
3. SUMMARY INFORMATION

THIS SECTION OF THE PROSPECTUS REPRESENTS ONLY A SUMMARY OF THE SALIENT INFORMATION ON QCT. YOU SHOULD READ AND UNDERSTAND THE FULL TEXT OF THIS PROSPECTUS BEFORE DECIDING WHETHER TO INVEST IN THE IPO UNITS AND IF NECESSARY, CONSULT YOUR OWN PROFESSIONAL ADVISERS.

YOU SHOULD BE AWARE THAT THE RENTAL YIELDS OF THE SUBJECT PROPERTIES AS WELL AS OTHER REAL ESTATE THAT QCT MAY INVEST IN THE FUTURE ARE NOT EQUIVALENT TO THE YIELD OF THE UNITS AND THAT THE CURRENT RENTAL RECEIPTS AND YIELDS OF THE SUBJECT PROPERTIES MAY NOT BE SUSTAINABLE.

YOU SHOULD ALSO NOTE THAT THE VALUE OF THE SUBJECT PROPERTIES (INCLUDING OTHER INVESTMENTS THAT QCT MAY HAVE IN THE FUTURE), UNIT PRICES AND DISTRIBUTIONS PAYABLE, IF ANY, MAY RISE AS WELL AS FALL.

3.1 QCT

QCT, constituted by the Deed dated 9 October 2006, is a REIT formed to own and invest in Commercial Properties, primarily in Malaysia.

The salient features of the Fund are set out below:

Name of Fund	Quill Capita Trust
Category of Fund	Real estate investment trust
Type of Fund	Growth and income
Investment Objective	To acquire and invest in Commercial Properties primarily in Malaysia, with a view to provide Unitholders with long-term and sustainable distribution of income and potential capital growth.
Investment Strategies	<p>The Fund will seek to provide Unitholders with long-term and sustainable distribution of income and potential capital growth by:</p> <ul style="list-style-type: none">• increasing the property yields of its properties through active asset management, including setting and maintaining rental and occupancy benchmarks, pro-active marketing to existing and prospective tenants, cost management and asset enhancement programs;• investing in quality properties, real estate-related assets and other Authorised Investments that meet the investment objectives of the Fund and provide yield accretion to Unitholders; and• actively managing capital structure and funding requirements to optimise cost of capital.
Approved Fund Size	238,691,000 Units

3. SUMMARY INFORMATION (Cont'd)

Distinctive Features of the Fund

- QCT will provide its Unitholders a unique opportunity to participate in the growth of commercial property market in Malaysia and in particular, Cyberjaya, Malaysia's MSC;
- The initial portfolio of commercial properties acquired by the Fund comprises built-to-suit office buildings, data processing centres and business park properties. These properties are built on land held in perpetuity, and the buildings are of high quality specifications which meet the requirements of MNCs;
- The tenants/lessees are mainly subsidiaries of MNCs, such as:
 - (i) Affiliated Computer Services Malaysia Sdn Bhd;
 - (ii) Asia Pacific Information Services Sdn Bhd (subsidiary of DHL Worldwide Express B.V.);
 - (iii) BMW Asia Technology Centre Sdn Bhd;
 - (iv) BMW Malaysia Sdn Bhd;
 - (v) HSBC Electronic Data Processing (Malaysia) Sdn Bhd (subsidiary of HSBC Overseas Holdings (UK) Limited);
 - (vi) Panasonic R & D Centre Malaysia Sdn Bhd; and
 - (vii) TRW Automotive Services Sdn Bhd

Majority of these tenants have committed to initial lease terms of five (5) years or more, with agreed step-up rentals;

- One of the major shareholders of the Manager is QRH. QRH is part of the Quill Group of Companies which has a proven track record in marketing, designing and constructing built-to-suit properties for MNCs;
- Another major shareholder of the Manager is CR. CR is a wholly owned subsidiary of CFL which has extensive experience in managing REITs and private equity property funds in Asia;
- The shareholders of the Manager have offered the right of first refusal to the Fund for five (5) years from the date of Listing to purchase any Commercial Building proposed to be disposed or purchased by the shareholders, their respective Related Corporations and/or any First Refusal Parties; and
- Following the IPO, the major Unitholders of QCT namely the Vendors who form part of the Quill Group of Companies and CCID and/or its nominees will each hold 71,608,000 Units. The said Unitholders have agreed to a 180-day lock-up period commencing from and including the date of Listing in respect of the Units.

3. SUMMARY INFORMATION (Cont'd)

Authorised Investments	<ul style="list-style-type: none">• At least 75% of QCT's total assets will be invested in real estate, single-purpose companies, real estate-related assets or liquid assets;• At least 50% of QCT's total assets must be invested in real estate or single-purpose companies;• The remaining 25% of QCT's total assets may be invested in other Authorised Investments; and• Such other investments or limits as may be permitted by the SC or REITs Guidelines.
Investor Profile	QCT may appeal to an investor who understands the risks related to the real estate industry and REITs, has long-term investment objectives with moderate risk appetite and seeks regular distribution income and long term capital appreciation.
Distribution Policy	<p>For FYEs 31 December 2006 to 31 December 2008, QCT intends to distribute 100% of its distributable income to its Unitholders.</p> <p>The distribution policy of QCT is to distribute at least 90% (or such lower percentage at our discretion) of the distributable income to the Unitholders. QCT will distribute to Unitholders such distributable income on at least a semi-annual basis (or such other intervals as we may determine).</p>
Borrowing Limitations	<p>Up to 50% of the total asset value of the Fund at the time the borrowing is incurred (or such other limit permitted by the REITs Guidelines from time to time). However, the Fund's total borrowings may exceed this limit with the prior approval of the Unitholders.</p> <p>Upon Listing, QCT will have an initial borrowing of approximately RM89,000,000 representing 31.35% of its estimated total asset value of RM283,906,000.</p>
Revaluation Policy	The real estate shall be revalued at least once every three (3) years from the date of the last valuation or at such other times as required under the REITs Guidelines.
Redemption Policy	Unitholders have no right to request us to repurchase their Units while the Units are listed and not suspended for more than ninety (90) consecutive Market Days.
Board Lot	<p>100 Units per board lot.</p> <p>Investors may buy and/or sell the minimum of one (1) board lot (i.e. a minimum of 100 Units). Any additional investment in QCT will be in board lot incrementals.</p>

3. SUMMARY INFORMATION (Cont'd)

3.2 Overview Of The Subject Properties

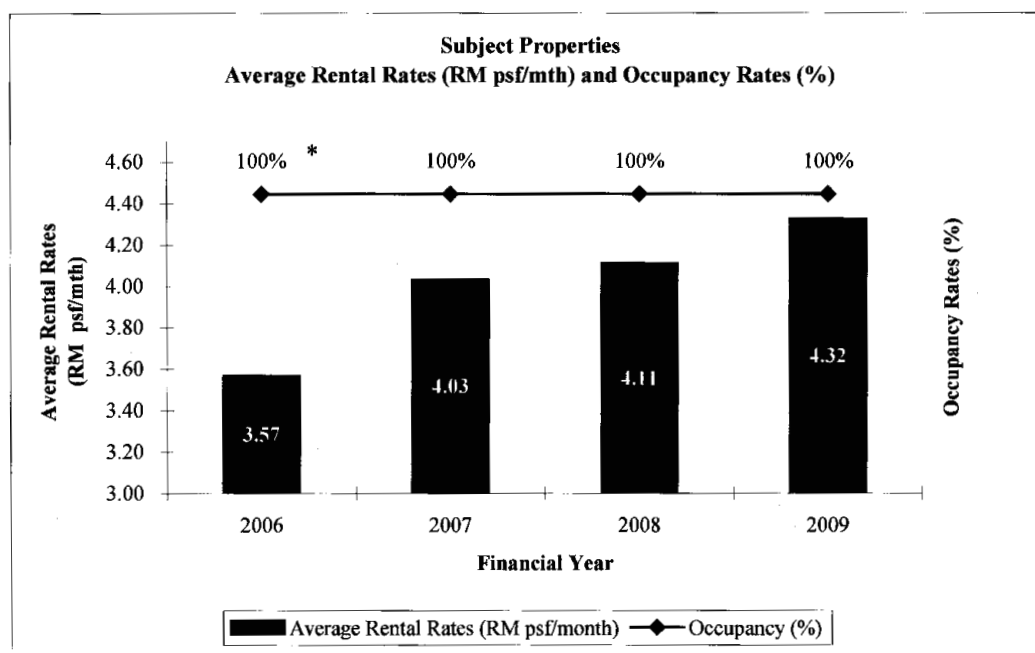
3.2.1 Summary Portfolio

The following table sets out information with respect to each of the Subject Properties as at the LPD:

Property	Net Lettable Area (sq ft)	Committed Occupancy (%)	Appraised Value (RM million)	Percentage of Aggregate Appraised Value (%)	Tenure of Land
Quill Building 1 – DHL 1	92,284	100	53.1	19.0	Term in perpetuity
Quill Building 2 – HSBC	184,453	100	109.0	38.9	Term in perpetuity
Quill Building 3 – BMW	117,198	100	60.2	21.5	Term in perpetuity
Quill Building 4 – DHL 2	99,183	100	57.7	20.6	Term in perpetuity
Total	493,118	100	280.0	100.0	

3.2.2 Key Statistics and Details of the Subject Properties

The Subject Properties provide investors with exposure to a fully tenanted portfolio of income producing Commercial Properties occupied mainly by subsidiaries of MNCs in Cyberjaya with agreed step-up rental rates:



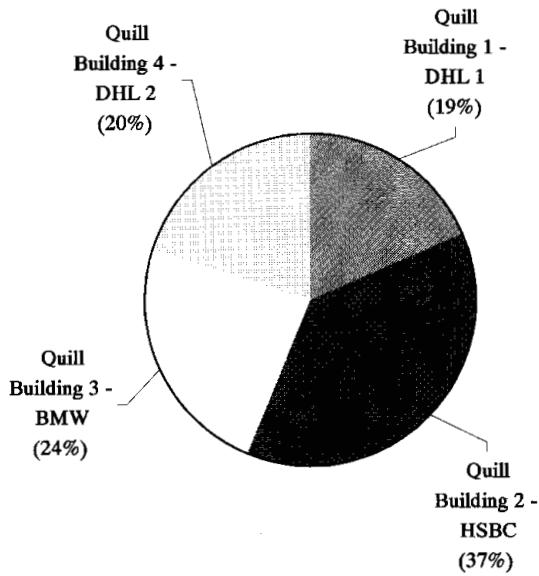
Note:

* From 1 September 2006 onwards.

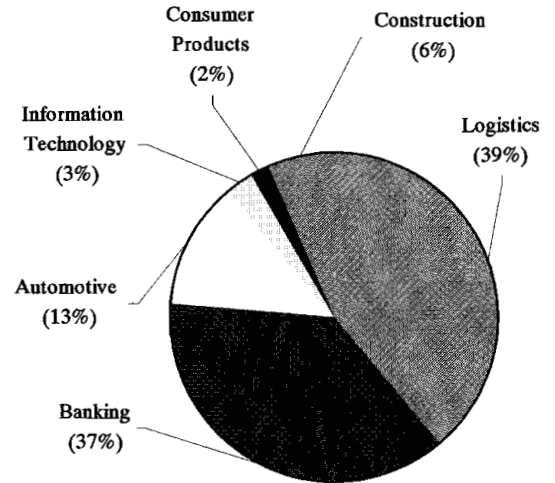
3. SUMMARY INFORMATION (Cont'd)

As at the LPD, the Subject Properties have a diverse mix of tenants operating in a variety of business sectors as shown below:

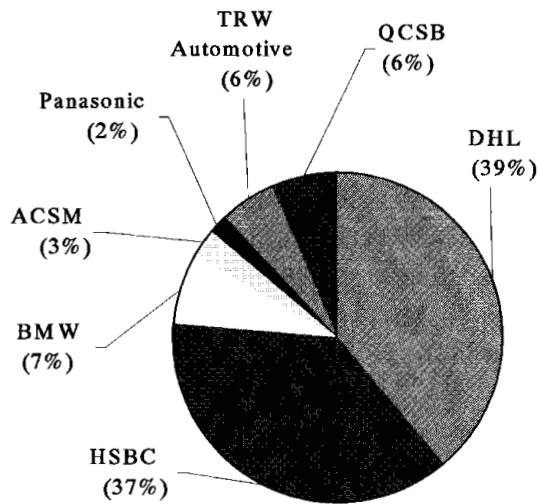
Subject Properties by Net Lettable Area



Tenant Business Sector by Net Lettable Area



Tenants by Net Lettable Area



3. SUMMARY INFORMATION (Cont'd)

Tenants	Net Lettable Area (sq ft)
Asia Pacific Information Services Sdn Bhd (a subsidiary of DHL Worldwide Express B.V.) ("DHL")	191,467
HSBC Electronic Data Processing (Malaysia) Sdn Bhd (a subsidiary of HSBC Overseas Holdings (UK) Limited) ("HSBC")	184,453
BMW Malaysia Sdn Bhd & BMW Asia Technology Centre Sdn Bhd (Collectively known as "BMW")	35,102
Affiliated Computer Services Malaysia Sdn Bhd ("ACSM")	13,300
Panasonic R&D Centre Malaysia Sdn Bhd ("Panasonic")	10,118
TRW Automotive Services Sdn Bhd ("TRW Automotive")	27,094
QCSB	31,584
Total	493,118

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

3. SUMMARY INFORMATION (Cont'd)

3.2.3 A brief description of the Subject Properties that form the initial portfolio of QCT are set out below:

Quill Building 1 – DHL 1

Vendor	:	QPSB
Postal address	:	3509 & 3511 Jalan Teknokrat 5 63000 Cyberjaya Selangor
Description	:	A four (4) storey office building with a sub-basement and a basement car park
Accessibility	:	The subject property is located about 40 kilometres by road to the south of Kuala Lumpur City Centre. The subject property is accessible from Kuala Lumpur City Centre via the North-South Expressway heading to Seremban, exiting at either UPM (University Putra Malaysia) / Serdang / Kajang toll and thereafter onto highway showing directional signs towards Cyberjaya. Thereafter via the Cyberjaya exit which naturally joins onto the B15 highway and thereafter onto Persiaran Multimedia and Jalan Teknokrat 5.
Immediate surrounding properties	:	Surrounding the subject property are the offices of BMW, EDS, FUJITSU, HSBC and the headquarters of MSC. Other office developments in the vicinity include Ericsson, Wisma Shell Malaysia as well as the MCMC. Cyberview Lodge is located to the east of the subject property.
Category of land use	:	Building
Year of completion	:	2002
Tenure	:	Term in perpetuity
Existing use	:	Commercial building
Provisional land areas	:	0.9716 hectare (9,716 square metres) as at the date of valuation of 24 February 2006
Surveyed land areas	:	9,713 square metres (based on private search as at 14 November 2006)
Net lettable area and number of car parks (per the tenancy agreement dated 4 October 2000)	:	92,284 sq ft/ 315 car parks
Purchase price	:	RM52,100,000
Appraised value	:	RM53,100,000
Date of valuation	:	24 February 2006. Quill Building 1 – DHL 1 shall be revalued at least once every three (3) years, or at such other times as required under the REITs Guidelines.

3. SUMMARY INFORMATION (Cont'd)

- Encumbrances and other endorsement (based on private search as at 14 November 2006) : Charged to Overseas Union Bank (Malaysia) Berhad via Presentation Number: 59890/2001, registered on 1 October 2001.
- Presentation Number: 29896/2002, Vesting Order by Court in relation to charged Presentation Number: 59890/2001 from Overseas Union Bank (Malaysia) Berhad to United Overseas Bank (Malaysia) Berhad pursuant to Order Number: D1-24-1-2002 under Section 420 of the National Land Code, registered on 19 July 2002.
- It is intended for the above existing charge to be discharged and thereafter this property is to be charged to the security agent of the CP/MTN Programme to secure the CP/MTN Programme.
- Restriction in interest : The land cannot be transferred, leased or charged without the permission of the state governing authority.
- Other conditions imposed : Majlis Daerah Sepang has set out a condition in its letter dated 9 January 2001 that Lot No. PT 12075 (presently Lot 32990) and Lot No. PT 12076 (presently Lot 32991) are to be amalgamated ("Amalgamation"). The Conditional SPA for the acquisition of Quill Building 1 – DHL 1 provides that QPSB shall take the necessary steps for the application of approval to the relevant authority for the Amalgamation provided always that the application process for the Amalgamation must be submitted within six (6) months from the completion date of the Conditional SPA for the acquisition of Quill Building 1 – DHL 1.

For further details of Quill Building 1 - DHL 1, kindly refer to Section 7.3.1 of this Prospectus.

Quill Building 2 – HSBC

- Vendor : QLSB
- Postal address : 3500
Jalan Teknokrat 3
63000 Cyberjaya
Selangor
- Description : A four (4) storey office building with a sub-basement car park
- Accessibility : The subject property is located about 40 kilometres by road to the south of Kuala Lumpur City Centre.
- The subject property is accessible from Kuala Lumpur City Centre via the North-South Expressway heading to Seremban, exiting at either UPM (University Putra Malaysia) / Serdang / Kajang toll and thereafter onto highway showing directional signs towards Cyberjaya. Thereafter via the Cyberjaya exit which naturally joins onto the B15 highway and thereafter onto Persiaran Multimedia and Jalan Teknokrat 3.
- Immediate surrounding properties : Located to the immediate south and south-east of the subject property are the offices of BMW, EDS, FUJITSU, DHL Express and the headquarters of MSC. Other office developments in the vicinity include the Ericsson, Wisma Shell Malaysia as well as the MCMC. Cyberview Lodge is located to the east of the subject property.
- Category of land use : Building
- Year of completion : 2003

3. SUMMARY INFORMATION (Cont'd)

Tenure	:	Term in perpetuity
Existing use	:	Commercial building
Land area valued for Quill Building 2 – HSBC	:	2.0440 hectares (20,440 square metres)
Provisional land area	:	2.6921 hectares (26,921 square metres) as at the date of valuation of 24 February 2006
Surveyed land area	:	26,651 square metres (based on private search as at 14 November 2006)
Net lettable area and number of car parks (as per agreement to lease dated 16 October 2003)	:	184,453 sq ft/ 194 covered car parks and 311 uncovered car parks
Purchase price	:	RM107,500,000
Appraised value	:	RM109,000,000
Date of valuation	:	24 February 2006. Quill Building 2 – HSBC shall be revalued at least once every three (3) years, or at such other times as required under the REITs Guidelines.
Encumbrances and other endorsements (based on private search as at 14 November 2006)	:	Charged to HSBC Bank Malaysia Berhad via Presentation Number: 66270/2004, registered on 28 September 2004. Charged to HSBC Bank Malaysia Berhad via Presentation Number: 20825/2006, registered on 27 March 2006. The whole piece of land is leased to HSBC Electronic Data Processing (Malaysia) Sdn Bhd via Presentation Number: 20826/2006, registered on 27 March 2006. It is intended for the above existing charges to be discharged and thereafter this property is to be charged to the security agent of the CP/MTN Programme to secure the CP/MTN Programme.
Restriction in interest	:	The land cannot be transferred, leased or charged without the permission of the state governing authority.
Further information	:	The building was built on part of Lot 33042 (previously Lot No. PT 12063), Mukim of Dengkil, District of Sepang, Selangor. The provisional land area for Lot 33042 (previously Lot No. PT 12063), Mukim of Dengkil, District of Sepang, Selangor is 26,921 square metres (“Land”). The Land will be subdivided into two (2) portions (“Sub-Division”), i.e. the northern portion which measures approximately 6,481 square metres (“Excluded Portion”) and the southern portion which measures approximately 20,440 square metres, on which the Quill Building 2 - HSBC is erected on.

3. SUMMARY INFORMATION (Cont'd)

The Conditional SPA for the acquisition of Quill Building 2 – HSBC provides that upon notification in writing by the Trustee or the CP/MTN Programme's solicitors to QLSB that the new individual issue document of title of the amalgamated lands pursuant to the amalgamation process for Quill Building 1 – DHL 1 and Quill Building 4 – DHL 2 (“Notification”) has been issued, QLSB shall take the necessary steps for the application to the State Authority for the Sub-Division and the issuance of separate titles in respect of the Excluded Portion and the Quill Building 2 – HSBC portion. The application process for the Sub-Division must be submitted within six (6) months from the date QLSB receives the Notification.

For further details of Quill Building 2 – HSBC, kindly refer to Section 7.3.2 of this Prospectus.

Quill Building 3 – BMW

- Vendor : QESB
- Postal address : 3501
Jalan Teknokrat 5
63000 Cyberjaya
Selangor
- Description : A four (4) storey office building together with one (1) level of sub-basement and one (1) level basement car park
- Accessibility : The subject property is located about 40 kilometres by road to the south of Kuala Lumpur City Centre.

The subject property is accessible from Kuala Lumpur City Centre via the North-South Expressway heading to Seremban, exiting at either UPM (University Putra Malaysia) / Serdang / Kajang toll and thereafter onto highway showing directional signs towards Cyberjaya. Thereafter via the Cyberjaya exit which naturally joins onto the B15 highway and thereafter onto Persiaran Multimedia, Jalan Teknokrat 4 and Jalan Teknokrat 5.

- Immediate surrounding properties : Located to the immediate north and south-east of the subject property are the offices of HSBC, EDS, FUJITSU, DHL Express and the headquarters of MSC. Other office developments in the vicinity include Ericsson, Wisma Shell Malaysia as well as the MCMC. Cyberview Lodge is located to the east of the subject property.
- Category of land use : Building
- Year of completion : 2004
- Tenure : Term in perpetuity
- Existing use : Commercial building
- Provisional land area : 1.0615 hectares (10,615 square metres) as at the date of valuation of 24 February 2006
- Net lettable area and number of car parks (as per Valuation Report dated 10 July 2006) : 117,198 sq ft/ 216 covered car parks and 97 uncovered car parks
- Purchase price : RM59,400,000

3. SUMMARY INFORMATION (Cont'd)

- Appraised value : RM60,200,000
- Date of valuation : 24 February 2006. Quill Building 3 – BMW shall be revalued at least once every three (3) years, or at such other times as required under the REITs Guidelines.
- Encumbrances and other endorsements (based on private search as at 14 November 2006) : Transfer of land ownership by Cyberview Sdn Bhd to Quill Estates Sdn Bhd via Presentation Number: 9811/2005, registered on 25 February 2005.
- Charged to EON Bank Berhad via Presentation Number: 9812/2005, registered on 25 February 2005.
- Quit rent amendment via Presentation Number: 18102/2005, registered on 18 July 2005.
- Private caveat entered by Affiliated Computer Services Malaysia Sdn Bhd via Presentation Number: 48014/2005, registered on 28 November 2005. The withdrawal of this caveat has been presented to the relevant land registry.
- It is intended for the above existing charge to be discharged and thereafter this property is to be charged to the security agent of the CP/MTN Programme to secure the CP/MTN Programme.
- Restriction in interest : The land cannot be transferred, leased or charged without the permission of the state governing authority.

On 16 September 2006, Quill Building 3 – BMW was awarded the winner for PAM 2006 Awards for Excellence in Architecture under the category for commercial building by Pertubuhan Akitek Malaysia (PAM). For further details of Quill Building 3 – BMW, kindly refer to Section 7.3.3 of this Prospectus.

Quill Building 4 – DHL 2

- Vendor : QPSB
- Postal address : 3504
Jalan Teknokrat 5
63000 Cyberjaya
Selangor
- Description : A four (4) storey office building with sub-basement and 2-level basement car parks
- Accessibility : The subject property is located about 40 kilometres by road to the south of Kuala Lumpur City Centre.
- The subject property is accessible from Kuala Lumpur City Centre via the North-South Expressway heading to Seremban, exiting at either UPM (Universiti Putra Malaysia) / Serdang / Kajang toll and thereafter onto the highway showing directional signs towards Cyberjaya. Thereafter via the Cyberjaya exit which naturally joins onto the B15 highway and thereafter onto Persiaran Multimedia and Jalan Teknokrat 5.
- Immediate surrounding properties : Surrounding the subject property are the offices of BMW, EDS, FUJITSU, DHL Express, HSBC and the headquarters of MSC. Other office developments in the vicinity include Ericsson, Wisma Shell Malaysia as well as the MCMC. Cyberview Lodge is located to the east of the subject property.

3. SUMMARY INFORMATION (Cont'd)

Category of land use	:	Building
Year of completion	:	2005
Tenure	:	Term in perpetuity
Existing use	:	Commercial building
Provisional land area	:	0.623 hectares (6,230 square metres) as at the date of valuation of 24 February 2006
Surveyed land area	:	6,229 square metres (based on private search as at 14 November 2006)
Net lettable area and number of car parks (as per Agreement to Lease dated 19 October 2005)	:	99,183 sq ft/ 298 covered car parks and 11 uncovered car parks
Purchase price	:	RM57,000,000
Appraised value	:	RM57,700,000
Date of valuation	:	24 February 2006. Quill Building 4 – DHL 2 shall be revalued at least once every three (3) years, or at such other times as required under the REITs Guidelines.
Encumbrances and other endorsement (based on private search as at 14 November 2006)	:	Charged to EON Bank Berhad via Presentation Number: 44129/2005, registered on 27 June 2005. It is intended for the above existing charge to be discharged and thereafter this property is to be charged to the security agent of the CP/MTN Programme to secure the CP/MTN Programme.
Restriction in interest	:	The land cannot be transferred, leased or charged without the permission of the state governing authority.
Other conditions imposed	:	Majlis Perbandaran Sepang has set out a condition in its letter dated 28 September 2005 that Lot No. PT 12074 (presently Lot 32989) and Lot No. PT 12075 (presently Lot 32990) are required to be amalgamated (“Amalgamation”). The Conditional SPA for the acquisition of Quill Building 4 – DHL 2 provides that QPSB shall take the necessary steps for the application of approval to the relevant authority for the Amalgamation provided always that the application process for the Amalgamation must be submitted within six (6) months from the completion date of the Conditional SPA for the acquisition of Quill Building 4 – DHL 2.

For further details of Quill Building 4 - DHL 2, kindly refer to Section 7.3.4 of this Prospectus.

3. SUMMARY INFORMATION (Cont'd)

3.3 Financial Information

3.3.1 Financial Highlights

QCT is a newly established fund. Save for the Subject Properties, QCT has not had any portfolio of real estate since its establishment. The summary of the pro forma financial data of QCT comprising the Subject Properties for four (4) FYEs from 31 December 2002 to 31 December 2005 and for eight (8) months ended 31 August 2006 as set out below are based on the information extracted from the audited financial statements and accounting records of the Vendors which owned the Subject Properties at that point in time.

The information below is prepared based on the Vendors' representation that the revenue and expenses are directly related to the operations of the Subject Properties.

	<-----FYE 31 December ----->				Eight (8) months ended 31 August 2006
	2002 RM	2003 RM	2004 RM	2005 RM	RM
Rental revenue ⁽¹⁾	3,024,335	5,225,684	12,582,709	14,305,718	13,374,548
Total expenses ⁽²⁾	(320,037)	(173,781)	(901,667)	(2,151,879)	(1,375,239)
Net property income	2,704,298	5,051,903	11,681,042	12,153,839	11,999,309

Notes:

(1) *Tenancy commencement dates of the Subject Properties are as follows:*

<i>Subject Property</i>	<i>Tenancy Commencement Date(s)</i>
<i>Quill Building 1 - DHL 1</i>	<i>1 April 2002</i>
<i>Quill Building 2 - HSBC</i>	<i>10 November 2003</i>
<i>Quill Building 3 - BMW*</i>	<i>1 December 2004, 25 October 2005, 27 March 2006, 1 July 2006 and 1 September 2006</i>
<i>Quill Building 4 - DHL 2</i>	<i>1 January 2006</i>

* *Tenancy commencement of various tenants.*

(2) *The total expenses include repair and maintenance, utility charges, quit rent and assessment and others.*

The above expenses are directly related to the operations of the Subject Properties. In view that QCT was established in Malaysia under the Deed, the net property income does not include the expenses specifically incurred by a REIT, e.g. trustee fees and property management fees etc.

Please refer to Section 9 of this Prospectus for further details on the financial information of QCT.

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

3. SUMMARY INFORMATION (Cont'd)

3.3.2 Pro Forma Consolidated Balance Sheets of QCT

The following is a summary of the pro forma consolidated balance sheets of QCT as at the date of establishment of QCT prepared for illustrative purpose only, to show the effects of the Acquisitions and the IPO.

	Pro Forma I As at date of establishment (unaudited) RM'000	Pro Forma II After Pro forma I and the Acquisitions RM'000	Pro Forma III After Pro forma II and the IPO RM'000
Non-Current Asset			
Investment properties	-	276,000	276,000
Current Asset			
Cash and bank balances	1	7,812	7,906
Current Liability			
Other payables	-	8,811	7,811
Net current asset/(liability)	1	(999)	95
	1	275,001	276,095
Financed by:			
Units	1	186,001	187,095
Unitholders' funds	1	186,001	187,095
Long Term Liability			
Borrowings	-	89,000	89,000
	1	275,001	276,095
NAV	1	186,001	187,095
No. of Units in issue ('000)	1	232,501	238,691
NAV per Unit (RM)	0.80	0.80	0.78

Please refer to Section 9.8 of this Prospectus for further details on the pro forma consolidated balance sheets of QCT as well as Reporting Accountants' letter thereon.

QCT via powers vested in Trustee through its wholly-owned special purpose vehicle GCSB, has set up a seven (7) year RM118,000,000 CP/MTN Programme to raise debt funding from the PDS market. All funds raised by the special purpose vehicle would be on-lent to QCT for the Acquisitions and the acquisition of other real estate and/or single purpose companies. Please refer to Section 4.5 of this Prospectus for further details on borrowings.

3. SUMMARY INFORMATION *(Cont'd)*

3.3.3 Highlights of the Consolidated Profit Estimate, Forecast And Projections of QCT

The summary of the consolidated profit estimate for FYE 31 December 2006, forecast for FYE 31 December 2007 as well as projections for FYEs 31 December 2008 and 31 December 2009 of QCT are set out below:

	Estimate [^] FYE 31 December 2006 RM'000	Forecast FYE 31 December 2007 RM'000	<----- Projections ----->	
			FYE 31 December 2008 RM'000	FYE 31 December 2009 RM'000
Gross revenue	1,971	23,845	24,309	25,578
Property operating expenses	(293)	(3,678)	(3,752)	(3,953)
Net property income	1,678	20,167	20,557	21,625
Interest income	23	277	281	286
Net investment income	1,701	20,444	20,838	21,911
Manager's fees	(99)	(1,208)	(1,335)	(1,851)
Trust expenses	(64)	(304)	(319)	(357)
Valuer's fees	-	-	-	(160)
Borrowing costs	(365)	(4,610)	(4,863)	(4,868)
	(528)	(6,122)	(6,517)	(7,236)
Profit before taxation	1,173	14,322	14,321	14,675
Taxation	-	-	-	-
Profit after taxation	1,173	14,322	14,321	14,675

Note:

[^] Estimate period from 1 December to 31 December 2006.

Please refer to Section 9 of this Prospectus for further details on the consolidated profit estimate, forecast and projections, Reporting Accountants' letter on the consolidated profit estimate, forecast and projections as well as the principal bases and assumptions upon which the consolidated profit estimate, forecast and projections of QCT are made.

3. SUMMARY INFORMATION *(Cont'd)*

3.3.4 Distribution Estimate, Forecast and Projections

Barring any unforeseen circumstances, it is our intention to distribute 100% of the distributable income of QCT for FYEs 31 December 2006 to FYE 31 December 2008. Thereafter, we intend to distribute at least 90% of the distributable income for the relevant financial year or such other percentage and at such intervals as determined by us at our discretion. Based on the consolidated profit estimate, forecast and projections of QCT, our Board forecasts and projects that the distributions to Unitholders for the estimate period ending 31 December 2006 and the three (3) FYEs from 31 December 2007 to 31 December 2009 as follows:

	<----- FYE 31 December ----->			
	2006**	2007	2008	2009^
Distribution to Unitholders (RM'000)	1,173	14,322	14,321	14,675
Distribution per Unit (sen)	0.49	6.00	6.00	6.15
Distribution yield based on the Retail Price of RM 0.84 per Unit (%)	7.00*	7.14	7.14	7.32

Notes:

* Annualised for comparative purposes.

** Estimate period from 1 December to 31 December 2006.

^ For the FYE 31 December 2009, it is assumed that 100% of the distributable income is distributed to the Unitholders.

The distributable income is based on the estimated and projected consolidated earnings before taxation over the estimate period ending 31 December 2006 and the three (3) FYEs from 31 December 2007 to 31 December 2009 respectively. Although we have estimated a distribution of 0.49 sen in respect of FYE 2006 assuming an estimate period from 1 December to 31 December 2006, the actual amount distributed will be adjusted based on the actual number of days from the date of full payment for the Subject Properties to 31 December 2006.

The estimated and projected distribution yields stated in the table above are calculated using the Retail Price. Such yields will vary accordingly for investors who purchase Units in the secondary market at a market price that differs from the Retail Price. In no circumstances should the inclusion of the Retail Price in the distribution projections be regarded as a representation, warranty or prediction with respect to the market price of the Units upon or following their listing on Bursa Securities.

3.4 Fees And Charges

There are fees and charges involved and investors are advised to consider the fees and charges before investing in QCT.

A summary of the fees and charges that you may incur is shown below:

3.4.1 Fees Incurred on Investing in the Fund

Annual Management Fee	
(a) Base fee	0.4% per annum of the GAV, accruing daily and payable to us monthly in arrears.
(b) Performance Fee	3% per annum of the net investment income, payable semi-annually in arrears. However, for the period from the date of Listing to 31 December 2010, performance fee is payable in full or in part subject to Fund achieving a minimum annualised distributable income per Unit of 6 sen (after deducting the Annual Management Fee).

3. SUMMARY INFORMATION (Cont'd)

Acquisition Fee	1% of the acquisition value of any asset (other than the Subject Properties) being Authorised Investments purchased by the Trustee for QCT.
Divestment Fee	0.5% of the disposal value of any asset divested by the Trustee for QCT.
Annual Property Management Fee	<p>The Property Manager shall be entitled to a total property management fee calculated in accordance with the VAEA Act as follows:</p> <ul style="list-style-type: none"> • 5.0% per annum of the gross annual rental income on the first RM30,000; • 3.0% per annum of the gross annual rental income on the residue up to RM100,000; and • 2.0% per annum of the gross annual rental income on the residue over RM100,000. <p>with permissible discount, reimbursable site staff cost and government service tax. The total property management fee inclusive of permissible discount and reimbursable site staff cost is subject to review upon renewal.</p> <p>The Property Management Fee is payable monthly in arrears.</p>
Annual Trustee Fee	<p>1st and 2nd year: 0.021% per annum of the GAV, payable monthly in arrears; and</p> <p>3rd year onwards: First RM2.5 billion of GAV at 0.03% per annum of the GAV, payable monthly in arrears and thereafter at 0.02% of GAV, payable monthly in arrears.</p> <p>The trustee fee may be varied upwards up to a maximum of 0.05% per annum ("Maximum Limit") of the GAV with the written consent of the Manager only. Any other upward variation exceeding the Maximum Limit requires the prior approval of the Unitholders at a duly convened meeting, by way of a resolution passed by a majority consisting of not less than two-thirds of all Unitholders.</p>
Other Fund Expenses	<ul style="list-style-type: none"> • Auditor's fee; • Valuation fee; • Other relevant professional fees; • Interest expense; • Printing, posting and general expenses; and • All other expenses related to the Fund

3.4.2 Charges Imposed on Sale and Purchase of Units

Save for the usual costs related to the trading of Units on Bursa Securities, eg. brokerage, clearing fee and stamp duty, currently there are no other charges imposed for the sale or purchase of Units.

Further information on the charges you may incur from the trading of Units on Bursa Securities may be found on Bursa Securities website at www.bursamalaysia.com.

3. SUMMARY INFORMATION *(Cont'd)*

3.5 Information On QCM's Shareholders

QCM has three shareholders namely, QRH, CR and Coast Capital Sdn Bhd.

We believe Unitholders will benefit from the combined strengths and experience of two of our major shareholders, namely:

- QRH, one of the companies within the Quill Group of Companies which has a proven track record of marketing, designing, and building built-to-suit business park and commercial properties for MNCs in Cyberjaya and other parts of Kuala Lumpur; and
- CR, a wholly owned subsidiary of CFL, which has extensive experience in the management of Asian REITs and private equity funds.

Quill Group of Companies is a multi-disciplinary design-led property and construction group with an established track record in designing, constructing and leasing custom-built buildings for multinational and Malaysian companies within the MSC in Cyberjaya, particularly in the integration of tenants' specifications on information technology and mechanical and electrical engineering into buildings such as data centres, call centres and business process outsourcing centres. Quill Group of Companies is supported by an experienced in-house team of architects, engineers, space planners, builders and interior designers.

CR is a direct wholly-owned subsidiary of CFL, which in turn is a wholly-owned subsidiary of CapitaLand Limited - one of Singapore's largest listed property companies. CFL has extensive experience in the origination, structuring, distribution and management of REITs and property funds in Asia. Since pioneering the first Singaporean REIT – CapitaMall Trust, in 2002, CapitaLand Limited and/or its subsidiaries now manages three (3) Singapore REITs (i.e. CapitaMall Trust, CapitaCommercial Trust and Ascott Residence Trust) and ten (10) unlisted property funds with total assets under management amounting to more than S\$11.0 billion.

In order to align their interests with Unitholders, our shareholders have offered the right of first refusal to the Fund for five (5) years from the date of Listing to purchase any Commercial Building proposed to be disposed or purchased by our shareholders, their respective Related Corporations and/or any First Refusal Parties. For details of the right of first refusal, please refer to Section 18.2.2 of this Prospectus.

Following the IPO, the major Unitholders of QCT, namely the Vendors who form part of the Quill Group of Companies and CCID and/or its nominees will each hold 71,608,000 Units. The said Unitholders have agreed to a 180-day lock-up period commencing from and including the date of Listing in respect of the Units. In the event of a permitted transfer or distribution of the Units to the shareholders of the Vendors, the Vendors shall ensure and procure that their permitted transferee or shareholders agree to be bound by the above lock-up for its remaining period.

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK
--

3. SUMMARY INFORMATION (Cont'd)

3.6 Unitholdings Of The Substantial Unitholders, Our Directors And Our Key Management In QCT

Prior to the date of this Prospectus, there were 232,501,000 Units issued whereby 1,000 Units were issued and held by us as promoter units and 232,500,000 Units were issued pursuant to the Acquisitions. The 1,000 Units will be disposed by us on the Market Day immediately following the Listing.

The Unitholdings of the substantial Unitholders, our Directors and our key management after the IPO are presented in the table below:

	Before The IPO				After The IPO			
	Direct		Indirect*		Direct		Indirect*	
	No. of Units '000	%	No. of Units '000	%	No. of Units '000	%	No. of Units '000	%
Substantial Unitholders:-								
QPSB	91,375 [^]	39.30	-	-	28,142	11.79	-	-
QLSB	96,875 [^]	41.67	-	-	29,837	12.50	-	-
QESB	44,250 [^]	19.03	-	-	13,629	5.71	-	-
CCID and/or its nominees	-	-	-	-	71,608	30.00	-	-
CapitaLand Limited	-	-	-	-	-	-	71,608 ⁽¹⁾	30.00
DBS Nominees Pte. Ltd.	-	-	-	-	-	-	71,608 ⁽²⁾	30.00
Temasek Holdings (Private) Limited	-	-	-	-	-	-	71,608 ⁽²⁾	30.00
Ministry of Finance (Incorporated), Singapore	-	-	-	-	-	-	71,608 ⁽²⁾	30.00
Directors: -								
Tan Sri Datuk Dr Ahmad Tajuddin Bin Ali	-	-	-	-	50 [@]	#	-	-
Dato' Low Moi Ing	-	-	232,500 ⁽³⁾	100.00	50 [@]	#	71,608 ⁽³⁾	30.00
Dato' Michael Ong Leng Chun	-	-	232,500 ⁽⁴⁾	100.00	50 [@]	#	71,608 ⁽⁴⁾	30.00
Martin Tan Toh Tee	-	-	-	-	50 [@]	#	-	-
Chan Say Yeong	-	-	-	-	50 [@]	#	-	-
Datuk Hj Abdul Karim Bin Abu Bakar	-	-	-	-	50 [@]	#	-	-
Datuk Dr Mohamed Arif bin Nun	-	-	-	-	50 [@]	#	-	-
Aw Hong Boo	-	-	-	-	50 [@]	#	-	-

3. SUMMARY INFORMATION (Cont'd)

	----- Before The IPO ----->				----- After The IPO ----->			
	<----- Direct ----->		<----- Indirect* ----->		<----- Direct ----->		<----- Indirect* ----->	
	No. of Units '000	%	No. of Units '000	%	No. of Units '000	%	No. of Units '000	%
Key personnel: -								
Corinne Tan Lean Heoh	-	-	-	-	3 [@]	#	-	-
Yong Su-Lin	-	-	-	-	3 [@]	#	-	-

Notes: -

* For illustrative purposes, the deemed interests are ascertained by extending the application of Section 6A(4) of the Act, to the Units.

^ Units held pursuant to the Acquisitions.

@ Based on the allocation of Units under the Pink Form Portion to eligible employees and Directors.

Negligible.

(1) Deemed interested by virtue of its direct substantial shareholdings in CCID.

(2) Deemed interested by virtue of its indirect substantial shareholdings in CCID.

(3) Deemed interested by virtue of her direct shareholdings in QPSB, QLSB and QESB.

(4) Deemed interested by virtue of his direct shareholdings in QPSB, QLSB and QESB.

3.7 Principal Statistics Relating To The IPO

	<u>Units</u>
Fund size approved by the SC	<u>238,691,000</u>
Units in circulation as at the date of this Prospectus 232,501,000 Units at RM0.80 each	232,501,000
To be issued pursuant to the Public Issue	6,190,000
Total Units upon Listing	<u>238,691,000</u>
To be offered pursuant to the Offer for Sale	89,284,000
To be offered pursuant to the Restricted Offer for Sale	71,608,000
Pro forma NAV per Unit upon Listing	RM0.78*

Note:

* The pro forma NAV of approximately RM187,095,000 upon Listing.

There is only one class of Units in QCT. The Issue Units, provided that application monies are paid in full, will rank pari passu in all respects with the other existing Units and the Issue Units will be entitled to all distributions that may be declared subsequent to the date of this Prospectus.

For further details on the IPO, please refer to Section 4.3 of this Prospectus.

3. SUMMARY INFORMATION *(Cont'd)*

3.7.1 Utilisation of Proceeds

Assuming the Offer Units and Restricted Offer for Sale Units are subscribed at RM0.84 (being the Retail Price), the Restricted Offer for Sale and Offer for Sale will raise gross proceeds of RM135,149,280. This amount shall accrue to the Offerors only and QCT would receive no part of the proceeds. The Offerors shall bear all expenses such as brokerage relating to the Units offered under the Public Offer and underwriting commission relating to the Units offered under the Offer for Sale.

The Public Issue is expected to raise gross proceeds of approximately RM5,200,000 (based on the Retail Price) which shall accrue to QCT. We intend to utilise the proceeds in the following manner:

	Utilisation of Proceeds (RM'000)	Timeframe for utilisation from date of receipt of proceeds
Estimated listing expenses ⁽¹⁾		
- Fees to authorities	300	Immediate
- Professional fees ⁽²⁾	2,150	Immediate
- Underwriting and brokerage fees	156	Immediate
- Printing, advertising and other miscellaneous expenses	1,500	Immediate
- Working capital	94	Within 12 months
Estimated expenses for the CP/MTN Programme ⁽³⁾	1,000	Immediate
Total	5,200	

Notes:

- (1) Any unutilised amount shall be used for working capital purposes of QCT. Any shortfall will be met from proceeds set aside for working capital purposes.
- (2) Includes fees to the Issuing House, Adviser, reporting accountant, solicitors and other professional advisers.
- (3) If the actual expenses for the CP/MTN Programme is less than this estimated amount, the excess cash would be used by QCT for working capital purposes.

For further details on the utilisation of proceeds please refer to Section 4.7 of this Prospectus.

3.7.2 Information on the IPO

IPO

The IPO comprises:

(i) Public Issue

QCT shall undertake a public issue of 6,190,000 new Units representing approximately 2.59% of the total size of QCT for subscription by Malaysian Public (of which at least 30% will be set aside for Bumiputera individuals, companies, societies, co-operatives and institutions) at the Retail Price.

(ii) Restricted Offer for Sale

The Offerors shall undertake a restricted offer for sale of 71,608,000 Units, representing 30.00% of the total size of QCT to CCID and/or its nominees at an issue price equivalent to the Institutional Price.

(iii) Offer for Sale

The Offerors shall undertake an offer for sale of 89,284,000 Units to the following:

3. SUMMARY INFORMATION *(Cont'd)*

- (a) 4,900,000 Units, representing approximately 2.05% of the total size of QCT to the Malaysian Public at the Retail Price;
- (b) 1,000,000 Units, representing approximately 0.42% of the total size of QCT to the eligible employees, Directors and business associates of QCM and the Quill Group of Companies for subscription at the Retail Price; and
- (c) 83,384,000 Units, representing approximately 34.93% of the total size of QCT to selected institutional investors at the Institutional Price.

Minimum Subscription There is no minimum subscription to be raised from the IPO. Completion of the Retail Offering and the Institutional Offering are inter-conditional.

Clawback and Reallocation The allocation of IPO Units between the Retail Offering and the Institutional Tranche is subject to adjustment. For instance, in the event that the Retail Offering is under-subscribed and the Institutional Tranche is over-subscribed, the IPO Units may be clawed back from the Retail Offering and reallocated to the Institutional Tranche.

The clawback and reallocation shall not apply in the event of an over-subscription in the Retail Offering and an under subscription in the Institutional Tranche save for a situation where it is necessary in order to meet the required minimum public shareholding spread.

Retail Price RM0.84 per Unit

(The Final Retail Price will be determined after the Institutional Price is fixed and shall be the lower of the Retail Price or 95% of the Institutional Price. In the event that the Final Retail Price is lower than the Retail Price, a refund of the difference will be made without any interest thereon.)

Institutional Price To be determined via a bookbuilding process.

3.8 Risk Factors

An investment in the IPO Units to be listed on the Main Board of Bursa Securities involves a certain degree of risk. You should carefully consider the following summary of risk factors (which may not be exhaustive) in addition to the other information contained elsewhere in this Prospectus before applying for the Units. If necessary, you should consult your own professional advisers as to the legal, business, financial, tax and related aspects of holding and owning the Units.

3.8.1 Risks relating to QCT's operations

- Economic, political and regulatory risks;
- Conflicts relating to the acquisitions from the Vendors;
- Potential conflicts of interest and potential competition between QCT and Quill Group of Companies;
- Potential conflict of interest between ourselves and the CapitaLand Limited/CFL Group;
- Risks associated with borrowings, CP/MTN Programme and interest rates;
- Limitations on borrowings;
- Operating history;
- Dependence on key personnel;
- Investment policies of QCT may change;
- We may not be able to successfully implement our investment strategy; and
- Illiquidity of investment in property.

3. SUMMARY INFORMATION (Cont'd)

3.8.2 Risks relating to Real Estate Assets

- Location of the Subject Properties;
- Dependence on tenant in a single-tenanted building;
- Gross rental income and the value of the Subject Properties may be affected by a number of factors;
- Increase in operating and other expenses;
- Adequacy of insurance coverage;
- Compulsory acquisition by the government;
- Non-registration of the transfer of the Subject Properties; and
- Subsequent disposal of the Subject Properties.

3.8.3 Risks relating to an investment in the Units

- Distributions to Unitholders will be subject to cash availability;
- No prior market for Units;
- No redemption of Units by us;
- Future dilution of the NAV of the Units;
- Failure or delay in the Listing of QCT;
- Effects of possible sale of a substantial number of Units by Vendors and/or CCID and/or its nominees;
- Taxation rules may change;
- Market price of Units after the IPO; and
- Consolidated profit and distribution estimate, forecast and projections and forward-looking statements.

For further details on the risk factors, please refer to Section 8 of this Prospectus.

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK
--

4. PARTICULARS OF THE IPO

4.1 Opening And Closing Of Application Lists

Applications will be accepted from 10.00 a.m. on 11 December 2006 and will remain open until 5.00 p.m. on 18 December 2006 or such period or periods as our Directors and/or the Offerors together with the Managing Underwriter at their absolute discretion may mutually decide. **Late applications will not be accepted.**

Should the closing date of the application for the Retail Offering and the Institutional Offering be extended, the dates for the price determination, balloting, allotment and Listing of QCT on the Main Board of Bursa Securities might be extended accordingly. Any changes to the application period will be notified to the public via an advertisement in a widely circulated daily Bahasa Malaysia and English newspaper.

	Tentative Dates
Opening date of the Retail Offering and the Institutional Offering	11 December 2006
Closing date of the Retail Offering	18 December 2006
Closing date of the Institutional Offering	18 December 2006
Price determination	18 December 2006
Balloting of applications for the Units issued/offered pursuant to the Public Issue and Retail Offering	20 December 2006
Allotment of Units to successful applicants	26 December 2006
Listing of QCT on the Main Board of Bursa Securities	8 January 2007

This timetable is tentative and is subject to changes which may be necessary to facilitate implementation procedures.

4.2 Total Issued Units

	<u>Units</u>
Fund size approved by the SC	238,691,000
Units in circulation as at the date of this Prospectus 232,501,000 Units at RM0.80 each	232,501,000
To be issued pursuant to the Public Issue	6,190,000
Total Units upon Listing	238,691,000
To be offered pursuant to the Offer for Sale	89,284,000
To be offered pursuant to the Restricted Offer for Sale	71,608,000
Pro forma NAV per upon Listing	RM0.78*

Note:

* The pro forma NAV of approximately RM187,095,000 upon Listing.

4. PARTICULARS OF THE IPO (Cont'd)

There is only one class of Units in QCT. The Issue Units, provided that full application monies are paid in full, will rank *pari passu* in all respects with the other existing Units and the Issue Units will be entitled to all distributions that may be declared subsequent to the date of this Prospectus.

At any meeting of Unitholders of the Fund, each Unitholder shall be entitled to vote in person or by proxy. On a show of hands, every person present who is a Unitholder or representative or proxy of a Unitholder, shall have one vote, whereas on a poll, every Unitholder present in person or by proxy shall have one vote for each Unit held by him. A proxy need not be a Unitholder. However, QCM and any party related to it shall not exercise their voting rights in any Unitholders' meeting, unless otherwise permitted by the SC and/or any other relevant authorities.

4.3 Details Of The IPO

4.3.1 The IPO is subject to the terms and conditions of this Prospectus, and upon acceptance, is expected to be allocated in the manner described below:

(a) **Public Issue**

QCT shall undertake a public issue of 6,190,000 Units representing approximately 2.59% of the total size of QCT for subscription by Malaysian Public (of which at least 30% will be set aside for Bumiputera individuals, companies, societies, co-operatives and institutions) at the Retail Price.

(b) **Restricted Offer for Sale**

The Offerors shall undertake a restricted offer for sale of 71,608,000 Units, representing 30.00% of the total size of QCT to CCID and/or its nominees at an issue price equivalent to the Institutional Price.

(c) **Offer for Sale**

The Offerors shall undertake an offer for sale of 89,284,000 Units to the following:

- (i) 4,900,000 Units representing approximately 2.05% of the total size of QCT, to the Malaysian Public (of which at least 30% will be set aside for Bumiputera individuals, companies, societies, co-operatives and institutions) at the Retail Price;
- (ii) 1,000,000 Units, representing approximately 0.42% of the total size of QCT to the eligible employees, Directors and business associates of QCM and Quill Group of Companies for subscription at the Retail Price; and
- (iii) 83,384,000 Units, representing approximately 34.93% of the total size of QCT, to the selected institutional investors by way of bookbuilding process. The Institutional Price shall only be determined following the completion of the bookbuilding process.

There is no minimum subscription to be raised from the IPO. Completion of the Retail Offering and the Institutional Offering are inter-conditional. If the Retail Offering and the Institutional Offering are not completed, monies paid in respect of any application for the IPO Units will be returned to the applicants without interest.

Paragraph 8.03(1) of the REITs Guidelines requires *inter-alia*, that underwriting arrangements must be in place before the offering of units is made (for offerings to the general public and restricted issues/offers).

4. PARTICULARS OF THE IPO (Cont'd)

Notwithstanding the above, the SC has granted a waiver from having to comply with Paragraph 8.03(1) of the REIT Guidelines in respect of the Restricted Offer for Sale portion which will not be underwritten. An irrevocable undertaking dated 6 October 2006 has been obtained from CCID that it and/or its nominees will subscribe for the Restricted Offer for Sale Units.

Save as disclosed above, the IPO Units under the Institutional Tranche and the Retail Offering have been fully underwritten.

4.3.2 Further Details on the Retail Offering and the Institutional Tranche

A total of 83,384,000 Units will be available to selected investors under the Institutional Tranche and 12,090,000 Units will be offered to the Malaysian Public under the Retail Offering (subject, in each case, to reallocation on the basis described under Section 4.3.3 of this Prospectus).

Investors may apply for Units under the Retail Offering or indicate an interest for Units under the Institutional Tranche. Investors may only receive Units under either the Institutional Tranche or the Retail Offering. The Retail Offering is available for application by the Malaysian Public. The Institutional Tranche will involve the selective marketing of Units to selected investors anticipated to have a sizeable demand for such Units. Selected investors for the Institutional Tranche generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares, units and other securities, and corporate entities which regularly invest in shares, units and other securities.

As part of the Institutional Tranche process, prospective professional, institutional and other selected investors will be required to specify the number of IPO Units they would be prepared to acquire under the Institutional Tranche either at different prices or at a particular price. This process, known as "bookbuilding", is expected to continue up to the closing date of the Institutional Offering.

Allocation of the IPO Units pursuant to the Institutional Tranche will be determined by the Sole Bookrunner and us and will be based on a number of factors including the level and timing of demand, total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investors are likely to buy further, and/or hold or sell, its IPO Units after the Listing. Such allocation is intended to result in a distribution of the Units in the Institutional Tranche on a basis which would lead to the establishment of a Unitholder base that will benefit QCT and the Unitholders as a whole.

Allocation of IPO Units to applicants under the Public Issue and the Public Offer will be based solely on the level of valid applications received under the Public Issue and the Public Offer. The basis of allocation may vary, depending on the number of IPO Units validly applied for, but, subject to that, will be made on balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of the IPO Units, and those applicants who are not successful in the ballot may not receive any IPO Units.

Please refer to Section 21 of this Prospectus on the procedures for application and acceptance for the IPO Units under the Public Issue and the Public Offer.

Selected investors who express interest for the IPO Units under the Institutional Tranche should comply with the procedures set out in accordance with the separate instructions specified by the Sole Bookrunner.

The Retail Offering and the Institutional Tranche are both fully underwritten and the salient details of which are set out under Section 4.9 of this Prospectus. Further, Aseambankers as the Managing Underwriter has entered into a sub-underwriting arrangement with Alliance Investment Bank Berhad for up to 30% of the Retail Offering.

4. PARTICULARS OF THE IPO (Cont'd)

4.3.3 Clawback and Reallocation

The allocation of IPO Units between the Retail Offering and the Institutional Tranche is subject to adjustment. For instance, in the event that the Retail Offering is under-subscribed and the Institutional Tranche is over-subscribed, the IPO Units may be clawed back from the Retail Offering and reallocated to the Institutional Tranche at the Institutional Price.

However, the clawback and reallocation shall not apply in the event of an over-subscription in the Retail Offering and an under-subscription of the Institutional Tranche save for a situation where it is necessary in order to meet the required minimum public shareholding spread.

4.3.4 Basis of Arriving at the Institutional Price and the Final Retail Price

Upon application, you are required to pay the Retail Price. The Retail Price was determined by us based on recommendation by the Managing Underwriter. The Retail Price is subject to the Final Retail Price.

The Final Retail Price will be determined after the Institutional Price is fixed on the price determination date, which is expected to be on or about 18 December 2006 ("Price Determination Date"), and will be the **lower of**:

- (a) the Retail Price of RM0.84 per Unit; or
- (b) 95% of the Institutional Price, subject to rounding adjustment.

The Institutional Price will be determined by us in consultation with the Sole Bookrunner on the Price Determination Date. The Institutional Price will be determined using a process known as "bookbuilding" in which prospective investors will be invited to bid for the Institutional Tranche by specifying the number of Units they would be prepared to acquire at different prices. Among the factors that will be taken into consideration in determining the Institutional Price are the allocation criteria for the IPO Units under the Institutional Tranche, the demand for Units and the prevailing market conditions.

You should be aware that the Final Retail Price will not in any event be greater than the Retail Price of RM0.84 per Unit. If your application is successful and the Final Retail Price is lower than the Retail Price, a refund of the difference will be made without any interest. The refund in the form of a cheque will be despatched to successful applicants through ordinary mail to the addresses of successful applicants as stated in the record of Bursa Depository within ten (10) Market Days from the final ballot of the applications at the successful applicants' own risk. In addition, you will also be given a written notice of the Final Retail Price and the Institutional Price together with your notice of allotment.

The Final Retail Price and the Institutional Price will be published in a widely circulated English daily newspaper in Malaysia within two (2) Market Days after the Price Determination Date.

4.4 The Listing Scheme

In conjunction with, and as an integral part of the Listing, we undertook the listing scheme, as follow:

(i) Acquisitions

On 17 October 2006, Mayban Trustees (as the Trustee) entered into the Conditional SPAs with the Vendors for the acquisitions of the Subject Properties from the Vendors for a total consideration of RM276,000,000.

4. PARTICULARS OF THE IPO (Cont'd)

The details of the Acquisitions are as follows:

Subject Properties	Market Value RM	Purchase Consideration RM	Satisfied By	
			Issuance of New Units at RM0.80 per Unit RM	Cash Consideration RM
(a) Quill Building 1 - DHL 1	53,100,000	52,100,000	42,600,000	9,500,000
(b) Quill Building 2 - HSBC	109,000,000	107,500,000	77,500,000	30,000,000
(c) Quill Building 3 - BMW	60,200,000	59,400,000	35,400,000	24,000,000
(d) Quill Building 4 - DHL 2	57,700,000	57,000,000	30,500,000	26,500,000
	<u>280,000,000</u>	<u>276,000,000</u>	<u>186,000,000</u>	<u>90,000,000</u>

(ii) Public Issue

The public issue of 6,190,000 Units, representing approximately 2.59% of the total size of QCT, to the Malaysian Public (of which at least 30% is to be set aside strictly for Bumiputera individuals, companies, societies, co-operatives and institutions) at the Retail Price.

(iii) Restricted Offer for Sale

The Offerors shall undertake a restricted offer for sale of 71,608,000 Units, representing 30.00% of the total size of QCT to CCID and/or its nominees at an issue price equivalent to the Institutional Price.

(iv) Offer for Sale

The offer for sale by the Offerors of 89,284,000 Units to the following:

- 4,900,000 Units, representing approximately 2.05% of the total size of QCT to the Malaysian Public at the Retail Price;
- 1,000,000 Units, representing approximately 0.42% of the total size of QCT to the eligible employees, Directors and business associates of QCM and the Quill Group of Companies at the Retail Price; and
- 83,384,000 Units, representing approximately 34.93% of the total size of QCT to selected institutional investors at the Institutional Price.

(v) Listing

An application to Bursa Securities has been made for the listing and quotation of QCT on the Main Board of Bursa Securities. Approval-in-principle has been obtained from Bursa Securities on 31 October 2006 for the admission to the official list of Bursa Securities and the listing of the entire 238,691,000 Units on the Main Board of Bursa Securities. The board lot size for the Units upon Listing will be standardised at 100 Units per board lot.

4.5 Borrowings

QCT via powers vested in the Trustee through its wholly-owned special purpose vehicle, GCSB, established a seven (7) year RM118,000,000 CP/MTN Programme to raise debt funding from the PDS market. To facilitate the application to the SC for approval of the CP/MTN Programme, GCSB was incorporated on 3 August 2006 prior to the establishment of QCT with all its shareholdings held by the Trustee as the nominated trustee of QCT. All funds raised by the special purpose vehicle would be on-lent to QCT to part-finance its Acquisitions and the acquisition of other real estate and/or single purpose companies.

4. PARTICULARS OF THE IPO (Cont'd)

The CPs and the MTNs are rated by Malaysian Rating Corporation Bhd ("MARC") as follows:

- (i) Class A notes: RM87 million carrying a rating of MARC-1/AAA;
- (ii) Class B notes: RM16 million carrying a rating of MARC-1/AA; and
- (iii) Class C notes: RM15 million carrying a rating of MARC-1/A.

Upon Listing, QCT will have an initial borrowing of RM89,000,000 representing approximately 31.35% of its estimated total asset value of RM283,906,000.

The Manager may choose from time to time to issue CPs or MTNs to finance QCT's acquisitions. Currently, the average median indicative rates for similarly rated CPs are between 3.8% per annum to 4.5% per annum and that of MTNs are between 4% per annum to 5% per annum.

The CP/MTN Programme is secured by:

- (i) A legal charge by the Trustee over the Subject Properties;
- (ii) Debenture over all present and future assets of GCSB;
- (iii) An undertaking from the Manager:
 - a) to deposit all rental cash flows generated from the Subject Properties into the revenue accounts; and
 - b) that it shall not declare any dividends /distributions to Unitholders if
 - (i) an event of default has occurred; or
 - (ii) the financial covenants are not met;
- (iv) A legal charge or assignment over the revenue account, operations account and the debt service reserves account;
- (v) Assignment of all the proceeds under the tenancy /lease agreements in relation to the Subject Properties;
- (vi) Assignment over all rights and benefits under all the insurance policies in relation to the Subject Properties;
- (vii) An irrevocable Power of Attorney to be granted by the Trustee in favour of the security agent to dispose the Subject Properties;
- (viii) Assignment over the REIT Trustee Financing Agreement entered into between GCSB and the Trustee for the advancement of fund to acquire the Subject Properties; and
- (ix) A legal charge over 100% of the shares of GCSB.

The CPs and the MTNs are to be issued through private placements or tender by way of invitation, without the issuance of prospectus via Fully Automated System for Issuing / Tendering or the Real Time Electronic Transfer of Funds and Securities, whichever is applicable.

4.6 Purpose Of The IPO

The purpose of the IPO are as follows:

- (a) to obtain a listing of and quotation for the Units on the Main Board of Bursa Securities;
- (b) to gain access to capital markets in order to raise funds for future real estate acquisitions;
- (c) to provide you with an alternative investment instrument for real estate;
- (d) to provide you with distribution of income and potential capital appreciation on your investment in the Units; and
- (e) to further enhance the development of the real estate market in Malaysia through the listed Units.

4. PARTICULARS OF THE IPO (Cont'd)

4.7 Estimated Proceeds From The IPO

Assuming the IPO Units are subscribed at RM0.84 (being the Retail Price), the Restricted Offer for Sale and the Offer for Sale will raise gross proceeds of RM135,149,280. The Offerors shall bear all expenses such as brokerage relating to the Units offered under the Public Offer and underwriting commission relating to the Units offered under the Offer For Sale.

The Public Issue is expected to raise gross proceeds of approximately RM5,200,000 (based on the Retail Price) which shall accrue to QCT. We intend to utilise the proceeds in the following manner:

	Utilisation of Proceeds RM'000	Timeframe for Utilisation from Date of Receipt of Proceeds
Estimated listing expenses ⁽¹⁾		
- Fees to authorities	300	Immediate
- Professional fees ⁽²⁾	2,150	Immediate
- Underwriting and brokerage fees	156	Immediate
- Printing, advertising and other miscellaneous expenses	1,500	Immediate
- Working capital	94	Within 12 months
Estimated expenses for the CP/MTN Programme ⁽³⁾	1,000	Immediate
Total	5,200	

Notes:

- (1) Any unutilised amount shall be used for working capital purposes of QCT. Any shortfall will be met from proceeds set aside for working capital purposes.
- (2) Includes fees to the Issuing House, Adviser, reporting accountant, solicitors and other professional advisors.
- (3) If the actual expenses for the CP/MTN Programme is less than this estimated amount, the excess cash would be used by QCT for working capital purposes.

In the event that the Final Retail Price is lower than the Retail Price, there will be corresponding decrease in the provision for working capital requirement.

4.8 Brokerage And Commissions

(a) Brokerage

The Fund will bear brokerage relating to the 6,190,000 Issue Units made available for application by the Malaysian Public under the Public Issue at the rate of 1.0% of the Retail Price whereas the Offerors will bear brokerage in respect of the 4,900,000 Units made available for application by the Malaysian Public under the Public Offer, in respect of successful applications which bear the stamps of Ascambankers, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association or the Issuing House.

(b) Commissions

Pursuant to the Retail Underwriting Agreement, the Managing Underwriter has agreed to underwrite the Units under the Retail Offering at an underwriting commission and a managing underwriting commission of 0.70% and 0.30% respectively, based on the Retail Price for each Unit being underwritten.

4. PARTICULARS OF THE IPO (Cont'd)

QCT will bear the underwriting commission in respect of the Issue Units while the Offerors will bear the underwriting commission in respect of 5,900,000 Units under the Public Offer and the Pink Form Portion.

The Offerors will also bear the selling commission and other fees payable to the Sole Bookrunner based on a maximum fee of 1.95% of the Institutional Price for each Unit pursuant to the Institutional Offering, subject to clawback and reallocation as set out in Section 4.3.3 of this Prospectus. The Institutional Tranche is fully underwritten at an underwriting commission and a managing underwriting commission of 0.70% and 0.30% respectively, based on the price at RM0.89 for each Unit being underwritten.

4.9 Salient Terms Of The Retail And The Institutional Underwriting Agreements

Pursuant to the Retail Underwriting Agreement, the Managing Underwriter has agreed to underwrite 12,090,000 Units pursuant to the Retail Offering ("Retail Underwritten Units") subject to the clawback and reallocation for a managing underwriting fee of 0.30% of the total value of Retail Underwritten Units and an underwriting fee of 0.70% of the total value of Retail Underwritten Units.

In addition, pursuant to the Institutional Underwriting Agreement, the Managing Underwriter has agreed to underwrite 83,384,000 Units pursuant to the Institutional Tranche ("Institutional Underwritten Units") subject to the clawback and reallocation for a managing underwriting fee of 0.30% of the total value of Institutional Underwritten Units and an underwriting fee of 0.70% of the total value of Institutional Underwritten Units.

The following is an extract of the salient terms contained in the Retail Underwriting Agreement and Institutional Underwriting Agreement, inclusive of certain clauses which would allow the Managing Underwriter to withdraw from its obligations thereunder:-

(a) **Retail Underwriting Agreement**

1. Conditions Precedent

The obligations of the Managing Underwriter under the Retail Underwriting Agreement shall be conditional, inter alia, upon: -

- (i) Bursa Securities having agreed in principle to the Listing (and if such approvals will be conditional, all conditions being upon terms acceptable to the Managing Underwriter);
- (ii) the registration with the SC of the Prospectus and the submission to the SC of accompanying documents on or before the issue, circulation or distribution to the public;
- (iii) written confirmation from the Offerors and the Manager confirming that the Offerors and the Manager have, in relation to the Public Issue, Public Offer and Pink Form Portion under the Listing, complied with and are in compliance with all policies, guidelines and requirements of the relevant authorities of Malaysia within which such Units are offered and all revisions, amendments and/or supplements thereto; and
- (iv) the Prospectus has been issued not later than three (3) months from the date of the Retail Underwriting Agreement or such date as the Offerors, the Manager and the Managing Underwriter may agree in writing;

4. PARTICULARS OF THE IPO (Cont'd)

If any of the conditions precedent above is not satisfied on or before one (1) Market Day from the launching date of the Prospectus, the Managing Underwriter will thereupon be entitled but not bound to terminate the Retail Underwriting Agreement by notice in writing to the Offerors, the Manager and the Trustee. In such event, except for the liability of the Offerors and the Manager for payments of costs and expenses incurred prior to or in connection with such termination, the parties will be released and discharged from their obligations under the Retail Underwriting Agreement and it shall become null and void and of no further force and effect and none of the parties shall have a claim against the other PROVIDED THAT the Managing Underwriter may at its discretion waive compliance with the provisions of this clause without prejudice to the other Managing Underwriter's power, rights and remedies under the Retail Underwriting Agreement.

2. Termination By The Managing Underwriter If Adverse Changes And Consequence Thereof

Notwithstanding anything contained in the Retail Underwriting Agreement, the Managing Underwriter may by notice in writing to the Offerors, the Manager and the Trustee given at any time before the closing date (as defined in the Retail Underwriting Agreement) terminate, cancel and withdraw its underwriting commitment if: -

- (i) there is any breach by the Offerors, the Manager and the Trustee of any of the representations, warranties or undertakings contained in Clause 3 of the Retail Underwriting Agreement which would have a material adverse effect on the success of the Listing;
- (ii) the Offerors, the Manager, the Trustee and any person in connection therewith withhold or omit any information from the Managing Underwriter, which would have or can reasonably be expected to have a material adverse effect on business, operation, financial condition or prospect of QCT and the success of the Listing;
- (iii) there shall have occurred, happened or come into effect any event or series of events beyond the reasonable control of the Managing Underwriter by reason of force majeure which would have or can reasonably be expected to have, a material adverse effect on the success of the Listing or which is likely to have the effect of making any material obligation under the Retail Underwriting Agreement incapable of performance in accordance with its terms. "Force Majeure" means causes which are unpredictable and beyond the reasonable control of the party claiming force majeure which could not have been avoided or prevented by reasonable foresight, planning and implementation including: -
 - (a) war (whether war declared or not), acts of warfare, hostilities, invasion, incursion by armed force, act of hostile army, nation or enemy, civil war, hijacking, terrorism;
 - (b) riot, uprising against constituted authority, civil commotion, disorder, rebellion, organized armed resistance to the government, insurrection, revolt, military or usurped power; or
 - (c) natural catastrophe including but not limited to earthquakes, floods, fire, storm, lightning tempest, accident or other Acts of God,subject always to the mutual agreement of the parties;
- (iv) any government requisition or other occurrence of any nature whatsoever which in the opinion of the Managing Underwriter would or is likely to have a material and adverse effect on the success of the Listing subject always to the mutual agreement of the parties;

4. PARTICULARS OF THE IPO (Cont'd)

- (v) any change in national or international monetary, financial (including stock market conditions and interest rates), political or economic conditions or currency exchange rates as would in the reasonable opinion of the Managing Underwriter materially and adversely affect the success of the Listing (whether in the primary market or in respect of dealings in the secondary market) subject always to the mutual agreement of the parties;
- (vi) any change in law, regulation, directive, policy or ruling in any jurisdiction which in the reasonable opinion of the Managing Underwriter may prejudice the success of the Listing or which has or likely to have the effect of making any material obligation under agreement incapable of performance in accordance with its terms subject always to the mutual agreement of the parties;
- (vii) the REIT is not implemented for any reason whatsoever within twelve (12) months from the date of the approval of the SC being obtained;
- (viii) the Listing of QCT does not take place within eight (8) weeks from the date of the Prospectus;
- (ix) for any other reasons whatsoever the Managing Underwriter cannot proceed to tender the required services to the Offerors and QCT due to the loss or suspension of its licence;
- (x) the Deed is terminated or rescinded for any reason whatsoever; and
- (xi) for any change in the tax rulings that will have material adverse effect on the Listing.

Upon such notice of termination being given: -

- (i) the Managing Underwriter will be released and discharged from its obligations;
- (ii) the Managing Underwriter shall be entitled to recover from the Offerors and QCT the broken funding cost and all other costs and expenses incurred by the Managing Underwriter up to the date of such notice subject always to the indemnity in Clause 3.4 of the Retail Underwriting Agreement but the Managing Underwriter shall not be entitled to recover any further amounts from the Offerors and QCT by way of compensation of damages and shall have no further recourse or remedies against the Offerors and QCT;
- (iii) the Retail Underwriting Agreement will thereafter be of no further force or effect and no party will be under any liability to any other in respect of this agreement, except that the Offerors, the Manager and the Trustee will remain liable in respect of their respective obligations and liabilities under Clause 3 of the Retail Underwriting Agreement and for the payment of all costs and expenses already incurred by the Managing Underwriter up to the date on which such notice was given and for the payment of any taxes, duties or levies and the Offerors, the Manager and the Trustee shall refund to the Managing Underwriter the subscription monies, if any, paid by the Managing Underwriter pursuant to its subscription of the Retail Underwritten Units pursuant to Clause 8 of the Retail Underwriting Agreement.
- (iv) for avoidance of doubt, the Trustee's obligation is subject to Clause 3.7 of the Retail Underwriting Agreement.

Notwithstanding the Managing Underwriter's right to terminate the Retail Underwriting Agreement as conferred upon by Clause 5.1 of the Retail Underwriting Agreement, the Offerors, the Manager and the Trustee may amend the terms of the Retail Underwriting Agreement subject to the mutual agreement with the Managing Underwriter or enter into a new underwriting agreement accordingly. However, the Offerors, the Manager, the Trustee and the Managing Underwriter are not under any obligation whatsoever to enter into a fresh underwriting agreement.

4. PARTICULARS OF THE IPO (Cont'd)

3. Representations, Warranties And Undertakings By The Manager, The Offerors And The Trustee

The agreement of the Managing Underwriter to underwrite the Retail Underwritten Units is entered into on the basis of the several representations, warranties and undertakings of the Offerors, the Manager and the Trustee in the Retail Underwriting Agreement.

Without prejudice to the other rights and remedies of the Managing Underwriter, the Offerors and the Manager on the account of QCT in accordance with the Deed, hereby agree to (a) hold the Managing Underwriter fully and effectually indemnified against any losses, claims, damages or liabilities to which the Managing Underwriter may become subject to under any statute, at common law or otherwise; and (b) reimburse the Managing Underwriter for any legal or other expenses reasonably incurred in disputing or defending any claim or action whether or not resulting in any liability, insofar as such losses, claims, damages, liabilities or litigation arisen out of or based upon:-

- (i) any untrue or misleading statement or alleged untrue or misleading statement or material fact contained in the Prospectus;
- (ii) any omission or alleged omission to state therein a material fact required or necessary to be stated therein in order to make the statements therein in the light of the circumstances in which it was made not misleading;
- (iii) any misrepresentation or breach or alleged breach of any of the aforesaid representation, warranties or undertakings by the Offerors, the Manager and the Trustee; or
- (iv) any allegation that any party has acted in a manner that is misleading or deceptive or likely to mislead or deceive in connection with the Prospectus issued and/or the Listing,

SAVE AND EXCEPT for the loss or damages incurred in consequence of the negligence or wilful misconduct of the Managing Underwriter; and such indemnity shall extend to include all costs, charges and expenses which the Managing Underwriter may reasonably pay or incur in disputing or defending any claim or action or other proceeding in respect of which indemnity may be sought against the Offerors and the Manager on the account of QCT in accordance with the Deed.

(b) **Institutional Underwriting Agreement**

1. Conditions Precedent

The obligations of the Managing Underwriter under the Institutional Underwriting Agreement shall be conditional, inter alia, upon: -

- (i) Bursa Securities having agreed in principle to the Listing (and if such approvals will be conditional, all conditions being upon terms acceptable to the Managing Underwriter);
- (ii) the registration with the SC of the Prospectus and the submission to the SC of accompanying documents on or before the issue, circulation or distribution to the public;
- (iii) written confirmation from the Offerors confirming that the Offerors have in relation to the Institutional Tranche under the Listing complied with and are in compliance with all policies, guidelines and requirements of the relevant authorities of Malaysia within which such Units are offered and all revisions, amendments and/or supplements thereto; and

4. PARTICULARS OF THE IPO (Cont'd)

- (iv) the Prospectus has been issued not later than three (3) months from the date of the Institutional Underwriting Agreement or such date as the Offerors and the Managing Underwriter may agree in writing;

If any of the conditions precedent in Clause 4.1 of the Institutional Underwriting Agreement is not satisfied on or before one (1) Market Day from the launching date of the Prospectus, the Managing Underwriter will thereupon be entitled but not bound to terminate the Institutional Underwriting Agreement by notice in writing to the Offerors. In such event, except for the liability of the Offerors for payments of costs and expenses incurred prior to or in connection with such termination, the parties will be released and discharged from their obligations under the Institutional Underwriting Agreement and it shall become null and void and of no further force and effect and none of the parties shall have a claim against the other save for any antecedent breaches PROVIDED THAT the Managing Underwriter may at its discretion waive compliance with the provisions of this clause without prejudice to the Managing Underwriter's power, rights and remedies under the Institutional Underwriting Agreement.

2. Termination By The Managing Underwriter If Adverse Changes And Consequence Thereof

Notwithstanding anything contained in the Institutional Underwriting Agreement, the Managing Underwriter may by notice in writing to the Offerors given at any time before the closing date (as defined in the Institutional Underwriting Agreement) terminate, cancel and withdraw its underwriting commitment if: -

- (i) there is any breach by the Offerors of any of the representations, warranties or undertakings contained in Clause 3 of the Institutional Underwriting Agreement;
- (ii) the Offerors and any person in connection therewith withhold or omit any information from the Managing Underwriter which would have or can reasonably be expected to have a material adverse effect on the business, operation, financial condition or prospect of QCT and the success of the Listing;
- (iii) there shall have occurred, happened or come into effect any event or series of events beyond the reasonable control of the Managing Underwriter by reason of force majeure which would have or can reasonably be expected to have a material adverse effect on the success of the Listing or which is likely to have the effect of making any material obligation under the Institutional Underwriting Agreement incapable of performance in accordance with its terms. "Force Majeure" means causes which are unpredictable and beyond the reasonable control of the party claiming force majeure which could not have been avoided or prevented by reasonable foresight, planning and implementation including: -
 - (a) war (whether war declared or not), acts of warfare, hostilities, invasion, incursion by armed force, act of hostile army, nation or enemy, civil war, hijacking, terrorism;
 - (b) riot, uprising against constituted authority, civil commotion, disorder, rebellion, organized armed resistance to the government, insurrection, revolt, military or usurped power; or
 - (c) natural catastrophe including but not limited to earthquakes, floods, fire, storm, lightning tempest, accident or other Acts of God,subject always to the mutual agreement of the parties;
- (iv) any government requisition or other occurrence of any nature whatsoever which in the opinion of the Managing Underwriter would or is likely to have a material and adverse effect on the success of the Listing subject always to the mutual agreement of the parties;

4. PARTICULARS OF THE IPO (Cont'd)

- (v) any change in national or international monetary, financial (including stock market conditions and interest rates), political or economic conditions or currency exchange rates as would in the reasonable opinion of the Managing Underwriter materially and adversely affect the success of the Listing (whether in the primary market or in respect of dealings in the secondary market) subject always to the mutual agreement of the parties;
- (vi) any change in law, regulation, directive, policy or ruling in any jurisdiction which in the reasonable opinion of the Managing Underwriter may prejudice the success of the Listing or which has or likely to have the effect of making any material obligation under agreement incapable of performance in accordance with its terms subject always to the mutual agreement of the parties;
- (vii) the REIT is not implemented for any reason whatsoever within twelve (12) months from the date of the approval of the SC being obtained;
- (viii) the Listing of QCT does not take place within eight (8) weeks from the date of the Prospectus;
- (ix) the Managing Underwriter cannot proceed to tender the required services to the Offers and QCT due to the loss or suspension of its licence;
- (x) the Deed is terminated or rescinded for any reason whatsoever; and
- (xi) for any change in the tax rulings that will have material adverse effect on the Listing.

Upon such notice of termination being given: -

- (i) the Managing Underwriter will be released and discharged from its obligations;
- (ii) the Managing Underwriter shall be entitled to recover from the Offerors the Broken Funding Cost (as defined in the Institutional Underwriting Agreement) and all other costs and expenses incurred by the Managing Underwriter up to the date of such notice subject always to the indemnity in Clause 3.2 of the Institutional Underwriting Agreement but the Managing Underwriter shall not be entitled to recover any further amounts from the Offerors by way of compensation of damages and shall have no further recourse or remedies against the Offerors; and
- (iii) the Institutional Underwriting Agreement will thereafter be of no further force or effect and no party will be under any liability to any other in respect of the Institutional Underwriting Agreement, except that the Offerors will remain liable in respect of their respective obligations and liabilities under Clause 3 of the Institutional Underwriting Agreement and for the payment of all costs and expenses already incurred by the Managing Underwriter up to the date on which such notice was given and for the payment of any taxes, duties or levies and the Offerors shall refund to the Managing Underwriter the subscription monies, if any, paid by the Managing Underwriter pursuant to its subscription of the Institutional Underwritten Units pursuant to Clause 8 of the Institutional Underwriting Agreement.

Notwithstanding the Managing Underwriter's right to terminate the Institutional Underwriting Agreement as conferred upon by Clause 5.1 of the Institutional Underwriting Agreement, the Offerors may amend the terms of the Institutional Underwriting Agreement subject to the mutual agreement with the Managing Underwriter or enter into a new underwriting agreement accordingly. However, the Offerors and the Managing Underwriter are not under any obligation whatsoever to enter into a fresh underwriting agreement.

4. PARTICULARS OF THE IPO (Cont'd)

3. Representations, Warranties And Undertakings By The Offerors

The agreement of the Managing Underwriter to underwrite the Institutional Underwritten Units is entered into on the basis of the several representations, warranties and undertakings of the Offerors in the Institutional Underwriting Agreement.

Without prejudice to the other rights and remedies of the Managing Underwriter, the Offerors hereby agree to (a) hold the Managing Underwriter fully and effectually indemnified against any losses, claims, damages or liabilities to which the Managing Underwriter may become subject to under any statute, at common law or otherwise; and (b) reimburse the Managing Underwriter for any legal or other expenses (including the cost of any investigation and preparation) reasonably incurred in disputing or defending any claim or action whether or not resulting in any liability, insofar as such losses, claims, damages, liabilities or litigation arisen out of or based upon:-

- (i) any untrue or misleading statement or alleged untrue or misleading statement or material fact contained in the Prospectus;
- (ii) any omission or alleged omission to state therein a material fact required or necessary to be stated therein in order to make the statements therein in the light of the circumstances in which it was made not misleading;
- (iii) any misrepresentation or breach or alleged breach of any of the aforesaid representation, warranties or undertakings by the Offerors; or
- (iv) any allegation that any party has acted in a manner that is misleading or deceptive or likely to mislead or deceive in connection with the Prospectus issued and/or the Listing,

SAVE AND EXCEPT for the loss or damages incurred in consequence of the negligence or wilful misconduct of the Managing Underwriter; and such indemnity shall extend to include all costs, charges and expenses which the Managing Underwriter may reasonably pay or incur in disputing or defending any claim or action or other proceeding in respect of which indemnity may be sought against the Offerors.

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK
--

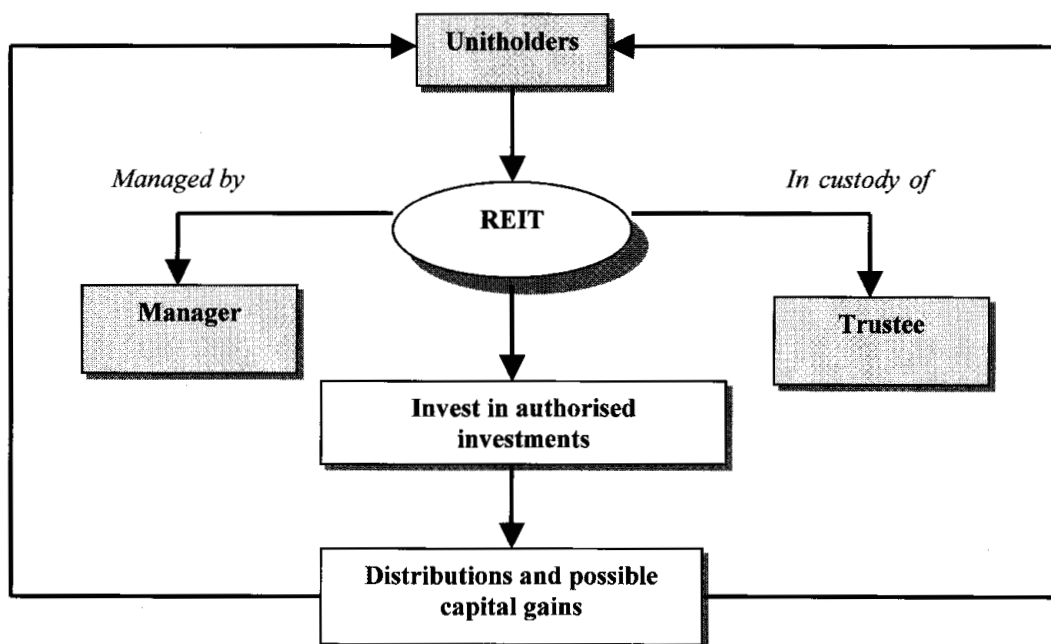
5. INTRODUCTION TO REITs

THIS SECTION OF THE PROSPECTUS REPRESENTS ONLY AN INTRODUCTION TO REITs IN GENERAL. THIS SECTION DOES NOT PURPORT TO IDENTIFY OR SUGGEST ALL REITs ARE ASSOCIATED WITH THE SAME RISKS AND BENEFITS (WHICH MAY NOT BE EXHAUSTIVE), AS HIGHLIGHTED HEREIN. THEREFORE, YOU SHOULD READ AND UNDERSTAND THE FULL TEXT OF THIS PROSPECTUS, IN PARTICULAR, SECTION 8 OF THIS PROSPECTUS BEFORE DECIDING TO INVEST IN THE ISSUE UNITS.

5.1 Overview Of REITs

A REIT is a collective investment scheme where funds from investors are pooled and invested towards a specified goal as set out in the investment objective of the fund. In addition, a REIT is a fund that invests via funds raised from investors in a portfolio of real estate assets or real estate-related assets. These real estate assets generate income from rent collected from tenants, which is then, net of expenses, distributed to investors at regular intervals. A REIT may be listed or unlisted.

A REIT may be illustrated as a tripartite relationship between the manager, the trustee and the unitholders governed by a deed registered with the SC. The tripartite relationship between the manager, the trustee and the unitholders in a REIT is illustrated below:



A REIT is constituted by a deed entered into between the manager and the trustee. The deed sets out the manner in which the REIT or scheme is to be administered, the valuation and pricing of units, the keeping of proper accounts and records, the collection and distribution of income, the rights of unitholders, the duties and responsibilities of the manager and trustee with regard to the operations of the scheme, and the protection of unitholders' interests.

5. INTRODUCTION TO REITs (Cont'd)

A brief description of the parties in a REIT is as follows:

The manager:

The manager is appointed to manage and administer the REIT in accordance with the objectives and investment policy of the REIT. The manager is obliged to administer the REIT in accordance with the deed, the SCA and the REITs Guidelines in an efficient and proper manner that will ensure high standards of integrity and fair dealing in managing the REIT to the interest of unitholders and to exercise due care, skill and diligence in effectively employing the resources and procedures necessary for the proper performance of the REIT.

The trustee:

The trustee is appointed for the unitholders to act as the custodian for all the assets of the REIT. The trustee, therefore, must act to ensure that the manager adheres strictly to the provisions of the deed, particularly with regard to the creation of units, exercise of investment powers of the REIT, collection and distribution of income, proper record keeping of administrative, investment and unitholders' transactions and in upholding unitholders' interests.

The unitholders:

The interest of a unitholder in the REIT is an equitable interest of a beneficiary of a trust, subject to the terms of the deed. Unitholders shall be entitled to receive the distributions of the fund and such other rights as provided in the deed.

Other relevant parties:

The Property Manager is appointed to manage the real estate assets of REIT.

5.2 The Regulatory Framework

In Malaysia, REITs are governed and regulated by the SC. The SC is empowered to ensure compliance with the SCA and the REITs Guidelines. The SCA and the REITs Guidelines serve to govern the operation and administration of REITs and serve to protect the interest of unitholders and to facilitate an orderly development of REITs. The trustee and the manager including its officers and directors, must comply with the SCA, the REITs Guidelines and all other Relevant Laws and Requirements.

A REIT is also governed by the deed, which incorporates the covenants required under the SCA and the REITs Guidelines.

The appointments of the manager, including its CEO and directors, and the trustee are subject to the approval of the SC.

5.3 Benefits Of Investing In REITs

(a) Diversification

In addition to other available investible securities and instruments, a REIT enables investors to further diversify their investments by providing them the opportunity to pool their resources for the purchase of a diversified portfolio of authorised investments in real estate or real estate related assets. Further, investors in a REIT can usually access a broader range of real estate than they could invest on their own.

5. INTRODUCTION TO REITs (Cont'd)

(b) Liquidity

In a listed REIT, units are generally more liquid as they are traded on a stock exchange and investors may purchase additional units or dispose all or part of their units on any market day on the stock exchange.

(c) Affordability

REITs allow investors to participate in the real estate market via investment in units of the REITs, which requires a smaller capital outlay relative to purchasing similar real estate on their own.

(d) Stable returns

REITs typically have relatively stable cash flows since almost all of its revenue is generated by rentals under the terms of lease agreements with its tenants. These agreements are typically for specific durations, and may be subject to tenancy extensions.

(e) Professional management

REITs provide investors with an opportunity to invest in real estate that is managed by experienced and professional property managers. These managers are in turn overseen by an independent trustee and regulated by the SC.

(f) Potential capital appreciation

In addition to distributing income at regular intervals, REITs also provide an opportunity for capital appreciation via any increase in the value of real estate held in its portfolio. In the case of a listed REIT, the unit price may appreciate subject to macroeconomics conditions, stock exchange sentiments and fund performance.

(g) Ownership of large investment grade real estate

Subject to the quality of the real estate, investing in a REIT is akin to holding stakes in large investment grade real estate, which may otherwise have been impossible for a retail investor.

Apart from the benefits listed above you should also note that there are risks involved should you decide to invest in a REIT. These risks are detailed in Section 8 of this Prospectus.

5.4 Comparison With Other Forms Of Investments

All investments carry some form of risk-return trade-off, accordingly REITs can be compared the following forms of alternative investments:

Cash and fixed deposits

Fixed deposits generally provide a fixed rate of return and can provide a stable stream of income. The range of deposit products available is quite extensive, ranging from simple overnight deposits at a cash rate, to more long term structured deposits, like a two-year fixed deposit. Whilst deposits with a licensed financial institution can be considered almost risk free, there still exists a risk of default. Cash and fixed deposits do not present any opportunity for capital gain, and depending on the inflation rate, may not provide a positive real return.

5. INTRODUCTION TO REITs (Cont'd)

Investment in bonds

Investments in bonds generally provide a fixed rate of return and can provide a stable stream of interest income. Bond prices move inversely to its yield to maturity. Bond investors are subject to a number of risks, including credit risk and interest rate risk. Bonds are generally less risky than shares but riskier than cash or fixed deposits.

Direct investment in real estate

Investments in real estate can provide a regular and stable stream of income and capital gains. However, such investment typically requires a large capital outlay, and is therefore generally available only to high net worth individuals, corporations or institutions. Movements in real estate prices can be cyclical and depending on the timing of the investment, can result in capital losses. Large capital outlays also limit the ability to diversify risk. Further, investments in real estate are generally less liquid than investments in marketable shares or bonds and may be difficult to exit in a timely manner.

Investment in shares

Investment in shares is subject to market risk and the specific risks associated with a company or business and may result in either capital gains or losses. Share prices can be volatile, and may not always reflect the fundamental value of a company. Investment in shares may or may not provide a regular stream of dividends. Shares are generally more risky than bonds or fixed deposits.

Financial derivative products

Financial derivative products are used to manage investors' exposure to unexpected price fluctuations in, amongst others, the commodity, equity and bond markets and derives its value from an underlying instrument such as interest rates, indices and share prices. As these underlying instruments can be volatile at times, this form of investment has very high investment risks. Financial derivative products can also provide an avenue to earn very high returns (losses) without large capital outlays.

In summary, risk and return comparison for the various investments may be summarised as follows:

Types of investment	Risk level	Expected return level
Cash	Low	Low
Fixed deposit		
Bonds		
REITs		
Direct investment in real estate		
Investment in shares		
Financial derivative products	High	High

5.5 Investor Profile

QCT may appeal to an investor who understands the risks related to the real estate industry and REITs, has long-term investment objectives with moderate risk appetite and seeks regular distribution income and long term capital appreciation.

5. INTRODUCTION TO REITs (Cont'd)

5.6 Performance Indicators And Benchmarks

In general, the Kuala Lumpur Composite Index is the most widely followed and used for performance benchmarking for listed securities. The Kuala Lumpur Composite Index is deemed an appropriate indicator and benchmark for evaluating performance of listed REITs as it is readily available to most investors and generally the preferred benchmark for all Malaysian-centric equity funds. In addition, the EMAS index, which indicates the overall performance of listed companies on the Main Board and property sector index, would also be practical for the same.

To obtain the latest information on the said indices, investors may refer to the Bursa Malaysia website, www.bursamalaysia.com under Market Information Section. Other pertinent information such as daily stocks performance by sectors and individual counter can also be obtained.

In addition, investors must consider and familiarise themselves with the following performance indicators of REITs:

(i) **MER**

The ratio of expenses incurred in operating a REIT to the NAV of the REIT. These expenses include the annual management fee, the annual trustee fee, valuation and auditors' fees and the costs of printing, stationary and postage but exclude property operating expenses such as quit rent and assessment, general property maintenance etc. Expenses are an important factor to be considered in choosing a REIT for investment, as the annual expenses of operating the REIT would normally take up a substantial portion of its gross income. Hence, MER allows you to make comparisons on the expenses incurred by other REITs in assessing whether such expenses of a particular REIT are excessive.

(ii) **Average Annual Return**

The percentage change in a REIT's price (after adjusting for distributions payout) for the period to the number of years under review. This indicator allows investors to compare the annualised return of the REIT with other forms of investment which is most often expressed in '*per cent per annum*'.

(iii) **Distribution Yield**

The ratio of the distribution paid to unitholders from the REIT's income to the price paid for the units of the REIT.

(iv) **NAV**

NAV represents the total assets of a company after subtracting all its liabilities and obligations.

(v) **Total returns**

Total return is computed based on the actual gross income distribution and the net change in the weighted average market price for the year, over the weighted average market price of the REIT for the respective year.

5. INTRODUCTION TO REITs (Cont'd)

5.7 Fees And Charges**(i) Charges imposed on sale or purchases of Units in a REIT**

Save for the usual costs related to the trading of Units on Bursa Securities (e.g brokerage clearing fees and stamp duty), there are no other charges imposed for the sale or purchase of Units.

Further information on the charges you may incur from the trading of the Units on Bursa Securities may be found on Bursa Securities' website at www.bursamalaysia.com.

(ii) Fees and expenses that a REIT may incur

There are annual operating expenses involved in running a fund such as the management fee, trustee fee, audit fees and other direct administrative costs. These expenses are deducted from the gross income of the fund.

There may be other expenses incurred on a REIT. The manager may also impose other fees and charges on the REIT.

Details	
Management fee	Management fee is paid to the management company for managing a REIT.
Property management fee	Property management fee is paid to the Property Manager for managing the properties. The fee is based on a certain graduated scale as provided in the provisions of the VAEA Act.
Trustee fee	Trustee receives trustee fee for acting as trustee and custodian of the assets a REIT invests in and safeguards the interest of investors.
Others	<ul style="list-style-type: none">• Auditor's fee;• Valuation fee;• Other relevant professional fees;• Interest expense;• Printing, posting and general expenses; and• All other expenses related to the Fund

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK