds | 105,146 | 126,274 | 162,574 | 172,074 | 257,208 |
| Minority interest | - | 4,000 | 4,000 | 4,000 | 4,000 |
| ICULS | - | 85,134 | 85,134 | 85,134 | - |
| Long Term Loan | - | 106,357 | 87,406 | 87,406 | 87,406 |
| Deferred taxation | - | 31,091 | 31,091 | 31,091 | 31,091 |
| | 105,146 | 352,856 | 370,205 | 379,705 | 379,705 |
| NTA per share (RM) | 0.90 | 1.08 | 1.06 | 1.06 | 1.11 |

* Shares issued as part settlement of acquisition of DLSB.

Notes to the Proforma Balance Sheet of MGDB as at 31 October 2001 are as set out in the ensuing Reporting Accountants' Letter.

10. FINANCIAL INFORMATION (CONT'D)

10.9 Reporting Accountants' Letter on the Proforma Consolidated Balance Sheets
(Prepared for inclusion in this Prospectus)



KPMG (Firm No. AF 0758)
Chartered Accountants
Wisma KPMG
Jalan Dungun, Damansara Heights
50490 Kuala Lumpur, Malaysia

P.O. Box 10047
50702 Kuala Lumpur
Malaysia

Tel + (603) 255 3388
Fax + (603) 255 0971

The Board of Directors
Mutiara Goodyear Development Berhad
(Formerly known as MIT Holdings Berhad)
Tingkat 11, Menara Tun Razak
Jalan Raja Laut
50350 Kuala Lumpur

21 March 2002

Dear Sirs

Reporting Accountants' Letter On The Proforma Consolidated Balance Sheets As At 31 October 2001

We have reviewed the presentation of the proforma consolidated balance sheets of Mutiara Goodyear Development Berhad (formerly known as MIT Holdings Berhad) ("MGDB") and its subsidiaries (hereinafter referred to as "MGDB Group") as at 31 October 2001, together with the notes thereon as set out in Appendix A, for which the Directors are solely responsible, prepared for the purpose of inclusion in the Prospectus to be dated 29 March 2002 in connection with the listing of and quotation for the entire issued and paid-up share capital and Irredeemable Convertible Unsecured Loan Stocks ("ICULS") of MGDB on the Main Board of the Kuala Lumpur Stock Exchange. The corporate exercise is described in Appendix A.

In our opinion, the proforma consolidated balance sheets, which are provided for illustrative purposes only, have been properly compiled on the basis set out in the notes to the proforma consolidated balance sheets.

Yours faithfully

KPMG
Firm Number: AF0758
Chartered Accountants

Chan Kam Chiew
Partner
Approval Number: 2055/6/02(J)



KPMG, a partnership established under Malaysian law, is a member of KPMG International, a Swiss association.

10. FINANCIAL INFORMATION (CONT'D)**Appendix A-1**

**Mutiara Goodyear Development Berhad
(formerly known as MIT Holdings Berhad)
And Its Subsidiaries**

**Proforma Consolidated Balance Sheets
As at 31 October 2001**

The proforma consolidated balance sheets of Mutiara Goodyear Development Berhad ("MGDB") and its subsidiaries ("MGDB Group") as at 31 October 2001 as set out below are provided for illustrative purposes only to show the effects of the transactions referred to in the notes:

| | | Proforma I | Proforma II | Proforma III | Proforma IV |
|--------------------------------------|---------------------------------------|--|--|--|--|
| | Audited As at 31.10.01 | After Acquisition of DL and PBM | After Proforma I, Restricted Issue to PBM shareholders and Rights Issue | After Proforma I and II and Restricted Public Issue | After Proforma I, II and III and ICULS Conversion |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Property, plant and equipment | - | 883 | 883 | 2,083 | 2,083 |
| Investment in subsidiaries | 132,397 | - | - | - | - |
| Investment in unquoted shares | - | 5,500 | 5,500 | 5,500 | 5,500 |
| Investment properties | - | 34,400 | 34,400 | 34,400 | 34,400 |
| Properties under development | - | 311,766 | 311,766 | 311,766 | 311,766 |
| Current assets | 1,078 | 79,338 | 85,638 | 86,210 | 86,210 |
| Current liabilities | (28,329) | (79,031) | (67,982) | (60,254) | (60,254) |
| Net current (liabilities)/ assets | (27,251) | 307 | 17,656 | 25,956 | 25,956 |
| | 105,146 | 352,856 | 370,205 | 379,705 | 379,705 |

10. FINANCIAL INFORMATION (CONT'D)**Appendix A-2**

| | | Proforma I | Proforma II | Proforma III | Proforma IV |
|-----------------------------------|---------------------------------------|--|--|--|--|
| | Audited As at 31.10.01 | After completion of the Acquisition of DL and PBM | After Proforma I, Restricted Issue to PBM shareholders and Rights Issue | After Proforma I and II and Restricted Public Issue | After Proforma I, II and III and ICULS Conversion |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| FINANCED BY: | | | | | |
| Share capital | 116,506 | 116,506 | 152,806 | 162,806 | 230,913 |
| Share premium | 3,528 | 3,528 | 3,528 | 3,028 | 20,055 |
| Capital reserves | 34 | 34 | 34 | 34 | 34 |
| Reserve on consolidation | - | 21,128 | 21,128 | 21,128 | 21,128 |
| Accumulated losses | (14,922) | (14,922) | (14,922) | (14,922) | (14,922) |
| <hr/> | | | | | |
| Surplus in shareholders' funds | 105,146 | 126,274 | 162,574 | 172,074 | 257,208 |
| Minority interests | - | 4,000 | 4,000 | 4,000 | 4,000 |
| ICULS | - | 85,134 | 85,134 | 85,134 | - |
| Long term loan | - | 106,357 | 87,406 | 87,406 | 87,406 |
| Deferred taxation | - | 31,091 | 31,091 | 31,091 | 31,091 |
| <hr/> | | | | | |
| | 105,146 | 352,856 | 370,205 | 379,705 | 379,705 |
| <hr/> | | | | | |
| NTA per share (RM) | 0.90 | 1.08 | 1.06 | 1.06 | 1.11 |

10. FINANCIAL INFORMATION (CONT'D)

Appendix A-3

**Mutiara Goodyear Development Berhad
(formerly known as MIT Holdings Berhad)
And Its Subsidiaries**

**Notes to the Proforma Consolidated Balance Sheets
As at 31 October 2001**

1. The proforma consolidated balance sheets have been prepared for illustrative purposes only and are based on the audited financial statements of Mutiara Goodyear Development Berhad ("MGDB") and its subsidiaries ("MGDB Group") as at 31 October 2001 and on accounting policies consistent with those normally adopted in the preparation of the audited financial statements of MGDB Group.
2. The financial statements of MGDB for the period ended 31 October 2001 were qualified by its auditors as follows:
 - 2.1 Other payables and accrued expenses

The auditors were unable to verify an amount of RM123,935 included in the other payables and accrued expenses as there was insufficient information and documentation.
 - 2.2 Borrowings

As at 31 October 2001, bank borrowings of RM7,169,439 were recorded in the Company's financial statements. The auditors were unable to verify these amounts as the necessary documents and records confirming these amounts were not provided to them. Similarly, the final amounts needed as settlement for these bank borrowings cannot be determined as the final settlement sum are depending on the completion of the corporate exercise.
 - 2.3 In addition to the above, the auditors have also emphasised in their report that the appropriateness of using the going concern basis for the preparation of the financial statements is dependent on the continuing financial support of its shareholders, creditors, bankers, the successful completion of the corporate exercise and achieving future profitable operations.

10. FINANCIAL INFORMATION (CONT'D)**Appendix A-4**

3. The following transactions are assumed to have been effected on 31 October 2001:

3.1 Proforma I

- Acquisition of the entire issued and paid up share capital of Dynastic Lion Sdn Bhd (“DL”), the holding company of South East Dragon Sdn Bhd (“SED”) and Regal Form Sdn Bhd (“RF”) for a total purchase consideration of RM62.95 million of which 70% of the total purchase consideration satisfied by the issuance of 44.06 million new ordinary shares of RM1.00 each in MGDB at an issue price of RM1.00 per share and the remaining 30% of the purchase consideration satisfied by the issuance of 18.89 million of Irredeemable Convertible Unsecured Loan Stocks (“ICULS”) at a nominal value of RM1.00 each in MGDB. The ICULS issued are for a period of five (5) years and at an interest rate of 2.5% per annum, convertible only after the third year from the date of the issue of the ICULS (“Acquisition of DL”).
- Acquisition of the entire issued and paid up share capital of Pembangunan Bandar Mutiara Sdn Bhd (“PBM”) for a total purchase consideration of RM69.45 million satisfied by the issuance of 66.14 million new ordinary shares of RM1.00 each in MGDB at an issue price of RM1.05 per share (“Acquisition of PBM”).
- Issuance of additional 17.20 million and 49.05 million ICULS to shareholders of DL and PBM respectively in consideration for amounts owing to the shareholders of DL and PBM. The ICULS issued are for a period of five (5) years and at an interest rate of 2.5% per annum, convertible only after the third year from the date of the issue of the ICULS (“Debt Settlement”).

As at 31 October 2001, 110.20 million new ordinary shares of RM1.00 each in MGDB were fully issued pursuant to the Acquisition of DL and Acquisition of PBM.

3.2 Proforma II

Proforma II incorporates the effects of Proforma I and the following:

- Restricted Issue of 30 million new ordinary shares of RM1.00 each in MGDB to the existing shareholders of PBM at an issue price of RM1.00 each to be utilised for the partial settlement of PBM’s syndicated loan facilities (“Restricted Issue”).
- Proposed Rights Issue of 6.3 million new ordinary shares of RM1.00 each to the existing shareholders of MGDB at an issue price of RM1.00 each on the basis of one (1) new ordinary share of RM1.00 for every one (1) existing ordinary share in MGDB (“Rights Issue”).

10. FINANCIAL INFORMATION (CONT'D)**Appendix A-5**

3.3 Proforma III

Proforma III incorporates the effects of Proforma II and the following:

- Proposed Restricted Public Issue of 10 million new ordinary shares of RM1.00 each in MGDB at an issue price of RM1.20 per share to all graduates and existing staff of University Institute Technology MARA ("UiTM") (formerly known as MARA Institute of Technology) ("Restricted Public Issue")

3.4 Proforma IV

Proforma IV incorporates the effects of Proforma III and the following:

- The ICULS issued will be converted at 5 ICULS of RM1.00 each for 4 new ordinary shares of RM1.00 each. 68.11 million shares will be issued when the ICULS from the Acquisition of DL and Debt Settlement are fully converted. The ICULS issued are for a period of five (5) years and at an interest rate of 2.5% per annum, convertible only after the third year from the date of the issue of the ICULS.
4. The estimated expenses to be incurred for the corporate exercise of approximately RM2.5 million will be charged against the share premium account.
5. The gross proceeds arising from Paragraph 3.2 and 3.3 amounting to RM48,300,000 are as follows:

| | RM'000 |
|----------------------------|---------------|
| a) Restricted Issue | 30,000 |
| b) Rights Issue | 6,300 |
| c) Restricted Public Issue | 12,000 |
| | <u>48,300</u> |
| | ===== |

and will be utilised in the following manner:

| | RM'000 |
|---|---------------|
| a) Repayment of syndicated loan of PBM | 30,000 |
| b) Repayment of bank borrowings of MGDB | 7,728 |
| c) Estimated expenses in relation to the corporate exercise | 2,500 |
| d) Purchase of property, plant and equipment | 1,200 |
| e) Working capital purposes | 6,872 |
| | <u>48,300</u> |
| | ===== |

10. FINANCIAL INFORMATION (CONT'D)**Appendix A-6**

6. The movement of the issued and fully paid up share capital and share premium after taking into consideration the above transactions are as follows:

| | Share capital RM'000 | Share premium RM'000 |
|--|-------------------------------------|-------------------------------------|
| Opening balance before the Acquisition of DL and PBM | 6,300 | 221 |
| Shares issued pursuant to the Acquisition of DL and PBM | 110,206 | 3,307 |
| | ----- | ----- |
| As at 31 October 2001 | 116,506 | 3,528 |
| Shares to be issued pursuant to the Restricted Issue and Rights Issue | 36,300 | - |
| | ----- | ----- |
| Proforma II | 152,806 | 3,528 |
| Shares to be issued pursuant to the Restricted Public Issue | 10,000 | 2,000 |
| Estimated listing expenses | - | (2,500) |
| | ----- | ----- |
| Proforma III | 162,806 | 3,028 |
| Shares to be issued upon conversion of ICULS | 68,107 | 17,027 |
| | ----- | ----- |
| Proforma IV | 230,913 | 20,055 |
| | ===== | ===== |

11. DIRECTOR'S REPORT



MUTIARA GOODYEAR DEVELOPMENT BERHAD (40282-V)

(formerly known as MIT HOLDINGS BERHAD)

P.S. No. 46, Tingkat 11, Menara Tun Razak, Jalan Raja Laut, 50350 Kuala Lumpur.
Tel: 03-2693 5622 (8 lines) Fax: 03-2691 2852, 2691 1387

Date: **18 MAR 2002**

The Shareholders of
Mutiara Goodyear Development Berhad
Tingkat 11, Menara Tun Razak
Jalan Raja Laut
50350 Kuala Lumpur


Dear Sir / Madam,

On behalf of the Board of Mutiara Goodyear Development Berhad (formerly known as MIT Holdings Berhad), I report after due inquiry that during the period from 31 October 2001 (being the date to which the last audited accounts of the Company and its subsidiary companies have been made) to today (being a date not earlier than fourteen (14) days before the issue of this Prospectus) that:

- (a) the business of the Company and its subsidiary companies have, in the opinion of the Directors, been satisfactorily maintained;
- (b) in the opinion of the Board of Directors, no circumstances have arisen since the last audited accounts of the Company and its subsidiary companies which have materially and adversely affected the trading or the value of the assets of the Company and its subsidiary companies;
- (c) the current assets of the Company and its subsidiary companies appear in the books at values which are believed to be realisable in the ordinary course of business;
- (d) no contingent liabilities have arisen by reason of any guarantees or indemnities given by the Company or its subsidiary companies; and
- (e) since the last audited accounts of the Company and its subsidiary companies, there has been no changes in published reserve nor any unusual factors affecting the profits of the Company and its subsidiary companies.

As disclosed above and up to today (being a date not earlier than fourteen (14) days before the issue of this Prospectus), no other reports are required in relation to items (a) to (e) above.

Yours faithfully
On behalf of the Board of Directors of
Mutiara Goodyear Development Berhad


Mr. Edmond Hoyt Yung
Managing Director

12. VALUATION CERTIFICATE

(Prepared for inclusion in this Prospectus)



HENRY BUTCHER,
Lim & Long Sdn. Bhd. (160636-P)

No. 25, Jalan Yap Ah Shak, Off Jalan Dang Wangi, 50300 Kuala Lumpur, Malaysia.
Fax: 03-26925771 (Marketing), 03-26943484 (Valuation), 03-26941261 (Agency), 03-26945543 (Admin)
Tel: 03-26942212 Email: hblmal@pojaring.my Website: www.henrybutchermalaysia.com

INTERNATIONAL, REAL ESTATE AND PLANT & MACHINERY
CONSULTANTS, VALUERS, AUCTIONEERS, AGENTS,
PROJECT AND PROPERTY MANAGERS.

Date: **18 MAR 2002**

Regal Form Sdn. Bhd.
Tingkat 11, Menara Tun Razak,
Jalan Raja Laut,
50350 Kuala Lumpur.

Dear Sirs,

VALUATION OF PROPERTIES BELONGING TO REGAL FORM SDN. BHD.

This Certificate has been prepared for inclusion in the Prospectus of Mutiara Goodyear Development Berhad dated **29 MAR 2002** relation to the Proposals as mentioned in this Prospectus.

We have been instructed by Regal Form Sdn Bhd to value the property set out below and we have adopted the Comparison Method and Residual Method of valuation. The Comparison Method is the Market Approach of comparing the subject property with similar properties that were either transacted recently or listed for sale within the same location or other comparable localities. In comparing properties, due consideration is given to factors such as location, size, improvements and amenities, time element and other relevant factors to arrive at our opinion of value.

The Residual Method of valuation involves the computation of the net development value of the project, from which are deducted all expenses and cost to complete the project including a margin for developer profit. The remainder or residual sum, appropriately discounted for time effluxion reflects the development value of the land as a ripe development site with the approvals obtained.

We confirm that we have valued the properties based on the valuation methods as stated above. The valuation reports has been prepared in accordance with the Guidelines on Asset Valuations for Submission to the Securities Commission issued by the Securities Commission and is in compliance with the Manual of Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia and other professional bodies.



THE INTERNATIONAL NETWORK

• Hong Kong • Singapore • Manila • London • Birmingham • Leeds • Bristol • Cardiff • Edinburgh • Glasgow • Aberdeen
• Dublin • Belfast • Leicester • Southampton • Warsaw • Associates throughout Europe, Australasia, North and South America

12. VALUATION CERTIFICATE (CONT'D)



Pursuant to the instruction, we had inspected the subject properties in the date 10 July 2000, details of which are attached overleaf.

The details on the titles were extracted from private searches carried out at the Hulu Langat Land Office, Bangi and Registry of Land Titles, Wilayah Persekutuan are assumed to be correct for the purpose of the abovementioned exercise.

Our opinion of the Market Value of the subject properties, based on our Valuation Reports, are attached overleaf.

Yours faithfully,
HENRY BUTCHER, LIM & LONG SDN. BHD.

LONG TIAN CHEK
B.Sc., ARICS, MIS(M)
Registered Valuer (V-241)

LTC/khaw

12. VALUATION CERTIFICATE (CONT'D)



Properties which are surplus to operational requirements

Valuation Report Ref. No : V/B04-00/0543

| Property Details | Description | Market Value as at July 10, 2000. |
|---|---|--|
| <p>The following details were obtained from private search made at the Registry of Land Titles, Wilayah Persekutuan on May 8, 2000.</p> <p>Title Particular are as follows:-</p> <ul style="list-style-type: none"> - Title/Lot No: PN 19173/ Lot 46069 - Land Area: 18,863 sq.m (4.66 acres) - Mukim: Batu - District: Kuala Lumpur - State: Wilayah Persekutuan - Tenure: Leasehold for 99 years term expiring on May 21, 2086, thus leaving an unexpired lease term of approximately 85 years. - Category of Land Use: Building - Registered Owner: Regal Form Sdn. Bhd. - Express Condition: "Bangunan yang didirikan di atas tanah ini hendaklah digunakan untuk rumah kediaman sahaja." - Restriction In Interest: "Tanah ini tidak boleh dipindah milik, dipajak, dicagar dan digadai melainkan dengan kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur." - Endorsement: Nil - Encumbrances: Charged to United Malayan Banking Corporation Berhad vide: - <ul style="list-style-type: none"> i) Presentation No.13455/1995, Vol.37, Fol.114 dated September 4, 1995. ii) Presentation No.18892/1996 dated November 7, 1996. | <p>A Parcel of Vacant Development Land within Desa Bakti, Selayang</p> <ul style="list-style-type: none"> - The subject property is located within Desa Bakti, Selayang, which is approximately 10 km due north of Kuala Lumpur City Centre and approximately 4 km south of Bandar Baru Selayang. - The subject property comprise a vacant development land identified as Lot 46069 held under PN 19173, Mukim of Batu, District of Kuala Lumpur and State of Wilayah Persekutuan. - The subject property is approved for construction of 304 units of apartments with clubhouse facilities and no construction work have been started on the site during our site visit. - The subject property is subject to a development charge amounting to RM 1,029,000 and the charged has been reduced to RM 807,000. - The development charge has been fully paid. - As stated in the Development Order, issued by DBKL vide Reference No.(39)d/m.DBKL.JP&KB.6211/95 approximately 1.081 acres of land has to be surrendered to the local authorities. The reduced land area is therefore about 3.58 acres. | <p>RM 6,400,000</p> <p>- Valuation Method:</p> <ol style="list-style-type: none"> 1) Residual Method 2) Comparison Method. |

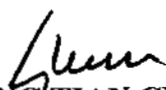
12. VALUATION CERTIFICATE (CONT'D)



Properties which are surplus to operational requirements

Valuation Report Ref. No : V/B05-00/0644

| Property Details | Description | Market Value as at July 10, 2000. |
|--|--|--|
| <p>The following details were obtained from private searches made at the Hulu Langat District Land Office, Bangi, Selangor on July 6, 2000.</p> <p>Title Particular are as follows: -</p> <ul style="list-style-type: none"> - Title/Lot No: GM 428/Lot 1050 and GM 429/Lot 1053 - Land Area: 10 a 1r 10p and 10a 1r 00p respectively - Mukim: Cheras - District: Hulu Langat - State: Selangor Darul Ehsan - Tenure: Freehold - Category of Land Use: Not stated - Registered Owner: Regal Form Sdn. Bhd. - Express Condition: Nil - Restriction In Interest: Nil - Endorsement: Nil - Encumbrances: Charged to Multi-Purpose Bank Berhad vide Presentation No.5468/99, Vol.771, Fol.41 dated July 21, 1999 | <p>Vacant Development Land nearby Taman Cheras Mas and Taman Putri Jaya</p> <ul style="list-style-type: none"> - The subject property is located approximately 20km due south-east of Kuala Lumpur City Centre. The north-western and south eastern boundaries are bounded by Jalan Mas 11 and Persiaran Putri Jaya respectively. - The subject property comprise two contiguous and adjacent plots of vacant development lands identified as Lot Nos. 1050 and 1053 held under Geran Mukim Nos.428 and 429 respectively, Mukim of Cheras, District of Hulu Langat, Selangor Darul Ehsan. - The subject property is approved for construction of 661 units of residential properties includes medium cost apartments, low cost flats, town houses, double storey terrace house. No construction work have been started on the site | <p>RM 13,900,000</p> <p>- Valuation Method:</p> <ol style="list-style-type: none"> 1) Residual Method 2) Comparison Method |


LONG TIAN CHEK
 B.Sc./ARICS, MIS(M)
 Registered Valuer (V-241)

LTC/khaw

12. VALUATION CERTIFICATE (CONT'D)



HENRY BUTCHER,
Lim & Long Sdn. Bhd. (160636-P)

No. 25, Jalan Yap Ah Shak, Off Jalan Dang Wangi, 50300 Kuala Lumpur, Malaysia.
Fax: 03-26925771 (Marketing), 03-26943484 (Valuation), 03-26941261 (Agency), 03-26945543 (Admin)
Tel: 03-26942212 Email: hblmal@po.jaring.my Website: www.henrybutchermalaysia.com

INTERNATIONAL, REAL ESTATE AND PLANT & MACHINERY
CONSULTANTS, VALUERS, AUCTIONEERS, AGENTS,
PROJECT AND PROPERTY MANAGERS.

Date: 18 MAR 2002

Potensi Naga Sdn Bhd
Tingkat 11, Menara Tun Razak
Jalan Raja Laut
50350 Kuala Lumpur
Malaysia.

Dear Sirs,

**VALUATION OF WISMA GOODYEAR SITUATED WITHIN KELANA
CENTRE POINT, MUKIM OF DAMANSARA, DISTRICT OF PETALING,
SELANGOR DARUL EHSAN.**

This Certificate has been prepared for inclusion in the Prospectus of Mutiara Goodyear Development Berhad dated 29 MAR 2002 in relation to the Proposals as mentioned in this Prospectus.

We have been instructed by Potensi Naga Sdn Bhd to value the property set out below and we have adopted the Comparison Method and Investment Method of valuation. The Comparison Method is the Market Approach of comparing the subject property with similar properties that were either transacted recently or listed for sale within the same location or other comparable localities. In comparing properties, due consideration is given to factors such as location, size, improvements and amenities, time element and other relevant factors to arrive at our opinion of value. The Investment Method is an approach where the capital value is derived from an estimate of the Open Market Rental, which the subject property can reasonably be let for. Outgoings, such as property tax, repairs and maintenance, insurance and management are then deducted from the annual rental income. The net annual rental income is then capitalized at an appropriate current market yield to arrive at its indicative capital value

We confirm that we have valued the properties based on the valuation methods as stated above. The valuation reports has been prepared in accordance with the Guidelines on Asset Valuations for Submission to the Securities Commission issued by the Securities Commission and is in compliance with the Manual of Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia and other professional bodies.



THE INTERNATIONAL NETWORK

• Hong Kong • Singapore • Manila • London • Birmingham • Leeds • Bristol • Cardiff • Edinburgh • Glasgow • Aberdeen
• Dublin • Belfast • Leicester • Southampton • Warsaw • Associates throughout Europe, Australasia, North and South America

12. VALUATION CERTIFICATE (CONT'D)




Pursuant to the instruction we had inspected the subject property on July 10, 2000, details of which are attached overleaf.

Information and data of the abovementioned valuation were obtained from various sources, which include the Valuation and Property Services Department and enquiries made on the field and information from the client.

We certify that in our opinion, the Market Value of the existing use of the above property using the valuation method stated above amount to Ringgit Malaysia Thirty One Million and Nine Hundred Thousand Only (RM 31,900,000) only.

Yours faithfully,
HENRY BUTCHER, LIM & LONG SDN. BHD.


LONG TIAN CHEK
B.Sc., ARICS, MIS(M)
Registered Valuer (V-241)

LTC/low

12. VALUATION CERTIFICATE (CONT'D)



Property held for Investment.


Valuation Report Ref. No : V/B05-00/0643

| Property Details | Description | Market Value as at July 10, 2000. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|-----------------------------------|----------------------------|--------------------------------|------|--|-----------|--------------|---|-----------|-------------|--|-----------|------|-----------------------------------|----------|------|---|----------|------|--|-----------|---------------|---|-----------|------|--|-----------|--|
| <p>The individual title for the subject property has yet to be issued. The following details were obtained from a Sale and Purchase Agreement between Kelana Centre Point Sdn Bhd (the Vendor) and Potensi Naga Sdn Bhd (the purchaser) dated May 15, 1999.</p> <p>The Particular are as follows: -</p> <ul style="list-style-type: none"> - Master Title No.: H.S.(M) 8544 - Master Lot No.: P.T. 5134 - Mukim : Damansara - District: Petaling - State: Selangor Darul Ehsan - Land Area: 7.8067 acres (3.16 ha) - Tenure: Leaschold for 99 years expiring on January 23, 2094. - Category of Land Use: General - Beneficial Owner: Potensi Naga Sdn Bhd - Express Condition: Unverified - Restriction In Interest: Unverified - Endorsement: Unverified - Encumbrances: Unverified | <p>Office building known as Wisma Goodyear situated within Kelana Centre Point, Mukim of Damansara, District of Petaling, Selangor.</p> <p>-The subject property is situated within Kelana Jaya known as Kelana Centre Point, Petaling Jaya approximately 18 km due south-west of Kuala Lumpur City Centre.</p> <p>-The subject property comprises a 13 storey office building with 2 basement floors identified as Wisma Goodyear (Block B), Kelana Centre Point, No 3, Jalan SS 7/19, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan.</p> <p>- The total numbers of car parks are 230 bays</p> <p>- The building was issued with Certificate of Fitness for Occupation on July 17, 1999.</p> <p>Portion of the building is tenanted. The brief tenancy details is as follows: -</p> <table border="1" data-bbox="666 1272 1085 2033"> <thead> <tr> <th>Lot No</th> <th>Tenant (Tenancy Period)</th> <th>Gross Annual Rental (RM)</th> </tr> </thead> <tbody> <tr> <td>301A</td> <td>First Solution S/B (1/2/01-31/1/03)</td> <td>110,378.4</td> </tr> <tr> <td>3A01 -501</td> <td>JOS Systems (M) S/B (1/8/00-31/7/2003)</td> <td>374,346.0</td> </tr> <tr> <td>601 -701</td> <td>Automation & Computer Engg. S/B (1/4/2000-31/3/2003)</td> <td>374,346.0</td> </tr> <tr> <td>801A</td> <td>Xen.Com S/B (1/3/00-28/2/2002)</td> <td>95,326.8</td> </tr> <tr> <td>1001</td> <td>Goodyear Dev. S/B (1/12/99-30/11/02)</td> <td>60,000.0</td> </tr> <tr> <td>1001</td> <td>Goodyear Investor (M) S/B (1/12/99-30/11/02)</td> <td>120,000.0</td> </tr> <tr> <td>1001 -1101</td> <td>Bina Goodyear Bhd (1/12/99-30/11/02)</td> <td>326,397.6</td> </tr> <tr> <td>1201</td> <td>Danzas AEI (M) S/B (1/6/00-31/5/03)</td> <td>192,520.8</td> </tr> </tbody> </table> | Lot No | Tenant (Tenancy Period) | Gross Annual Rental (RM) | 301A | First Solution S/B (1/2/01-31/1/03) | 110,378.4 | 3A01 -501 | JOS Systems (M) S/B (1/8/00-31/7/2003) | 374,346.0 | 601 -701 | Automation & Computer Engg. S/B (1/4/2000-31/3/2003) | 374,346.0 | 801A | Xen.Com S/B (1/3/00-28/2/2002) | 95,326.8 | 1001 | Goodyear Dev. S/B (1/12/99-30/11/02) | 60,000.0 | 1001 | Goodyear Investor (M) S/B (1/12/99-30/11/02) | 120,000.0 | 1001 -1101 | Bina Goodyear Bhd (1/12/99-30/11/02) | 326,397.6 | 1201 | Danzas AEI (M) S/B (1/6/00-31/5/03) | 192,520.8 | <p>RM 31,900,000</p> <p>Valuation Method: - Comparison Method and - Investment Method.</p> |
| Lot No | Tenant (Tenancy Period) | Gross Annual Rental (RM) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 301A | First Solution S/B (1/2/01-31/1/03) | 110,378.4 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3A01 -501 | JOS Systems (M) S/B (1/8/00-31/7/2003) | 374,346.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 601 -701 | Automation & Computer Engg. S/B (1/4/2000-31/3/2003) | 374,346.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 801A | Xen.Com S/B (1/3/00-28/2/2002) | 95,326.8 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1001 | Goodyear Dev. S/B (1/12/99-30/11/02) | 60,000.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1001 | Goodyear Investor (M) S/B (1/12/99-30/11/02) | 120,000.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1001 -1101 | Bina Goodyear Bhd (1/12/99-30/11/02) | 326,397.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1201 | Danzas AEI (M) S/B (1/6/00-31/5/03) | 192,520.8 | | | | | | | | | | | | | | | | | | | | | | | | | | | |

12. VALUATION CERTIFICATE (CONT'D)



| | | |
|--|---|--|
| | <ul style="list-style-type: none">- The total net lettable area of the building is approximately 114,745 sq.ft (10,659.8 sq.m).- The total floor area currently tenanted is 70,753 sq.ft. (6,573 sq.m) with estimated occupancy rate approximately 62 % .The is rental rate ranging from RM 1.75 per sq.ft to RM 2.50 per sq.ft. | |
|--|---|--|


LONG TIAN CHEK
B.Sc, ARICS, MIS(M)
Registered Valuer (V-241)

12. VALUATION CERTIFICATE (CONT'D)



HENRY BUTCHER,

Lim & Long (Kedah) Sdn. Bhd. (229800-H)

LPPEH No. V (1) 0008/2

No. 180, 2nd. Floor, Kompleks Alor Setar, Lebuhraya Darulaman, 05100 Alor Setar, Kedah.
Tel: 04-7315525, 04-7315405 Fax: 04-7315699

INTERNATIONAL REAL ESTATE AND PLANT & MACHINERY CONSULTANTS,
VALUERS, AUCTIONEERS, AGENTS, PROJECT AND PROPERTY MANAGERS.

Note : This Valuation Certificate is to be read in conjunction with Section 9.1 (B), Page 89 of the Prospectus

Our Ref : CAH/5585/SC/K/00

Date : 18 MAR 2002

The Directors,
Potensi Naga Sdn. Bhd.,
Tingkat 11, Menara Tun Razak,
Jalan Raja Laut,
50350 Kuala Lumpur.

Dear Sirs,

Re : **VALUATION OF PROPERTIES BELONGING TO
POTENSI NAGA SDN. BHD.**

This letter has been prepared for inclusion in the Prospectus of Mutiara Goodyear Development Berhad dated 29 MAR 2002 in relation to the Proposals as mentioned in this Prospectus.

We have been instructed by Potensi Naga Sdn. Bhd. to value the properties set out below and we have adopted the Comparison method of valuation and Contractor's method. The Comparison method is the Market Approach of comparing the subject property with similar properties that were either transacted recently or listed properties, due consideration is given to factors such as location, size, building differences, improvements and amenities, time element and other relevant factors to arrive at our opinion of value. The Contractor's method is the summation of the land value on an alternative site basis and the building value on a depreciated replacement cost basis.

We confirm that we have valued the properties based on the valuation methods as stated above. The valuation reports have been prepared in accordance with the Guidelines on Asset Valuations for Submission to the Securities Commission issued by the Securities Commission and is in compliance with the Manual of Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia and other professional bodies.

The details on the titles were extracted from private random searches carried out at the Registry of Land Titles, Kedah and are assumed to be correct for the purpose of the abovementioned exercise.

THE INTERNATIONAL NETWORK

* Kuala Lumpur * Penang * Butterworth * Kedah * Johore * Malacca * Sabah * Sarawak * Hong Kong * Singapore * Manila * London * Birmingham
* Leeds * Bristol * Cardiff * Edinburgh * Glasgow * Aberdeen * Dublin * Belfast * Associates throughout Europe, Australasia, North and South America

12. VALUATION CERTIFICATE (CONT'D)



Pursuant to the instruction, we have inspected the subject property on 26th June 2000 and have prepared our Report and Valuation under our ref : CAH/5585/SC/K/00 dated 27th June 2000. The Valuation Report for the Landed Properties is for the purpose of submission to the Securities Commission and the Valuation details are attached in Schedule 1.

Yours faithfully,
HENRY BUTCHER, Lim & Long (K) Sdn. Bhd.

Man Beng Fong (V-358)
M.I.S.M.
Registered Valuer

12. VALUATION CERTIFICATE (CONT'D)Schedule 1c. Properties held as investment

| Property Details | Title No. | Land Area | Tenure | Existing Use | Market Value as at 26 th June 2000 |
|---|--|--|--------------------------|---|---|
| CAH/5585/SC/K/00 A unit of five-storey shophouse with lift (Address : No. 41 and 42, Jalan PSK 1, Pekan Simpang Kuala, Alor Setar, Kedah) O.C. issued on 6/10/1997 | Title yet to be issued (Developer's Plot 41 and 42) | Plot 41 - 4,455 sq. ft. Plot 42 - 1,600 sq. ft. (Built-up Area : 29,400 sq. ft.) | Freehold - In perpetuity | A unit of five-storey shophouse with lift The property is presently vacant and occupied except for the roof top which is currently occupied. | RM3,900,000.00 |

12. VALUATION CERTIFICATE (CONT'D)



HENRY BUTCHER,
Lim & Long Sdn. Bhd. (160636-P)

No. 25, Jalan Yap Ah Shak, Off Jalan Dang Wangi, 50300 Kuala Lumpur, Malaysia.
Fax: 03-26925771 (Marketing), 03-26943484 (Valuation), 03-26941261 (Agency), 03-26945543 (Admin)
Tel: 03-26942212 Email: hbllmal@pc.jaring.my Website: www.henrybutchermalaysia.com

INTERNATIONAL, REAL ESTATE AND PLANT & MACHINERY
CONSULTANTS, VALUERS, AUCTIONEERS, AGENTS,
PROJECT AND PROPERTY MANAGERS.

Date: 18 MAR 2002

Puncak Kencana Sdn. Bhd.
Tingkat 11, Menara Tun Razak,
Jalan Raja Laut,
50350 Kuala Lumpur.

Dear Sirs,

**VALUATION OF PROPERTIES BELONGING TO PUNCAK KENCANA
SDN. BHD.**

This Certificate has been prepared for inclusion in the Circular of MIT Holdings Berhad to be dated 29 MAR 2002

We have been instructed by Puncak Kencana Sdn. Bhd. to value the properties set out below and we have adopted the Comparison Method, Investment Method and Residual Method of valuation. The Comparison Method is the Market Approach of comparing the subject property with similar properties that were either transacted recently or listed for sale within the same location or other comparable localities. In comparing properties, due consideration is given to factors such as location, size, improvements and amenities, time element and other relevant factors to arrive at our opinion of value.

The Investment Method is an approach where the capital value is derived from an estimate of the Open Market Rental, which the subject property can reasonably be let for. Outgoings, such as property tax, repairs and maintenance, insurance and management are then deducted from the annual rental income. The net annual rental income is then capitalized at an appropriate current market yield to arrive at its indicative capital value.

The Residual Method of valuation involves the computation of the net development value of the project, from which are deducted all expenses and costs to complete the project including a margin for developer profit. The remainder or residual sum, appropriately discounted for time effluxion reflects the development value of the land as a ripe development site with the approvals obtained.



THE INTERNATIONAL NETWORK

• Hong Kong • Singapore • Manila • London • Birmingham • Leeds • Bristol • Cardiff • Edinburgh • Glasgow • Aberdeen
• Dublin • Belfast • Leicester • Southampton • Warsaw • Associates throughout Europe, Australasia, North and South America

12. VALUATION CERTIFICATE (CONT'D)



We confirm that we have valued the properties based on the valuation methods as stated above. The valuation reports has been prepared in accordance with the Guidelines on Asset Valuation for Submission to the Securities Commission issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia and other professional bodies.

Pursuant to the instruction, we had inspected the subject properties on July 10, 2000, details of which are attached overleaf.

The details on the titles were extracted from Sale and Purchase Agreement provided by our client and private searches carried out at the Registry of Land Titles, Shah Alam and are assumed to be correct for the purpose of the abovementioned exercise.

Our opinion of the Market Value of the subject properties, based on our Valuation Reports, are attached below.

Yours faithfully,
HENRY BUTCHER, LIM & LONG SDN. BHD.

A handwritten signature in black ink, appearing to read 'Long Tian Chek', written in a cursive style.

LONG TIAN CHEK
B.Sc., ARICS, MIS(M)
Registered Valuer (V-241)

LTC/zd

12. VALUATION CERTIFICATE (CONT'D)



(A) Property held for Investment.

Valuation Report Ref. No : V/B05-00/0645

| Property Details | Description | Market Value as at July 10, 2000. |
|---|--|---|
| <p>The individual title for the subject property has yet to be issued. The following details were obtained from private searches of Master Titles.</p> <p>The Particulars are as follows :-</p> <p><u>Master Title Nos.</u> HS(D) 135924, HS(D) 135925, HS(D) 135927, HS(D) 135922, Geran 43060 and HS(D) 135921.</p> <p><u>Master Lot Nos.</u> Lot 42410, Lot 42411, Lot 42413, Lot 42407, Lot 15385 and Lot 42406 respectively.</p> <p><u>Land Areas</u> 14,550 sq.m. / 23,149 sq.m. / 10,475 sq.m. / 9,257 sq.m. / 19,182 sq.m. and 3,333 sq.m. respectively.</p> <p>Common features for all lots :-</p> <p>Pekan : Cempaka District : Petaling State : Selangor Tenure : Freehold Category of Land Use : Building Registered Owner : Puncak Kencana Sdn. Bhd. Express Condition : Tanah ini hendaklah digunakan bagi pembinaan bangunan-bangunan mengikut pelan tataatur yang diperakui oleh Jabatan Perancang Bandar dan Desa Negeri Selangor. Restriction In Interest : Nil Encumbrances : Charged to United Malayan Banking Corporation Berhad vide Pres. No. 19171/96 Vol. 40 Fol. 110 dated May 2, 1996.</p> | <p>The subject property comprises unsold office space units, carpark bays and vacant development land situated within Prima Square, Petaling Jaya, Selangor Darul Ehsan.</p> <p>The subject property is situated immediate north of Taman Mayang and south of Taman Bukit Mayang Mas approximately 15 km and 25 km from Petaling Jaya Town Centre and Kuala Lumpur City Centre respectively.</p> <p>The subject property comprises unsold units of office space, shop lots, car park bays and vacant development land. For the unsold units of office space and shop lots, they can be summarized as follows :-</p> <p><u>Phase 1</u> No. of Unit : 1 Type : Office space Size : 1,674 sq.ft. (155.52 sq.m.)</p> <p><u>Phase 2</u> No. of Units : 8 Type : Office space & shop lots Size : 754 sq.ft. (70.00 sq.m.) to 1,959 sq.ft. (182.00)</p> <p><u>Phase 3</u> No. of Units : 47 Type : Office space & shop lots Size : 764 sq.ft. (70.98 sq.m.) to 3,448 sq.ft. (320.33 sq.m.)</p> <p>Vacant development lands for future development comprise the following :-</p> <ol style="list-style-type: none"> 1) Office Tower Land (35,876 sq.ft. or 3,333.00 sq.m.) 2) Shopping Complex Land (148,539 sq.ft. or 13,799.00 sq.m.) 3) Residential Land (206,474 sq.ft. or 19,182.00 sq.m.) 4) Residential Land (99,641 sq.ft. or 9,257.00 sq.m.) <p>The total number of car park is 1,764 bays.</p> | <p>RM 76,423,000</p> <p>Valuation Method : Comparison & Investment Method.</p> <p>The Market Value (MV) breakdown is as follows :-</p> <p><u>Phase 1</u> MV : RM288,000</p> <p><u>Phase 2</u> MV : RM2,433,000</p> <p><u>Phase 3</u> MV : RM24,778,000</p> <p><u>Vacant Lands</u> MV : RM24,228,000</p> <p><u>Car Park Bays</u> MV : RM24,696,000</p> |

12. VALUATION CERTIFICATE (CONT'D)



Cont'd

(B) Properties Being Developed

Valuation Report Ref. No. : V/B07-2000/0831

| Property Details | Description | Market Value as at July 10, 2000. |
|---|--|---|
| <p>The history of the Master Title has not been investigated. The following details were obtained from a copy of the Sale & Purchase Agreement made between Glomac-Goodyear Sdn. Bhd. (Vendor) and Puncak Kencana Sdn. Bhd. (Purchaser).</p> <p>The Particulars are as follows :-</p> <p>Master Title No. : PN 7302 Master Lot. No. : Lot 60349 (Formerly known as 13438, 13439 and 13440) Mukim : Batu District : Gombak State : Selangor Tenure : Leasehold for 99 years Master Land Area : 88,218.60 sq.m. (949,515.60 sq.ft.) Development For Subject Site : Low cost housing project. Category of Land Use : Bangunan Express Condition : N/A Restriction In Interest : Tanah ini tidak boleh dijual, dipajak, dicagar dan digadai melainkan dengan kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur. Beneficial Owner : Puncak Kencana Sdn. Bhd. Encumbrances : N/A</p> | <p>The subject property comprise 35,719.2 sq.ft. (0.82 acres) of vacant development land for two blocks of five storey of low cost flats. It is approved for the construction of 210 units of low cost flats, located approximately 20 km north of Kuala Lumpur City Centre within Selayang.</p> <p>The approved development comprise the following :-</p> <p><u>Block A (5-Storey)</u> 100 units (650 sq.ft.)</p> <p><u>Block B (5-Storey)</u> 110 units (650 sq.ft.)</p> <p>Number of Car Park : 125 units Number of Motorcycle Parking Space : 38 units.</p> <p>Stage of Completion : Vacant land.</p> | <p>RM 500,000</p> <p>Valuation Method : Comparison & Residual Method.</p> |


12. VALUATION CERTIFICATE (CONT'D)



Cont'd

Valuation Report Ref. No. : V/B07-2000/0832

| Property Details | Description | Market Value as at July 10, 2000. |
|--|---|--|
| <p>The individual title for the subject property has yet to be issued. The history of the Master Title has not been investigated. The following details were obtained from a copy of the Sale & Purchase Agreement made between Glomac-Goodyear Sdn. Bhd. (Vendor) and Puncak Kencana Sdn. Bhd. (Purchaser).</p> <p>The Particulars are as follows :-</p> <p>Master Title No. : PN 7302 Master Lot. No. : Lot 60349 (Formerly known as 13438, 13439 and 13440) Mukim : Batu District : Gombak State : Selangor Tenure : Leasehold for 99 years Master Land Area : 88,210 sq.m. (949,515.60 sq.ft.) Development For Subject Site : Petrol Station project. Category of Land Use : Bangunan Express Condition : N/A Restriction In Interest : Tanah ini tidak boleh dijual, dipajak, dicagar dan digadai melainkan dengan kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur. Beneficial Owner : Puncak Kencana Sdn. Bhd. Encumbrances : N/A</p> | <p>The subject property comprise 35,719.2 sq.ft. (0.82 acres) of vacant petrol station land. It is approved for the construction for a petrol station, located approximately 20 km north of Kuala Lumpur City Centre within Selayang.</p> <p>As stated within the Approved Layout Plan, approximately 0.82 acre of land has allocated for this developments which form a piece of master title measuring 21.80 acres.</p> | <p>RM 893,000</p> <p>Valuation Method : Comparison Method.</p> |


LONG TIAN CHEK
B. Sc., ARICS, MIS(M)
Registered Valuer (V-241)

 **HENRY BUTCHER,**
Lim & Long (North) Sdn. Bhd. (177498-P)

No. 2708, Chain Ferry Road, Kimsar Garden, 13700 Prai, Malaysia.

Tel: 3988999 Fax: 04-3988666

INTERNATIONAL REAL ESTATE AND PLANT & MACHINERY
CONSULTANTS, VALUERS, AUCTIONEERS, AGENTS,
PROJECT AND PROPERTY MANAGERS.

Note: This Valuation Certificate is to be read in conjunction with Section 9.1(D), page 91 of the Prospectus.

Date: **18 MAR 2002**

The Directors
M/S Pembangunan Bandar Mutiara Sdn. Bhd.
No. 2755, Jalan Chain Ferry
Taman Inderawasih
13600 PRAI

Dear Sirs,

VALUATION OF PROPERTY BELONGING TO M/S PEMBANGUNAN BANDAR MUTIARA SDN. BHD.

This letter has been prepared for inclusion in the Prospectus of Mutiara Goodyear Development Berhad dated **29 MAR 2002** in relation to the proposal as mentioned in this prospectus.

We have been instructed by Pembangunan Bandar Mutiara Sdn. Bhd. to value the property set out below and we have adopted the Comparison and Residual methods of valuation. The Comparison Method is the Market Approach of comparing the subject property with similar properties that were either transacted recently or listed for sale within the same location or other comparable localities. In comparing properties, due consideration is given to factors such as location, size, improvements and amenities, time element and other relevant factors to arrive at our opinion of value. The Residual Method of valuation involves the computation of the net development value of the project, from which are deducted all expenses and costs to complete the project including a margin for developer profit. The remainder or residual sum, appropriately discounted for time effusion reflects the development value of the land as a ripe development site with the approvals obtained.

We confirm that we have valued the properties based on the valuation methods as stated above. The valuation reports have been prepared in accordance with the Guidelines on Asset Valuations for Submission to the Securities Commission issued by the Securities Commission and is in compliance with the Manual of Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia and other professional bodies.

We have also been specifically instructed to value the subject property as a vacant development land as a whole without discounting either expenditure or realized income of the completed development to date.

THE INTERNATIONAL NETWORK

• Hong Kong • Singapore • Kuala Lumpur • Penang • Butterworth • Kedah • Johor • Sarawak • Manila • London • Birmingham
• Leeds • Bristol • Cardiff • Edinburgh • Glasgow • Aberdeen • Dublin • Belfast • Leicester • Southampton • Warsaw
Associates throughout Europe, Australasia, North and South America

12. VALUATION CERTIFICATE (CONT'D)

Pursuant to the instruction, we had inspected the subject property on 25/5/2000 and have prepared our Report and Valuation under our Ref: V/BW/ADV/00(LKL) dated 12th July 2000.

In our opinion, we consider the Market Value of the following properties to be as follows:

D. Properties being developed

| Property (Title Details, Address) | Description, tenure and stage of completion | Pre let /Pre sale | Estimated completion date | Market Value as at 12 th July 2000 | Market Value when completed |
|---|---|-------------------|---------------------------|---|-----------------------------|
| Lot Nos. 13, 16, 20, 21, 22, 114, 116, 1067, 1076, 3487, 1345, 1383, 1393, 1427, 1428, 1433, 1445, 1628 & 1629, Mukim 15, Province Wellesley South, Penang. | <p>Development Land with the land area of 1,084.68 acres (net after government acquisition) mostly held under freehold tenure.</p> <p>There is a proposal to develop the land with a mixed development comprising residential and commercial uses. The development basically comprises 20 phases, a commercial centre and some ancillary facilities. It is known as Bandar Tasck Muttara.</p> <p>Phases I & II have been completed whilst Phases III & IV are under construction.</p> <p>Lot Nos. 13, 16, 21, 22, 114, 116, 1067, 3487, 1345, 1383, 1393, 1427, 1428 & 1433 with a total land area of about 91.857 acres require land conversion.</p> <p>The original layout plan for Lot Nos. 1427, 1628 & 1629 was approved on 18th April 1995 whilst Lot Nos. 20, 21, 22, 1445 and part of Lot No. 1629 was also approved on 9th December 1995.</p> <p>The land area for Phase I-IV is about 156.08 acres.</p> <p>The conversion premium that has yet to be paid for Lot Nos. 13, 16, 116, 1345, 1383, 1393, 114, 1067, 1428 & 1433 as at date of valuation is RM2,731,407.40.</p> | N.A. | N.A. | RM236,000,000 | N.A. |

Yours faithfully,

HENRY BUTCHER, Lim & Long (North) Sdn. Bhd.

KHOR BOON SOO
Registered Valuer (V440)
MISM